

**5. QUESTIONS CONCERNING THE APPLICATION OF EU VAT PROVISIONS**

**5.2 Origin: Germany**  
**Reference: Article 2(1)(c)**  
**Subject: Conditions for there being a taxable transaction when Internet services are provided in exchange of user data**  
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1. When, to be able as a user to accede IT services offered by a taxable person without a monetary consideration, an individual grants permission for that taxable person to use his personal data, the VAT Committee **unanimously** agrees that the provision of data by that individual does not constitute an economic activity and therefore is not a taxable supply of services, unless for that activity the individual uses human or material resources similar to those of a producer, trader or a person supplying services within the meaning of the second subparagraph of Article 9(1) of the VAT Directive.
2. When a taxable person provides IT services without requesting monetary consideration to a user of the Internet in exchange for that user's permission to use his personal data, the VAT Committee **unanimously** agrees that the provision of those IT services does not constitute a taxable transaction for VAT purposes as long as those services are offered under the same conditions to all users of the Internet, irrespective of the quantity and quality of the personal data they provide individually, in such a way that no direct link can be established between the IT services provided and the consideration in the form of personal data received.