

Deloitte GTC(E)  
European VAT Refund Guide - 2024



# Table of Content

Introduction	1	Spain	139
Deloitte Global VAT refund services	2	Sweden	144
VAT recovery in the EU	4	Switzerland	149
Austria	7	United Kingdom	153
Belgium	11	Appendices	158
Bosnia & Herzegovina	16	Appendix I - 2008/09/EC Directive	159
Bulgaria	19	Appendix II - 13 <sup>th</sup> EU VAT Directive	164
Croatia	23	Appendix III - Overview of VAT recovery rules	166
Cyprus	27		
Czech Republic	31		
Denmark	35		
Estonia	39		
Finland	44		
France	49		
Germany	54		
Greece	60		
Hungary	67		
Iceland	72		
Ireland	75		
Italy	81		
Latvia	86		
Lithuania	91		
Luxembourg	97		
Malta	101		
Netherlands	106		
Norway	111		
Poland	115		
Portugal	120		
Romania	124		
Slovakia	130		
Slovenia	134		



# Introduction

Businesses operating in countries in which they are not established or VAT registered (i.e. non-resident businesses) can incur significant amounts of VAT on expenses paid in those countries. In principle, non-resident businesses should be able to recover some or all of the VAT incurred, thereby reducing their costs.

The 2024 European VAT refund guide summarizes the rules and procedures to obtain a VAT refund in 32 European countries.

The information contained in this guide, which is current through December 2023, has been compiled in cooperation with VAT professionals in Deloitte offices in the countries covered.

If you have any questions or comments, contact one of the following professionals:

## Olivier Hody

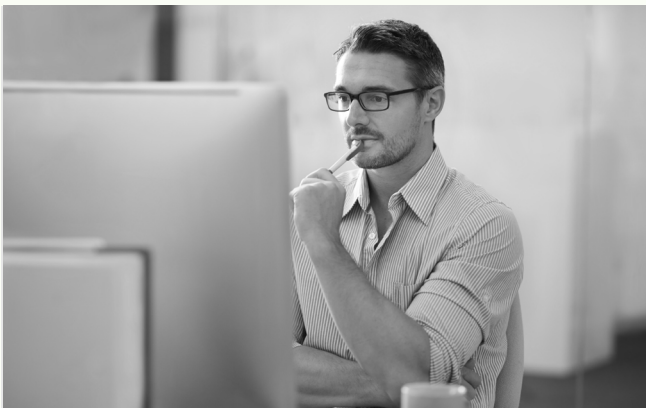
Partner  
+ 32 2 600 66 49  
ohody@deloitte.com

## Katrien Robberechts

Senior Manager  
+32 2 301 86 33  
krobberchts@deloitte.com

Or contact our general contact/email address: [Be Refunded](mailto:berefunded@deloitte.com) (berefunded@deloitte.com)

This publication contains general information only, and none of Deloitte Touche Tohmatsu Limited, its member firms, or their related entities (collectively, the “Deloitte Network”) is, by means of this publication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional.





# Deloitte Global VAT refund services

## Foreign VAT recovery—Not only doing things right, but doing the right thing

Many businesses may be missing refund opportunities in countries that allow refunds of VAT. Even if a business already claims VAT refunds, it may be possible to benefit from a potentially more efficient automated process for filing and receiving refunds. Businesses that operate in countries where they are not established or VAT-registered often incur significant amounts of VAT on expenses paid in those countries. Some of the most common expenses for which nonresident companies incur VAT include:

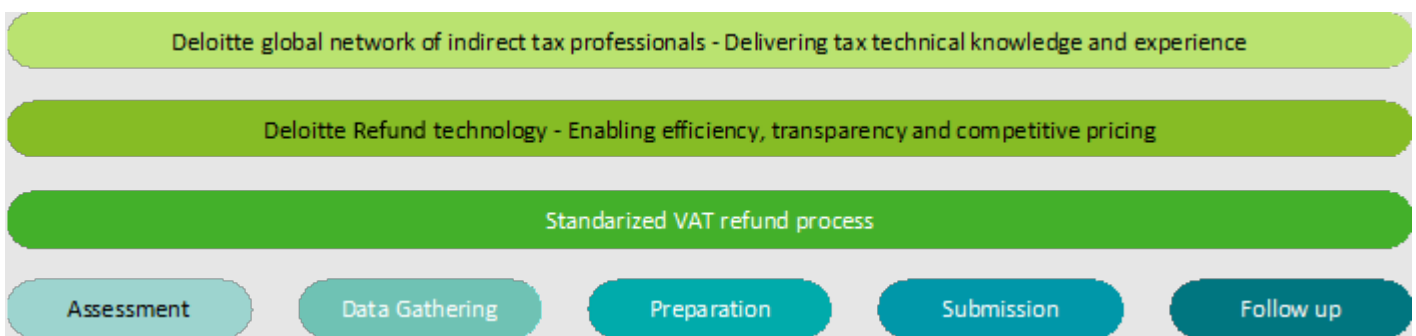
- Employee travel and lodging;
- Service charges from vendors;
- Co-location costs;
- Import VAT incurred on the movement of goods across borders;
- Clinical trials; and
- Local purchases of goods.

In principle, nonresident businesses may be able to recover some or all of the VAT incurred on the above expenses, which may offer a significant opportunity to reduce tax costs.

Some businesses already claim nonresident VAT refunds. There may, however, be opportunities to improve the VAT recovery process through automation, which potentially could reduce the time and costs to gather VAT expense information, prepare VAT refund claims and submit the claims to the tax authorities.

### Our approach

With Deloitte's VAT compliance tool, we assist companies by introducing automation to the global VAT recovery process.







Our solution extracts data from invoices and receipts quickly and accurately by using optical character recognition (OCR) technology and then automatically calculates recovery restrictions on certain types of expenditure. It organizes the information into a predefined format, ready for submission to the tax authorities. Manually performing these tasks often can take months. However, automating the process all the way through the submission of the claims to the tax authorities can potentially reduce preparation time to a few days.



**Combining technology with our extensive global experience allows us to offer various services to assist companies seeking VAT refunds, including:**

- A transparent, standardized and efficient approach for recovering foreign VAT;
- Automated and effective VAT recovery technology that helps to reduce the risk associated with manual refund claims and the likelihood of rejection based on duplicate invoices, while potentially accelerating the filing of refund claims;
- Advice from indirect tax specialists who possess significant VAT technical knowledge and global experience.
- Throughout the VAT recovery process, claims are tracked showing which claims are being processed, which have been filed, the status of each claim and any requests from tax authorities for additional information.

For more information on this service, email the Global VAT refund team at [berefunded@deloitte.com](mailto:berefunded@deloitte.com).





# VAT recovery in the EU

The EU directive that became effective on 1 January 2010 (i.e. Directive 2008/09/EC) introduced a new procedure for businesses established and registered for VAT purposes within the EU to request a refund of VAT incurred in other EU member states. The directive allows EU businesses to submit a refund claim via the web site of the tax authorities of the country in which the claimant is established (the previous system, known as the 8<sup>th</sup> VAT Directive system, required claims to be submitted in hard copy and in the country in which the VAT was incurred). Directive 2008/09/EC also made changes to the deadlines that apply for submitting a claim and for the processing of refunds by the authorities and is now frequently called “9<sup>th</sup> Directive). As under the previous rules, refund requests will be handled by the member state of refund, the amount refundable will be determined under the deduction rules of that member state and the payment of the refund will be made directly to the claimant by the member state of refund. While the revised procedures should facilitate and expedite the processing of refund claims, businesses need to be aware of deadlines and issues connected with the process and make any necessary adjustments to their internal systems.

The changes made by Directive 2008/09/EC do not affect refund claims by businesses that are not established or VAT-registered in an EU member state. Such businesses still recover VAT incurred in EU member states according to the procedure in the 13<sup>th</sup> VAT Directive.

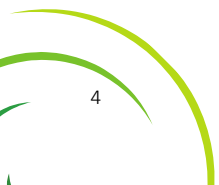
The 2024 European VAT refund guide provides detailed information on the technical and practical aspects of the procedures under Directive 2008/09/EC and on refund claims under the 13th VAT Directive. The guide covers the procedures in the 27 EU member states, the United Kingdom and three of the European Free Trade Association (EFTA) countries: Iceland, Norway and Switzerland. Additionally, we recently included Bosnia & Herzegovina as this country introduced as well the possibility to recover VAT.

## EU businesses (Directive 2008/09/EC)

### Eligibility for refund

A business registered for VAT in one EU member state can reclaim VAT incurred in another member state. However, where the business is registered or otherwise liable or eligible to register for VAT purposes in a member state, it should register in that country and recover VAT through its VAT registration (periodic returns). Applications to recover VAT under Directive 2008/09/EC will be rejected if the business has its residence, its seat or a fixed establishment and/or taxable supplies of goods or services in the EU member state in which the VAT was incurred.

EU member state	The following non-EU countries also included in this guide
Austria	Bosnia & Herzegovina
Belgium	Iceland
Bulgaria	Norway
Croatia	Switzerland
Cyprus	United Kingdom
Czech Republic	
Denmark	
Estonia	
Finland	
France	
Germany	
Greece	
Hungary	
Ireland	
Italy	
Latvia	
Lithuania	
Luxembourg	
Malta	
Netherlands	
Poland	
Portugal	
Romania	
Slovakia	
Slovenia	
Spain	
Sweden	





## Non-refundable VAT

The specific items of expenditure on which VAT is recoverable vary in each member state.

### Services

Services are the supplies on which an EU business is most likely to be able to recover VAT incurred in another member state. However, following the implementation of the new rules on the place of supply of services (implemented on 1 January 2010), VAT incurred on acquired services in other EU member states has been substantially reduced, as these transactions normally must be reverse charged by the customer in its country of establishment.

### Goods

The recovery of VAT on goods is more complex. Generally, the supply of goods from one member state to a customer in another member state is zero-rated (provided the customer is registered for VAT purposes elsewhere in the EU and its VAT registration number is provided to the supplier).

Where goods have been acquired in another member state, VAT can be reclaimed provided no other VAT relief is available and, as a result of the transaction, the company does not become liable to register for VAT purposes in that other member state.

With a few exceptions, if goods are purchased for resale, either within or outside the member state, the business generally will have to register for VAT purposes in respect of the resale and will recover VAT through the VAT registration.

Direct VAT recovery, therefore, will apply only to goods delivered and consumed for business purposes within the charging member state (e.g. the purchase and use of local office supplies).

## Making claims

### Minimum amounts

EU/EEA/EFTA member states can set the minimum amount that may be recovered under each VAT refund application. The minimum for annual applications, or applications for the final part of a year, is EUR 50 and EUR 400 for interim applications. The table shows the current limits in each state.

Items omitted from earlier interim applications usually can be included in later applications filed in the same year.

### Time limits

The application must cover a period of at least three consecutive calendar months (e.g. from 1 January to 31 March) in a calendar year, but not more than one calendar year, except where the period represents the remainder of a calendar year (e.g. from 1 November to 31 December). The latest date for filing is the 30<sup>th</sup> of September of the following year (different due dates may apply for quarterly refunds).

### Minimum amounts for refund

Country	Annual	Interim
Austria	EUR 50	EUR 400
Belgium	EUR 50	EUR 400
Bulgaria	BGN 100	BGN 800
Croatia	EUR 50	EUR 400
Cyprus	EUR 50	EUR 400
Czech Republic	EUR 50	EUR 400
Denmark	DKK 400	DKK 3,000
Estonia	EUR 50	EUR 400
Finland	EUR 50	EUR 400
France	EUR 50	EUR 400
Germany	EUR 50	EUR 400
Greece	EUR 50	EUR 400
Hungary	EUR 50	EUR 400
Ireland	EUR 50	EUR 400
Italy	EUR 50	EUR 400
Latvia	EUR 50	EUR 400
Lithuania	EUR 50	EUR 400
Luxembourg	EUR 50	EUR 400
Malta	EUR 50	EUR 400
Netherlands	EUR 50	EUR 400
Poland	EUR 50	EUR 400
Portugal	EUR 50	EUR 400
Romania	EUR 50	EUR 400
Slovakia	EUR 50	EUR 400
Slovenia	EUR 50	EUR 400
Spain	EUR 50	EUR 400
Sweden	SEK 500	SEK 4,000
Bosnia & Herzegovina	BAM 100	BAM 800
Iceland	ISK 19,300	ISK 96,400
Norway	NOK 500	NOK 5 000
Switzerland	CHF 500	N/A
UK	GBP 16	GBP 130





## Procedure

### Filing

As a rule, the refund application must be submitted electronically through the portal of the tax authorities in the country in which the claimant is established, by 30 September of the calendar year following the refund period. In principle, this deadline will not be extended.

### IT requirements

All refund claims submitted according to the procedure in Directive 2008/09/EC must be filed electronically. However, the method of filing, certifications, required format of files and other IT requirements vary from country to country.

### Supporting documentation

In the first phase of an application, most member states do not require any documentation other than the application form (filed in the country of residence). Once the application has been transferred to the state in which VAT was incurred, that state can request additional documentation, such as invoices (originals or copies), import documents or other supporting documents.

The Court of Justice of the European Union (CJEU) has ruled that in specific cases, a nonresident business should be able to submit duplicate tax invoices where the originals have been lost for reasons beyond its control.

## Refunds and appeals

Another important change made by Directive 2008/09/EC is the introduction of set time limits for the tax authorities to issue a decision on refund claims.

The member state of refund has four months to decide on an application, starting from the day it confirms receipt of the claim. The term will be extended when additional information is requested, and the claimant will be required to provide the information within one month. Once the member state of refund receives the additional information, it has two months to decide on the claim. If the claimant does not provide the information requested, the member state of refund must decide on the claim within two months after the one-month period expires for the claimant to respond.

When additional information is requested by the member state of refund, it has at least six months to issue its decision on the claim. When more information is requested (after a first request), the final decision should be made within eight months of receipt of the application.

Once the tax authorities decide to issue a refund, it must be paid within 10 business days after expiration of the above deadlines. If payment of the refund is delayed, the tax authorities will have to pay (late refund) interest.

## Non-EU businesses (13<sup>th</sup> Directive)

The rules for non-EU businesses are similar to those for EU businesses, except that:

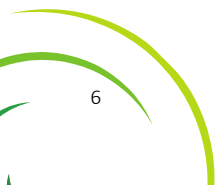
- Bulgaria, Croatia, Cyprus, Czech Republic, Estonia, Germany, Greece, Hungary, Italy, Latvia, Lithuania, Malta, Poland, Portugal, Romania, Slovak Republic, Slovenia, Spain, Switzerland and (in exceptional cases) the UK do not allow claims unless there is a reciprocity agreement or reciprocal treatment for the recovery of VAT and other turnover taxes with the country in which the non-EU business is established.
- A fiscal representative (for VAT refund purposes) may need to be appointed in some member states.
- While the deadline to apply for EU refunds to EU established businesses is harmonized to 30 September of the year following the VAT year, refunds' deadlines from Non-EU countries or from EU countries to Non-EU established companies may vary (usually on 30 June or 30 September of the year following the VAT year). Significant exceptions are:
  - in The United Kingdom where the deadline to recover UK VAT is on the 31 December following the “prescribed year” (see definition of the “prescribed year” in the United Kingdom country section below) and
  - in The Netherlands where refund claims are still accepted up to 5 years following the tax point (usually the invoice date) although businesses submitting the refund claim after the official deadline (30 June of the year following the VAT year) are not allowed to appeal in front of the Court if for any reason the refund claim is rejected. Note that informal appeals to the tax officer in charge of the refund claim are always allowed.
- Non-EU businesses usually must support claims with a certificate of “taxable status” rather than a certificate of VAT status. This should indicate that the non-EU business is a taxable person for business purposes in its own country (e.g. form IRS 6166 for US- established companies).

Individual member states may impose additional conditions for non-EU businesses to recover VAT.

## Structure of this VAT refund guide

The 2024 edition of the VAT refund guide has the same structure as the 2023 version and is divided in two main sections:

1. The formalities that must be complied with if a country is the **Member State of Establishment** (i.e. for companies established in that specific country, claiming the refund of input VAT in another EU / non-EU country), and
2. The formalities/thresholds/requirements that must be taken into account if a country is the **Member State of Refund** (for EU and non-EU companies claiming the refund of input VAT in that specific country).





# Austria



Austrian VAT is known as “Umsatzsteuer” (USt) or “Mehrwertsteuer” (MwSt).

The standard VAT rate is 20%, and there are reduced rates of 13% and 10%. A special 19% rate applies in Jungholz and Mittelberg. For 2021, a reduced rate of 5% was applicable for certain services due to the Covid pandemic.

An extensive overview of the VAT rates applied in Austria can be found at:

[https://ec.europa.eu/taxation\\_customs/system/files/2021-06/vat\\_rates\\_en.pdf](https://ec.europa.eu/taxation_customs/system/files/2021-06/vat_rates_en.pdf)

It is not necessary to appoint an Austrian fiscal representative to claim a VAT refund based on Directive 2008/09/EC or the 13<sup>th</sup> Directive. However, the Austrian tax authorities require the appointment of an Austrian person authorized to receive documents from the authorities (a “postal address” in Austria).

## Austria is the Member State of Establishment EU countries (Directive 2008/09/EC)

*This refers to an Austrian-established company submitting an EU (former 8<sup>th</sup> Directive) claim in another EU member state.*

### Procedure

#### Filing

The application must be submitted electronically through the portal of the tax authorities of the country in which the claimant is established <https://finanzonline.bmf.gv.at/fon/> (for Austrian claimants). If the application is submitted by a third party, the third party must be an Austrian Certified Public Accountant; it may not be a non-established company.

The Austrian tax authorities will issue a confirmation of receipt of a VAT refund claim.

### IT requirements

For Austrian-established businesses, the preparation and filing of the claims form must be done through the FinanzOnline web portal. The information required to complete the form must be uploaded manually (i.e. on a line-by-line basis) or by uploading XML files.

A maximum of forty invoices per refund claim can be filed in a manual upload. Claims that have more than forty invoices must be uploaded through XML files to be created via specific software.

To access the FinanzOnline service, a claimant must apply for log-in codes with the Austrian tax authorities. Access to the web portal for submitting the VAT refund claim may be obtained by filing Form FON1 with the authorities.

### Non-EU countries (13<sup>th</sup> Directive equivalent)

*This refers to an Austrian-established company submitting a non-EU (13<sup>th</sup> Directive equivalent) claim in a non-EU country.*

The refund application for an Austrian-established company claiming input VAT in a non-EU country must be submitted according to the requirements of the country of refund. The Austrian portal may not be used.

Another difference with the 8<sup>th</sup> Directive EU VAT refund procedure is that a “certificate of taxable status” issued by the member state of establishment usually will be required by the non-EU country of refund. This form is called “U70” in Austria.

### Austria is the Member State of Refund

#### EU businesses (Directive 2008/09/EC)

*This refers to an EU-established company submitting an EU (former 8<sup>th</sup> Directive) claim in Austria.*

#### Eligibility for refund

A foreign taxable person is entitled to recover Austrian VAT if the following conditions are satisfied:

- The claimant is not registered, liable or eligible to be registered for VAT in Austria;
- It does not have residence, its seat or a fixed establishment from which it carries out supplies of goods or services in Austria; and
- The claimant has not rendered any taxable supplies in Austria, except for:
- Certain tax-exempt cross-border transport from/to non-EU countries;
- Supplies for which the reverse charge mechanism applies; and
- Electronically provided supplies where the foreign taxable person opted for application of the special regime for non-established taxable persons supplying electronic services to non-taxable persons.







## Non-refundable VAT

VAT cannot be recovered on the following:

- The purchase, hire, operation (including fuel and tolls) and repair of passenger vehicles, except zero emission vehicles (with restrictions regarding the purchase price of the vehicle), driving school vehicles, taxis;
- hire car vehicles and cars that are listed by the Austrian tax authorities (specific vehicles that are mainly used for business purposes); and
- Entertainment expenses, except for business meals where the purpose of the meeting and the identity of the participants are documented.

## Partially refundable VAT

There are no expenses for which non-established companies would only be allowed a partial refund of Austrian VAT.

## Making claims

### Minimum amounts

If the application relates to a period of less than one calendar year, but not less than three months, the amount in the application may not be less than EUR 400; if the application relates to a period of a calendar year or the remainder of a calendar year, the amount may not be less than EUR 50.

### Time limits

The application must cover a period of at least three consecutive calendar months (e.g. from 1 January to 31 March) in a calendar year, but not more than one calendar year, except where the period represents the remainder of a calendar year (e.g. from 1 November to 31 December). The application (for the remainder of the calendar year) also may relate to invoices or import documents not covered by previous applications with respect to transactions carried out during the relevant calendar year.

According to the Federal Ministry of Finance, another refund claim may not be submitted for the remainder of a calendar year. Thus, the last month (e.g. December) should not be included in the original claim if additional invoices could be received; in that case, the company will be able to include the additional invoices in the claim for the last month.

The application must be submitted to the Austrian tax authorities by 30 September of the following year. Late claims will not be accepted, and no extension of the deadline will be granted.

### Proxy

It is recommended that a proxy is uploaded (an electronic scanned copy) in English or German, along with the refund claim.

## Supporting documentation

No supporting documents have to be submitted when filing the claim electronically, but the Austrian VAT authorities can request additional documents/information (e.g. original invoices, copies of invoices, import documents, etc.). This request can be sent by email.

In accordance with EU Council Directive 2008/9/EC, a copy of the invoices relating to the refund claim should be attached/enclosed in cases where the invoices equal or exceed the taxable basis of EUR 1,000 (or the equivalent in national currency). The threshold is reduced to EUR 250 (or the equivalent in national currency) for fuel costs.

## E-Invoicing

E-invoices generally are accepted and are sufficient to claim input VAT via the EU (former 8<sup>th</sup> Directive) procedure. There are no specific requirements / restrictions related to E-Invoicing (besides the general requirements described in the second EU Invoicing Directive) in Austria.

## Refunds and appeals

The VAT authorities must issue a decision on a refund claim within four months and ten business days of receipt of the claim:

- The authorities can accept the claim, notify the claimant by issuing the relevant assessment (also via electronic means) and repay the reclaimed amount;
- The authorities can reject the claim (in whole or in part) and notify the claimant by issuing the relevant assessment (also via electronic means); or
- The authorities can request additional information and notify the claimant (also via electronic means). The claimant must provide the information requested within the deadline stated on the request, by email or via letter (the type of the communication mean must be stated in the request).

Notifications and assessments may be sent via electronic means (by email or uploaded in the e-filing system) or in hard copy.

Based on the Austrian VAT guidelines, the decision will be sent in the same manner to the tax authorities of the claimant's country of residence as the input VAT refund claim was sent to the Austrian tax authorities. The manner of delivery is determined by the country of residence of the claimant (via the online portal of the country of residence or in hard copy).

Companies whose local tax authorities reject the delivery of the assessment/decision issued by the Austrian tax authorities should receive the assessment/decision via email (based on the email address included in the input VAT refund claim).





The period in which the authorities must make a decision will be extended to six months where additional information is requested, or eight months where the authorities request additional information following a first request. A decision on the refund claim must be issued.

If a refund is granted, it will be processed in Euro within ten business days after the relevant period and paid to the bank account number provided to the authorities. The bank account can be held by the claimant, a proxy holder or any other person. There is no requirement that the bank account be in Austria.

The Austrian tax authorities will be liable for late payment interest if the refund is not processed in a timely manner.

The entire refund claim may not be rejected because one of the submitted invoices was not correct/could not be provided in a readable/acceptable scanned copy or because a query on an invoice has not been answered, unless only one invoice was submitted. If the refund is not granted, the grounds for rejection must be stated. In practice, a claim will be denied for the following reasons:

- Non-deductible input VAT amounts;
- Failure to comply with the invoice requirements; or
- The place of supply is outside Austria.

A taxpayer can appeal the rejection of a claim to the Austrian tax authorities before the end of the first month following the receipt of the decision. The deadline and the name of the taxpayer must be stated on the decision. The appeal must be written in German and filed by courier or registered mail.

The Austrian tax authorities may levy penalties if a refund claim is rejected due to tax fraud.

## Non-EU businesses (13<sup>th</sup> Directive)

*This refers to a non-EU-established company submitting a 13<sup>th</sup> Directive claim in Austria.*

### Eligibility for refund

Reciprocity between Austria and the country of establishment is not required for a non-EU business to request a VAT refund.

### Non-refundable VAT

VAT cannot be recovered on the following:

- The purchase, hire, operation (including fuel and tolls) and repair of passenger vehicles, except zero emission vehicles (with restrictions regarding the purchase price of the vehicle), driving school vehicles, taxis;
- Hire car vehicles and cars that are listed by the Austrian tax authorities (specific zero-emission vehicles that are mainly used for business purposes);
- Purchase of fuel (as of January 14, 2021) and

- Entertainment expenses, except for business meals where the purpose of the meeting and the identity of the participants are documented.

### Partially refundable VAT

There are no expenses for which non-established companies would be allowed only a partial refund of Austrian VAT.

### Making claims

#### Minimum amounts

If the application relates to a period of less than one calendar year but not less than three months, the amount for which application is made may not be less than EUR 400; if the application relates to a period of a calendar year or the remainder of a calendar year, the amount may not be less than EUR 50.

#### Time limits

The application must cover a period of not less than three consecutive calendar months (e.g. from 1 January to 31 March) in one calendar year and not more than one calendar year, unless the period represents the remainder of a calendar year (e.g. from 1 November to 31 December). The application can relate to invoices or import documents not covered by previous applications with respect to transactions completed during that calendar year.

The application must be submitted to the Austrian tax authorities within six months of the end of the calendar year in which the tax became chargeable, i.e. by 30 June of the following year. Late claims will not be accepted, and no extension of the deadline will be granted.

#### Proxy

The application must be signed by a person who is legally entitled to represent the company (e.g. managing director or other legal representative); otherwise, an original authorization must be provided.

#### Application forms

The application must be made on Form U5 issued by the Austrian tax authorities (other EU forms are not accepted). It must be completed in German and amounts must be stated in Euro.

Application forms can be obtained from the local VAT offices, or at:

[https://service.bmf.gv.at/service/anwend/formulare/show\\_ma\\_st.asp?Typ=SM&STyp=HaFo](https://service.bmf.gv.at/service/anwend/formulare/show_ma_st.asp?Typ=SM&STyp=HaFo)

Upon accessing the site, the code designation of the requested form must be indicated (U5 for the input VAT application form, Verf18 for the relevant questionnaire and U70 for the certificate of taxable status). Alternatively, a search function can be used (in German).

Each invoice must be mentioned in an attachment to the application. Using an excel spread sheet to provide an overview of the claimed amounts generally is not permitted, even though this is often a common practice.





The form and supporting documentation must be sent to:

Finanzamt Österreich Dienststelle  
Graz-StadtBetriebsveranlagungsteam Ausländerreferate  
Conrad von Hötzendorfstraße 14-18  
8018 GRAZ  
Austria  
T: +43 50 233 233  
<https://www.usp.gv.at/steuern-finanzen/umsatzsteuer/informationen-fuer-auslaendische-unternehmer/kontakt-zum-finanzamt-graz-stadt.html>

Applications may not be filed electronically.

### Supporting documentation

The following documents must be submitted with the first application:

- Completed input VAT application form (U5)
- Questionnaire Verf 18

The following documents must be submitted with each application:

- Original invoices, import documents, bills, vouchers, receipts or customs clearance forms (copies are not accepted);
- Original certificate of VAT status Form U70. The claimant must prove it is registered for VAT purposes in its country of residence. The certificate must have been issued within the past year. Foreign certificates are accepted if they contain at least the content in Form U70.

### E-Invoicing

The Austrian VAT Act and the relevant guidelines do not contain provisions regarding e-invoices in connection with input VAT refund claims of non-EU companies. Therefore, input VAT refund claims based on e-invoices may not be accepted by the Austrian tax authorities since they are entitled to request original invoices for reclaims of Austrian input VAT. Non-EU companies, therefore, should request hard copy invoices from their suppliers for invoices subject to Austrian VAT.

## Refunds and appeals

There is no deadline for the Austrian tax authorities to decide on a 13<sup>th</sup> Directive refund claim:

- The authorities can accept the claim, notify the claimant by issuing the relevant assessment (also via electronic means) and repay the reclaimed amount;
- The authorities can reject the claim (in whole or in part) and notify the claimant by issuing the relevant assessment (also via electronic means); or
- The authorities can request additional information and notify the claimant (also via electronic means). The claimant must provide the information requested within the deadline stated on the request.

