



**Pace of extension of reduced VAT rate into e-Books need to increase to meet international standards
IPA launches updated version of its global survey on VAT on books and e-books**

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Today, IPA's Literacy and Book Policy Committee, meeting in Frankfurt on the opening day of the world's largest book fair, is launching an updated version of its annual global survey on VAT on books and electronic publications. 88 countries have been surveyed. Despite the global economic crisis and the subsequent VAT reforms in many countries, books are consistently confirmed to be among the goods and services that merit a reduced VAT/GST rate or an exemption. Although there is a trend towards the inclusion of e-books in special VAT/GST regimes, much progress remains to be made for most countries to adopt a real non-discriminatory, consistent tax regime for paper and e-publications in conformity with OECD's guidelines and benchmarks. For the first time, data from the largest publishing market (the USA) is included in this IPA global survey on VAT on books and e-books.

The first and second editions of the global survey had showed just how dominant special rates for books were around the world. Globally, reduced VAT/GST rates for books are the norm, not the exception, among the countries. This third edition shows that globally, particularly in Europe, standard VAT rates are on the rise. However, special rates for books are still dominant worldwide. Despite a clear trend towards inclusion of e-books in special VAT/GST regimes, much progress remains to be made for countries to adopt a real non-discriminatory, consistent tax regime for print and e-books in conformity with OECD's guidelines and benchmarks.

Says IPA Secretary General Jens Bammel: "Lower VAT rates for publishers are justified because they help publishers and bookshops offer more diverse and better books at affordable prices. It is a proven and effective tool to promote literacy and encourage reading. Lower VAT rates on books help secure a stronger national publishing industry with more employment, supporting local bookshops, and small and medium-sized publishing companies".

He adds: "Despite progress, the discriminatory tax treatment of print and e-books continues in more than 40% of the countries surveyed in violation of OECD's guidelines and benchmarks recommending a non-discriminatory policy and the application of concessions to e-publications. As e-book consumption expands rapidly worldwide beyond the traditional English-language markets, this issue is becoming increasingly urgent to resolve".

The survey is available at: www.internationalpublishers.org/images/stories/VAT/vat_report_2012.pdf

International Publishers Association

More about IPA:

The International Publishers Association (IPA) is the global non-governmental organisation representing all aspects of book and journal publishing worldwide. Established in 1896, IPA's mission is to promote and protect publishing and to raise awareness for publishing as a force for cultural and political advancement worldwide. IPA is an industry association with a human rights mandate. IPA currently has 65 member associations in 53 countries. IPA is a trade association with a human rights mandate.

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