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Request for a preliminary ruling from the Upravni sud u Zagrebu (Croatia) lodged on 31 October 2019 — FRANCK d.d., Zagreb v Ministarstvo financija Republike Hrvatske, Samostalni sektor za drugostupanjski upravni postupak

(Case C-801/19)

(2020/C 27/29)

Language of the case: Croatian

Referring court

Upravni sud u Zagrebu

Parties to the main proceedings

Applicant: FRANCK d.d., Zagreb

Defendant: Ministarstvo financija Republike Hrvatske, Samostalni sektor za drugostupanjski upravni postupak, Zagreb

Questions referred

1.

Can a service involving funds being made available by the applicant, which is not a financial institution, for payment of a one-off fee of 1 %, be regarded as ‘the granting and the negotiation of credit and the management of credit by the person granting it’ within the meaning of Article 135(1)(b) of the VAT Directive, (1) despite the fact that the applicant is not formally referred to as the lender in the contract?

2.

Is a bill of exchange, that is to say a security containing an obligation on the issuer to pay a specific amount of money to the person designated as the creditor in the security in question or to the person who subsequently acquired that the security in an manner prescribed by law, regarded as an ‘other negotiable instrument’ within the meaning of Article 135(1)(d) of the VAT Directive?

3.

Does the applicant’s service, by which, for a fee of 1 % of the amount of the bill of exchange charged to the issuer thereof, it transferred the bill of exchange obtained to a factoring company, and transferred the amount obtained from the factoring company to the issuer of the bill of

exchange, and guaranteed to the factoring company that the issuer of the bill of exchange will pay the liability arising from the bill of exchange when it becomes due, constitute:

(a)

a service exempt from VAT under Article 135(1)(b) of the VAT Directive; or

(b)

a service exempt from VAT under Article 135(1)(d) of the VAT Directive? a

(1) Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax (OJ 2006 L 347, p. 1).