A refund normally will be paid when the assessment regarding the refund claim was issued. However, there is no legal deadline for the Austrian tax authorities to issue a refund.

The tax authorities will not be required to pay interest even if the refund is not processed in a timely manner.

An entire refund claim may not be rejected because one of the submitted invoices was not correct, could not be provided in a readable/acceptable scanned copy or because a query on one invoice has not been answered, unless only one invoice was submitted.

If the refund is not granted, the grounds for rejection must be stated.

An appeal against the denied claim may be made to the Austrian tax authorities before the end of the first month following receipt of the decision. The deadline and the name of the addressee must be stated on the decision. The appeal must be in German and be sent by courier or registered mail.

The Austrian tax authorities may levy penalties where a refund claim is rejected due to tax fraud.

A refund typically takes between two and a half to seven months to be processed if no additional requests for information are sent to the claimant. There is no requirement to have an Austrian bank account to obtain a VAT refund.





# Belgium



Belgian VAT is known as “Belasting over de Toegevoegde Waarde” (BTW) in Dutch and “Taxe sur la Valeur Ajoutée” (TVA) in French.

The standard VAT rate is 21%, and there are reduced rates of 12%, 6% and 0%.

It is not necessary to appoint a Belgian fiscal representative to claim a VAT refund under Directive 2008/09/EC or the 13<sup>th</sup> Directive.

## Belgium is the Member State of Establishment EU countries (Directive 2008/09/EC)

*This refers to a Belgian-established company submitting an EU (former 8<sup>th</sup> Directive) claim in another EU member state.*

### Procedure

#### Filing

The application must be submitted electronically (in French, Dutch, German) through the portal of the Belgian tax authorities i.e. Intervat:

<https://financien.belgium.be/nl/E-services/Intervat/ho-intervat-gebruiken/vat-refund-aanvraag-indienen#q2>

The VAT refund claim can be submitted by a third party with a power of attorney.

When Belgium is the member state of establishment, the Belgian VAT authorities will issue a confirmation of receipt of a VAT refund claim.

#### IT requirements

Belgian taxpayers registered for VAT purposes can file their refund claims electronically using the Intervat web service of the Belgian tax authorities.

The preparation and filing of the form must be done through the tax authorities’ website. A file may be uploaded in XML format to complete the form or the data can be put directly into the website. Guidance for filing the form is available at:

<https://financien.belgium.be/nl/E-services/Intervat/ho-intervat-gebruiken/vat-refund-aanvraag-indienen#q1>

The electronic form is divided into three main sections:

- General information relating to the claimant and the period for which the refund is requested (including bank account details, activities of the claimant ...);
- List of invoices in which each document can be manually typed in or all documents can be uploaded in XML format (the list of XSD schemes to be used) is published on the tax authorities’ website at: <https://financien.belgium.be/nl/E-services/Intervat/technische-documentatie> ;
- Annexes, where scanned invoices/annexes can be uploaded taking the following into account:
  - Maximum one file per country for which a refund is requested;
  - File types accepted: JPEG, PDF or TIFF;
  - Maximum file size: 5,2MB; and
  - Black and white/maximum 200 dpi standard scanning.

Once the claim is submitted, the taxpayer will receive confirmation from the website, referencing the number of the application.

### Non-EU countries (13<sup>th</sup> Directive equivalent)

*This refers to a Belgian-established company submitting a non-EU (13<sup>th</sup> Directive equivalent) claim in a non-EU country.*

The refund application for a Belgian-established company claiming input VAT in a non-EU country must be submitted according to the requirements of the country of refund. The Belgian portal may not be used.





## Belgium is the Member State of Refund EU businesses (Directive 2008/09/EC)

*This refers to an EU-established company submitting an EU (former 8<sup>th</sup> Directive) claim in Belgium.*

### Eligibility for refund

A foreign taxable person is entitled to recover Belgian VAT if the following conditions are satisfied:

- The claimant is not registered, liable or eligible to be registered for VAT in Belgium;
- The claimant does not have residence, its seat or a fixed establishment in Belgium; and
- The claimant has not provided any taxable supplies in Belgium, except for:
- Certain tax-exempt cross-border transportation from/to non-EU countries;
- Supplies for which the reverse charge mechanism applies;
- Supplies subject to occasional taxation; or
- Electronically provided supplies where the foreign taxable person opted for application of the special regime for non-established taxable persons supplying electronic services to non-taxable persons.

### Non-refundable VAT

VAT cannot be recovered on:

- Manufactured tobacco;
- Alcoholic beverages, except beverages intended for resale or supply during the performance of a service (e.g. bars, hotels and restaurants);
- Accommodation, meals and beverages under an accommodation or a catering contract, unless these costs are incurred by a company's staff effecting outside supplies of goods or services or by taxable persons that in turn supply the same services for consideration; and
- Entertainment expenses (although according to recent Belgian jurisprudence, expenses incurred in the context of an advertising event may be considered recoverable).

### Partially refundable VAT

Up to 50% of the VAT on motor vehicles may be deducted if the vehicle is used only for business purposes. Four methods are used to determine the percentage of the deduction:

- A percentage representing the actual number of kilometers driven for business purposes (i.e. the VAT taxpayer must maintain details for each vehicle);
- A percentage based on the distance between the home and the office (commuting distance), increased by a lump sum for private use;
- A flat rate deduction of 35%; or
- A flat rate deduction of 85% on light commercial vehicles that are used mainly for business purposes.

The private use of the motor vehicle is not subject to VAT, and in principle, the rules do not apply to non-established VAT taxpayers who incur Belgian VAT on motor vehicles.

In principle, one of the four methods will be applicable to VAT taxpayers that have a presence in Belgium without having a permanent establishment for VAT purposes and consequently must reclaim Belgian VAT incurred via the refund procedure (e.g. representation office, sales persons or administrative support staff in Belgium, etc.).

There are exceptions to the limitation on the recovery of VAT related to motor vehicles, the most important of which are:

- Vehicles intended to be sold or leased by a taxable person whose economic activity involves the sale or leasing of motor vehicles;
- Vehicles intended to be used solely for passenger transport for hire or reward;
- New vehicles within the meaning of article 28a (2) of Directive 77/388/EEC forming the subject of supplies exempt under article 28c (A)(b). In that case, the amount deducted may be equal to the amount of tax the taxable person would have had to pay if the supply had not been exempt.

### Making claims

#### Minimum amounts

If the application relates to a period of less than one calendar year but not less than three months, the amount for which application is made may not be less than EUR 400; if the application relates to a period of a calendar year or the remainder of a calendar year, the amount may not be less than EUR 50.

#### Time limits

The application must cover a period of not less than three consecutive calendar months (e.g. from 1 January to 31 March) in a calendar year and not more than one calendar year, except where the period represents the remainder of a calendar year (e.g. from 1 November to 31 December).

The application also may relate to invoices or import documents not covered by previous applications with respect to transactions completed during that calendar year.

A maximum of five applications can be filed per year.

More than one year-end refund claim (annual return) may be submitted, but this should be limited to the extent possible, as some member states from which a refund is due may not accept more than one annual or year-end refund claim.







### Proxy

A proxy must be provided if the VAT refund claim is submitted by a third party or when a third party wishes to receive information from the VAT authorities on a VAT refund claim submitted by a claimant. An electronic proxy (PDF) is allowed, which can be provided to the Belgian VAT authorities separately via email.

### Supporting documentation

The general threshold for the submission of an electronic copy of an invoice is where the taxable basis on the invoice or import document is EUR 1,000 or more (EUR 250 for invoices relating to fuel costs). The serial number used in the application form must be included on the documents.

The Belgian authorities can request additional documents/information (e.g. authorization document from a foreign taxpayer stating that the payment may be granted to a third party).

### E-Invoicing

The Belgian VAT authorities accept e-invoices if the relevant conditions are satisfied. Attaching a PDF copy of the invoice in the VAT refund claim is recommended.

### Refunds and appeals

The Belgian VAT authorities must issue a decision on a refund application within four months of receipt of the request:

- The authorities can accept the claim and notify the claimant via electronic means;
- The authorities can reject the claim (in whole or in part) and notify the claimant via registered mail; or
- The authorities can request additional information and notify the claimant via electronic means. The claimant must provide all information within one month of receipt of the request.

The tax authorities will send an email notification.

Queries can be sent to any person (even a third party), but the VAT authorities usually will direct their queries to the email address included on the VAT refund claim.

The period in which the authorities must make a decision will be extended to six months where additional information is requested, or eight months where the authorities request additional information after a first request.

The VAT refund claim will be deemed to be accepted if the Belgian VAT authorities fail to communicate their decision within the above deadlines.

If a refund is granted, it will be processed in Euro within ten business days after the relevant period to the bank account number provided to the authorities.

A Belgian bank account is not required, but the claimant, proxy holder or other person must hold a SEPA bank account.

The Belgian tax authorities will be liable for late payment interest if the refund is not processed in a timely manner.

The refund claim may be rejected in its entirety if the requested information is not provided to the Belgian VAT authorities. The Belgian VAT authorities will send a reminder to the claimant, but if the information is not provided, the authorities can reject the entire VAT refund claim.

If the refund is not granted, the grounds for rejection must be stated. An appeal against the denied claim may be made to the Belgian VAT authorities by email before the end of the third calendar year following the notification of the rejection. Reasons for rejecting a claim include failure to respond to queries, failure to provide the requested information, claiming VAT that is not (yet) reclaimable, etc.

Penalties can be imposed if the claimant has tried to claim VAT incorrectly (similar to the penalties that are imposed on Belgian VAT taxpayers).

VAT refund claims generally are processed within three to four months.

### Non-EU businesses (13<sup>th</sup> Directive)

*This refers to a non-EU-established company submitting a 13<sup>th</sup> Directive claim in Belgium.*

#### Eligibility for refund

Reciprocity is not required.

#### Non-refundable VAT

VAT cannot be recovered on:

- Manufactured tobacco;
- Alcoholic beverages, except beverages intended for resale or supply during the provision of a service (e.g. bars, hotels and restaurants);
- Accommodation, meals and beverages under an accommodation or a catering contract, unless these costs are incurred by a company's staff effecting outside supplies of goods or services or by taxable persons that in turn supply the same services for consideration;
- Entertainment expenses (although according to recent Belgian case law, expenses incurred in the context of an advertising event may be considered recoverable).

#### Partially refundable VAT

Up to 50% of VAT on motor vehicles may be deducted only if the vehicle is used for business purposes. Four methods are used to determine the percentage of the deduction:

- A percentage representing the actual number of kilometers driven for business purposes (i.e. the VAT taxpayer must maintain details for each vehicle);
- A percentage based on the distance between the home and the office (commuting distance), increased by a lump sum for private use;
- A flat rate deduction of 35%; or





- A flat rate deduction of 85% on light commercial vehicles that are used mainly for business purposes.

The private use of the motor vehicle is not subject to VAT, and in principle, the rules do not apply to non-established VAT taxpayers who incur Belgian VAT on motor vehicles.

In principle, one of the four methods will be applicable to VAT taxpayers that have a presence in Belgium without having a permanent establishment for VAT purposes and consequently such taxpayers will have to reclaim Belgian VAT incurred via the refund procedure (e.g. representation office, sales persons or administrative support staff in Belgium, etc.).

There are exceptions to the restriction on the recovery of VAT related to motor vehicles, the most important of which are:

- Vehicles intended to be sold or leased by a taxable person whose economic activity involves the sale or leasing of motor vehicles;
- Vehicles intended to be solely used for passenger transport for hire or reward; and
- New vehicles within the meaning of article 28a (2) of Directive 77/388/EEC forming the subject of supplies exempt under article 28c (A)(b). In that case, the amount deducted may be equal to the amount of tax the taxable person would have had to pay if the supply had not been exempt.

## Making claims

### Minimum amounts

If the application relates to a period of less than one calendar year but not less than three months, the amount for which an application is made may not be less than EUR 400; if the application relates to a period of a calendar year or the remainder of a calendar year, the amount may not be less than EUR 50.

### Time limits

The application must cover a period of not less than three consecutive calendar months (e.g. from 1 January to 31 March) in one calendar year and not more than one calendar year, except where the period represents the remainder of a calendar year (e.g. from 1 November to 31 December). The application can relate to invoices or import documents not covered by previous applications with respect to transactions completed during that calendar year.

The application must be submitted to the Belgian VAT authorities by 30 September of the calendar year following the refund period. An extension of the deadline will not be granted.

A maximum of five applications can be filed per year.

### Proxy

A proxy must be attached to the VAT refund claim if the VAT refund claim is submitted by a third party or when a third party wishes to receive information from the VAT authorities on a VAT refund claim that was submitted by a claimant. An electronic proxy (PDF) is permitted (max 15MB).

### Application procedure

As from 2022, the VAT refund procedure has been changed to an electronic rather than a paper process which was in place until December 31, 2021.

For the first electronic VAT refund application:

- An e-mail must be sent to [foreigners.team2@minfin.fed.be](mailto:foreigners.team2@minfin.fed.be) to request a VAT refund identification number. The applicant will first have to obtain a VAT refund identification number before it will be able to lodge a VAT refund claim electronically;
- If the VAT refund application is filed by a third party, also the third party will have to first obtain a VAT refund identification number (also via e-mail to [foreigners.team2@minfin.fed.be](mailto:foreigners.team2@minfin.fed.be)).

The VAT refund application must be filed electronically via this link:

<https://eservices.minfin.fgov.be/myminfinweb/pages/public/forms?formID=803>

Documents to be included in the VAT refund application (in the exact same order) – max 15MB per attachment.

- An excel sheet should be added as attachment to the VAT refund application using a pre-described model: <https://financien.belgium.be/sites/default/files/downloads/126-vat-refund-transactions-transacties-transaktionen.xlsx>;
- Certificate of taxpayer status (not older than 1 year), translated to Dutch, French or German and for legal persons, a copy of the latest balance sheet and by-laws (including amendments to the by-laws if any);
- Copy of detailed invoices (no summary invoices per month) in the exact same order as mentioned in the excel summary. Import transactions, not only the invoice but also the import document;
- A copy of the credit notes received;
- Copy of the contract if the invoice(s) refer to a contract.

Additional information can be obtained at:

FOD Financiën

KMO Centrum Specifieke Materies – Team 2

Kruidtuinlaan 50, bus 3410 – 18P

B-1000 Brussel

België

[foreigners.team2@minfin.fed.be](mailto:foreigners.team2@minfin.fed.be)

+32(0)257 740 40





### Supporting documentation

The following documents must be submitted with each application:

- Copy of invoices, import documents or credit notes. The serial number used in the application form must be included on the documents;
- When outgoing transactions have been carried out:
  - A copy of the relevant contract(s) if the invoice refers to the contract; and
  - A copy of the outgoing invoice(s).

The following information must be submitted with the application if VAT is recovered on motor vehicles:

- A copy of the certificate of registration;
- A description of how the motor vehicle is used; and
- A description of how a previous motor vehicle was used if it was purchased in Belgium.

### Refunds and appeals

The Belgian VAT authorities must make a decision within four months of the date of receipt of the VAT refund claim.

- The authorities can accept the claim and notify the claimant via electronic means (the original invoices will be returned to the claimant at the same time);
- The authorities can reject the claim (in whole or in part) and notify the claimant via registered mail; or
- The authorities can request additional information and notify the claimant via electronic means. The claimant must provide all information within one month of receipt of the notification.

In most cases, the VAT authorities will contact the claimant (or the person who submitted the VAT refund claim) via email (provided the VAT authorities have an email address). In other cases, the VAT authorities will send their queries via registered mail. The decision on the VAT refund claim always is sent via mail, together with the original invoices.

The period in which the authorities must make a decision will be extended from six to eight months where additional information is requested.

Queries can be sent to any party (even a third party), but the VAT authorities usually will raise their queries to the claimant or the person who submitted the VAT refund claim.

The VAT authorities generally will send any queries before the end of the four-month period. The claimant will be requested to provide the information within one month. Upon receipt of the information, the VAT authorities will make a decision.

If a refund is granted, it will be processed in EUR within ten business days after the relevant period. The claimant is not required to have a bank account in Belgium or in the EU.

If the refund is not processed in a timely manner, the claimant can file a request for late payment interest. Interest is not paid automatically, but the claimant must file a specific request.

The refund claim can be rejected in its entirety if the requested information is not provided to the Belgian VAT authorities, but the Belgian VAT authorities will send a reminder to the claimant to submit the additional information. If the information still is not provided, the VAT authorities can reject the entire claim.

If the refund is not granted, the grounds for rejection must be stated.

Reasons for rejecting a VAT refund claim include late submission of the claim or failure to respond to queries from the VAT authorities.

An appeal against a denied claim must be made to the Belgian VAT authorities before the end of the third calendar year following the notification of the rejection decision.

Penalties may be imposed if the claimant attempts to incorrectly claim VAT (similar to penalties imposed on Belgian VAT taxpayers).

The Belgian VAT authorities usually process a VAT refund claim within three to four months.





# Bosnia & Herzegovina



Bosnian Herzegovinian (“BiH”) VAT is known as “Porez na dodanu vrijednost (PDV)”.

The standard VAT rate is 17%.

A fiscal representative must be appointed for a business to apply for a VAT refund.

The competent authority handling VAT refunds to foreign taxpayers is the BiH Indirect Taxation Authority (the "ITA").

VAT and VAT Refund are primarily regulated by the Law on Value Added Tax (*Official Gazette of BiH*, no. 9/05, 35/05, 100/08 and 33/17), the Rulebook on the Application of the Law on Value Added Tax (*Official Gazette of BiH*, no. 93/05, 21/06, 60/06, 6/07, 100/07, 35/08, 65/10, 85/17, 44/20 and 47/22) and the Instruction on the Implementation of the Procedure for Refunding Value Added Tax to Foreign Taxpayers (*Official Gazette of BiH*, no. 78/20).

All documents to be submitted in the purpose of the VAT refund must be translated into one of the BiH official languages in use. Bosnia & Herzegovina is not an EU Member State, which means that the relevant EU Directives are not applicable.

## Eligibility for VAT refund

For a foreign taxpayer (or “claimant”) to obtain a VAT refund, it is primarily important that it does not have a registered office, residence, business unit or any other form of established (profit) business on the territory of Bosnia and Herzegovina.

The claimant cannot be registered for VAT or have an obligation to register for the payment of VAT. However, it is required that the claimant is registered for the payment of VAT in the country where they have an established business.

Even if these requirements are fulfilled, the claimant would be obliged to appoint a local fiscal representative and obtain the ITA identification number for the purpose of such VAT refund.

To apply for VAT refund, the claimant must be able to provide a proof of VAT registration (i.e. its status as taxable entity) in the country in which it has an established business, as well as a proof (at the request of the ITA) that the invoices subject to VAT refund have been paid.

The claimant requests a VAT refund for purchases they would have a right to deduct input tax if the activity has been carried out in BiH, or a VAT refund for purchases for which they would have a right to deduct input VAT in the country where the claimant has an established business.

The claimant must possess original tax invoices for goods purchased and services received in BiH, which are issued pursuant to applicable laws and regulations.

The claimant that performs activities through a business unit or other form of an established business in BiH, as well as the claimant registered for VAT in BiH through a tax representative, is not entitled to a right to VAT refund.

The claimant that does not have a right to a full deduction of input VAT in the country where they have an established business is not entitled to a right to VAT refund in BiH.

## Non-refundable VAT

VAT related to the following transactions cannot be refunded:

- Procurement, production and import of passenger cars, buses, motorcycles, watercraft and aircraft and spare parts for such means of transport, fuel and consumables for transport purposes, as well as rental, maintenance, repairs and other services related to the use of these means of transport, unless the means of transport and other goods are exclusively used for the performance of their business activity;
- Expenses related to the acquisition of immovable property used by the taxpayer or their staff as a facility for housing, children's stay or as a facility for recreation and leisure activities, along with goods and services related to them or their use;
- Accommodation and entertainment expenses;
- Representation expenses of taxpayers and employees;
- In-kind payments to employees.

## Partially refundable VAT

Not recognized in BiH. VAT (expressed on a certain invoice) is either fully refundable or fully non-refundable.



## Making claims

### Minimum amounts

The request for a VAT refund can only be submitted if the amount (for which the request is submitted) exceeds BAM 800. Exceptionally, the claimant could request the refund of lower amount of VAT, but not lower than 100 BAM, if a refund is requested for the entire calendar year.

### Time limits

A VAT application must be made no later than June 30 of the current calendar year to which the claim relates. It can be submitted either quarterly or for the entire calendar year.

If the application is submitted quarterly, then it is submitted for the periods from January 1 to March 31, from April 1 to June 30, from July 1 to September 30 and from October 1 to December 31.

Exceptionally, the claim for VAT refund can be submitted for a period shorter than 3 months, but only if it refers to a period covering the last quarter of a calendar year (e.g., for purchases made in the period from mid-October to the end of the calendar year).

### Proxy

The fiscal representative must be registered with the ITA as a representative for VAT refund. To be registered as such, it requires meeting special conditions and following the registration procedure, regulated in the Instruction on implementing the VAT refund procedure for foreign taxpayers.

The claimant authorizes the fiscal representative to represent them in the VAT refund proceeding, by granting a Power of Attorney in a form prescribed by bylaw.

### Application forms

The BH VAT refund application is made on PDV-SPO form along with other supporting documentation. The forms must be filled-in in one of the official languages in use in BiH (Bosnian/Serbian/Croatian).

Forms can be accessed [here](#).

The application form PDV-SPO, duly signed and stamped by the claimant and their BiH fiscal representative, should be submitted in original.

Since the amounts to be filled-in must be stated in Bosnian Marks (BAM), invoice amounts stated in a foreign currency should be converted into BAM.

If more than thirty invoices are submitted along with the application form, the fiscal representative is obliged to prepare a separate excel table and submit it to the ITA on a suitable medium or portable memory (CD, USB, etc.).

In case the VAT refund request is approved, the ITA "cancels" the original invoices by marking them as "used" and keeps respective copies in their records.

### Follow up on submitted claims

The claimant and the fiscal representative can follow up on a VAT refund claim, by checking the status of the request with the ITA.

If the VAT refund application does not contain all the necessary documents or if there are other reasons that can be remedied, the ITA will request from the fiscal representative to remedy within 15 days from the date of receipt of the notification.

### Supporting documentation

The following documents should be submitted with each VAT refund request:

- Contract of VAT representation services;
- Power of attorney for fiscal representative;
- Certificate of taxpayer status issued by the tax office of the country of residence of the foreign taxpayer;
- Filled-in questionnaire for registration of a foreign taxpayer;
- Original invoices.

### E-Invoicing

E-Invoicing is not yet possible in Bosnia and Herzegovina.







## Refunds and appeals

Approved VAT refunds are made in BAM and paid to the bank account of the claimant or their fiscal representative.

VAT refunds submitted by the end of June are usually processed until December 31 (period of six months).

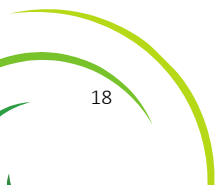
The ITA informs the claimant if their refund request is approved or rejected, by sending an official letter addressed to the BiH fiscal representative.

If the ITA rejects the refund claim, the claimant can request a formal decision that can be appealed. The deadline for filing an appeal is fifteen days, counting from the receipt of the decision.

The director of the ITA decides on the appeal in the second instance, within three months from the date of receipt of the appeal (legal deadline). If the claimant is not satisfied with the second-instance decision, they can file the lawsuit against the decision to the competent court.

Common reasons for rejection of a VAT refund claim are:

- Late filing;
- Providing copies of invoices, rather than the originals;
- The claimant generates domestic turnover;
- The relevant supplies are used for non-business purposes or for VAT-exempt turnover without deduction of input VAT;
- VAT was mistakenly charged for services; and
- The claim is filed by foreign-domiciled agencies and similar businesses (not entitled to a VAT refund in BiH).





# Bulgaria



Bulgarian VAT is known as “Данък върху добавената стойност” (ДДС). The standard VAT rate is 20%, and there are reduced rates of 9% and 0% (zero rate).

It is not necessary to appoint a Bulgarian VAT agent to claim a VAT refund based on Directive 2008/9/EC, although an agent is required for 13<sup>th</sup> Directive claims.

## Bulgaria is the Member State of Establishment EU countries (Directive 2008/09/EC)

*This refers a Bulgarian-established company submitting an EU (former 8<sup>th</sup> Directive) claim in another EU member state*

### Procedure

#### Filing

The application must be submitted electronically (in Bulgarian) through <https://portal.nra.bg/en> for companies established in Bulgaria).

The claim may be submitted by the claimant or an authorized representative and must contain the following information:

- Name, address and email address of the entity;
- VAT registration number of the entity;
- Description of the economic activity for which the acquired goods or services were designated;
- Time period to which the refund relates;
- Statement that no taxable supplies of goods and services have been made in the refunding country during the relevant time period, except for:
  - Supplies subject to the 0% rate;
  - Transport and ancillary services; and
  - Supplies for which the reverse charge mechanism applies;
- Address and code of the country of establishment;

- Specified bank account details, including IBAN and BIC codes; and
- Any additional information for claiming VAT on imported goods.

When Bulgaria is the member state of establishment, the Bulgarian tax authorities will notify the claimant when the request is forwarded to the member state of refund. Another notification will be sent to the claimant when the refund state confirms receipt of the application.

#### IT requirements

Bulgarian taxpayers registered for VAT purposes can file their refund claims only electronically through the Bulgarian tax authorities' website: <https://portal.nra.bg/en>

To access the online system, the claimant must:

- Submit an application to use the electronic services of the National Revenue Agency;
- Have Adobe reader installed;
- Have a qualified electronic signature (QES) issued by a provider certified by the Bulgarian Communications Regulation Commission;
- Use a computer supporting the launch of JNLP files (Open Web Start or Java Web Start).

A file may be uploaded to complete the form. The uploaded file must be in text format with the coding UTF-8 and named “VATREFUND.CSV.”

The electronic form is divided into the following main sections:

- General information relating to the claimant, the relevant period and the amount of the refund claim;
- Information on the import documents;
- Information on purchase invoices; and
- Annexes/scanned invoices can be uploaded. These documents can be in PDF, JPEG and TIFF formats or in a zip file. The maximum size of all files may not exceed 5MB.

Once the claim is submitted, the taxpayer will receive confirmation from the website, referencing its application.

There is no limit on the number of invoices that may be submitted in a refund claim or per year.



## Non-EU countries (13<sup>th</sup> Directive equivalent)

This refers to a Bulgarian-established company submitting a non-EU (13<sup>th</sup> Directive equivalent) claim in a non-EU country.

The refund application for a Bulgarian-established company claiming input VAT in a non-EU country must be submitted according to the requirements of the country of refund. The Bulgarian revenue authorities' portal may not be used.

Another difference with the 8<sup>th</sup> Directive EU VAT refund procedure is that a "certificate of taxable status" issued by the member state of establishment usually will be required by the non-EU country of refund. This form is called "Удостоверение за доказване на регистрация в чужбина" in Bulgaria.

## Bulgaria is the Member State of Refund EU businesses (Directive 2008/09/EC)

This refers to an EU-established (or Northern Ireland) company submitting an EU (former 8<sup>th</sup> Directive) claim in Bulgaria.

### Eligibility for refund

A foreign taxable person may recover Bulgarian VAT if the following conditions are satisfied:

- The claimant does not have its registered seat, management address, fixed establishment, permanent address or usual residence in Bulgaria;
- It is registered for VAT purposes in the EU member state in which it is established or Northern Ireland;
- The claimant has not made any taxable supplies in Bulgaria, except for:
  - Supplies subject to the 0% rate;
  - Transport services and ancillary services;
  - Supplies for which the reverse charge applies;
  - Supplies under OSS regime.
- The business uses the goods and/or services for taxable supplies made outside Bulgaria for which VAT would have been recoverable had the supplies been made in Bulgaria or for the above-mentioned taxable supplies in Bulgaria.

### Non-refundable VAT

VAT cannot be recovered on:

- Goods or services intended for making VAT-exempt supplies;
- Goods or services intended for "not-for-consideration" supplies or for activities different than the economic activities of the entity;
- Entertainment expenses;
- Acquisition of a motorcycle or passenger car (with less than five seats, excluding the driver's seat), although exceptions apply;
- Goods or services related to the maintenance, repair, improvement or operation of a motorcycle or passenger car, as well as for transport services or taxi transport with a passenger car; and

- Goods that have been confiscated by the state or a building that has been demolished because it was unlawfully constructed.

### Partially refundable VAT

A person is entitled to a partial reimbursement of VAT regarding goods and services if, in its member state of establishment, the person carries out supplies with right to a VAT deduction and supplies with no such right. The amount of deductible VAT is calculated based on the information in a certificate issued by the member state where the taxpayer is established.

Corrections relating to the right of deduction percentage may be made by submitting a declaration through the electronic portal of the country of establishment by 30 September of the year that follows the refund period.

### Making claims

#### Minimum amounts

If the application relates to a period of less than one calendar year but not less than three months, the amount for which application is made may not be less than BGN 800 (approximately EUR 400); if the application relates to a calendar year or the remainder of a calendar year, the amount may not be less than BGN 100 (approximately EUR 50).

#### Time limits

The application must cover a period of not less than three consecutive calendar months (e.g. from 1 January to 31 March) in one calendar year and not more than one calendar year, unless the period represents the remainder of a calendar year (e.g. from 1 November to 31 December). The application also may relate to invoices or import documents not covered by previous applications with respect to transactions carried out during that calendar year. If the claimant receives additional invoices in the calendar year after submitting the refund claim, another claim may be submitted if it is for an amount exceeding BGN 100.

#### Proxy

The right to a VAT refund must be exercised by the entity itself or an authorized agent acting on behalf of the taxpayer. If an agent is used, a formal power of attorney must be presented to the competent tax authorities for each VAT refund claim. The following data about the authorized agent must be provided: name, VAT identification number or tax reference number, full address (including the code of the state where the agent is established and email address).

#### Supporting documentation

Copies of invoices and import documents do not have to be submitted with each VAT refund application. However, the Bulgarian tax authorities may request copies (or originals) of invoices and import documents after the claim is submitted.





## E-Invoicing

E-invoices generally are accepted and are sufficient to claim input VAT via the former 8<sup>th</sup> Directive procedure.

## Refunds and appeals

The tax authorities must issue a decision within four months of submission of the VAT refund claim if no additional information is requested:

- The tax authorities may grant the claim and notify the claimant via electronic means;
- The tax authorities may reject the claim (in whole or in part) and notify the claimant via electronic means; or
- The tax authorities may request additional information and notify the claimant via electronic means. The claimant is obliged to comply with any such request within one month of receipt of the request by email or by courier.

If a decision is not issued within this timeframe, the VAT refund claim will be deemed to be rejected and an appeal (in Bulgarian) may be filed within fourteen days of the date the decision on the VAT refund claim should have been issued. Appeals must be filed with the Appeals of the Tax and Social Security Practice at the Tax Agency Headquarters or by mail/registered mail with proof of delivery, certifying the date of submission.

A VAT refund must be paid within ten days from the date the decision to grant it was issued.

The Bulgarian tax authorities will be liable for late payment interest if the refund is not processed in a timely manner. The refund may be paid only to bank accounts that are included on the list of credit institutions approved by the Bulgarian National Bank.

A VAT refund claim may be denied in part, if a tax document was incompliantly issued, or if the claimant fails to provide requested information regarding tax documents.

If a refund is not granted, the grounds for rejection must be stated explicitly. Reasons for rejecting a VAT refund claim include the following:

- Insufficient evidence that a real supply took place;
- Failure to comply with VAT registration requirements in Bulgaria (where the claimant carried out taxable supplies or has a fixed establishment).

The statute of limitations for filing an appeal is fourteen days following the date the decision was received.

## Non-EU businesses (13<sup>th</sup> Directive)

*This refers to a non-EU-established company submitting a 13<sup>th</sup> Directive claim in Bulgaria.*

### Eligibility for refund

Reciprocity is required. The following countries have reciprocity agreements with Bulgaria (and are included on a list published by the Ministry of Finance); Canada, Iceland, Israel, Republic of Korea, Republic of Northern Macedonia, Moldova, Norway, Serbia, Switzerland, Ukraine and United Kingdom and Northern Ireland.

### Non-refundable VAT

VAT cannot be recovered on:

- Goods or services intended for making VAT-exempt supplies;
- Goods or services intended for “not-for-consideration” supplies or for activities different than the economic activities of the person;
- Entertainment expenses;
- Acquisition of a motorcycle or passenger car (with less than five seats, excluding the driver’s seat), although certain exceptions apply;
- Goods or services related to the maintenance, repair, improvement or operation of a motorcycle or passenger car, as well as for transport services or taxi transport with a passenger car; and
- Goods that have been confiscated by the state or a building that has been demolished because it was unlawfully constructed.

### Partially refundable VAT

A person is entitled to a partial reimbursement of the tax regarding goods and services, if in its member state of establishment, the person carries out both supplies with a right to a VAT deduction and supplies with no such right. The amount of the deductible VAT is calculated based on the information from the certificate issued by the member state of the entity establishment.

### Making claims

#### Minimum amounts

If the application relates to a period of less than one calendar year but not less than three months, the amount for which the application is made may not be less than BGN 800 (approximately EUR 400); if the application relates to a period of a calendar year or the remainder of a calendar year, the amount may not be less BGN 100 (approximately EUR 50).

#### Time limits

The claim must cover a period of no less than three consecutive calendar months (e.g. from 1 January to 31 March) in one calendar year and not more than one calendar year unless the period represents the remainder of a calendar year (e.g. from 1 November to 31 December).







The claim may also include invoices or import documents not covered by previous applications that concern transactions carried out during the same calendar year.

The claim must be submitted to the Bulgarian tax authorities within six months of the end of the calendar year in which the VAT became chargeable, i.e. by 30 June of the following year. Failure to file the claim within the latter statute of limitations results in the forfeiture of the right to claim the object VAT.

#### **Proxy**

The right for VAT refund is exercised through a duly authorized VAT agent with specific statutory registration credentials who acts on its behalf. A written power of attorney for authorizing an agent (if the entity exercises its right for refund via an agent) must be presented to the competent revenue authority for every request. The following data about the authorized agent must be provided, i.e., the name of the authorized person, VAT identification number or tax reference number, the full address, including the code of the state where the person is established, and its email address.

#### **Application forms**

The application must be made on a specific form prescribed by Ordinance N-10/24.08.2006 and signed by the VAT agent. The application must be drafted in Bulgarian, although the name and address of the claimant must be written in the official language of the state of establishment of the claimant.

The claimed amount must be stated in BGN. All invoices must be listed in attachment to the application. An excel spreadsheet may be used to provide an overview of the claimed amounts.

The form and supporting documentation must be sent to:  
Territorial Directorate of the National Revenue Agency

Sofia 21, Aksakov Str.  
1000 Sofia, Bulgaria  
Tel. (+359 2) 98 59 38 01

The official website of the National Revenue Agency is:  
<https://nra.bg/wps/portal/nra/nachalo>

Applications may not be submitted electronically.

#### **Supporting documentation**

The following documents must be submitted with each application:

- Original invoices, import documents or credit notes (copies are not accepted). The serial number used in the application must be included on the documents;
- A summary of the submitted invoices. All invoices must be mentioned in the summary to provide an overview of the claimed amounts and an excel spread sheet may be used for this purpose. The summary is included in the application;
- An original certificate of VAT status confirming that the claimant is registered for VAT purposes in its state of establishment. The certificate must have been issued within the past year. It can be in e-form if the same can be verified electronically. The certificate should be accompanied by a Bulgarian translation;
- An original declaration from the non-resident business confirming that it did not have a place of business and did not undertake any taxable activities in Bulgaria during the period for which it is making the claim and that the expenses were incurred only for business purposes; and
- An original power of attorney authorizing the VAT agent to represent the person before the tax authorities.

The tax authorities may request additional documents.

#### **E-Invoicing**

A printed version of e-invoices generally is accepted and is sufficient to claim input VAT via the 13<sup>th</sup> Directive procedure.

#### **Refunds and appeals**

The tax authorities must issue a decision within six months of the submission of the VAT refund claim if no additional information has been requested.

An appeal against a rejected refund claim must be filed within fourteen days after the date the decision is received.







# Croatia



Croatian VAT is known as “Porez na dodanu vrijednost (PDV)”.

The standard VAT rate is 25%, and there are reduced rates of 13% and 5%. Croatia also applies zero rate to the supply and installation of solar panels on and adjacent to private dwellings, housing and public and other buildings used for activities in the public interest.

It is not necessary to appoint a fiscal representative to claim a VAT refund; however, if appointed, a representative must be an established VAT taxpayer.

## Croatia is the Member State of Establishment EU countries (Directive 2008/09/EC)

*This refers to a Croatian-established company submitting an EU (former 8<sup>th</sup> Directive) claim in another EU member state.*

### Procedure

#### Filing

A VAT refund application must be submitted electronically through the portal of the Croatian tax authorities (available [here](#)). It can be filed directly by the applicant or by its proxy. The due date for filing is 30 September of the calendar year following the refund period.

The Croatian tax authorities will not forward the application to the tax authorities in another EU member state in the following situations:

- The applicant is not considered a VAT-taxable person;
- The applicant only carries out supplies of goods and services that are exempt from VAT without the right of deduction;
- The applicant applies a special scheme for small enterprises.

The applicant may not file VAT refund claims for periods in which it was not registered as a VAT taxpayer.

The data currently must be entered manually on the portal, but the tax authorities have announced that they intend to introduce an option to file in XML format.

The refund period may not be longer than one calendar year or shorter than three months (except when it concerns a year-end).

If an application covers a period shorter than one calendar year but not less than three months, the requested VAT may not be less than EUR 400. When an application covers an entire calendar year or the end of the year (i.e. November and December), the requested amount of VAT may not be less than EUR 50.

Croatian VAT legislation does not limit number of invoices that can be included in one claim.

#### IT Requirements

The refund claim is filed electronically through the portal of the Croatian tax authorities (VAT refund system) available at:

[https://eusustavi.porezna-uprava.hr/wps/portal!/ut/p/z1/04\\_Sj9CPyKssy0xPLMnMz0vMAfIjo8zi3d1dPN09LQwC\\_C1cjA0CPX09LFycHY0MDAz0wwkpiAJKG-AAjiD9UWAlcBPc3U1dgCYEWqhGGXgbWLgb4VfgHmQIVYButFOQkZOxgYG7vxFWBSiuKMiNMMjOTFcEAMCIPSA!/dz/d5/L2dBISEvZ0FBIS9nQSEh/](https://eusustavi.porezna-uprava.hr/wps/portal!/ut/p/z1/04_Sj9CPyKssy0xPLMnMz0vMAfIjo8zi3d1dPN09LQwC_C1cjA0CPX09LFycHY0MDAz0wwkpiAJKG-AAjiD9UWAlcBPc3U1dgCYEWqhGGXgbWLgb4VfgHmQIVYButFOQkZOxgYG7vxFWBSiuKMiNMMjOTFcEAMCIPSA!/dz/d5/L2dBISEvZ0FBIS9nQSEh/)

The VAT refund system enables the registration of applicants and proxies. Registration is affected by completing standardized forms (available online on the tax authorities' website) and submitting them to the competent tax office. Upon registration, applicants will receive a username and password to access the system.

#### Non-EU countries (13<sup>th</sup> Directive equivalent)

*This refers to a Croatian-established company submitting a non-EU (13<sup>th</sup> Directive equivalent) claim in a non-EU country.*

The refund application for a Croatian-established company claiming input VAT in a non-EU country must be submitted according to the requirements of the country of refund. The Croatian portal may not be used.

Another difference with the 8<sup>th</sup> Directive EU VAT refund procedure is that a “certificate of taxable status” issued by the member state of establishment usually will be required by the non-EU country of refund. This form is called “Potvrda o statusu obveznika PDV-a” in Croatia.



## Croatia is the Member State of Refund EU businesses (Directive 2008/09/EC)

*This refers to an EU-established company submitting an EU (former 8<sup>th</sup> Directive) claim in Croatia.*

### Eligibility for refund

A foreign taxable person is entitled to recover Croatian VAT if the following conditions are satisfied:

- The business does not have a residence, its seat or a fixed establishment in Croatia;
- The business did not perform any taxable supplies in Croatia during the refund period, except for:
  - Transport and ancillary services that are VAT exempt; and
  - Supplies of goods and services taxed under the reverse charge.

### Non-refundable VAT

VAT related to following transactions cannot be recovered:

- Entertainment expenses;
- Supplies of goods and services exempt from VAT under articles 39 (exemption for certain activities in public interest), 40 (exemptions for other activities) and 114 (exemption for transactions with investment gold) of the Croatian VAT Act;
- Supplies of goods exempt from VAT under articles 41 (1) (i.e. exemption for intra-Community supplies of goods) and 45 (1) (2) (i.e. exemption for a supply of goods (export) dispatched or transported by or on behalf of a customer not established in Croatia, except for goods transported by the customer for equipping, fueling and provisioning any means of transport for private use) of the VAT Act.

VAT charged in violation of the provisions of the law (i.e. VAT charged where it should not be) is non-refundable.

### Partially refundable VAT

Taxpayers may deduct 50% of VAT applied upon the acquisition and leasing of cars and other means of personal transport, including all related goods and services (e.g. fuel, maintenance, etc.).

### Making claims

#### Minimum amounts

If an application covers a period shorter than one calendar year but not less than three months, the requested VAT amount may not be less than EUR 400; if the application covers a calendar year or the end of the year (i.e. November and December), the VAT amount may not be less than EUR 50.

#### Time limits

The application must cover a period of at least three consecutive calendar months (e.g. from 1 January to 31 March) in one calendar year except when it covers the end of a year (i.e. November and December).

The application also may include invoices or import documents not covered by the previous applications but that relate to transactions completed during the calendar year to which the application relates. The due date for filing is 30 September of the calendar year that follows the refund period.

#### Proxy

A proxy typically is requested when the application is not filed directly by the applicant but by an agent. To ensure there are no unnecessary delays in the procedure, the proxy must be notarized and should be submitted with the refund claim. An electronic scanned copy should be sufficient, but the tax authorities may request the original. Additional documentation must be submitted in Croatian or English.

#### Supporting documentation

The Croatian authorities can request additional documents and information.

#### E-Invoicing

The Croatian VAT Act recognizes E-Invoicing and provides requirements as mentioned in the 2<sup>nd</sup> EU Invoicing Directive.

### Refunds and appeals

The Croatian tax authorities must issue a decision on a refund claim within four months from the date the claim is filed:

- The authorities can accept the refund claim and notify the claimant via electronic means;
- or they can request additional information and notify the claimant via electronic means. The claimant must provide all information within one month of the request. Additional information may be sent electronically or in hard copy via courier, depending on whether the tax authorities require original documents or scanned copies.
- Any queries made and decisions issued by the tax authorities will be sent to the person who filed the application. If the application is filed by a proxy holder, the queries / decisions will be sent to that person. The period in which the authorities must decide, unless otherwise specified in the application will be extended to six months in case additional information is requested, or eight months if the authorities request additional information following the first request.

If a refund is granted, it must be paid within ten business days following the expiration of the deadline for issuing the decision. The tax authorities must transfer the refund to the bank account number provided in the refund application form. This can be the non-resident's EUR account opened with a local bank in Croatia, a proxy's bank account in Croatia or the claimant's account with a bank in another EU member state. The claimant is responsible for any bank transfer costs.





The Croatian tax authorities will be liable for late payment interest if the refund request is not processed in a timely manner. This however does not apply if applicant is late with provision of additional data or does not provide it at all.

In practice, the claimant must request interest at the time the refund claim is submitted; otherwise, it will not be paid.

If the refund is rejected (in whole or in part), the grounds for the rejection must be stated. The claimant can appeal to the Croatian tax authorities within thirty days from the date the decision is received. The appeal must be in writing (in Croatian) and sent to the tax authorities by regular mail.

Reasons for rejecting VAT refund claims include failure to comply with formalities or deficiencies in determining the place of supply.

If one of the invoices does not comply with the VAT legislation, only that invoice will be rejected; deficiencies in one invoice will not result in the rejection of an entire claim.

### Non-EU businesses (13<sup>th</sup> Directive)

*This refers to a non-EU-established company submitting a 13<sup>th</sup> Directive claim in Croatia.*

### Eligibility for refund

Reciprocity between Croatia and the claimant's country of establishment is required. Reciprocity is not specifically defined; the VAT Act states that the non-EU claimant is entitled to a VAT refund provided the Croatian resident has the same right in the claimant's country of establishment, and that is established by exchange of notes between the Croatian tax authorities and the third country tax authorities.

Croatia only has reciprocity with Serbia, Switzerland, and the UK. Croatia has also established reciprocity with Turkey from 1 April 2023. For the period ranging from April to December 2023, reciprocity is limited to VAT incurred in relation to: (a) supplies of goods and services exclusively connected to participation in fairs and exhibitions, and (b) expenses incurred in connection to fuel, spare parts, use of highways, maintenance and repairs related to road transport; however taxpayers solely engaged in occasional international road transport of passengers are not eligible for a VAT refund in this procedure. Full reciprocity with Turkey is in place from 1 January 2024. Additionally, as of 1 January 2024 Croatia also established reciprocity with North-Macedonia.

### Non-refundable VAT

VAT related to following transactions cannot be recovered:

- Entertainment expenses;
- Supplies of goods and services exempt from VAT under articles 39 (exemption for certain activities in public interest), 40 (exemptions for other activities) and 114 (exemption for transactions with investment gold) of the VAT Act;

- Supplies of goods exempt from VAT under articles 41 (1) (i.e. exemption for intra-Community supplies of goods) and 45 (1) (2) (i.e. exemption for a supply of goods (export) dispatched or transported by or on behalf of a customer not established in Croatia, except for goods transported by the customer for equipping, fueling and provisioning any means of transport for private use) of the VAT Act.

VAT charged in violation of the provisions of the law is non-refundable.

### Partially refundable VAT

Taxpayers may deduct 50% of VAT applied on the acquisition and leasing of cars and other means of personal transport, including all related goods and services (e.g. fuel, maintenance, etc.).

### Making claims

#### Minimum amounts

If an application covers a period shorter than one calendar year but not less than three months, the requested VAT amount may not be less than EUR 400. If the application covers a calendar year or the end of the year (i.e. November and December), the VAT amount may not be less than EUR 50.

#### Time limits

The application must cover a period of at least three consecutive calendar months (e.g. from 1 January to 31 March) in one calendar year except when it covers the end of the year (i.e. November and December).

The application must be submitted to the Croatian tax authorities within six months of the end of the calendar year covered by claim, i.e. by 30 June of the following year. Late claims will not be accepted, and the deadline will not be extended.

#### Proxy

A proxy is requested when an application is not filed directly by the claimant but by an agent. To ensure there are no unnecessary delays in the procedure, the proxy must be notarized and should be submitted with the refund claim. The tax authorities require an original document to be filed.

#### Application forms

The application must be submitted to the Croatian tax authorities: Local office Zagreb via ZP-PDV Form. It must be completed in Croatian (or English) and in HRK.

The application form is available [here](#).

Each invoice must be mentioned on the application form. In practice the claimants can use an excel spreadsheet to provide an overview of the claimed amounts.

The application must be signed by a legal representative, i.e. a person authorized to represent the claimant as mentioned in the court registry excerpt (when the application is filed directly by the claimant) or by a person named in a proxy (when the application is filed via a proxy).





### Supporting documentation

The ZP-PDV form and supporting documentation must be sent to:

Porezna uprava  
Područni ured Zagreb  
Avenija Dubrovnik 32  
10000 Zagreb  
Croatia

The following documents must be submitted with the application:

- Original invoices;
- VAT certificate (the claimant must prove it is registered for VAT purposes in the country of residence during the claim period, and the certificate may not be older than six months);
- Certified translation of the VAT certificate; and
- Original proxy (when the claim is filed via proxy).

### E-Invoicing

The Croatian VAT Act recognizes E-Invoicing and provides requirements as mentioned in the 2<sup>nd</sup> EU Invoicing Directive.

### Refunds and appeals

The Croatian tax authorities must issue a decision on a refund claim within eight months of receipt of the claim. If the refund is rejected, the grounds for rejection must be stated. The claimant can file an appeal (in Croatian) with the tax authorities within thirty days from the receipt of the decision.

Any queries made and decisions issued by the tax authorities will be sent to the person who filed the application. If the application is filed by a proxy holder, the queries / decisions will be sent to that person. Additional information requested typically is provided in hard copy and submitted directly to the tax authorities or sent via courier.

If a refund is granted, it must be paid within ten business days from the expiration of the period in which the decision must be issued. The refund will be paid to the bank account provided in the refund application form; payment can also be made to a proxy account.

If the claim is not processed in a timely manner, the Croatian tax authorities will be liable for late payment interest. This, however, does not apply if applicant is late with provision of additional data or does not provide it at all. However, in practice, the claimant must request interest at the time the refund claim is submitted; otherwise, it will not be paid.

In all cases, the claimant is responsible for any bank transfer costs.

If one of the invoices does not comply with the VAT rules, only that invoice will be rejected. Deficiencies regarding one invoice will not result in the rejection of an entire claim.

Reasons for the rejection of a VAT refund claim include failure to comply with formalities or deficiencies in determining the place of supply.







# Cyprus



Cypriot VAT is known as “Foros Prostithemenis Axias” (ΦΠΑ).

The standard VAT rate is 19%, and there are reduced rates of 9%, 5%, 3% and 0%.

An extensive overview of the VAT rates applied in Cyprus can be found at:

<https://www.mof.gov.cy/mof/TAX/taxdep.nsf/All/6F2D9F654287FF02C2258251002C8130?OpenDocument>

It is not necessary to appoint a Cyprus fiscal representative to claim a VAT refund based on Directive 2008/09/EC or the 13<sup>th</sup> Directive.

## Cyprus is the Member State of Establishment EU countries (Directive 2008/09/EC)

*This refers to a Cyprus-established company submitting an EU (former 8<sup>th</sup> Directive) claim in another EU member state.*

### Procedure

#### Filing

The application must be submitted electronically (in English) through the portal of the tax authorities in the country in which the claimant is established (<https://refund-eu.vat.mof.gov.cy/> for companies established in Cyprus).

The request may be submitted by the claimant or an authorized third party, which can be a non-established company if the third party has the claimant’s access codes.

The claimant must register to obtain access to the authorities’ website for filing a VAT refund claim: [https://refund-eu.vat.mof.gov.cy/ext-login/#/custom/login?redirect\\_uri=https:%2F%2Frefund-eu.vat.mof.gov.cy%2Fapi%2Fauthn%2Fvatr%2Fcallback](https://refund-eu.vat.mof.gov.cy/ext-login/#/custom/login?redirect_uri=https:%2F%2Frefund-eu.vat.mof.gov.cy%2Fapi%2Fauthn%2Fvatr%2Fcallback)

When Cyprus is the member state of establishment, the Cyprus tax authorities will issue an electronic confirmation of receipt of the refund claim.

#### IT requirements

Cyprus business that are required to register under Cyprus VAT law can claim the VAT paid for business expenses incurred in other EU member states by submitting an electronic application on the Cyprus VAT authorities’ website.

An XML file can be uploaded for filing the claim.

The Cyprus VAT authorities will review the application and forward it to the tax authorities of the member state in which the business expenses were incurred for further examination before the latter authorities issue a refund.

To submit an electronic application for a VAT refund, a Cyprus business must:

- Read the guide for installing the VAT refund system; and
- Download and save the VAT refund system on its computer (if the zip file of the system cannot be “unzipped” on the taxpayer’s computer, the WinZip program must be downloaded and run).

For more information on the above procedures, the claimant can call +357 22 601852 or send an email to: [operations@vat.mof.gov.cy](mailto:operations@vat.mof.gov.cy)

Prior registration is not necessary to access the system. The electronic form is divided into five main sections:

- Section A—Information about the claimant and the claimant’s representative (i.e. general information relating to the claimant and the period for which the claim is made);
- Section B—Bank account details for the refund;
- Section C— Business activities of the company;
- Section D—Information about the purchases (i.e. reference number of invoices, issuing date of invoices, supplier’s name, address, telephone, country, prefix, country code; identification number, a description of the goods, description of the transactions, taxable amount, deductions (e.g. pro rata calculations, etc.);
- Section E—Attachments (i.e. file type, name and description).

Once the claim is filed, the taxpayer will receive confirmation from the website, referencing the application.

An automatic upload is possible to prepare the claim, although no specific software is required. The uploaded file can be in PDF, JPEG and TIFF formats or in a zip file. The maximum size of the total files may not exceed 5MB.







## Non-EU countries (13<sup>th</sup> Directive equivalent)

*This refers to a Cyprus-established company submitting a non-EU (13<sup>th</sup> Directive equivalent) claim in a non-EU country.*

The refund application for a Cyprus-established company claiming input VAT in a non-EU country must be submitted according to the requirements of the country of refund. The Cyprus portal may not be used.

Another difference with the 8<sup>th</sup> Directive EU VAT refund procedure is that a “certificate of taxable status” issued by the member state of establishment usually will be required by the non-EU country of refund.

## Cyprus is the Member State of Refund EU businesses (Directive 2008/09/EC)

*This refers to an EU-established company submitting an EU (former 8<sup>th</sup> Directive) claim in Cyprus.*

### Eligibility for refund

A foreign taxable person is entitled to recover Cyprus VAT if the following conditions are satisfied:

- The claimant is not registered, liable or eligible to be registered for VAT in Cyprus;
- It does not have residence, its seat or a fixed establishment in Cyprus;
- The claimant has not rendered any taxable supplies in Cyprus, except for:
  - Certain tax-exempt cross-border transport from/to non-EU countries;
  - Supplies for which the reverse charge applies;
  - Supplies subject to occasional taxation; and
  - Electronically provided supplies where the foreign taxable person opted for the application of the special regime for non-established taxable persons supplying electronic services to non-taxable persons.

### Non-refundable VAT

VAT cannot be recovered on:

- Non-business supplies, i.e. if a supply has both business and non-business purposes, VAT can be reclaimed only on the business portion of the supply;
- Supplies or imports of ordinary passenger cars;
- Certain second-hand goods, e.g. cars and antiques for which the VAT margin scheme is used;
- Business entertainment and hospitality expenses, except the provision of entertainment to employees, and if the claimant is a corporation, the provision of entertainment to directors or persons otherwise engaged in the company’s management, unless the provision of entertainment in these cases is incidental to the provision of entertainment to other persons;
- Supplies used or to be used to make a supply in Cyprus; and

- Goods and services, such as hotel accommodation purchased for resale and that are for the direct benefit of travelers.

### Partially refundable VAT

There are no expenses for which non-established companies will be allowed only a partial refund of Cyprus VAT.

### Making claims

#### Minimum amounts

If the application relates to a period of less than one calendar year but not less than three months, the amount for which application is made may not be less than EUR 400; if the application is for a calendar year or the remainder of a calendar year, the amount may not be less than EUR 50 (or equivalent currency for each member state).

#### Time limits

The application must cover a period of not less than three consecutive calendar months (e.g. from 1 January to 31 March) in one calendar year and not more than one calendar year, unless the period represents the remainder of a calendar year (e.g. from 1 November to 31 December). The application also may relate to invoices or import documents not covered by previous applications and that concern transactions completed during that calendar year.

In such case, the claimant can submit another claim (an annual claim) that can cover any expenses not previously claimed. No further claims can be made once an annual claim is submitted. A submitted claim can be corrected, although amounts cannot be changed. Some countries do not allow claimants to amend an application for a VAT refund in another EU member state.

#### Proxy

A proxy is not required.

A follow-up on a claim can be done electronically by any person having the log-in details. The VAT authorities will contact the claimant (if needed) via email or telephone. If the claimant contacts the authorities, the authorities generally will provide the claimant with the information requested. Each country will carry out an examination as to whether the claimant exists but will not check contact details. If a claimant does not respond to the authorities within one month, the claim automatically will be rejected.

As the member state of refund, the Cypriot authorities will not request a third party to provide a copy of a power of attorney to be able to follow up on the status of a claim. Any person with the access passwords can follow up. The access codes can be obtained from the claimant, its representative or another party that received the passwords from the claimant or its representative.





### Supporting documentation

The general threshold for the submission of an electronic copy of an invoice is where the taxable basis on the invoice or import document is EUR 1,000 or more. However, where the invoice relates to fuel costs, the threshold for providing a copy is EUR 250. The serial number used on the application form must be included on the documents.

The Cyprus VAT authorities can request additional documents/information, if needed.

### E-Invoicing

According to the EU invoicing requirements, e-invoices are accepted to claim input VAT.

### Refunds and appeals

The Cyprus VAT authorities must issue a decision on a refund claim within four months of receipt of the claim:

- The authorities can accept the refund claim and notify the claimant via electronic means;
- The authorities can reject the claim (in whole or in part) and notify the claimant via registered mail; or
- The authorities can request additional information and notify the claimant via electronic means. The claimant must provide all information within one month of the request (via email if available or via courier).

Any queries made and decisions issued by the tax authorities will be sent only to the address included on the registration form.

The period in which the authorities must decide will be extended to six months when additional information is requested, or eight months when the authorities request more information after a first request. The status of the VAT refund application is updated online.

If a refund is approved, it will be processed in EUR within ten business days of the decision. The refund will be paid to the bank account number provided to the authorities. This bank account can be held by the claimant, a proxy holder, or any other person. EU or non-EU bank accounts are allowed.

The Cyprus tax authorities will be liable for late payment interest if the refund is not processed in a timely manner.

If the refund claim is rejected, the grounds for rejection must be stated. The claimant can appeal to the Minister of Finance and request a re-examination of the application within sixty days from the date of the rejection letter or decision. Alternatively, the claimant can appeal to the high court within seventy-five days from the date of the rejection letter or decision. The claimant can appeal by letter or email, but the appeal must be in English or Greek. It usually takes four to five months for refund claims to be paid if the authorities do not request additional information.

### Non-EU businesses (13th Directive)

*This refers to a non-EU-established company submitting a 13<sup>th</sup> Directive claim in Cyprus.*

#### Eligibility for refund

Reciprocity is required. If a non-EU country allows recovery of VAT or other turnover taxes by Cyprus businesses, Cyprus will permit the recovery of VAT by businesses from that country. However, where the non-EU country has a recovery mechanism, but does not specifically allow VAT recovery by Cyprus businesses, Cyprus VAT will not be recoverable. Cyprus has concluded reciprocity agreements with Israel and Switzerland. Cyprus will also permit the recovery of VAT by businesses from Norway and UK despite the fact reciprocity agreements have not been concluded.

Non-EU businesses do not have to appoint a Cyprus fiscal representative, although the VAT Commissioner may request it.

#### Non-refundable VAT

VAT cannot be recovered on:

- Non-business supplies, i.e. if a supply has both business and non-business purposes, VAT can be reclaimed only on the business portion of the supply;
- Supplies or imports of ordinary passenger cars;
- Certain second-hand goods, e.g. cars and antiques for which the VAT margin scheme is used;
- Business entertainment and hospitality expenses, except the provision of entertainment to employees, and if the claimant is a corporation, the provision of entertainment to directors or persons otherwise engaged in the company's management, unless the provision of entertainment in these cases is incidental to the provision of entertainment to other persons;
- Supplies used or to be used to make a supply in Cyprus; and
- Goods and services, such as hotel accommodation purchased for resale and that are for the direct benefit of travelers.

#### Partially refundable VAT

There are no expenses for which non-established companies will be allowed only a partial refund of Cyprus VAT.

#### Making claims

##### Minimum amounts

If the application relates to a period of less than one calendar year but not less than three months, the amount for which application is made may not be less than EUR 205. If the application relates to a calendar year or the rest of a calendar year, the amount may not be less than EUR 25.

##### Time limits

The application must cover at least three consecutive months (e.g. from 1 January to 31 March) and not more than one year, unless the period represents the remainder of a specific year (e.g. from 1 May to 30 June).





The application also may relate to invoices or import documents not covered by previous applications with respect to transactions carried out during that specific year.

The application must be submitted to the Cyprus VAT authorities within six months of the end of the specific year in which the tax became chargeable (i.e. by 31 December). Late claims will not be accepted, and the deadline will not be extended. A “specific year” means a twelve-month period starting 1 July in one year and ending 30 June of the next year.

### Proxy

If an agent submits the application on behalf of the claimant, a proxy must be provided to the Cyprus authorities, along with the original form.

### Application forms

The application must be made on Form VAT 109. The form can be obtained from the local VAT offices or downloaded (see below). The application must be completed in Greek and be signed by a person who is legally entitled to represent the company, i.e. the managing director, chairman or agent that has a letter of authority. All invoices must be listed in the attachment to the application.

An excel spread sheet may be used to provide an overview of the claimed amounts.

The form and supporting documentation must be sent to:

Minister of Finance  
 Customs and Excise Department VAT Service 1471 Nicosia  
 Cyprus  
 T: +357 22 601834  
 F: +357 22 660484  
[www.mof.gov.cy/ce](http://www.mof.gov.cy/ce)

### Supporting documentation

The following documents must be submitted with each application:

- An original certificate of taxable status issued within the past year;

- An original certificate from the local authorities showing that the entity is registered for business purposes in that country. This certificate must contain:
  - Name, address and official stamp of the authority;
  - Business name and address;
  - Nature of the business; and
  - Business registration number;
  - Original invoices.

### E-Invoicing

According to the EU invoicing requirements, e-invoices are accepted to claim input VAT.

### Refunds and appeals

- The authorities can accept the refund claim and notify the claimant via letter;
- The authorities can reject the claim (in whole or in part) and notify the claimant via letter; or
- The authorities can request additional information and notify the claimant via letter (or email, if available). The claimant must provide all information (by courier or email) within one month of the request.

Any queries made and decisions issued by the tax authorities will be sent to the claimant, unless there is a proxy that confirms that the agent submits the refund application on behalf of the claimant; in that case, the queries/decisions will be sent to the agent.

If a refund claim is approved, it will be processed in EUR to the bank account number provided to the VAT authorities (EU or non-EU bank accounts are accepted).

The Cyprus tax authorities will not be liable for late payment interest if the refund is not processed in a timely manner.

If a refund is not granted, the grounds for rejection must be stated. The time limit for an appeal is thirty days after the date of the VAT authorities' reply. The claimant can appeal by sending a letter (i.e. by mail or courier) to the VAT authorities.





# Czech Republic



Czech VAT is known as “Daň z přidané hodnoty” (DPH).

The standard VAT rate is 21%, and there are reduced rates of 10% and 15% (these two reduced rates were valid until 31 December 2023). As of 1 January 2024, there is only one reduced rate, i.e. 12%.

An extensive overview of the VAT rates applied in the Czech Republic can be found at: [vat\\_rates\\_en.pdf \(europa.eu\)](#)

It is not necessary to appoint a Czech representative to claim a refund of Czech VAT based on Directive 2008/09/EC or the 13<sup>th</sup> Directive.

## Czech Republic is the Member State of Establishment

### EU countries (Directive 2008/09/EC)

*This refers to a Czech-established company submitting an EU (former 8<sup>th</sup> Directive) claim in another EU member state.*

### Procedure

#### Filing

If the VAT is incurred in another EU member state, the form must be completed and filed through the web portal of the Czech tax authorities. The application can be submitted by the claimant, or a person authorized to act on behalf of the claimant under a valid power of attorney. The authorization to submit VAT refund claims can be obtained by a resident or nonresident third party by completing the form that can be found at:

[https://adisspr.mfcr.cz/adistc/adis/idpr\\_pub/auth/LoginPage.faces](https://adisspr.mfcr.cz/adistc/adis/idpr_pub/auth/LoginPage.faces)

The claimant must have an electronic signature (digital certificate or TAX-e-signature) or databox. A third party must obtain the electronic signature or databox before registering on the portal. International electronic signatures generally are not accepted by the Czech authorities.

The Czech tax authorities will issue a confirmation of receipt of the refund claim.

### IT requirements

The claimant can upload a document in XML format to the electronic portal:

[https://adisspr.mfcr.cz/adistc/adis/idpr\\_pub/dpr/uvod.faces](https://adisspr.mfcr.cz/adistc/adis/idpr_pub/dpr/uvod.faces)

No specific software is required for the upload, except for the obligation to use a digital signature or log-in data for the databox.

A digital certificate can be obtained from the provider of certification services (certification authority). Three authorities in the Czech Republic are authorized to issue certificates (První certifikační autorita a.s, E-identity a.s. and PostSignum). The certification authority must be provided with originals of two forms of identification of the future holder of an electronic signature, and an in-person meeting must be held between the recipient of the electronic signature (or a representative holding a notarized power of attorney) and the certification agency. The originals of ID cards or notarized copies must be presented.

There is no limit on the number of invoices that can be submitted in a refund claim or per year. However, documents uploaded may not exceed a total size of 5MB.

### Non-EU countries (13th Directive equivalent)

*This refers to a Czech-established company submitting a Non-EU (13<sup>th</sup> Directive equivalent) claim in a non-EU country.*

The refund application for a Czech-established company claiming input VAT in a non-EU country must be submitted according to the requirements of the country of refund. The Czech portal may not be used.

Another difference with the 8<sup>th</sup> Directive EU VAT refund procedure is that a “certificate of taxable status” issued by the member state of establishment usually will be required by the non-EU country of refund. This form is called “Rozhodnutí o registraci k DPH” in the Czech Republic.



## Czech Republic is the Member State of Refund

### EU businesses (Directive 2008/09/EC)

*This refers to an EU-established company submitting an EU (former 8<sup>th</sup> Directive) claim in the Czech Republic.*

#### Eligibility for refund

An EU business registered for VAT in another EU member state is entitled to recover Czech VAT if the following conditions are satisfied:

- The claimant has not been registered or liable to be registered for VAT in the Czech Republic in the relevant period;
- It does not have residence, its seat or a fixed establishment in the Czech Republic; and
- The claimant has not performed any taxable supplies in the Czech Republic in the relevant period, except for:
  - Certain tax-exempt supplies (cross-border transport from/to non-EU countries);
  - Supplies reported in OSS; and
  - Supplies for which the reverse charge applies.

#### Non-refundable VAT

VAT cannot be recovered on business representation and entertainment expenses.

#### Partially refundable VAT

If the company is entitled to partial VAT recovery in its country of establishment, it also will be entitled to a partial VAT refund.

#### Making claims

##### Minimum amounts

If the application relates to a period of less than one calendar year but not less than three months, the amount of VAT for which the application is made may not be less than EUR 400; if the application relates to a period of a calendar year or the remainder of a calendar year shorter than three months, the VAT amount may not be less than EUR 50.

##### Time limits

The application must cover a period of not less than three consecutive calendar months (e.g. from 1 January to 31 March) in one calendar year and not more than one calendar year, unless the period represents the remainder of a calendar year (e.g. from 1 November to 31 December). The application must be submitted to the Czech tax authorities by 30 September of the calendar year following the refund period. The deadline will not be extended.

The application relates to the VAT refund for the period in which the date of taxable supply or the date of issue of the tax invoice occurred (whichever date is later), or when the date of taxable supply relating to the imported goods occurred.

The application also may relate to invoices or import documents not covered by previous applications with respect to transactions carried out during that calendar year or with respect to invoices which become available to the claimant in the VAT refund period.

A claimant may submit more than one refund claim for the remainder of a calendar year (e.g. where a claimant has submitted a refund claim for the remainder of a calendar year but then receives additional invoices, the claimant can submit a corrected refund claim within the relevant deadlines).

#### Proxy

The claimant can authorize a third party under a power of attorney to act on its behalf during the VAT refund procedure. The power of attorney must be delivered to the tax authorities in hard copy before the third party can act on behalf of the claimant. The power of attorney must be in the Czech language (or in another language as well), signed by the person authorized to sign it (usually statutory representative of claimant), but does not have to be notarized.

#### Supporting documentation

Only an electronic copy of invoices for which the taxable basis of the invoice or import documents equals or exceeds the threshold of EUR 1,000 must be submitted with each application (EUR 250 for invoices relating to fuel costs).

The Czech authorities can request original invoices or additional documents/information.

#### E-Invoicing

There are no specific requirements for E-Invoicing. The general conditions for E-Invoicing as stated in the Czech VAT Act must be met in relation to VAT refunds.

#### Refunds and appeals

The Czech VAT authorities must issue a decision on a refund claim within four months of receipt of the claim:

- The authorities can accept the claim and notify the claimant via electronic means;
- The authorities can reject the claim (in whole or in part) and notify the claimant via registered mail; or
- The authorities can request additional information and notify the claimant via electronic means. The claimant must provide all information within one month of receipt of the request.

The tax authorities' notices, requests for additional information, decisions, etc. will be sent via an email to the email address included on the VAT refund application.

The period in which the authorities must decide on a refund claim will be extended to six months where additional information is requested, or eight months where they request more information after a first request. The claimant must provide additional documents and communicate with the Czech authorities in Czech.







The acceptance of a VAT refund application depends on the amount of VAT to be refunded. When the amounts are substantial, the tax officer usually will request additional information, such as contracts, purchase orders, etc.

If a refund is granted, it will be paid in CZK within ten business days after the relevant period to the bank account number provided to the authorities in the refund application. A Czech bank account is not required.

The Czech tax authorities will be liable for late payment interest if the refund is not processed in a timely manner. If one of the submitted invoices is not correct or not in compliance with the formal requirements, only that part of the refund claim will be rejected; the entire claim will not be rejected.

If a refund is not granted, the grounds for rejection must be stated. The claimant can appeal the decision to the Czech tax authorities within thirty days from the day following the day the decision is delivered.

Taxpayers must respond to the notice from the tax authorities via letter, written in Czech and sent via registered mail.

There are no penalties if a VAT refund claim is rejected. However, if VAT is refunded due to fraud or based on incorrect information, the claimant may be subject to penalties.

The entire process should not take more than eight months. The time depends on the amount of VAT to be refunded. If the amount to be returned is high, the tax authorities usually will request additional information and the process can take longer.

### Non-EU businesses (13<sup>th</sup> Directive)

*This refers to a non-EU-established company submitting a 13<sup>th</sup> Directive claim in the Czech Republic.*

### Eligibility for refund

Reciprocity is required. Reciprocity is acknowledged in practice with Switzerland, Norway, the United Kingdom and Macedonia. The official list of countries with which the Czech Republic works based on a reciprocity principle was cancelled and has not been substituted with any new one.

### Non-refundable VAT

VAT will not be refunded for the following: goods and services for personal consumption; travel costs, accommodation and catering of foreign persons; goods and services connected with the representation of foreign persons; phone bills; taxi services; and gas and fuel costs.

### Partially refundable VAT

The VAT is to be refunded under similar conditions as applicable for VAT taxpayers.

## Making claims

### Minimum amounts

If the application relates to a period of less than one calendar year but not less than three months, the amount for which application is made may not be less than CZK 7,000; if the application relates to a period of a calendar year or the remainder of a calendar year shorter than three months, the amount may not be less than CZK 1,000.

### Time limits

The application must cover a period of not less than three consecutive calendar months (e.g. from 1 January to 31 March) in one calendar year and not more than one calendar year, unless the period represents the remainder of a calendar year (e.g. from 1 November to 31 December).

The application must be submitted to the Czech tax authorities within six months of the end of the calendar year in which the tax became chargeable, i.e. by 30 June of the following year.

The tax authorities must issue the refund within six months from the day following the date the refund claim is submitted or the date submission issues are resolved.

### Proxy

The claimant can authorize a third party under power of attorney to act on the claimant's behalf during the VAT refund procedure.

The power of attorney must be delivered to the tax authorities in hard copy before the third party can act on behalf of the claimant. The power of attorney must be in the Czech language (or another language as well), signed by the person authorized to sign it (usually the statutory representative of claimant), but does not have to be notarized.

### Application forms

For 2023 VAT refunds, the form 25 5247 issued by the Czech tax authorities must be used (other EU forms will not be accepted): [5247\\_2.indd \(financnisprava.cz\)](#)

All invoices must be listed in the attachment to the application form. It is not possible to use an excel spreadsheet to provide an overview of the claimed amounts.

The form and supporting documentation must be sent to:

Financial Office for the Capital City of Prague  
Stepanska 619/28, 111 21 PRAHA 1  
Czech Republic  
T: +420 2 2404 2153 or (1154)  
F: +420 2 2404 1920

[Financial Administration \(financnisprava.cz\)](#) (both in Czech and in English)

Applications cannot be filed electronically.





### Supporting documentation

The following documents must be submitted with each claim:

- Original invoices, bills, vouchers, receipts, or customs clearance forms (copies are not accepted);
- An original certificate of the claimant's VAT status showing that the claimant is registered for VAT or a similar tax in its country of residence. The certificate must have been issued within the past year; and
- A written declaration confirming that the claimant has met the requirements of the Czech VAT Act for a VAT refund (i.e. the claimant is a taxable person not established in the EU and does not carry out supplies in the relevant period except for supplies listed in the VAT Act).

### E-Invoicing

There are no specific requirements for E-Invoicing. The general conditions for E-Invoicing as stated in the VAT Act must be met in relation to VAT refunds.

### Refunds and appeals

The entire process should not take more than six months from the time the VAT refund claim or additional information is submitted.

If a proxy is submitted to the tax authorities, any queries/decisions will be sent to the proxy holder.

If one of the submitted invoices is not correct or not in compliance with the formal requirements, only that part of the refund claim will be rejected; the entire claim will not be rejected.

If a refund is not granted, the grounds for rejection must be stated.

The deadline for the submission of an appeal must be stated in the decision. The appeal must be sent by regular mail or courier.

No penalties will be imposed if the VAT refund request is rejected.

The time to process the refund depends on the amount of VAT to be refunded and the responsible tax officer. In practice, if the amount of requested VAT is substantial, the tax office will request additional information and the process will take longer.

The tax authorities will send the approved amount of the VAT refund to the account specified in the application. A local bank account is not required (EU or non-EU bank accounts are accepted). Any bank transfer fees are borne by the claimant.





# Denmark



Danish VAT is known as “Merværdiafgift” (MOMS).

The standard VAT rate is 25%, and there is also a 0% VAT rate. The Faeroe Islands and Greenland are not part of Denmark or the EU for tax purposes.

An extensive overview of the VAT rates applied in Denmark can be found at:

[Taxes in Europe Database v3 \(europa.eu\)](#)

It is not necessary to appoint a Danish fiscal representative to claim a VAT refund under Directive 2008/09/EC or the 13<sup>th</sup> Directive.

## Denmark is the Member State of Establishment EU countries (Directive 2008/09/EC)

*This refers to a Danish-established company submitting an EU (former 8<sup>th</sup> Directive) claim in another EU member state.*

### Eligibility for refund

A Danish taxable person is entitled to recover foreign VAT if the following conditions are satisfied:

- The business must not be VAT registered in the country in which the goods or services have been purchased;
- The purchase must be related to the company’s taxable activities;
- Only VAT amounts that exceed the national threshold may be refunded (an overview of each member state’s thresholds is available at [Taxation Information and Communication \(europa.eu\)](#));
- The refund application must cover at least three months and no more than one calendar year. The deadline for application is 30 September in the following year of purchase;
- The refund will be sent directly to the company’s bank account by the authorities.

## Procedure

### Filing

Danish businesses must submit the application for a VAT refund in other EU member states through TastSelv at [www.skat.dk](http://www.skat.dk).

The request may be submitted by the claimant or an authorized person. If that person is a non-established business, it must register in Denmark for refund purposes before filing the refund claim. The registration form can be obtained from the following website: [Register of Foreign Service Providers \(RUT\) | Virk](#)

### IT requirements

Danish taxpayers registered for VAT purposes can file a refund claim electronically using the refund menu in the “TastSelv – Erhverv” service of the Danish authority through the following web portal: [www.skat.dk](http://www.skat.dk). The business will gain access to “TastSelv – Erhverv” once it registers for VAT purposes in Denmark.

Access is granted by using the taxpayer’s “TastSelv” code or a digital signature. If the taxpayer does not have a “TastSelv” code, it can request one from the homepage of the Danish authority.

The following information must be included in the claim:

- General information relating to the claimant, bank information and the period for which the refund is requested;
- General information, i.e., refund member state, language of the application and currency;
- Declaration that the company did not have a registered business in the member state of refund;
- List of invoices in which each document can be manually typed in or where all documents can be uploaded in a semicolon- separated format; and
- Annexes/scanned invoices can be uploaded. These documents can be in JPEG, PDF or TIFF formats, but the maximum size of all files may not exceed 5 MB.

### Non-EU countries (13<sup>th</sup> Directive equivalent)

*This refers to a Danish-established company submitting a non-EU (13<sup>th</sup> Directive equivalent) claim in a non-EU country.*

The refund application for a Danish-established company claiming input VAT in a non-EU country must be submitted according to the requirements of the country of refund. The Danish portal may not be used.



Another difference with the 8<sup>th</sup> Directive EU VAT refund procedure is that a “certificate of taxable status” issued by the member state of establishment usually will be required by the non-EU country of refund. The company should contact the Danish authority to obtain the certificate (the certificate has form number “31.015”).

## Denmark is the Member State of Refund EU businesses (Directive 2008/09/EC)

*This refers to an EU-established company submitting an EU (former 8<sup>th</sup> Directive) claim in Denmark.*

### Eligibility for refund

A foreign taxable person is entitled to recover Danish VAT if the following conditions are satisfied:

- The claimant is not domiciled, does not have a permanent establishment, is not registered, liable or eligible to be registered for VAT in Denmark;
- The claimant would have been required to register for VAT in Denmark if it was established in Denmark; and
- The claimant has not performed any taxable supplies in Denmark, except for:
  - Certain tax-exempt cross-border transport;
  - Supplies for which the reverse charge mechanism applies; and
  - Electronically provided supplies where the foreign taxable person opted for application of the special regime for non-established taxable persons supplying electronic services to non-taxable persons.

### Non-refundable VAT

VAT cannot be recovered on:

- Meals for the owner and staff of the company (unless in connection with meetings that have professional content). However, VAT on meals in the form of restaurant bills incurred for business purposes is partly refundable (25% of the VAT);
- The acquisition and operation of places of residence for the owner and staff of the company;
- The acquisition and operating costs connected to nursery, day care, after-school care, holiday homes, weekend houses, etc., for the owner and staff of the company;
- Entertainment expenses, representation costs and gifts. However, VAT on business entertainment/representation in the form of restaurant bills is partly refundable if used strictly for business purposes;
- The acquisition, repair and operation of motor vehicles designed for the transport of no more than nine persons; however, VAT on the long-term leasing of passenger cars is partly recoverable in certain instances; and
- Payments in kind to the staff of the company.

VAT incurred on crossing the Oeresunds Bridge is refunded by the Swedish tax authorities.

### Partially refundable VAT

No more than 25% of VAT may be recovered on restaurant bills incurred for business purposes.

VAT on hotel accommodation may be deducted in full provided the amount (excluding all meals or other services) is separately specified on the invoice.

Companies that lease passenger cars can deduct a specific amount of VAT if the lease period is at least six months and at least 10% of the annual mileage on the vehicle is for business purposes.

### Making claims

#### Minimum amounts

If the application relates to a period of less than one calendar year but not less than three months, the amount for which application is made may not be less than DKK 3,000; if the application relates to a period of a calendar year or the remainder of a calendar year, the amount may not be less than DKK 400.

#### Time limits

The application must cover a period of not less than three consecutive calendar months (e.g. from 1 January to 31 March) in one calendar year and not more than one calendar year, unless the period represents the remainder of a calendar year (e.g. from 1 November to 31 December). The application can relate to invoices or import documents not covered by previous applications in respect of transactions carried out during that calendar year.

#### Proxy

The claimant or a third party with a power of attorney to act on behalf of the claimant can follow up on the status of a VAT refund claim.

The power of attorney must be dated and signed by both parties and can be in Danish, English, German or Swedish.

#### Supporting documentation

The Danish authority can request additional documents/information and decide whether it should be original or copies of invoices or import specifications.

#### E-Invoicing

According to the EU invoicing requirements, e-invoices generally are accepted to claim input VAT.

### Refunds and appeals

The Danish authority must issue a decision on a refund claim within four months of receipt of the claim:

- The authorities can reject the application (in whole or in part) and notify claimant; or
- The authorities can accept the refund claim and notify the claimant.





The authorities can request additional information by notifying the claimant. The claimant must provide all information within one month of receipt of the request. The format for providing the information will depend on the information requested. The Danish authority normally accept email and regular mail, but if original invoices are requested, the documents must be sent by regular mail.

The period in which the authorities must make a decision will be extended up to eight months if additional information is requested. If a refund is granted, it will be processed within ten business days after the decision is issued and paid to the bank account number provided to the authorities.

Any transaction costs must be borne by the claimant. This bank account can be held by the claimant, a proxy holder or any other person. A local bank account is not required to obtain the refund.

The Danish authority will be liable for late payment interest if the refund is not processed in a timely manner.

If the refund is not granted, the grounds for rejection of the application must be stated. A claimant may appeal against the rejection of a claim to the Tax Appeals Agency within three months from the notification of the rejection.

The appeal must be in writing, supported by documentation and the relevant decision must be attached. It also is possible to appeal online via the Tax Appeals Agency's homepage, but this requires a digital signature. There is a DKK 400 fee for filing an appeal.

## Non-EU businesses (13<sup>th</sup> Directive)

*This refers to a non-EU-established company submitting a 13<sup>th</sup> Directive claim in Denmark.*

### Eligibility for refund

Reciprocity is not required.

The company can obtain a VAT refund if the following conditions are satisfied:

- The company is not domiciled or does not have a place of business in Denmark;
- The goods or services are purchased for commercial use;
- The company can demonstrate that it is a business in its home country;
- The company would be subject to a registration duty in accordance with the Danish VAT Act if it was situated in Denmark; and
- During the period covered by the application, the claimant has not conducted business that would require VAT registration, except for:
  - Certain tax-exempt cross-border transportation; and
  - Supplies for which the reverse charge applies.

## Non-refundable VAT

VAT cannot be recovered on:

- Meals for the owner and staff of the company (unless in connection with meetings with a professional content). However, VAT on meals in the form of restaurant bills incurred for business purposes is partly refundable;
- The acquisition and running of places of residence for the owner and staff of the company;
- The acquisition and operating costs connected to nursery, day care, after-school care, holiday homes, weekend homes, etc., for the owner and staff of the company;
- Entertainment expenses, representation costs and gifts. However, VAT on business entertainment/representation in the form of restaurant bills is partly refundable if used for strictly business purposes;
- The acquisition, repair and operation of motor vehicles designed for the transport of not more than nine persons; however, VAT on long term leasing of passenger cars is partly recoverable under certain conditions; and
- Payments in kind to the staff of the company.

The VAT on crossing of the Oeresunds Bridge is refunded by the Swedish tax authorities.

## Partially refundable VAT

No more than 25% of the full VAT amount may be recovered on restaurant bills incurred for business purposes.

VAT on hotel accommodation may be deducted in full provided the amount (excluding all meals or other services) is separately specified on the invoice.

Companies that lease passenger cars can deduct a specific amount of VAT if the leasing period is at least six months and at least 10% of the annual mileage on the vehicle is for VAT (business) purposes.

## Making claims

### Minimum amounts

If the application relates to a period of less than one calendar year but not less than three months, the amount for which application is made may not be less than DKK 3,000; if the application relates to a period of a calendar year or the remainder of a calendar year, the amount may not be less than DKK 400.

### Time limits

The application must cover a period of not less than three consecutive calendar months (e.g. from 1 January to 31 March) in one calendar year and not more than one calendar year, unless the period represents the remainder of a calendar year (e.g. from 1 November to 31 December). The application can relate to invoices or import documents not covered by previous applications in respect of transactions carried out during that calendar year.







The application must be submitted to the Danish authority by 30 September of the calendar year following the refund period. The deadline will not be extended.

### Proxy

The claimant will need a proxy when a representative for the business files VAT refunds for companies from third countries, which must be filed with the claim. The Danish authority have not defined any specific format for the proxy.

### Application forms

A VAT refund claim is made on Form 31.004, issued by the Danish tax authorities. The form must be completed in Danish, English, German or Swedish, and the amounts stated in DKK. Application forms can be obtained from the local VAT offices or downloaded at [Refund of VAT to businesses outside the EU](#).

All invoices must be listed in the attachment to the application form. An excel spreadsheet may be used to provide an overview of the claimed amounts.

The application must be signed by a person who is legally entitled to represent the company (depending on the articles of association of the company). Otherwise, a letter of authority must be provided.

The form and supporting documentation must be sent to:

### Skattestyrelsen

Nykøbingvej 76  
Bygning 45  
4990 Saksøbing  
T: + 45 72 22 18 18  
[www.skat.dk](http://www.skat.dk)

Applications may not be filed electronically.

However, for foreign companies crossing the bridge Oeresundsbroen (i.e. bridge between Denmark and Sweden), applications for a refund of VAT on toll charges must be sent to the Swedish tax authorities. Refunds of VAT on the toll charges cannot be obtained by contacting Skattestyrelsen in Denmark.

### Supporting documentation

When a non-EU business initially applies for a VAT refund in Denmark, it will be given a registration number, which the business must use each time it applies for a VAT refund. The registration number is for VAT refund purposes only (i.e. it is not a Danish VAT number).

The following documents must be submitted with each application:

- Original invoices or import documents (copies are not accepted).

However, sales tickets or bills for not more than DKK 3,000 that are issued by retailers or other firms whose sales are made predominantly to private consumers may be used as documentation;

- If the company has not previously applied for a VAT refund in Denmark, it must submit documentation evidencing its status as a business enterprise in its country of establishment;
- The certificate must be issued by the competent authority in the country of establishment and is valid for up to one year. If the certificate was issued more than a year ago, a new certificate must be submitted;
- A certificate stating the use of the purchased goods and service covered by the claim (this is stated directly in the application form); and
- A certificate stating that the taxpayer has not carried out any activities in Denmark that require VAT registration (this is stated in the application form).

### E-Invoicing

According to the EU invoicing requirements, e-invoices generally are accepted to claim input VAT.

### Refunds and appeals

The Danish authority must issue a decision on a refund claim within eight months of receipt of the claim:

- The authorities can reject the application (in whole or in part) and notify the claimant;
- The authorities can accept the refund claim and notify the claimant; or
- The authorities can request additional information and notify the claimant; The Danish authority normally will accept both email and regular mail. However, if original invoices are requested, they must be sent by regular mail.

If the refund is granted, it will be processed on the bank account number provided to the authorities. A Danish bank account is not required to obtain a refund. The business will be liable to pay any transaction costs. The authorities will sign and return all original invoices and import documents to the business.

If the refund is not granted, the grounds for rejection must be stated.

The time limit for an appeal is three months from the date of notification of the rejection.

In accordance with Danish legislative practice, penalties are not imposed if a refund claim is rejected.





# Estonia



Estonian VAT is called “Käibemaks.”

The standard VAT rate is currently at 22% (used to be 20% in 2023 and before) and there are reduced rates of 9%, 5% and 0%.

An extensive overview of the VAT rates applied in Estonia can be found at: <https://www.emta.ee/en/business-client/taxes-and-payment/value-added-tax/vat-rates-and-supply-exempt-tax>

It is not necessary to appoint a fiscal representative to claim a VAT refund based on Directive 2008/9/EC or the 13<sup>th</sup> Directive.

## Estonia is the Member State of Establishment EU countries (Directive 2008/09/EC)

*This refers to an Estonian-established company submitting an EU (former 8<sup>th</sup> Directive) claim in another EU member state.*

### Procedure

#### Filing

The refund application and supporting information/documents must be submitted electronically through the portal of the tax authorities in the country in which the claimant is established, which is <https://www.emta.ee/en?id=12223> for Estonian registered claimants. The form must be submitted by the claimant or an authorized person and must be in Estonian or English.

An authorized person filing a refund claim on behalf of the claimant can be a non-established company, but a valid power of attorney will be required.

When Estonia is the member state of establishment, the Estonian authorities generally will not issue a confirmation of receipt of a VAT refund claim. The e-filing system automatically checks for mistakes in the application and notifies the person accordingly.

#### IT requirements

Estonian taxpayers registered for VAT purposes file their refund claim electronically through the portal of the Tax and Customs Board (e-Tax/e-Customs). The Estonian resident representative of a company established in Estonia may immediately proceed with using the electronic interface and log-in by using its Estonian ID- card, mobile-ID, smart-ID, internet bank identification.

As from 3 May 2019, it is no longer possible to log in to the e-Tax/e- Customs environment and access the Estonian Tax and Customs Board’s electronic services by using the authentication passwords issued by the Tax and Customs Board.

Persons with an Estonian personal identification code can access e-Tax/e-Customs by using an ID-card, Mobile-ID or Smart-ID, which are more secure authentication tools. Smart-ID can be used as from 10 May 2019. As from 5 January 2022, it is not possible anymore to sign in via bank link by using the authentication means acceptable by the bank.

For Estonian e-residents, the e-Tax/e-Customs can be accessed by using a digital identity document of Estonian e-residency.

More information can be found here: <https://e-resident.gov.ee/>. This website contains instructions for submitting an application of e-residency and additional information.

As from 10 May 2019, citizens of Latvia and Lithuania can authenticate by using the Smart-ID application on a smart device. As from 2021, it is possible to log in to e-tax/e-customs environment by using EU eID.

Estonian Tax and Customs Board’s portal will accept ZIP, TIFF, PDF and JPEG files. There is no limit on the number of invoices that can be submitted within the same refund claim. However, all files must be placed in one zip file and the size of the file is limited to 5 MB. If the total size of invoices (compressed into a zip file) exceeds this limit, the claimant should select the invoices with the largest amounts. If the refund member state requires additional documents, the claimant will be notified.



## Non-EU countries (13<sup>th</sup> Directive equivalent)

*This refers to an Estonian-established company submitting a non-EU (13<sup>th</sup> Directive equivalent) claim in a non-EU country.*

The refund application for an Estonian-established company claiming input VAT in a non-EU country must be submitted according to the requirements of the country of refund. The Estonian Tax and Customs Board's portal could not be used.

Another difference with the 8<sup>th</sup> Directive EU VAT refund procedure is that a "certificate of taxable status" issued by the member state of establishment usually will be required by the non-EU country of refund. This form is called "Residentsustõend" in Estonia.

## Estonia is the Member State of Refund EU businesses (Directive 2008/09/EC)

*This refers to an EU-established company submitting an EU (former 8<sup>th</sup> Directive) claim in Estonia.*

### Eligibility for refund

To be eligible for a refund in Estonia, a taxable person supplying taxable goods or services in its country of establishment must carry out transactions and incur VAT on expenses in Estonia.

During the refund period, a taxable person must not have its seat of its economic activity, a fixed establishment, or a place of residence in Estonia, nor is it allowed to provide supplies in Estonia. Only VAT incurred on business-related activities can be refunded. Thus, non-taxable persons and taxable persons with limited liability to VAT are not eligible for a VAT refund.

### Non-refundable VAT

The Estonian government has not issued a list of goods and services for which VAT is not refundable. A VAT refund is available if an Estonian company can apply a similar VAT deduction on its business expenses. This limits the VAT deduction, for example, on meals and entertainment expenses.

VAT on accommodation costs is deductible if the trip is not for leisure purposes.

### Partially refundable VAT

Up to 50% of input VAT costs incurred on the purchase or operating lease costs of company passenger cars and for goods and services acquired in relation to such cars (fuel, repair, maintenance, parking, etc.) may be refunded. However, there are exceptions under which the input VAT on the relevant costs may be deducted in full:

- Cars obtained for resale or for the provision of an operating lease;
- Taxis;
- Cars mainly used for driving lesson services; and
- Where the car is used only for business purposes.

If a company car is used for business purposes only, the company must be able to demonstrate that the car will not be used for any other purpose (e.g. for private trips). There are no specific conditions provided by law but in the guidelines the examples of proper means for companies include setting specific internal rules for the use of a car, limits to mileage, using a GPS tracker, concluding an insurance contract only for business trips, etc.

### Making claims

#### Minimum amounts

If the application relates to a calendar year or the remainder of a calendar year, the amount for which the claim is made may not be less than EUR 50; if the application relates to a period of less than a calendar year (not shorter than three months), the reclaim amount may not be less than EUR 400.

#### Time limits

The application must be submitted to the Estonian tax authorities by 30<sup>th</sup> of September of the year following the refund period.

The application must cover a period of not less than three consecutive calendar months, which is not limited to calendar quarters. An exception to this limit is available where an application is submitted for the remainder of a calendar year (e.g. from 15<sup>th</sup> of November to 31<sup>st</sup> of December).

In practical terms, the Estonian authorities are prepared to treat up to five timely filed refund applications from one taxpayer per year. For example, it is possible to submit four quarterly claims and another one for a full calendar year. "Overlooked" invoices may be submitted in the annual application or in the application for the following periods, but only up to the statutory due date.

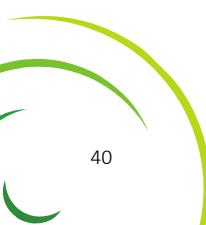
#### Proxy

When acting as the member state of refund, the Estonian authorities will request a third-party service provider to demonstrate it is authorized to follow up on the claim. The authorized third-party representative of the claimant must, upon filing the refund claim, provide a hard copy of the original power of attorney, which must be sent by regular mail to the Tax and Customs Board, Lõdtsa 8a, 15176 Tallinn, Estonia. The power of attorney does not need to be notarized or legalized.

#### Supporting documentation

The following information must be taken into account by a foreign taxpayer applying for a VAT refund in Estonia:

- Scanned copies of invoices or import declarations are required when the taxable basis of the document equals or exceeds EUR 1,000 (EUR 250 for fuel). The Estonian tax authorities will contact the claimant if additional documents are needed;
- For a representative to be able to apply for a VAT refund on behalf of a foreign company, the foreign company must send a hard copy of the relevant power of attorney to the Tax and Customs Board;





- The power of attorney must contain a confirmation from the foreign taxpayer it is granting the third-party authority to submit the application, communicate with the Estonian tax authorities, receive the refund, *etc.*

### E-Invoicing

E-invoices are accepted by the Estonian tax authorities. To reclaim VAT under Directive 2008/09/EC or the 13th Directive, e-invoices must be printable (printed out and included in supporting documentation) and readable.

### Refunds and appeals

The member state of establishment of the foreign entity has fifteen calendar days to forward the application to the Estonian tax authorities. The authorities have four months from the date of receipt of the application to issue a decision. The decision deadline can be extended up to eight months if additional information is requested from the claimant, the other member state or a third party. The requested information must be provided within one month; failure to comply could result in a negative decision on the claim.

When Estonia is the member state of refund, the Estonian authorities must notify the claimant immediately about the date of it receives the VAT refund application. The claim can be followed up by the claimant or its representative. All communications (such as a request for additional information/documents) are conducted via the e-mail indicated on the VAT refund application. If the claimant has appointed a representative, the additional questions are sent to the representative first and if no response is received by the stipulated deadline, the questions are sent to the claimant.

VAT refund decisions that are in part negative and in part positive are sent to both claimant and the representative via e-mail.

However, a decision to grant a VAT refund is not forwarded via e-mail but is made available in the electronic system of the Tax and Customs Board in PDF format.

Where no additional queries are made or information requested, the Tax and Customs Board will issue its decision within the four-month deadline and post a PDF version of the decision on the electronic system.

If a refund request is granted, it must be made within ten business days following the decision of the Tax and Customs Board. The refund will be transferred to the bank account indicated in the refund application; it is not necessary for the claimant to have an Estonian bank account.

If there are issues with one invoice, the VAT refund claim generally will be rejected with respect to that invoice; the entire claim will not be rejected. However, if the VAT refund amount remaining after taking into account the rejected amount is below the threshold for the relevant period (EUR 50 or EUR 400), the entire claim will be rejected.

The Estonian tax authorities may be liable for late payment interest if the refund is not processed in a timely manner.

Interest will not be due however, if the payment failed because of incorrect bank account details or the claimant did not provide additional information requested by the tax authorities.

If a refund application is rejected, the Tax and Customs Board must provide the claimant with the reason(s) for the rejection.

Common format reasons for rejecting a VAT refund claim include the following: the claim covers less than a three-month period, the claimed amount does not correspond to the particular period or is smaller than the threshold, the claim is filed late, *etc.*

Common substance reasons for rejecting a claim include the following: invoices are not issued to the name of the claimant, the invoice does not contain VAT or Estonian VAT, the added VAT is not in accordance with the Estonian VAT Act, VAT is not refundable (*e.g.* VAT in connection with catering), *etc.*

An appeal on a rejected claim must be filed within thirty days from the date the decision was notified or delivered to the person. The Estonian tax authorities will accept an appeal written in Estonian or English and it can be sent via e-mail or by regular mail. The appeal must comply with the requirements in article 139 of the Taxation Act.

There are no penalties imposed for incorrect VAT refund claims. However, where in the VAT refund claim false information has been intentionally provided to increase the amount reclaimed, the penalty is a fine of up to EUR 32,000.

In practice, if no additional questions are raised, the refund claim will be settled within four months.

### Non-EU businesses (13<sup>th</sup> Directive)

*This refers to a non-EU-established company submitting a 13<sup>th</sup> Directive claim in Estonia.*

#### Eligibility for refund

Estonia refunds VAT to non-EU taxable persons based on the reciprocity principle, *i.e.* VAT will be refunded to non-EU businesses, provided the claimant's home country grants the same rights to Estonian taxable persons.

There is no official list of countries for which reciprocity exists, but VAT refunds can be obtained by companies established in United Kingdom, Iceland, Israel, Norway and Switzerland.

#### Non-refundable VAT

The Estonian government has not issued a list of goods and services for which VAT is not refundable. A VAT refund is available if an Estonian company can apply a similar VAT deduction on its business expenses. This limits the VAT deduction, for example, on meals and entertainment expenses.

VAT on accommodation costs is deductible if the trip is not for leisure purposes.







## Partially refundable VAT

Up to 50% of input VAT costs incurred on the purchase or operating lease costs of company passenger cars and for goods and services acquired in relation to such cars (fuel, repair, maintenance, parking, etc.) may be refunded.

## Making claims

### Minimum amounts

VAT paid by a third-country taxable person in Estonia upon the import or acquisition of goods or receipt of services used for business purposes is refunded based on a written application (Form KMT) from the taxable person if the following conditions are satisfied:

- The taxable person is required to pay VAT as an undertaking in its home country;
- The amount of VAT to be refunded per calendar year is at least EUR 320;
- Taxable persons in Estonia have the right to deduct input VAT paid on the import or acquisition of goods or receipt of services from the output VAT under the same conditions; and
- Estonian residents have the right to a VAT refund in the home country of the claimant.

### Time limits

The application must be submitted to the Estonian tax authorities by 30<sup>th</sup> of September of the year following the refund period.

### Proxy

An authorized third-party representative of the claimant must, upon filing the refund claim, provide a hard copy original of the power of attorney, which must be sent by mail to the Tax and Customs Board, Lõõtsa 8a, 15176 Tallinn, Estonia. The power of attorney does not need to be notarized or legalized.

### Application forms

Form KMT is used to apply for a VAT refund. The application must be signed by an individual from a non-EU country, a head of the entity or an authorized representative.

### Supporting documentation

The following documents must be attached to the application:

- Readable invoices meeting the requirements in the VAT Act and documents certifying the payment of VAT upon the import of goods; and
- A certificate issued by the tax authorities of the foreign country certifying that the non-resident is registered as a VAT taxpayer in its home country.

The form and supporting documentation must be sent to:

Tax and Customs Board  
Lõõtsa 8a Tallinn 15176 Eesti (Estonia)  
Phone: +372 676 1256; +372 676 1187  
Email: [vatrefund@emta.ee](mailto:vatrefund@emta.ee)

Information:

<https://www.emta.ee/en/business-client/taxes-and-payment/value-added-tax/calculation-and-refund-vat>

### E-Invoicing

E-invoices are accepted by the Estonian tax authorities. To reclaim VAT under Directive 2008/09/EC or the 13<sup>th</sup> Directive, e-invoices must be printable (printed out and included in supporting documentation) and readable.

## Refunds and appeals

The Estonian tax authorities will verify the accuracy of the refund application and the relevant supporting documents, and if no further information is required, they will refund the amount within six months from the date the application and supporting documents are received. If the claimant has appointed a representative, the additional questions are sent to the representative first and if no response is received by the stipulated deadline, the questions also are sent to the claimant.

The refund will be paid to the bank account indicated in the application. If the refund is to be transmitted to a bank account of a credit institution located in a foreign country, the recipient of the refund will bear any transfer costs. The claimant's bank account can be in any country, as there is no requirement that the claimant have an Estonian bank account.

The Tax and Customs Board marks all received original documents and will return them to the claimant, along with a copy of the application within one month from the date the refund is issued.

If additional documents are requested, the decision deadline will be extended, since the six-month period is counted from the date the application and supporting documentation is received.

If no additional questions are asked, the Tax and Customs Board will issue their decision within the six-month deadline and send the VAT refund decision by regular mail.

The Estonian tax authorities may be liable for late payment interest of 0.06% per day if the refund is not processed in a timely manner.







If there are issues with one invoice, the VAT refund claim generally will be rejected with respect to that invoice; the entire claim will not be rejected. However, if the VAT refund amount remaining after taking into account the rejected amount is below the threshold for the relevant period (EUR 320), the entire claim will be rejected.

If the refund is not granted, the grounds for rejection must be stated.

Common format reasons for rejecting a VAT refund claim include the following: the claimed amount does not correspond to the relevant period or is less than the threshold, the claim is filed late, *etc.*

Common substance reasons for rejecting a claim include the following: invoices are not issued to the name of the claimant, the invoice does not contain VAT or Estonian VAT, the added VAT is not in accordance with the VAT Act, VAT is not refundable (*e.g.* VAT in connection with catering, *etc.*).

An appeal on a rejected claim must be filed within thirty days from the date the person was notified about the decision. The appeal must be in writing and must contain the information required in that article. There are no other specific requirements regarding the format of the appeal (it can be filed via e-mail, in hard copy via courier, *etc.*).

There are no penalties imposed for incorrect VAT refund claims. However, where in the VAT refund claim false information has been intentionally provided to increase the amount reclaimed, the penalty is a fine of up to EUR 32,000.

In practice, if no additional questions are raised, a refund claim will be settled within six months.





# Finland



Finnish VAT is known as “Arvonlisävero” (ALV) in Finnish and “Mervärdesskatt” (MOMS) in Swedish.

The standard VAT rate is 24%, and there are reduced rates of 14%, 10% and 0%.

An extensive overview of the VAT rates applied in Finland can be found at: [vat\\_rates\\_en.pdf \(europa.eu\)](#).

It is not necessary to appoint a Finnish fiscal representative to claim a VAT refund based on Directive 2008/09/EC or the 13th Directive.

## Finland is the Member State of Establishment EU countries (Directive 2008/09/EC)

*This refers to a Finnish-established company submitting an EU (former 8<sup>th</sup> Directive) claim in another EU member state.*

### Procedure

#### Suomi.fi identification

Suomi.fi identification can be used by Finnish citizens and citizens of other EU Member States. Identification is done with online banking codes, mobile certificate, certificate card or eIDAS token.

A representative of a company can alone or together with other persons with the right to represent the company grant a mandate to act on its behalf to a company, an organization or a person. For that purpose, the representative needs to identify herself/himself in Suomi.fi using his/her own personal identification token.

The confirmation of receipt of a VAT refund claim will be sent by email or letter. The confirmation will be also received in MyTax if the refunding country has accepted MyTax as the method of communication. If confirmation is not received, the tax authorities of the refunding country shall be contacted.

#### IT requirements

Finnish taxpayers registered for VAT purposes must file their refund claims electronically using Suomi.fi IDs at My Tax web portal of the Finnish tax authorities.

Access to the portal is granted using Suomi.fi.ID. Independent entrepreneurs also can access the system with a bank log-in or a Finnish electronic ID card.

More information about who can act on behalf of company with Suomi.fi identification can be found:

<https://www.suomi.fi/instructions-and-support/information-on-eauthorizations/acting-on-behalf-of-a-company-or-an-organisation>

The web portal allows to upload a file containing the details of the invoices or import documents. This requires the details have been correctly set up.

The import file must be formatted as a CSV file. The maximum number of documents per file is not restricted, i.e. all invoices and import documents can be included in the same file. Several attachments can be enclosed with the application, but the claimant has to upload each document separately.

The electronic form is divided into the following sections:

- General information on the claimant: Name, business ID and the country of establishment;
- Basic information about the application: Application number, the country where the refund is requested and language of the application, application year, the first and last month of the refund period; and
- Detail of invoices and import documents (scanned invoices/ annexes are uploaded taking the following into account): Accepted file formats are TIFF, JPEG and PDF. The recommended format is PDF, with a maximum size of 5 MB.

After the application is submitted, a confirmation and summary of the application(s) is displayed.



## Non-EU countries (13<sup>th</sup> Directive equivalent)

*This refers to a Finnish-established company submitting a non-EU (13<sup>th</sup> Directive equivalent) claim in a non-EU country.*

A refund application for a Finnish-established company claiming input VAT in a non-EU country must be submitted according to the requirements of the country of refund. The Finnish portal may not be used.

Another difference with the 8<sup>th</sup> Directive EU VAT refund procedure is that a “certificate of taxable status” issued by the member state of establishment usually will be required by the non-EU country of refund. This form is called “Todistus verovelvollisuudesta” in Finnish.

## Finland is the Member State of Refund EU businesses (Directive 2008/09/EC)

*This refers to an EU-established company submitting an EU (former 8<sup>th</sup> Directive) claim in Finland.*

### Eligibility for refund

A foreign taxable person established in another EU member state is entitled to recover Finnish VAT if the following conditions are satisfied:

- The company does not have a fixed establishment in Finland from which business transactions are carried out;
- The purchase relates to business operations abroad which, if carried out in Finland, would have given rise to liability to account for VAT or would have entitled the entrepreneur to VAT recovery in Finland and the company carries out such sales in its member state of establishment, which entitles the foreign company to a deduction in that member state;
- The company does not carry out any other business in the form of the sale of goods and services in Finland, except for:
  - Supplies to which the reverse charge applies, or supplies to the state; and
  - Sales of exempt transportation services and ancillary services.

### Non-refundable VAT

VAT cannot be recovered on:

- Immovable property that the taxable person or its staff uses as a residence, nursery, recreational or leisure facility, as well as goods and services connected with it or its use;
- Goods and services related to transportation between the place of residence and place of work of the taxable person or its staff;
- Goods and services used for business entertainment purposes, e.g. restaurants, business gifts, etc.;
- Passenger cars, motorcycles, caravans, vessels intended for recreational or sports purposes and aircraft with a maximum permissible take-off weight not exceeding 1,550 kg, or on goods and services related to their use.

However, input VAT is recoverable if related to vehicles and vessels acquired for sale, lease or use in professional passenger transport or for driving school purposes and passenger cars solely acquired for business purposes;

- Purchases intended for the private consumption of the entrepreneur or his/her staff;
- Purchases related to exempt sales of investment gold;
- Purchases of taxable goods and services for direct benefit of passengers made in the name of a foreign travel service company; and
- Purchases that are VAT-exempt, but have erroneously been charged with VAT.

### Partially refundable VAT

There are no expenses for which non-established companies will be granted only a partial refund of Finnish VAT. However, the claimant may claim a partial refund only if the relevant purchase is related to both the taxable and non-taxable business of the claimant.

### Making claims

#### Minimum amounts

If the application relates to a period of a calendar year or the remainder of a calendar year (October, November and December), the minimum amount is EUR 50. If the application is submitted during a calendar year, the minimum amount is EUR 400.

#### Time limits

The application must cover a period of not less than three consecutive calendar months (e.g. from 1 January to 31 March) in one calendar year or not more than one calendar year, unless the period represents the remainder of a calendar year (e.g. from 1 November to 31 December).

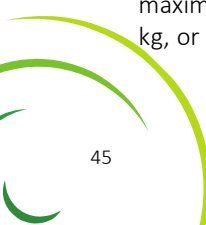
A VAT refund application may not be submitted merely on the basis that the claimant received an invoice for a purchase. The goods must have been supplied, services must have been rendered or the payment must have taken place.

The correct application period is the period during which the later of the following events occurred:

- The delivery of goods, the provision of services, or a payment or a partial payment made before the delivery of goods/provision of services; or
- The invoicing for the goods/services.

The application period for imported goods is the month in which the goods clear customs.

The application can relate to invoices or import documents not covered by previous applications in respect of transactions carried out during the calendar year. However, in such cases, the application period must be adjusted accordingly.







A claimant may submit multiple claims for the same application period, and it is possible to make overlapping claims for the period regarding the remainder of the year. The maximum number of claims that can be submitted for a calendar year has not been established.

### Proxy

When Finland is the member state of refund, the Finnish tax authorities will request a third party to prove its authorization through a written document.

If a third party completes the application, a power of attorney must be enclosed, and it must specify the agent's powers. The power of attorney must clearly indicate whether the agent is appointed only for submitting the application and whether he/she is entitled to receive the payment in his/her bank account. A power of attorney granted for an indefinite period is stored by the Tax Administration. To avoid delays, the power of attorney should be scanned and attached to the application. There are no specific notarization requirements, but the power of attorney must be in English, Finnish or Swedish.

### Supporting documentation

Scanned copies of original invoices and customs decisions need not be enclosed with the refund claim.

The codes describing the nature of purchased goods and services can be found here:

[Refund of VAT to foreign businesses established in the EU - vero.fi](https://vero.fi)

### E-Invoicing

E-invoices generally are accepted and are sufficient to claim input VAT via the former 8<sup>th</sup> Directive procedures. The authenticity of the origin, the integrity of the content and the legibility of an invoice, whether on paper or in electronic form, must be ensured from the point in time of issue until the end of the period for storage of the invoice.

### Refunds and appeals

The Finnish tax authorities must issue a decision on a refund claim within four months of receipt of the claim.

The authorities can send their decision to the claimant by regular mail, with an unofficial electronic copy to the tax authorities of the member state in which the claimant is established (regardless of whether the refund claim is accepted or rejected).

If the authorities request additional information, the claimant will be informed by secure e-mail. The claimant must provide all information within the time specified in the request (a maximum of one month from the notification day).

Additional information must be provided by using the means of communication requested by the tax authorities, generally through regular mail.

If the claimant has engaged in the services of an agent, requests for information will only be sent to the agent.

The period in which the authorities must decide will be extended to six months when additional information is requested, or eight months when the authorities request additional information after a first request. If a refund is granted, it will be processed in EUR within ten business days after the relevant period and paid to the bank account specified in the application. According to the guidelines of the Finnish Tax Administration, payments will be made on EU accounts.

The Finnish tax authorities will be liable for late payment interest if the refund is not processed in a timely manner. Late payment interest will not be due if the claimant failed to submit the requested additional information on time.

If a refund is not granted, the grounds for rejection must be stated. Appeals must be addressed to:

Board of Adjustment

Verotuksen oikaisulautakunta, Verohallinto, PL 650, 00052 VERO, FINLAND.

The appeal letter prepared in Finnish or Swedish must contain the appellant's name, information on the decision against which the appeal is based, specification of which part of the decision is being appealed, suggested changes and arguments. Any documentary evidence should be enclosed with the appeal.

A power of attorney signed by a person authorized to sign on behalf of the company should be enclosed, if applicable. The appeal must be made within three years of the end of the calendar year for which the application is made. An appeal period is a minimum of sixty days from the date the decision was communicated to the claimant (excluding the notification day).

An entire refund claim cannot be rejected in Finland merely because one of the submitted invoices was not correct/could not be provided in a readable/acceptable scanned copy; in such case. Only that invoice will be rejected.

In addition, an entire refund claim cannot be only rejected if a query on a particular invoice has not been answered; again, only that invoice in question will be rejected.

Typical reasons for the rejection of a refund claim include failure to attach a power of attorney to the first application if the claim is submitted by an agent, or where the invoices relate to non-deductible expenses, such as private use or entertainment.

Penalties may be levied by the Finnish authorities as follows:

- If there has been insufficient or incorrect clarification or if there is new relevant clarification regarding the issue, the Finnish tax authorities can request the VAT refund to be repaid within three years as of the end of the calendar year of the VAT refund period;
- A rejection decision may order the reclaimed amount to be increased up to 10% if the application or its attachment contained incorrect information; and





- If the reason for giving incorrect information is recurring negligence or aggravated by unconcerned actions, reclaimed amounts may be increased by 15% to 50%. In addition, interest must be paid on the refundable amount.

### Non-EU businesses (13<sup>th</sup> Directive)

*This refers to a non-EU-established company submitting a 13<sup>th</sup> Directive claim in Finland.*

#### Eligibility for refund

A foreign taxable person established outside the EU is entitled to recover Finnish VAT if the following conditions are satisfied:

- The company does not have a fixed establishment in Finland from which business transactions are carried out;
- The purchase relates to business operations abroad which, if carried out in Finland, would have given rise to liability to account for VAT or would have entitled the entrepreneur to a VAT recovery in Finland. If the country of establishment of the company has a VAT system, it is also required that the company has purchased the goods and services for transactions giving rise to VAT recovery right in the country of establishment;
- The company does not carry out any other business in the form of the sale of goods and services in Finland, except for:
  - Supplies to which the reverse charge applies, or supplies to the state; and
  - Sales of exempt transportation services and ancillary services.
- Reciprocity is not required.

#### Non-refundable VAT

VAT cannot be recovered on:

- Immovable property that the taxable person or its staff uses as a residence, nursery, recreational or leisure facility, as well as goods and services connected with it or its use;
- Goods and services related to transportation between the place of residence and place of work of the taxable person or its staff;
- Goods and services used for business entertainment purposes e.g. restaurants, business gifts, etc.;
- Passenger cars, motorcycles, caravans, vessels intended for recreational or sports purposes and aircraft with a maximum permissible take-off weight not exceeding 1,550 kg, or on goods and services related to their use. However, input VAT is recoverable if related to vehicles and vessels acquired for sale, lease or use in professional passenger transport or for driving school purposes and passenger cars solely acquired for business purposes;
- Purchases intended for the private consumption of the entrepreneur or his/her staff. Purchases related to exempt sales of investment gold;

- Purchases of taxable goods and services for direct benefit of passengers made in the name of a foreign travel service company; and
- Purchases that are VAT-exempt, but have erroneously been charged with VAT.

#### Partially refundable VAT

There are no expenses for which non-established companies will be granted only a partial refund of Finnish VAT. However, the claimant may only claim a partial refund if the purchase concerned is related to the taxable and non-taxable business of the claimant.

#### Making claims

##### Minimum amounts

If the application relates to a period of a calendar year or the remainder of a calendar year (October, November and December), the minimum amount is EUR 50. If the application is submitted during a calendar year, the minimum amount is EUR 400.

##### Time limits

The application must cover a period of not less than three consecutive calendar months (e.g. from 1 January to 31 March) in one calendar year and not more than one calendar year, unless the period represents the remainder of a calendar year (e.g. from 1 November to 31 December). The application can relate to invoices or import documents not covered by previous applications in respect of transactions carried out during that calendar year.

The application must be submitted to the Finnish tax authorities within six months of the end of the calendar year following the refund period, i.e. by 30 June of the following year. Late claims are not accepted.

##### Proxy

If a representative is assigned to apply for the VAT refund, the claimant must enclose an original power of attorney with the VAT refund application. The power of attorney must state whether the representative only authorized it to submit the refund application or whether the representative is also authorized to receive the refund.

##### Application forms

The application must be in Finnish, Swedish or English and on the form issued by the Finnish tax authorities. The form can be obtained at:

[https://www.vero.fi/contentassets/ed722d5696444bec8212a601b6509627/9550ev19\\_t\\_1.2.2019.pdf](https://www.vero.fi/contentassets/ed722d5696444bec8212a601b6509627/9550ev19_t_1.2.2019.pdf)

All invoices and other documents must be mentioned in point 10 of the application or listed on a separate sheet.

The application must be signed by the claimant, its authorized signatory, or an authorized representative.







The form and supporting documentation must be sent to:  
 Finnish Tax Administration  
 P.O. BOX 560  
 FI-00052 VERO  
 Finland  
 T: + 358 29 497 008  
[www.vero.fi](http://www.vero.fi)

### Supporting documentation

The following documents must be submitted with each application:

- An original certificate of taxable status of the claimant issued by its country of residence. The certificate needs to confirm the nature of business carried on by the claimant, and if the claimant is a supplier of taxable investment goods, this must be stated in the certificate. The certificate must have been issued within the past year; and
- The original power of attorney if a proxy is used.

The original invoices and customs documents should no longer be enclosed with the application but must be detailed on the form. In addition, the nature of purchased goods and services must be described by using specific codes. The codes can be found at: [Refund of VAT to foreign businesses established outside the EU - vero.fi](http://www.vero.fi)

### E-Invoicing

Printed copies of e-invoices are accepted.

### Refunds and appeals

It takes on average four to six months for the Finnish tax authorities to decide on a 13<sup>th</sup> Directive refund claim.

If the claimant has engaged the services of an agent, requests for information and the decision on the refund will only be sent to the agent. The claimant / agent must provide all information within the time specified in the request (usually a maximum of one month from the notification day). Any additional information requested must be provided via the means of communication requested by the tax authorities, generally through regular mail.

The authorities can send their decision to the claimant by regular mail.

According to the guidelines of the Finnish Tax Administration, payments will be made on by bank transfer, either to a bank in Finland or in another EU country. The refund will not be paid to any bank outside the European Union.

The entire refund claim cannot be rejected in Finland merely because one of the submitted invoices was not correct / could not be provided in a readable / acceptable scanned copy; in such case, only that invoice will be rejected. In addition, an entire refund claim cannot be rejected if a query on only a particular invoice has not been answered; again, only that invoice will be rejected.

Typical reasons for the rejection of a VAT refund claim include failure to attach a power of attorney to the first application if the claim is submitted by an agent, or where the invoices relate to non-deductible expenses, such as private use or entertainment.

If the refund is not granted, the grounds for rejection must be stated.

Appeals against decisions issued must be addressed to:

Board of Adjustment Verotuksen oikaisulautakunta,  
 Verohallinto,  
 P.O. Box 560, 00052 VERO, FINLAND.

The appeal letter prepared in Finnish or Swedish should contain the appellant's name, information on the decision against which the appeal is based, specification of which part of the decision is being appealed, suggested changes and arguments. Any documentary evidence should be enclosed with the appeal. A power of attorney signed by a person authorized to sign on behalf of the company also should be enclosed, if applicable. The appeal must be made within three years of the end of the calendar year for which the application is made.

However, the appeal period is always sixty days from the date the decision was communicated to the claimant (excluding the notification day). Penalties can be levied by the Finnish authorities only in connection to rejecting a refund claim payment.





# France



French VAT is known as “Taxe sur la Valeur Ajoutée” (TVA).

The standard VAT rate is 20%, and there are reduced rates of 10%, 5.5% and 2.1%.

Special rates apply in Corsica (20%, 13%, 10%, 5.5%, 2.1% and 0.9%) and Overseas departments, except French Guiana and Mayotte (8.5%, 2.1%, 1.75% and 1.05%).

An extensive overview of the VAT rates applied in France can be found at: [vat\\_rates\\_en.pdf \(europa.eu\)](#)

Goods and services supplied to or from the Principality of Monaco are regarded as having been supplied to or from France. However, specific rules may apply. For example, foreign entities that are not established or VAT registered in France and that incur VAT in Monaco must file a specific VAT refund claim in Monaco.

For VAT purposes, the French overseas communities “collectivités d’outre-mer” (French Polynesia, Saint Barthélemy, Saint Martin, Saint Pierre and Miquelon, Wallis and Futuna, Nouvelle Calédonie, French Southern and Antarctic Lands and Ile de Clipperton) are not considered as part of the French territory. These territories are considered as third-party countries with respect to France and other EU member states. Andorra, enclosed between Spain and France, is a third-party country as well.

French overseas departments also are considered as third-party countries for VAT purposes regarding transactions relating to goods supplied to/from France or other EU member states.

It is not necessary to appoint a French VAT representative to claim a VAT refund based on Directive 2008/09/EC, but a VAT representative is required for a claim based on the 13<sup>th</sup> Directive.

## France is the Member State of Establishment EU countries (Directive 2008/09/EC)

*This refers to a French-established company submitting an EU (former 8<sup>th</sup> Directive) claim in another EU member state.*

### Procedure

#### Filing

The application must be submitted electronically (in French or in English) through the portal of the French tax authorities (FTA): [Professionnel | authentification \(impots.gouv.fr\)](#).

The claimant or its representative must be registered on the FTA web portal via an “espace abonné” (subscriber area) via a log-in and password. The FTA have provided some guidelines in English: [create professional account register services.pdf \(impots.gouv.fr\)](#); [Setting up a professional account - YouTube](#)

Only one person per company will be granted authority to obtain a membership application on behalf of the company on the “espace abonné.” If this person is not the legal representative of the company, a formal power of attorney must be attached to the membership application (a template is available on the FTA portal). That person becomes the administrator (‘administrateur titulaire’) of the online services.

The administrator may delegate the filing of the VAT refund claim to another person, who becomes the ‘administrateur suppléant.’ A refund claim also may be submitted by a third-party service provider authorized by the claimant. A non-established company can be appointed administrateur suppléant by the administrator. To be appointed, the administrateur suppléant must first create its own space on the FTA’s web portal. The agent must provide the FTA with the original power of attorney by mail.

When acting as the member state of establishment, the FTA will issue a confirmation of receipt of a VAT refund claim.

#### IT requirements and information required

The preparation and filing of a refund claim are done through the following web portal: [www.impots.gouv.fr](#). The claim then can be accessed through the subscriber area on the “professionnels” (professionals) page of the portal.

To access the online procedure, a claimant must have access to its own subscriber area and to access the online VAT refund claim procedure, the claimant must create its own space on the FTA portal, and then opt for “electronic services”.



Once registered in its own subscriber area, to access the online procedure, the claimant must click on the following links:

*Démarches > Remboursement de TVA UE > Effectuer une démarche en ligne > Déposer une demande de remboursement de TVA > Remboursement de TVA dans l'Union européenne.*

XML files can be uploaded to complete the claim. Information on the invoice statements can be manually uploaded to the portal or automatically uploaded in XML format. The format of the content of the XML file of the expected invoice statement must comply with the XSD schema available on this site in the section "Je demande un remboursement de TVA dans un état membre de l'UE > Aide en ligne « Schéma XSD du relevé de factures »". The XSD schema is contained in a file in ZIP format that you can download and save on your computer. The FTA have provided some guidelines: [remboursement\\_tva\\_ue.pdf \(impots.gouv.fr\)](#)

If the XML format is used, the box "Parcourir" (and not a manual upload) must be selected. The FTA have provided some guidelines: [demande\\_remboursement\\_xml.pdf \(impots.gouv.fr\)](#)

The electronic form is divided into two main sections:

- General information relating to the claimant and the goods/ services purchased (a list of invoices with a description of the purchased goods/services);
- Scanned invoices/import documents that can be uploaded, taking the following into account:
  - File types accepted: JPEG, PDF, or TIFF;
  - Maximum file size: 5 Mb;
  - Standard scanning preference: Black and white.

Once the claim is submitted, the taxpayer will receive confirmation from the website, referencing the application.

The claimant must provide the following information:

- Member State from which refund is claimed;
- Name and address;
- Email address;
- Description of the activities carried out by the claimant and for which the expenses were incurred;
- Period for which the refund is requested;
- Declaration certifying that the claimant has not carried out any taxable transactions in the Member State from which the refund is claimed;
- FR VAT number or the claimant's fiscal number; and
- Details of the bank account where the refund is to be paid.

The claimant must provide the following information about the invoices subject to EU VAT for which the refund is requested:

- Name and the address of the supplier and its VAT number (except in the case of import of goods);
- Date and the number of the invoice or import document;
- Taxable basis;
- Amount of VAT charged by the supplier; and
- Nature of the expense.

The provision of invoices is mandatory if so, required by the country.

The XML file can contain up to 999,999 invoices. The limit is 100 for manually uploaded invoices.

### Non-EU countries (13<sup>th</sup> Directive equivalent)

*This refers to a French-established company submitting a non-EU (13<sup>th</sup> Directive equivalent) claim as regards VAT incurred in a non-EU country.*

The refund application for a French-established company claiming input VAT in a non-EU country must be submitted according to the requirements of the country of refund. The French portal cannot be used.

Further to the Brexit, since January 1, 2021, French established companies have to send directly their VAT refund claim to the UK tax authorities.

Another difference with the Directive 2008/09/EC procedure is that a "certificate of taxable status" issued by the member state of establishment (i.e. France) usually will be required by the non-EU country of refund. The form named "Attestation d'assujettissement" is obtained via the following web portal: [www.impots.gouv.fr](#) through the "Espace abonnés" on the "professionnels" page of the taxpayer's portal.

### France is the Member State of Refund

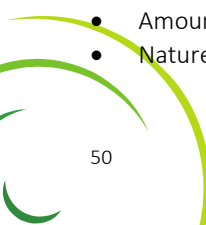
#### EU businesses (Directive 2008/09/EC)

*This refers to an EU-established company submitting an EU (former 8<sup>th</sup> Directive) claim in France.*

#### Eligibility for refund

A foreign taxable person is entitled to recover French VAT if the following conditions are satisfied during the period to which the refund claim relates:

- The company does not have residence, its seat or a fixed establishment in France;
- The company has not carried out any supplies of goods or supplies of services in France, except the following supplies:
  - Certain tax-exempt cross-border transportation or ancillary services from/to non-EU countries;
  - Supplies for which VAT is due by the recipient in accordance with the rules in the EU VAT package;
  - Supplies of goods/services made by a non-established entity to a VAT-registered recipient in France and subject to the domestic reverse charge mechanism;
  - Supplies made under a VAT suspension regime;
  - Telecommunications, radio and television broadcasting and electronic services, rendered to non-taxable customers that are established in France;





- The company must perform transactions giving rise to the right to deduct input VAT in the EU country where it is established.

The Conseil d'Etat (Administrative Supreme Court) ruled on 7 December 2015 that a VAT refund claim must be made by the company heading a VAT group (established outside France). If the head company or any company in the group is VAT-registered in France, the situation is more complex and must be analyzed on a case-by-case basis.

### Non-refundable VAT

VAT cannot be recovered on:

- Accommodation costs incurred on behalf of the management or staff of the company. (VAT is recoverable when such expenses are incurred for the benefit of persons not employed by the company, provided the expenses are incurred in the interest of the company or when it supplies the same services for consideration);
- The supply, import, leasing, repair, and maintenance of most cars for passenger transport and other related costs. However, VAT is recoverable on the purchase price where the car is purchased by a car dealer for resale or by a person leasing cars. In addition, 20% of VAT on diesel and gasoline used for vehicles and machines is excluded from the right to deduct VAT and leased vehicles (where the lessee cannot deduct the VAT);
- Goods transferred without remuneration or for remuneration that is much lower than the normal price, unless the value of the goods is very low (except business gifts whose collective value does not exceed EUR 73, including VAT, per beneficiary per year); and
- Domestic transport of passengers and related expenses (except for the benefit of public transport companies and transportation from home to work, subject to conditions).

If French VAT has been incorrectly charged, a foreign taxable person cannot in principle obtain a refund through the Directive 2008/09/EC procedure. A specific procedure applies for a supplier to issue a corrective invoice to a customer not registered in France.

### Partially refundable VAT

The foreign entity must declare its VAT recovery ratio when filing the claim. The FTA will issue a partial refund after application of the VAT recovery ratio. If the VAT recovery ratio is modified after the submission of the VAT refund claim, the taxpayer should inform the FTA and file a specific form.

### Making claims

#### Minimum amounts

The refund period cannot be more than one calendar year or less than three calendar months. Refund claims may, however, relate to a period of less than three months where the period represents the remainder of a calendar year.

If the refund claim relates to a refund period of less than one calendar year but not less than three months, the amount of refundable VAT must be at least EUR 400. If the refund claim relates to a refund period of a calendar year or the remainder of a calendar year, the amount must be at least EUR 50.

The refundable VAT is the one relating to:

- Purchases of goods or services which was invoiced during the refund period, if VAT became chargeable before or at the time of invoicing, or in respect of which the VAT became chargeable during the refund period, provided that the purchase was invoiced before the VAT became chargeable;
- Import of goods made during the refund period;
- Invoices or import documents not included in previous refund claims provided that they relate to imports made during the calendar year concerned by the refund claim.

#### Time limits

The VAT refund claim must be filed before 30 September of the calendar year following the year during which VAT was due. Late claims are not accepted.

#### Proxy

When a foreign company decides to appoint an agent, a proxy in French must be prepared, signed by both parties, and sent by mail to the FTA (nonresidents tax center). The FTA has included a draft proxy in its guidelines:

<http://bofip.impots.gouv.fr/bofip/1421-PGP.html>

#### Supporting documentation

The general threshold for the submission of an electronic copy of an invoice is where the taxable basis on the invoice or import document is EUR 1,000 or more. However, where the invoice relates to fuel costs, the threshold for providing a copy is EUR 250. Scanned invoices must appear in the same order as their line-by-line entry. The FTA can request additional documents/information (e.g. original invoices).

#### E-Invoicing

The FTA have not issued specific comments concerning e-invoices in the framework of Directive 2008/09/EC procedure. Copies of invoices that exceed the above-mentioned threshold must be provided with the claim.

### Refunds and appeals

The FTA must, in principle, issue a decision on a refund claim within four months of receipt of the claim:

- The authorities can accept the claim and notify the claimant via electronic means;
- The authorities can reject the claim (in whole or in part) and notify the claimant via electronic means; or







- The authorities can request additional information and notify the claimant via electronic means.

The claimant must provide all information within one month of receipt of the notification. If the authorities request additional information from a third party, they must notify the claimant via electronic means, as this request increases the deadline they have to make a decision. The authorities must accept or reject the refund claim within two months of receiving the requested information, or, if they have not received any reply to its request, within two months of expiry of the four-month period mentioned above. When the authorities make several requests of additional information, they must notify their decision within eight months of receipt of the refund claim.

The FTA must inform the taxpayer of the grounds for denial in the case of a partial refund or rejection.

In theory, the notifications are sent to the agent.

If the FTA fails to issue a decision in a timely manner, the claim will be deemed to have been rejected (the taxpayer may then file an appeal).

If a refund is granted, it will be processed in EUR within ten business days of the expiry of the deadline mentioned above and paid to the bank account number provided to the authorities. This bank account can be held by the claimant or a proxy holder (in the latter case, a specific document will have to be provided). If the claimant does not hold a bank account in France, bank charges related to the payment will be deducted from the refunded amount.

The FTA will be liable for late payment interest if the refund is not processed in a timely manner.

If one invoice is not correct or is not provided in a readable format, only this invoice could be rejected.

A query on a particular invoice that has not been answered may lead to a rejection of the entire VAT refund claim if the FTA have doubts as to whether the conditions to claim the refund have been fulfilled. If additional information is requested and the claimant fails to respond, the FTA will reject the entire claim. It is essential to correctly manage the follow-up of the claim (regularly monitor emails). Generally, the FTA provides a deadline and indicates that the claim will be rejected if no answer is provided.

If the refund is not granted, the grounds for rejection must be stated. An appeal against a denied claim can be made to the Administrative Court of Montreuil before the end of the fourth month following the notification of the decision assuming that the claim has been made by the company. The claimant also can request mediation, but this will not affect the appeal deadline. The appeal must be filed by letter and drafted in French, but lawyers should file the appeal electronically.

If the FTA performs an audit after granting a VAT refund to a taxpayer, they must issue a specific reassessment proposal (according to the domestic tax procedure). No late interest can be applied. A fine may be applied for willful default (40%) or fraud (80%).

If a refund has been unwilfully or incorrectly granted, the FTA may directly recover the overpayment.

## Non-EU businesses (13<sup>th</sup> Directive)

*This refers to a non-EU-established company submitting a 13<sup>th</sup> Directive claim in France.*

### Eligibility for refund

Non-EU businesses may request a VAT refund under the 13<sup>th</sup> Directive provided the same conditions of eligibility for a refund under Directive 2008/09/EC are satisfied. Non-EU businesses must appoint a French VAT representative to file a refund claim under the 13<sup>th</sup> VAT Directive. This French VAT representative must be accredited by the FTA.

Since January 1, 2021, British companies fall under the provisions of the 13th Directive, and have to appoint a French VAT representative to file the refund claim.

Since July 1, 2021, the claim must be filed electronically, by the French VAT representative. A listing of the invoices and import documents, as well as their copies where the amount of the transaction exceeds EUR 1,000 (or EUR 250 for fuel expenses) shall be attached. Original invoices and documents shall be communicated upon request from the Administration, within one month following this request.

### Non-refundable VAT

VAT cannot be recovered on:

- Accommodation costs incurred on behalf of the management or staff of the company (VAT is recoverable when such expenses are incurred for the benefit of persons not employed by the company, provided the expenses are incurred in the interest of the company or when it supplies the same services for consideration);
- The supply, import, lease, repair and maintenance of most cars for passenger transport and other related costs. However, VAT is recoverable on the purchase price where the car is purchased by a car dealer for resale or by a person leasing cars. In addition, 20% of VAT on diesel and gasoline used for vehicles and machines is excluded from the right to deduct VAT and leased vehicles (where the lessee cannot deduct the VAT);
- Goods transferred without remuneration or for remuneration that is much lower than their normal price, unless the value of the goods is very low (except business gifts whose collective value does not exceed EUR 73, including VAT, per beneficiary per year);
- Domestic transport of passengers and related expenses (except for the benefit of public transport companies and transportation from home to work, subject to conditions).







If French VAT has been incorrectly charged, a foreign taxable person cannot, in principle, obtain a refund through the 13<sup>th</sup> Directive procedure. A specific procedure applies for a supplier to issue a corrective invoice to a customer not registered in France.

### Partially refundable VAT

The VAT refund is computed according to the French recovery rules. Therefore, in practice, the FTA will grant a partial refund to foreign taxpayers that carry out both taxable and non-taxable activities.

### Making claims

#### Minimum amounts and frequency of filing

A VAT refund claim may be filed on a quarterly basis or an annual basis.

- A quarterly claim must be submitted during the month following each calendar quarter (e.g. by 31 October 2022 for input VAT incurred during the third calendar quarter of 2022). The refundable VAT must correspond to the transactions for which the tax point occurred during the relevant quarter (in practice, however, invoices relating to the previous quarters of a same year can be included in the relevant quarterly VAT refund claim). The amount of refundable VAT must be at least EUR 400.
- A VAT refund claim also can be made on a calendar year basis, provided the amount of refundable VAT is at least EUR 50.

#### Time limits

The VAT refund claims must be submitted before 30 June of the calendar year following the refund period. Late claims are not accepted.

#### VAT representative

Non-EU businesses must appoint a VAT representative. The representative must be a taxable person established and liable to VAT in France and a “good” taxpayer. The representative must provide his/her proxy and must be accredited by the FTA.

#### Proxy

A proxy in French must be prepared, be signed by both parties, and sent by mail to the FTA (nonresidents’ tax center). The FTA have included a draft proxy in their guidelines:

[fr/bofip/1421-PGP.html](https://bofip.impots.gouv.fr/bofip/1421-PGP.html)  
<https://bofip.impots.gouv.fr/bofip/1421-PGP.html/identifiant=BOI-LETTRE-000084-20141110>

### Supporting documentation

A non-EU business applying for a VAT refund claim in France does not have to enclose a certificate of VAT-taxable status with the VAT refund claim.

A listing of the invoices and import documents, as well as their copies where the amount of the transaction exceeds EUR 1,000 (or EUR 250 for fuel expenses) shall be attached, among others. Original invoices and documents shall be communicated upon request from the Administration, within one month following this request.

### E-Invoicing

Invoices may be issued electronically in France, but stringent rules apply, and practical difficulties could arise in the context of the VAT refund claim procedure.

### Refunds and appeals

The FTA must issue their decision on the refund claim within six months following receipt of a complete claim.

Additional information may be requested from the VAT representative and the final decision on the claim will be sent to the representative.

If the FTA do not issue a decision within the above deadline, the claim is deemed to be rejected.

If the claimant does not hold a bank account in France, bank charges related to the payment may be deducted from the refunded amount.

Late payment interest is due if the refund is not granted within six months following the date the claim is deemed to be complete.

If an invoice is not correct or is not provided in original (upon request of the FTA), only this invoice could be rejected; the entire claim should not be rejected.

Reasons for the FTA to reject a VAT refund claim include the existence of a permanent establishment, failure of the claimant to register for VAT purposes, failure to respond to queries in a timely manner, etc.

If the refund is not granted, the grounds must be stated. An appeal against a denied claim can be made to the Administrative Court before the end of the fourth month following the notification of the decision. The claimant may also request mediation, but this will not affect the deadline for the appeal.

The appeal must be filed by letter and drafted in French, but lawyers should file the appeal by electronic means.





# Germany



German VAT is known as “Umsatzsteuer” (USt) or “Mehrwertsteuer” (MwSt).

The standard VAT rate is 19%. There is a reduced rate of 7%, and a zero VAT rate for photovoltaic systems. An extensive overview of the VAT rates applied in Germany can be found at: [https://ec.europa.eu/taxation\\_customs/vat-rates\\_en](https://ec.europa.eu/taxation_customs/vat-rates_en).

It is not necessary to appoint a German fiscal representative to claim a VAT refund based on Directive 2008/09/EC or the 13<sup>th</sup> Directive.

## Germany is the Member State of Establishment EU countries (Directive 2008/09/EC)

*This refers to a German-established company submitting an EU (former 8<sup>th</sup> Directive) claim in another EU member state.*

### Procedure

#### Filing

The application must be submitted electronically through the portal of the tax authorities in the country in which the claimant is established <https://www.elsteronline.de/bportal>. The VAT refund claim may be submitted by the claimant or a third-party service provider, which can be established outside Germany.

When Germany is the member state of establishment, the German tax authorities will issue a confirmation that the claim has been correctly submitted (as a ticket via email).

#### IT requirements

German taxpayers registered for VAT purposes file their refund claims electronically using the BZSt-Online web service of the German tax authorities. The taxpayer must register with the Elster Online Portal <https://www.elsteronline.de/eportal> before accessing the BZSt-Online web service.

The taxpayer must use the ELSTER registration file, along with a password or an authenticated signature card.

The information required to complete the refund claim can be uploaded in XML or CSV format.

The electronic form is divided into four main sections:

- General information on the taxpayer and the period for which the claim is made;
- Bank details;
- List of invoices in which each document can be manually typed in or all documents uploaded. Scanned invoices/annexes can be uploaded taking the following into account:
  - Maximum one file per country for which a refund is requested;
  - File types accepted: PDF, JPE, JPEG, TIF, TIFF;
  - Maximum file size: 5MB;
  - Standard scanning preference: Black and white / max 200 dpi.
- Declaration by the taxable person that, during the refund period he did:
  - not have in the Member State of refund, the seat of his economic activity, or a fixed establishment from which business transactions were performed, or, if no such seat or fixed establishment existed, his domicile or normal place of residence;
  - not supply any goods or services deemed to have been supplied in the Member State of refund;
  - only supply transport services and services ancillary thereto;
  - only render intra-Community acquisitions and subsequent supplies in the sense of Article 197 of the VAT Directive in the Member State of refund;
  - only render supplies of goods and services to a person who is liable for VAT.

Once the claim is submitted, the taxpayer will receive confirmation from the website, referencing the application.

An excel spreadsheet may be used to import the data. The IT system of the Federal Office of Finance can only read CSV files.



However, the excel spreadsheet contains a button to convert the files from XLS to CSV format.

There is no limit on the number of invoices that can be submitted in the same VAT refund claim. However, due to the maximum file size, the invoice upload is limited to 5 MB. If the claimant cannot upload all invoices with its refund claim, an additional email must be sent to the German tax authorities with the missing invoices attached.

### Non-EU countries (13<sup>th</sup> Directive equivalent)

*This refers to a German-established company submitting a non-EU (13<sup>th</sup> Directive equivalent) claim in a non-EU country.*

The refund application for a German-established company claiming input VAT in a non-EU country must be submitted according to the requirements of the country of refund. The German portal may not be used.

Another difference with the 8<sup>th</sup> Directive EU VAT refund procedure is that a “certificate of taxable status” issued by the member state of establishment usually will be required by the non-EU country of refund. This form is called Unternehmerbescheinigung (UST 1 TN) in Germany.

### Germany is the Member State of Refund EU businesses (Directive 2008/09/EC)

*This refers to an EU-established company submitting an EU (former 8<sup>th</sup> Directive) claim in Germany.*

#### Eligibility for refund

A foreign taxable person is entitled to recover German VAT if the following conditions are satisfied:

- The company is not registered or liable to be registered for VAT in Germany;
- The company does not have residence, its seat or a fixed establishment in Germany;
- The company has not provided any taxable supplies/services in Germany, except for:
  - Certain tax-exempt cross-border transport from/to non-EU countries and ancillary services;
  - Supplies/services for which the reverse charge applies;
  - Supplies subject to individual transport assessment;
  - Electronically provided services where the foreign taxable person opted for application of the special regime for non-established taxable persons supplying electronic services to non-taxable persons;
  - As of 1 July 2021, supplies which are declared under the (I)OSS procedure;
  - Supplies made as intermediary party that are subject to an intra-community triangulation, where the last customer is obliged to pay the tax that becomes payable on the delivery to the last customer.

#### Non-refundable VAT

VAT cannot be recovered on:

- Supplies of goods and services that are not used for business purposes, including gifts; or
- Supplies of services acquired, or goods imported that are connected to certain exempt activities.

#### Partially refundable VAT

There are no expenses for which non-established companies would only be allowed a partial refund of German VAT.

#### Making claims

##### Minimum amounts

If the application relates to a period of less than one calendar year but not less than three months, the amount for which application is made may not be less than EUR 400; if the application relates to a period of a calendar year or the remainder of a calendar year, the amount may not be less than EUR50.

##### Time limits

The application must cover a period of not less than three consecutive calendar months (e.g., from 1 January to 31 March) in one calendar year and not more than one calendar year, unless the period represents the remainder of a calendar year (e.g. from 1 November to 31 December). The application can relate to invoices or import documents not covered by previous applications in respect of transactions carried out during that calendar year.

The application must be submitted to the German tax authorities within nine months after the end of the calendar year in which the tax became chargeable.

Only one refund claim may be submitted for the remainder of a calendar year. However, if the claim for the remainder of the calendar year has not been finally processed/assessed, the scope of the (filed) refund claim may be extended.

##### Proxy

A valid proxy is required if a third party is filing the VAT refund claim. In principle, the proxy must be electronically submitted to the German tax authorities, but there are no limits on the electronic format of the proxy. However, if it is not possible to attach the proxy to the VAT refund claim due to a system limitation in the country of residence of the claimant, the German tax authorities will ask to be provided with the proxy at a later stage. Proxies sent to the German tax authorities without a refund request will not be considered.

As the member state of refund, the German tax authorities may require a third-party service provider to hold a power of attorney to follow up on the status of a VAT refund claim.





### Supporting documentation

The general threshold for the submission of an electronic copy of an invoice requires the taxable basis on the invoice or import document to be at least EUR 1,000 (EUR 250 for invoices relating to fuel costs).

The serial number used in the application form must be included on the documents. Invoices that must be submitted electronically must be provided in full (i.e., including annexes, etc.).

The German tax authorities can request additional documents/information (e.g., original invoices or import documents, authorization documents from the foreign taxpayers stating that payments may be made to a third party).

The Federal Central Tax Office requires a power of attorney if a third party (e.g., tax consultant) files the refund claim on behalf of the claimant.

Missing invoice documents may not be filed later even where the deadline for the application has not expired. To avoid issues, invoices should be submitted in their entirety, i.e., including any annexes and appendices, etc.

A limited number of documents can be uploaded. The other documents must be sent by email.

A VAT refund application will be considered to have been filed only where the claimant has provided all information required pursuant to Articles 8 and 9 of the Directive 2008/9/EC, along with a description of the business activities based on harmonized codes. If this information is not complete, the refund application could be rejected in its entirety. In principle, such a refund claim could be re-submitted, but if the application deadline has expired, the refund claim will be denied.

### E-Invoicing

The German tax authorities generally will accept e-invoices for the purposes of the VAT refund claim.

A VAT refund will be granted if the claimant can demonstrate the validity and integrity of an e-invoice. An e-invoice will be validated if the identity of the issuer is guaranteed, and an e-invoice will be deemed to have integrity if the claimant can show that no changes were made to the content of the e-invoice during the transmission and/or during the statutory storage period.

### Refunds and appeals

When Germany is the member state of refund, the German authorities will not issue a confirmation that the claim has been received.

The German tax authorities must issue a decision on a refund claim within four months and ten days of receipt of the claim:

- The authorities can accept the claim and notify the claimant via electronic means;
- The authorities can reject the claim (in whole or in part) and notify the claimant via electronic means;

- The authorities can request additional information and notify the claimant. The claimant must provide all information within one month of receipt of the request. An additional request for information will be made in writing. If additional information is requested, the period in which the authorities must issue a decision will be extended to up to eight months.

The German tax authorities will send an email notification to the email address included in the VAT refund claim.

Any queries and/or the decision on the claim will be sent to the appointed representative, and if no representative has been appointed to the claimant.

If the German tax authorities request additional information, the period in which the German tax authorities must decide will be extended to eight months.

If the German tax authorities fail to issue a timely decision on a refund claim, it cannot be presumed that the VAT refund has been accepted or rejected. A decision always is required.

The German tax authorities will have to pay interest if a decision is not issued in a timely manner.

If a refund is granted, it will be processed in EUR and paid to the bank account number provided to the authorities. The claimant also can provide a European bank account, which can be held by the claimant, a proxy holder, or another person. The Federal Central Tax Office will send an email notification to the person that submitted the refund claim. If the bank account is not held by the claimant, the Federal Central Tax Office will request a written assignment form before transferring the refund to the bank account.

If the refund is not granted, the grounds for rejection must be stated. An appeal against the denied claim must be made in writing to the Federal Central Tax Office within one month after the “public announcement” of the decision (i.e., the third business day after the date the decision was issued, unless it can be proven that receipt was on a later date) and sent via regular mail.

If the tax assessment notice is sent to the claimant’s address outside Germany, an appeal must be made to the German tax authorities within two months following the date of notification (date of tax assessment) issued by the tax authorities. However, if the rejection is sent to a German resident tax advisor that filed the claim on behalf of the claimant or to another address within Germany, the appeal must be filed within one month.

If some invoices are not attached to the VAT refund claim, the German tax authorities will reject the input VAT relating to those invoices. Only part of the claim will be rejected. The remaining input VAT will be refunded if all other requirements are met.





If the tax authorities query an invoice and the claimant does not respond, the input VAT relating to that invoice may be disallowed. The remaining input VAT must be refunded provided all other requirements are met.

VAT refund claims often are denied because the claimant failed to comply with formalities (e.g., missing invoices, invoicing requirements were not met, etc.).

Appeals against the denial of a refund can be submitted via regular mail or by email. Appeals must be submitted in German within the one-month deadline.

If the appeal is unsuccessful, the national Lower Finance Court may be contacted within one month after the presumed receipt date (i.e., the third business day after the date the decision was issued, unless it can be proven that receipt was later) if the appeal is sent to an address in Germany or within two months if the decision is sent to a non-German address.

The German tax authorities will not impose any penalties if a VAT refund claim is rejected.

The period for a decision on an input VAT refund depends on the complexity of the claim and the documents provided. On average, a refund takes eight to fourteen months.

## Non-EU businesses (13<sup>th</sup> Directive)

*This refers to a non-EU-established company submitting a 13<sup>th</sup> Directive claim in Germany.*

## Eligibility for refund

Reciprocity is required according to the Federal Ministry of Finance, letter of 9 November 2022, III C 3 - S 7359/19/10005:001, annex 1. Germany has signed reciprocity agreements with Andorra, Australia, Bahamas, Bahrain, Bermuda, British Virgin Islands, Brunei Darussalam, Bosnia and Herzegovina, Canada, Cayman Islands, Gibraltar, Greenland, Grenada, Guernsey, Hong Kong, Iceland, Iraq, Israel, Jamaica, Japan, Jersey, Korea (People's Rep.), Korea (ROK), Kuwait, Lebanon, Libya, Liechtenstein, Macao, Maldives, Marshal Islands, Macedonia, New Zealand, Norway, Oman, Qatar, Pakistan, St. Vincent, San Marino, Saudi Arabia, Serbia, Solomon Islands, Switzerland, Taiwan, United Arab Emirates, United Kingdom, the US and Vatican City.

## Non-refundable VAT

VAT cannot be recovered on:

- Supplies of fuel (e.g., diesel or petrol);
- Supplies of goods and services that are not used for business purposes, including gifts;
- Supplies and services acquired or imported goods connected to certain exempt activities.

## Partially refundable VAT

There are no expenses for which non-established companies would only be allowed a partial refund of German VAT.

## Making claims

### Minimum amounts

If the application relates to a period of less than one calendar year but not less than three months, the amount for which application is made may not be less than EUR 1,000; if the application relates to a period of a calendar year or the remainder of a calendar year, the amount may not be less than EUR 500.

### Time limits

The application must cover a period of not less than three consecutive calendar months (e.g., from 1 January to 31 March) in one calendar year and not more than one calendar year, unless the period represents the remainder of a calendar year (e.g., from 1 November to 31 December).

The application must be submitted to the German tax authorities within six months after the end of the calendar year in which the tax became chargeable, i.e., by 30 June of the following year. Late claims are not accepted, and the deadline will not be extended.

### Proxy

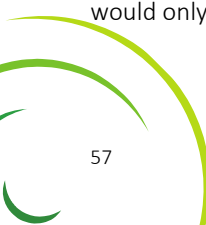
A valid proxy is required if a third party is filing the VAT refund claim. Where the input claim is filed in hard copy, the proxy must be provided to the German tax authorities with the claim.

### Application forms

To obtain a VAT refund, claims must be submitted via the BZSt (BZSt Online-Portal = BOP) electronic portal. In certain cases, the BZSt may waive the electronic filing requirement and allow a hard copy sent by regular mail.

To use the BOP for VAT refund claims, all invoices must be listed in an attachment to the claim. The form must be signed by a person legally entitled to represent the company (e.g., the managing director), who needs to:

- Register with the BZSt at the following address:  
Bundeszentralamt für Steuern  
Dienstszitz Schwedt/Oder  
Passower Chaussee 3b  
16303 SCHWEDT/ODER  
Germany
- Register for the BOP in accordance with the checklist and instructions:  
[https://www.elster.de/bportal/registrierung-auswahl?locale=en\\_US](https://www.elster.de/bportal/registrierung-auswahl?locale=en_US)  
[https://www.bzst.de/EN/Businesses/VAT/VAT\\_Refund/Electronic\\_Data\\_Transmission/electronic\\_data\\_transmission\\_node.html](https://www.bzst.de/EN/Businesses/VAT/VAT_Refund/Electronic_Data_Transmission/electronic_data_transmission_node.html)







If the refund application is submitted electronically via the BOP, it is not necessary to send the form by post. Original invoices and import documents, however, must reach the BZSt by post within the deadline. A VAT registration certificate from the country of establishment also must be supplied, but not necessarily within the deadline.

The supporting documentation must be sent to:

Bundeszentralamt für Steuern  
Dienstsitz Schwedt/Oder  
Passower Chaussee 3b  
16303 SCHWEDT/ODER  
Germany

T: + 49 18 88 40 60

F: + 49 18 88 40 64 722

[www.bzst.bund.de](http://www.bzst.bund.de)

### Supporting documentation

The following documents must be submitted with each application:

- Original invoices, import documents, bills, vouchers, receipts, or customs clearance forms (copies are accepted only if the original has been lost and the copies are certified by the supplier); the invoices must comply with the German invoicing requirements;
- A certificate of taxable status issued within the past year showing that the claimant is registered for VAT purposes in its country of residence;
- A letter of authority if a third party applies on behalf of the claimant, but the application must be signed by the claimant; and
- The original application form or the first original transfer report signed by the managing director of the claimant's company.

### E-Invoicing

E-invoices will be accepted for VAT refunds based on the 13<sup>th</sup> Directive if the e-invoice for which a refund is requested is stored on a storage media (e.g., CD) submitted with the application, certificate of taxable status, etc.

## Refunds and appeals

The German rules do not provide any time frame for decisions on 13<sup>th</sup> Directive VAT refund claims.

Any queries and/or the decision on the claim will be sent to the appointed representative, and if no representative has been appointed, to the claimant.

The German tax authorities will stamp each invoice and/or import document to prevent their use in subsequent applications and will return the documents within one month after a decision is made on the claim.

The decision on a refund claim must be issued within six months after the date the application and all necessary supporting documents are submitted.

If the German tax authorities do not decide on a claim, it cannot be presumed that the VAT refund is accepted or rejected.

A decision always is required.

If some invoices are not attached to the VAT refund claim, the German tax authorities will reject the input VAT relating to those invoices; only part of the claim will be rejected. The remaining input VAT will be refunded if all other requirements are met.

If the German tax authorities query an invoice and the claimant does not respond, in principle, only the input VAT relating to that invoice will be disallowed. The remaining input VAT must be refunded if all other requirements are met.

If a refund is granted, it will be made in EUR before the end of the above period and paid to the bank account of the claimant or its representative. If the refund is paid to a bank account outside Germany, the claimant will be responsible for any bank charges on the transfer. The refund may also be transferred to a bank account outside the EU. Notification of the refund will be sent via regular mail.

The Federal Central Tax Office will send a notification via mail to the person that submitted the claim (i.e., the claimant or an authorized third party).

If the refund is not granted, the grounds for rejection must be stated in a written notification sent via regular mail. An appeal against the denied claim must be made in writing to the Federal Central Tax Office within one month after the public announcement (i.e., the third business day after the date the decision is issued, unless it can be shown that receipt was later) and sent via regular mail.

If the tax assessment notice is sent to the claimant's address outside Germany, an appeal must be made to the German tax authorities within two months of the date of notification (date of tax assessment) issued by the tax authorities. However, if the rejection is sent to a German resident tax advisor that filed the application on behalf of the claimant or to another address in Germany, the time for filing an appeal is one month. If this appeal is unsuccessful, the national Lower Finance Court may be contacted within one month after the receipt date (i.e., the third business day after the date the decision was issued, unless it can be shown that receipt was later) if mailed to a German address or within two months if mailed to a non-German address.

Claims often are rejected because the claimant failed to comply with the formalities (e.g. missing invoices, invoicing requirements were not met, signature of the wrong person, the certificate of taxable status is missing, etc.).

The German tax authorities will not impose penalties if a VAT refund claim is rejected.





The deadline for a decision on an input VAT refund depends on the complexity of the VAT refund claim and the documents provided. On average, a refund takes between ten and sixteen months.





# Greece



Greek VAT is known as “Foros Prostithemenis Aksias” (ΦΠΑ).

The standard VAT rate is 24%, and there are reduced rates of 13% 6% and 4%. The zero 0% VAT rate applies especially for Covid-19 vaccines of tariff class code 3002 (CN EX 3002).

The special reduced VAT rates (i.e. 17%, 9% and 4%) applying to transactions on/to the Aegean Islands are being phased out.

The special rates ceased to apply on December 31, 2017 for the remaining islands, except for the islands of Leros, Lesvos, Kos, Samos and Chios, for which the said rates apply as from July 2021 indefinitely and regardless of any population criteria, provided that accommodation structures and centers have been established and operate for citizens of third countries or stateless persons.

Mount Athos is not considered part of the EU for VAT purposes.

An extensive overview of the VAT rates applied in Greece can be found at: [https://ec.europa.eu/taxation\\_customs/vat-rates\\_en](https://ec.europa.eu/taxation_customs/vat-rates_en).

It is not necessary to appoint a Greek fiscal representative to claim a VAT refund based on Directive 2008/09/EC or the 13<sup>th</sup> Directive.

## Greece is the Member State of Establishment EU countries (Directive 2008/09/EC)

*This refers to a Greek-established company submitting an EU (former 8<sup>th</sup> Directive) claim in another EU member state.*

### Procedure

#### Filing

The application must be submitted electronically through the portal of the tax authorities in the country in which the claimant is established.

<https://www.aade.gr/en/vat-refund-request-eu-countries>

Under Greek legislation, the claimant must file the refund claim. However, given that filing is electronic, any person that has the username and password can access the claimant’s account and submit the refund claim in the name of, and on behalf of, the claimant.

A supplementary claim (one per calendar year) can be filed with respect to invoices that are not covered by previous refund applications. If the details of a previously filed application have been changed, an amended claim must be filed. A change in the pro rata percentage can be made electronically through a separate claim correction.

As the country of establishment, the Greek tax authorities will electronically forward the application to the country of refund within fifteen days of receipt. If the application is not forwarded to the refund state, then Greece—as the country of establishment— will electronically notify the claimant of its decision.

#### IT requirements

Taxpayers established in Greece must submit the application through the web portal: <https://www.aade.gr/aitisi-epistofis-fpa-pros-hores-tis-ee> to which access is granted using a log-in password. Prior registration with the system is required. The Greek tax authorities must electronically transmit the claim to the refund state within fifteen days after receipt of the claim. If the taxpayer is not eligible for a refund, the Greek authorities will not send the claim and the head of the VAT department will issue a decision that is electronically communicated to the claimant.



The procedure for registration on the Greek portal involves several steps:

1. Electronic application for registration at:  
<https://www1.gsis.gr/registration/chooseRegistrationType.htm>

Select “Αρχική Εγγραφή” (First Registration), then select the type of user, which is “ΝΜη φυσικό πρόσωπο” for legal entities;

Complete the application (username, password, password verification, Tax/VAT ID number, name of entity, email, phone and fax numbers, and the tax ID number of the entity’s legal representative, his/her full name, the father’s name and some numerical-alphabetical characters);

Press “Υποβολή” to submit the application; a message will appear indicating that the claim has been submitted and that the legal representative must visit a tax office within three months.

2. Present the claim to the competent tax office for approval. The claimant or its legal representative must appear at the registry division of a tax office and present identification documents (passport or ID card) to collect a certification with the “Κλειδάριθμος” (passcode). An email also will be sent to the entity.
3. Activation of user account: The claimant or its legal representative should go to:  
<https://www1.gsis.gr/registration/chooseRegistrationType.htm>

“Ενεργοποίηση Λογαριασμού” (Activation of Account) should be selected and the claimant should fill in the username, password, Tax/VAT ID number, passcode and numerical-alphabetical characters and select “Επόμενο” (Next). The password must be changed by filling in New Password, repeat the password and press “Ενεργοποίηση” (Activation). A verification of the activation will appear, and an email will be sent automatically.

4. Filing the claim: The username and new password are used to enter all TaxisNet services, including the electronic VAT refund claim.

The electronic application and information must be in Greek. However, the language(s) accepted by the refund state must be used for specific fields (e.g. “description of supply” box) when the choices provided do not cover the claimant’s position and when “other” is selected.

Taxpayers established in other EU member states must submit the application (in Greek or English) through the electronic portal of the tax authorities in their state of establishment, and those authorities will transmit the claims to Greece.

The electronic form must include:

- General information relating to the claimant (full name, registered seat, email address, VAT number in the member state of establishment, NACE activity code number and a description thereof), the refund period, the refund state and the bank account (IBAN and BIC codes);
- A declaration by the claimant that it did not supply goods or services in the refund state apart from transport and ancillary services, VAT-exempt supplies, as well as supplies of goods and services to a person liable for VAT payment, and details of a representative/proxy (if any);
- Information regarding the VAT invoices or import documents (in the refund state) the supplier’s name and address, VAT number of the supplier in the refund state, date and sequential number of the tax record, the VAT amount charged in the currency of the refund state, pro rata percentage and amount of VAT that may be deducted, description/nature of services/goods supplied and classification per special codes.

A file can be uploaded to complete the form. The file must be in zip format and must contain the VAT refund application data in XML format, along with any relevant files. To create the XML file, the claimant should use the application/software access provided free of charge by logging into its account with <https://www.aade.gr/epicheireseis/phorologikes-yperesies/phpa/aitese-epistrophes-phpa-pros-chores-tes-ee> using their unique username and password. Additional information is provided while creating the file.

There is no limit on the number of invoices that can be submitted within a same refund claim or per year.

### Non-EU countries (13<sup>th</sup> Directive equivalent)

*This refers to a Greek-established company submitting a 13<sup>th</sup> Directive equivalent claim in a non-EU country.*

A refund application for a Greek-established company claiming input VAT in a non-EU country must be submitted according to the requirements of the country of refund. The Greek portal may not be used.

Another difference with the 8<sup>th</sup> Directive EU VAT refund procedure is that a “certificate of taxable status” issued by the member state of establishment usually will be required by the non-EU country of refund. If the VAT refund application is filed by a non-EU business, it must be accompanied by a certificate of taxable status issued by the competent tax authorities of the claimant’s country.





## Greece is the Member State of Refund EU businesses (Directive 2008/09/EC)

*This refers to an EU-established company submitting an EU (former 8<sup>th</sup> Directive) claim in Greece.*

### Eligibility for refund

A taxable person registered for VAT purposes in another EU member state can obtain a refund of VAT paid in Greece on movable goods and services supplied to it, as well as on imports to Greece it makes for commercial purposes, provided the person:

- Does not have the seat of its entrepreneurial activities or an establishment in Greece to carry out its entrepreneurial activities;
- Has used the goods or services supplied to it for taxable transactions that give rise to a right to deduct input VAT in Greece or has used the goods/service for specific exempt supplies;
- Has not carried out any taxable supplies of goods or services in Greece, except for:
  - A supply of goods or services for which the recipient is liable for the VAT payment; or
  - A supply of transport and ancillary services exempt from Greek VAT because they are related to the import/export of goods or to the international carriage of goods.

### Non-refundable VAT

A VAT refund is not possible in the following cases i.e. when the claimant:

- Is not a taxpayer in its state of establishment;
- Is solely engaged in exempt transactions without the right to deduct input VAT;
- Falls within the scope of the special exemption for small enterprises; or
- Falls within the scope of the special regime for farmers;
- Carries out Intra-community supplies and exports.

Goods and services for which no right to deduct the input VAT is granted include:

- The supply, import or intra-community acquisition of tobacco products or alcoholic beverages that are destined for use in non-taxable transactions;
- Entertainment expenditure, including expenditure on hospitality and amusement;
- The acquisition, leasing or hire, modification, repair, or maintenance of passenger vehicles with up to nine seats, pleasure boats and private aircraft, provided the transport means mentioned above are not used for the sale, leasing or transportation of persons for a fee;
- Accommodation, food, transport and entertainment expenses incurred for company personnel or representatives;

- The supply of goods and services in connection with real estate located in Greece (in certain circumstances);
- Expenses unrelated to the business activity of the claimant;
- And VAT incorrectly charged.

If the VAT imposed is used for both taxable and exempt questions, a refund will only be granted in respect of the taxable transactions.

### Partially refundable VAT

There are no expenses for which non-established companies will be allowed only a partial refund of Greek VAT

### Making claims

#### Minimum amounts

If the application relates to a period of less than one calendar year, but not less than three months, the amount for which application is made may not be less than EUR 400; if the application relates to a period of a calendar year or the remainder of a calendar year, the amount may not be less than EUR 50.

#### Time limits

The application must cover a period of not less than three consecutive calendar months (e.g. from 1 January to 31 March) in one calendar year and not more than one calendar year, unless the period represents the remainder of a calendar year (e.g. from 1 November to 31 December).

The application must be submitted to the authorities of the residence country by 30 September of the year following the refund period.

The claimant may submit only one supplementary refund claim per calendar year for invoices not covered by a previous application (even if the supplementary application is for the remainder of a calendar year).

#### Proxy

The appointment of special proxies is not regulated. If further clarifications are required, the Ministry of Finance will inform the claimant. However, if the claimant wishes to appoint a third party as a contact person, the contact details of that person must be mentioned on the VAT refund application or in a separate file accompanying the application. In such a case, a special authorization letter for the appointment of the person signed by the legal representative of the claimant, duly notarized and apostilled usually is required. The authorization must be drafted in Greek or, if not in Greek, be accompanied by an official translation.

#### Follow up on submitted claims

The claimant can follow up on the status of a VAT refund claim by requesting information via an email sent to the 14th VAT Directorate of the Ministry of Finance. No specific documents are required for such requests. If a third-party requests information, an authorization will be requested.







In principle, a claim can be tracked through the country of establishment of the claimant, and both the eligible person and the procedure for tracking the claim should be regulated by that country. In some cases, the competent Greek VAT department will reply directly to the claimant or a person with the required details identifying the claim.

### Supporting documentation

Depending on the refund state, a file of up to 5MB, including scanned copies of records of which the taxable amount equals or exceeds the threshold of EUR 1,000 must be submitted with each application (EUR 250 for invoices relating to fuel costs). Greece will request the file as the member state of refund. The Greek tax authorities can request additional documents/information. Once the claim is submitted, the taxpayer will receive confirmation from the website, referencing the application.

The competent tax authorities are:  
 Independent Authority for Public Revenue (IAPR) "AADE"  
 General Directorate of Tax Administration  
 Audit Authority for Large Enterprises  
 Department of VAT Refunds to overseas entities established within and outside the EU  
 2-4, Sina Street  
 10672 Athens Greece  
 T: + 30 210 36 44 960 or + 30 210 36 44 990  
 F: + 30 210 36 45 413  
 Email: [vatrefunds@aaade.gr](mailto:vatrefunds@aaade.gr)

### E-Invoicing

Greek rules on the VAT refund procedure do not specify the form of the tax records, but only the data related to an invoice or import document that must be included in the electronic application (see above, "Filing the claim"). Invoices can be issued electronically or in printed form. Therefore, although not explicitly allowed by the law, given that e-invoices are acceptable forms of invoices, they should be accepted as the basis for input VAT claims.

## Refunds and appeals

As the country of refund, the Greek tax authorities will notify the claimant electronically, either directly or through the country of establishment, that the claim has been received. The competent Ministry of Finance Department may request additional information via electronic means from the claimant or the competent authorities of the country of establishment during an examination of the VAT refund claim.

The tax authorities must issue a decision on a refund claim within four months of receipt of the claim:

- The authorities can accept the claim and notify the claimant via electronic means;
- The authorities can reject the claim (in whole or in part) and notify the claimant via registered mail;

- The authorities can request additional information and notify the claimant via electronic means. The claimant must provide all information within one month of receipt of the request. The claimant may provide the competent VAT refund department with the requested information electronically (e.g. scanned copies of invoices or any relevant agreements), unless otherwise requested. The period for the authorities to make a decision will be extended to six months where additional information is requested, or eight months where the authorities request additional information after a first request; or
- The authorities can refrain from issuing a decision, which will be deemed to be a rejection.

An electronic notification will be sent to the email address(es) indicated in the "contact details" section of the application. The competent Ministry of Finance department will communicate its queries and decision on the claim to the contact person(s) as indicated in the contact details section of the application, as well as to any other agent/third party that the claimant wishes to receive such information as per a written request (either through a special reference on the claim, or separately in a PDF file).

If a refund claim is accepted, the refund will be processed in EUR by the tenth business day following the date the decision was required to be issued. The time limit within which the claimed VAT amount is refunded following the issuance of an approval decision may vary. According to the VAT refund department, the payment will be processed within three months at the latest. The amount is first paid to a temporary bank account of the Bank of Greece and then transferred to the bank account provided to the authorities. This account can be held by the claimant, or a proxy and it is not necessary to have a Greek bank account.

The Greek tax authorities will be liable for late payment interest if the refund is not processed in a timely manner.

If the refund is not granted, the grounds for rejection must be stated. Recourse against the denied claim may be taken under an administrative procedure conducted by the Dispute Resolution Directorate. The official rejection decision is considered to be notified to the claimant within ten days following the electronic transmission of the decision by the Greek authorities to the claimant's email address. Administrative recourse must be filed with the competent VAT refund department of the Ministry of Finance within thirty days or sixty days (if the claimant is established or resident overseas) as from the decision notification date.

The competent VAT refund department will transmit the administrative recourse, the relevant documentation, and its position to the Dispute Resolution Directorate of the tax administration within seven days from its submission; the latter authority will issue its decision within one hundred twenty days from the date the administrative recourse was filed.





The decision on the administrative recourse will be sent to the claimant.

The claimant may file a recourse with the competent Administrative Court against the decision or the tacit rejection of the administrative recourse following the expiration of the deadline set for the issuance of a decision. The administrative recourse procedure is mandatory if a taxpayer wishes to take the case to court; failure to comply will result in the rejection of the recourse by the Administrative Court.

The deadline for filing a recourse with the Administrative Court of First Instance is thirty days or ninety days (if the claimant is established or resident overseas) from the date the claimant is notified of the decision.

The recourse must be submitted to the competent Administrative Court by a Greek lawyer. If the recourse is rejected, if the value of the dispute exceeds EUR 5,000, the claimant can further appeal to the Court of Second Instance (Administrative Court of Appeal) within sixty days from the notification of the decision of the First Instance Court. If this is rejected and provided the value of the dispute exceeds EUR 40,000, a further appeal can be made to the Supreme Administrative Court within sixty days from the date the taxpayer is notified of the decision of the Court of Second Instance.

Where a claimant prevails on an appeal at the first level court (Administrative Court of First Instance), the tax authorities may refer the case back to the Appeals Court for a final decision. As a result, a refund will only be made after the Supreme Court rules on the case.

VAT refund claims generally will not be rejected because the invoices were unreadable, since the competent Ministry of Finance officials request the original invoices or more readable scanned copies. A refund of the VAT amount claimed will not prevent the tax authorities from imposing penalties on the Greek supplier for failure to comply with the Greek invoicing rules. VAT refund claims will be rejected if the invoices are fake or falsified, and penalties may be imposed on the Greek supplier and the claimant following a tax audit.

Incorrect VAT invoicing is the most common reason for rejection of a VAT refund claim, followed by the claimant carrying out exempt transactions without the right to deduct input VAT.

The rejection of the claim itself will not result in penalties; however, if during the course of the examination of a claim, an audit of the Greek supplier/service provider is initiated, penalties may be imposed as a result of the audit if any tax infringements are identified. If the claimant owes the Greek state tax, the authorities may automatically offset the refundable VAT amount claimed against the outstanding obligation, with the remaining VAT amount (if any) refunded to the claimant.

A refund generally will take about eight months, although this time may take longer for complex claims.

### Non-EU businesses (13<sup>th</sup> Directive)

*This refers to a non-EU-established company submitting a 13<sup>th</sup> Directive claim in Greece.*

The rules for non-EU businesses are similar to the rules for EU businesses, except for the filing procedure.

### Eligibility for refund

Reciprocity is required. Greece has signed reciprocity agreements with Norway and Switzerland.

### Non-refundable VAT

A VAT refund is not possible in the following cases i.e. when the claimant:

- Is not a taxpayer in its state of establishment;
- Is solely engaged in exempt transactions without the right to deduct input VAT;
- Falls within the scope of the special exemption for small enterprises;
- Falls within the special regime for farmers;
- Operates under the Tour Operators Margin Scheme (TOMS); or
- Carries out intra-community supplies of goods.

Goods and services for which no right to deduct the input VAT is granted include:

- The supply, import or intra-community acquisition of tobacco products or alcoholic beverages that are destined for use in non-taxable transactions;
- Entertainment expenditure, including expenditure on hospitality and amusement;
- The acquisition, lease or hire, modification, repair or maintenance of passenger vehicles with up to nine seats, pleasure boats and private aircraft, provided the transport means mentioned above are not used for the sale, lease or transportation of persons for a fee;
- Accommodation, food, transport and entertainment expenses incurred for company personnel or representatives;
- Supply of goods and services in connection with real estate located in Greece (in certain circumstances);
- Expenses unrelated to the business activity of the claimant;
- And VAT incorrectly charged on the invoice.

If the VAT imposed is used for both taxable and exempt transactions, a refund will be granted only in respect of the taxable transactions.

### Partially refundable VAT

There are no expenses for which non-established companies will be allowed only a partial refund of Greek VAT.





## Making claims

### Minimum amounts

If the application relates to a period of less than one calendar year, but not less than three months, the amount for which the application is made may not be less than EUR 400; if the application relates to a period of a calendar year or the remainder of a calendar year, the amount may not be less than EUR 50.

### Time limits

The application must cover a period of not less than three consecutive calendar months (e.g. from 1 January to 31 March) in one calendar year and not more than one calendar year, unless the period represents the remainder of a calendar year (e.g. from 1 November to 31 December).

The application must be submitted to the Greek tax authorities by 30 September of the year following the refund period. Late claims are not accepted, and the deadline will not be extended.

### Proxy

A proxy holder may be appointed to file the claim in hard copy with the competent department of the Ministry of Finance and monitor the progress of the claim. The proxy holder may receive the VAT refund where a refund is granted. The appointment of a proxy can be made with the refund claim or later. In the case of administrative recourse, the appointment of a Greek attorney will be required.

### Application forms

The application must be made on Form ΦΠΑ 015 issued by the Greek tax authorities and completed in duplicate in Greek or English, and in Euro. The form can be filled out in block capitals or typed. Application forms can be obtained from the local VAT offices. It is preferable to have the form printed in the same language as used in the application.

All invoices must be mentioned in the attachment to the application. An excel spreadsheet may be used to provide an overview of the claimed amounts, but the spreadsheet must contain the information requested on the second page of the form, i.e. the sequential number, nature of services provided, supplier's name and VAT number, invoice number and VAT charged.

The application must be signed by a person who is legally entitled to represent the company (e.g. managing director). The signatory must be a full legal representative of the company, i.e. his/her signature should bind the company against third parties. This person could be the managing director or chairman of the board, or the authority could be given to two persons (two signatures may be needed), depending on the claimant's internal procedures.

One supplementary claim per calendar year can be filed with respect to invoices that are not covered by previous refund applications. If the details of a previously filed application have been changed, an amended claim must be filed.

A change in the pro rata percentage can be made electronically by a separate claim correction.

### Supporting documentation

The following documents must be submitted with each application: original invoices, import documents, bills, vouchers, receipts or customs clearance forms (copies are not accepted), which must include the following details: sequential number and date of issue, names and addresses of the contracting parties, VAT number of the issuer and the recipient, taxable transaction and its value, VAT rate and amount, license plate of the vehicle (in the case of transport companies) and a certificate of VAT status showing that the claimant is registered for VAT purposes in its country of residence. The certificate must have been issued within the past year.

The Greek tax authorities will stamp each invoice and/or import document to prevent use on subsequent applications and will return the documents to the claimant within one month after a decision is made.

The form and supporting documentation must be sent or submitted to:

Independent Authority for Public Revenue (IAPR) "AADE"  
General Directorate of Tax Administration  
Audit Authority for Large Enterprises  
Department of VAT Refunds to overseas entities established within and outside the EU  
2-4, Sina Street  
10672 Athens Greece

T: + 30 210 36 44 960 or + 30 210 36 44 990

F: + 30 210 36 45 413

Email: [vatrefunds@aaade.gr](mailto:vatrefunds@aaade.gr)

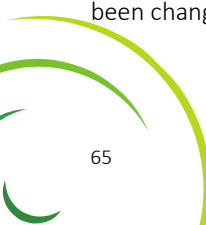
Applications may not be filed electronically.

### E-Invoicing

Invoices issued by the supplier of goods or services and sent via electronic means to its clients can be used for VAT refunds, provided the authenticity of origin and integrity of the content of the tax record can be proved. The authenticity of origin and integrity of the content of invoices that are issued electronically or in hard copy must be safeguarded.

For invoices issued as from 1 January 2015, the authenticity of origin and integrity of the content of electronic invoices are safeguarded using an Advanced Electronic Signature (AES), the use of Electronic Data Exchange (EDI), the sales clearance statement provided by a payment services provider subject to the Bank of Greece supervision and the use of special tax electronic devices.

Given that the above list is not exhaustive, entrepreneurs can select any method technically safeguarding the authenticity of origin and integrity of the invoice content.





For refund purposes, the claimant will be required to submit the electronic files, code bars (i.e. a numerical/alphabetical sequence) as produced by the Greek issuer's computer along with its application or any other suitable means for the Greek authorities to verify the validity of the transaction (regarding both the content and the electronic signature).

## Refunds and appeals

VAT refunds generally take about eight months, although the period may be longer for complex cases.

Since Greece does not have an electronic portal for 13<sup>th</sup> Directive VAT refund claims, the procedure usually is facilitated through a specially authorized person. An authorization letter should exist that allows the authorities to notify that person of their decision. The period for the issuance of the decision may be extended if additional information is required.

If a refund claim is accepted, the payment will be processed in EUR by the tenth business day following the date the decision should have been issued. The amount first will be paid to a temporary bank account of the Bank of Greece and then transferred to the bank account provided to the authorities, which can be a foreign bank account.

The Greek tax authorities are liable for late payment interest if the refund is not processed in a timely manner.

The authorities will not reject a claim if an invoice is a scanned copy rather than the original unless there are other grounds for rejection of the claim. If there is any indication that invoices have been falsified, further clarifications or data may be requested.

The entire refund claim can be rejected if the claimant fails to respond to a query on an invoice.

In practice, the VAT refund department will issue a note requesting information from the claimant on the Greek supplier via the competent tax office. The claimant must provide the requested data through an official reply which can be done via electronic means, unless otherwise requested.

If the refund claim still has not been supported, additional information may be requested. The VAT refund department must issue a decision on the claim within two months from receipt of the information. The most common reason for the rejection of a VAT refund claim is incorrect VAT invoicing.

Administrative recourse may be filed against the competent VAT refund department within thirty days or sixty days (if the claimant is established or resident overseas) from the decision notification date.

Notification is made through a registered letter and is considered to have taken place within fifteen days (thirty days for overseas claimants) from the date the decision was sent. Therefore, the time limit for filing the recourse is forty five or ninety days from the date the Ministry of Finance sent the decision.

For overseas claimants, this should be the case unless a Greek address is included in the contact details or an agent/proxy has been appointed in Greece.

Notwithstanding the above, the competent Greek ministry officials have suggested that if a specific email address is indicated in the application, the notification can be made electronically. In such a case, the official decision will be deemed to be notified to the claimant within ten days following the electronic transmission of the decision by the Greek authorities to the claimant's email address.

If the VAT refund claim is rejected, administrative recourse must be filed with the competent department of the Ministry of Finance within thirty or sixty days (where the claimant is established or resident overseas) from the notification date. The option for electronic notification of the decision will apply to new and non- pending VAT refund claims.

Penalties may be imposed on the issuer if the authorities identify any falsified invoices. If there are "fictitious invoices," penalties may be imposed on the claimant as well, unless there is sufficient evidence that the claimant was acting in good faith.

-





# Hungary



VAT is known as “Általános Forgalmi Adó” (ÁFA).

The standard VAT rate is 27%, and there are reduced rates of 18%, 5% and 0%.

It is not necessary to appoint a Hungarian fiscal representative to claim a VAT refund based on Directive 2008/09/EC or the 13<sup>th</sup> Directive.

## Hungary is the Member State of Establishment EU countries (Directive 2008/09/EC)

*This refers to a Hungarian-established company submitting an EU (former 8<sup>th</sup> Directive) claim in another EU member state.*

### Procedure

#### Filing

The application must be submitted electronically (in Hungarian, English, French or German) via the portal of the tax authorities in the country in which the claimant is established: (<https://gate.gov.hu/>).

The claimant or a third party may submit the VAT refund claim. As the member state of establishment, the Hungarian tax authorities will examine the authorization of a third party based on Hungarian rules.

The following individuals can be authorized to represent the claimant without a power of attorney:

- Persons authorized to sign on behalf of the taxpayer (e.g. managing director);

- An In-house lawyer engaged by the taxpayer based on an employment contract.

The following individuals can be authorized to represent the claimant in possession of a power of attorney:

- Member or employee over eighteen;
- Legal counsel;
- Lawyer, law firm;
- EU lawyer;
- Tax expert;
- Certified tax expert;
- Tax advisor;
- Auditor;
- Accountant;
- Employee or member of a business association or other organization authorized to provide accounting, bookkeeping or tax advisory services.

In certain cases, the legal entity must be Hungarian established e.g. in case of a tax advisory or accounting firm.

The VAT refund claim relating to one calendar year must be filed with the Hungarian Tax Authorities within nine months of the end of the calendar year in which the tax became chargeable, i.e. by 30 September of the following year. Late claims are not accepted, and the deadline will not be extended.

When Hungary is the member state of establishment, the Hungarian Authorities will issue a confirmation of receipt of a VAT refund claim. The tax authorities will send confirmation within ten days.

#### IT requirements

The claimant must complete Form XX ELEKAFA, which can be downloaded from: [22ELEKAFA - Nemzeti Adó- és Vámhivatal \(gov.hu\)](https://www.gate.gov.hu/22ELEKAFA-Nemzeti-Ado-es-Vamhivatal)

To submit the form electronically, it is necessary to register a Client Gate account, which generally requires a personal presence in Hungary. The application also can be submitted by a representative (authorized by a power of attorney, see above) appointed by the claimant; in this case, the representative must sign Form UJEGYKE. The Hungarian Tax Authority expects electronic signatures and prefers the digital signature linked to the Client Gate identification (i.e. AVDH signature).

The representative can register for a Client Gate Account at the Central Document Office. In order to get authorization via UJEGYKE, having a Hungarian personal tax ID is also a requirement.





The information must be uploaded manually on a line-by-line basis. The electronic form is divided into the following sections:

- General information relating to the claimant and the period for which the claim is made;
- Details of relevant invoices or import documents, where each document can be manually typed in, indicating the code numbers regarding the nature of acquired goods and services determined by Directive 2008/9/EC; and
- Annexes: scanned invoices/annexes can be uploaded taking the following into account:
  - File types accepted: JPEG, PDF, TIFF and zip; and
  - Maximum file size: 4MB.

There is no limit on the number of invoices that can be submitted within a refund claim or per year.

### Non-EU countries (13<sup>th</sup> Directive equivalent)

*This refers to a Hungarian-established company submitting a non-EU (13<sup>th</sup> Directive equivalent) claim in a non-EU country.*

The refund application for a Hungarian-established company claiming input VAT in a non-EU country must be submitted according to the requirements of the country of refund. The Hungarian portal may not be used.

Another difference with the 8<sup>th</sup> Directive EU VAT refund procedure is that a “certificate of taxable status” issued by the member state of establishment usually will be required by the non-EU country of refund. This certificate may be requested using the IGAZOL form in Hungary.

### Hungary is the Member State of Refund EU businesses (Directive 2008/09/EC)

*This refers to an EU-established company submitting an EU (former 8<sup>th</sup> Directive) claim in Hungary.*

### Eligibility for refund

A foreign taxable person is entitled to recover Hungarian input VAT if the following conditions are satisfied:

- The company does not have residence, its seat or a fixed establishment in Hungary; and
- The company has not carried out any taxable supplies in Hungary, except for:
  - Certain tax-exempt cross-border transport from/to third countries;
  - Tax-exempt cross-border passenger transport;
  - Supplies for which the reverse charge applies; or
  - Electronically provided supplies where the foreign taxable person opted for application of the special regime for non-established taxable persons supplying electronic services to non-taxable persons.

### Non-refundable VAT

VAT cannot be recovered if:

- The taxable person uses the goods or the services directly for the exempt (without a right to a deduction) supply of goods and/ or services;
- The taxable person uses all goods or services for purposes other than taxable business activities, except when the goods or services are used entirely in the interest of achieving taxable objectives;
- VAT was charged by the supplier incorrectly or otherwise in violation with the law;
- Input VAT occurred on the purchase of goods whereby the sale was VAT exempt due to intra-community supply or export of goods; and
- VAT charged regarding immovable property.

VAT generally cannot be recovered on:

- Motor fuel and other fuels, goods that are necessary directly for the operation of passenger cars;
- Passenger cars, motorcycles above 125 cc, yachts, sporting and leisure boats;
- Residential buildings (except where a taxable person engaged in the leasing of such buildings opted for taxation of the rental);
- Purchases of goods and services related to the construction and renovation of residential buildings;
- Food and beverages;
- Services of restaurants and other public catering services;
- Entertainment services;
- Services related to construction of residential buildings and renovation of immovable goods;
- Taxi services; and
- Parking services and highway tolls, except for parking services used, and highway tolls paid for a motor vehicle whose gross weight is equal to 3.5 tons or more (including buses).

### Partially refundable VAT

The VAT on telephone and mobile phone costs and services related to data submission by internet protocol is only 70% deductible (i.e. 30% is non-refundable). The VAT on services received in connection with the operation and maintenance of passenger cars is only 50% deductible.

### Making claims

#### Minimum amounts

If the application relates to a period of less than one calendar year but not less than three months, the amount for which application is made may not be less than EUR 400. If the application relates to a period of a calendar year or the remainder of calendar year (less than three months), the amount may not be less than EUR 50.





### Time limits

The application must cover a period of not less than three consecutive calendar months (e.g. from 1 January to 31 March) in one calendar year and not more than one calendar year, unless the period represents the remainder of a calendar year (e.g. from 1 November to 31 December). The application can relate to invoices or import documents not covered by previous applications in respect of transactions carried out during that calendar year.

It is not possible to file two claims for the same period, but there can be an overlap between the periods. No more than five claims may be submitted for a calendar year.

### Proxy

Appointing a proxy holder is optional during a refund procedure. If a proxy is to be provided, it is recommended to submit a hard copy.

### Follow up on submitted claims

The Hungarian Tax Authorities will communicate with the claimant through the email address indicated on a refund.

In the case of email communications, the authorization of the representative is checked only by the tax authorities of the country in which the claimant is established. No specific documents are required.

When Hungary is the member state of refund, the Hungarian authorities may request a third-party service provider to prove its authorization to follow up on the status of a VAT refund claim.

### Supporting documentation

The following documents must be submitted with each application:

- Electronic copy of invoices or customs declarations where the taxable basis of the invoice or import documents is EUR 1,000 or more (EUR 250 for invoices relating to fuel costs). The serial number used in the application form must be included on the documents; and
- Additional documents/information (e.g. invoices or import documents even if the taxable basis does not exceed the above thresholds) requested by the Hungarian Tax Authorities.

### E-Invoicing

E-invoices generally are accepted and are sufficient to claim input VAT via the 8<sup>th</sup> Directive procedure. No specific requirements/ restrictions related to E-Invoicing (besides the general requirements as described in the Second EU Invoicing directive) apply.

### Refunds and appeals

The Hungarian tax authorities must issue a decision on a refund claim within four months of receipt of the claim:

- The authorities can accept the refund claim and notify the claimant via electronic means;

- The authorities can reject the claim (in whole or in part) and notify the claimant via electronic means; or
- The authorities can request additional information and notify the claimant via email. The claimant must provide all information within one month of receipt of the request. If the authorities request original documents, the claimant must provide the documents by courier. However, if copies of the documents are sufficient, the claimant may provide the documents via email. In case of more complex further questions, the related official request from the Hungarian tax authority might be in Hungarian.
- The same email address should be used during the whole reclaim process and communication; the Hungarian Tax Authority strictly only accepts documentation from the email address which was mentioned in the official reclaim submission.

Any queries and/or the decision are sent to the claimant or its agent.

The period in which the authorities must decide will be extended to eight months where additional information is requested.

A refund claim will not be deemed to be accepted or rejected if the authorities do not issue a timely decision.

If a refund is granted, it will be processed within ten business days in Hungarian Forint or in another currency before the end of the relevant period and paid to a bank account in Hungary or in the state in which the claimant is established. Any bank charges for the transfer are borne by the claimant.

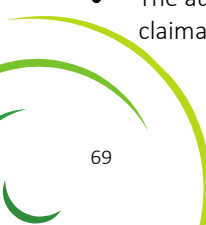
The Hungarian tax authorities will be liable for late payment interest if the refund is not processed in a timely manner.

The entire refund claim will not be rejected in Hungary if one of the submitted invoices proves to be incorrect/cannot be provided in a readable/acceptable scanned copy or if the claimant fails to respond to a query on an invoice. Only the portion of the claim relating to that invoice will be rejected.

If a refund is not granted, the grounds for rejection must be stated. An appeal against the denied claim may be made to the Hungarian tax authorities within fifteen days of the date of notification (tax assessment). The appeal may be filed in a letter, drafted in Hungarian and all relevant documents and evidence must be enclosed, and a fee paid. If the appeal is unsuccessful, the claimant may appeal to the national court.

Typical reasons for the tax authorities to reject a VAT refund claim include the filing of multiple claims for the same period or the submission of insufficient documentation of the transactions included in the claim and also missing the deadlines for providing the additionally requested information (often due to overlooking the Hungarian language email from the Hungarian tax authority).

The tax authorities usually meet the refund deadlines, as late refunds trigger late payment interest.





## Non-EU businesses (13<sup>th</sup> Directive)

*This refers to a non-EU-established company submitting a 13<sup>th</sup> Directive claim in Hungary.*

### Eligibility for refund

Reciprocity is required between Hungary and the country of establishment under the 13<sup>th</sup> Directive VAT refund procedure. Hungary has reciprocity agreements with Liechtenstein, Norway, Serbia and Switzerland. The refund is possible in certain circumstances in Turkey, United Kingdom - Great Britain and Northern Ireland.

Sending the form to the email address non-EU.vatrefund@nav.gov.hu is insufficient on its own; it only may support the paper-based application.

### Non-refundable VAT

VAT cannot be recovered if:

- The taxable person uses the goods or the services directly for an exempt (without a right to a deduction) supply of goods and/ or services; or
- The taxable person uses all goods or services for purposes other than taxable business activities, except when the goods or services are used entirely to achieve taxable objectives;
- VAT was charged by the supplier incorrectly or otherwise in violation of the law;
- Input VAT occurred on the purchase of goods whereby the sale was VAT exempt due to an intra-community supply or export of goods; or
- VAT was charged regarding immovable property.

VAT generally cannot be recovered on:

- Motor fuel and other fuels, goods that are necessary directly for the operation of passenger cars;
- Passenger cars, motorcycles above 125 cc, yachts, sporting and leisure boats;
- Residential buildings (except where a taxable person engaged in the leasing of such buildings opted for taxation of the rental);
- Purchases of goods and services related to the construction and renovation of residential buildings;
- Food and beverages;
- Services of restaurants and other public catering services;
- Entertainment services;
- Services related to construction of residential buildings and renovation of immovable goods;
- Taxi services; and
- Parking services and highway tolls, except parking services used, and highway tolls paid for a motor vehicle whose gross weight is equal to 3.5 tons or more (including buses).

## Partially refundable VAT

Input VAT related to telephone and mobile phone costs and services related to data submission by internet protocol is only 70% deductible (i.e. 30% is non-refundable). The VAT on services received in connection with the operation and maintenance of passenger cars is only 50% deductible.

### Making claims

#### Minimum amounts

If the application relates to a period of less than one calendar year but not less than three months, the amount for which application is made may not be less than EUR 400. If the application relates to a period of a calendar year or the remainder of calendar year (less than three months), the amount may not be less than EUR 50.

#### Time limits

The application must cover a period of not less than three consecutive calendar months (e.g. from 1 January to 31 March) in one calendar year and not more than one calendar year, unless the period represents the remainder of a calendar year (e.g. from 1 November to 31 December). The application can relate to invoices or import documents not covered by previous invoices in respect of transactions carried out during that calendar year.

#### Proxy

Appointing a proxy is optional for the refund procedure. If a proxy is to be provided, a hard copy is recommended.

#### Application

The application relating to a calendar year must be submitted to the Hungarian Tax Authorities within nine months of the end of the calendar year in which the tax became chargeable, i.e. by 30 September of the following year. Late claims are not accepted, and the deadline will not be extended.

The application, which can be downloaded from the internet, must be on a form issued by the Hungarian Tax Authorities. It must be completed in Hungarian, be in Hungarian Forint and signed by a person or persons who are legally authorized to represent the company based on the company records. The application must be submitted electronically, along with all relevant supporting documentation (<https://gate.gov.hu/>).

#### Supporting documentation

The following documents must be submitted with each application:

- Copy of invoices or customs declarations for which the taxable basis of the invoice or import documents equals or exceeds the threshold of EUR 1,000 (EUR 250 for invoices relating to fuel costs). The serial number used in the application form must be included on the documents; and





- An original certificate of VAT status confirming that the claimant is registered for VAT purposes in its country of residence. The certificate must have been issued within the past year. The Hungarian Tax Authorities can request additional documents/ information (e.g. invoices or import documents even if the taxable basis does not exceed the above thresholds).

### E-Invoicing

Electronic invoices must be attached to the application in a form that is valid at the time of issue. Such invoices must be issued in accordance with Hungarian law. The law does not contain any detailed procedures for the submission of electronic invoices.

### Refunds and appeals

The Hungarian tax authorities must issue a decision on a refund claim within four months of receipt of the claim:

- The authorities can accept the claim and notify the claimant electronically or by regular mail;
- The authorities can reject the claim (in whole or in part) and notify the claimant either electronically or by regular mail; or
- The authorities can request additional information and notify the claimant electronically or by regular mail. The claimant must provide all information within one month of receipt of the request. If the authorities request original documents, the claimant must provide the documents by courier. However, if copies of the documents are sufficient, the claimant may provide the documents via email.

The same email address should be used during the whole reclaim process and communication; the Hungarian tax authority strictly only accepts documentation from the email address which was mentioned in the official reclaim submission.

Any queries and/or the decision are sent to the claimant or its agent.

The period in which the authorities must make a decision will be extended to eight months when additional information is requested.

If a refund is granted, it will be processed within ten business days in Hungarian Forint or in any other currency before the end of the relevant period and paid to the bank account in Hungary or in the state in which the claimant is established. Any bank charges for the transfer are borne by the claimant.

The Hungarian tax authorities will be liable for late payment interest if the refund is not processed in a timely manner.

If the refund is not granted, the grounds for rejection must be stated. An appeal against the denied claim may be made to the Hungarian tax authorities within fifteen days of the date of notification (tax assessment) issued by the tax authorities. All relevant documents and evidence must be attached to the appeal request. If the appeal is unsuccessful, the claimant can appeal to the national court.

A refund claim will not be deemed to be accepted or rejected if the authorities do not issue a timely decision on the claim.

The entire refund claim will not be rejected if only one of the submitted invoices is incorrect or cannot be provided in a readable/acceptable scanned copy, or if the claimant fails to respond to a query on a particular invoice; only the part of the claim relating to the relevant invoice will be rejected.

Typical reasons for the tax authorities to reject a VAT refund claim include the filing of multiple claims for the same period or the submission of insufficient documentation of the transactions indicated in the claim.

An appeal of a rejected claim must be filed by letter and drafted in Hungarian.

The tax authorities usually comply with the deadline for issuing a refund since late refunds trigger late payment interest.





# Iceland



Icelandic VAT is known as “Virdisaukaskattur” (VSK).

The standard VAT rate is 24%, and there is a reduced rate of 11%.

It is not necessary to appoint an Icelandic fiscal representative to claim a refund of VAT.

## Iceland is the State of Establishment 13<sup>th</sup> Directive

*This refers to an Iceland-established company, submitting a 13<sup>th</sup> Directive claim in an EU country.*

The refund application for an Iceland-established company claiming input VAT in a non-EU country must be submitted according to the requirements of the country of refund.

Reciprocity rules (which determine whether an Icelandic company can submit a refund claim) must be verified with the country of refund.

An original “certificate of taxable status” issued by Ríkisskattstjóri – Fyrirtækjaskrá (e. Directorate of Internal Revenue – Companies Registrar) of Iceland usually will need to be provided to the country of refund. This certificate is called “vottorð úr fyrirtækjaskrá”.

## Iceland is the State of Refund

### 13<sup>th</sup> Directive equivalent legislation in Iceland (Regulation no. 1243/2019)

Since Iceland is not part of the EU, the EU Directive 2008/09/EC and the 13<sup>th</sup> Directive are not applicable to companies requesting a VAT refund in Iceland.

However, it may be possible to reclaim VAT in Iceland for foreign companies via a “13<sup>th</sup> Directive-equivalent legislation.”

### Eligibility for refund

A non-resident business without a fixed establishment or liability to register in Iceland can recover VAT. Non-resident businesses that have a VOES registration in Iceland, which is a simplified VAT registration for non-resident businesses providing ESS B2C, are eligible to recover VAT.

No reciprocal agreement with the home country of the nonresident business is required.

Refunds can be made only to a non-resident business that otherwise would have been liable to register for VAT in Iceland had it carried on a business in Iceland.

### Non-refundable VAT

VAT cannot be recovered on:

- Cars used for personal transportation, including car hires and fuel;
- Food and drinks, including restaurant expenses;
- Gifts and entertainment expenses; and
- Residential housing of employees.

In addition, items such as health, social, educational, and cultural services, insurance, and banking, artistic or sporting activities and most real estate rental costs, are not liable to Icelandic VAT.

VAT cannot be recovered on services or goods intended for resale and final consumption in Iceland.

### Partially refundable VAT

There are no expenses for which non-established companies would be allowed only a partial refund of Iceland VAT, provided the costs are fully related to the taxable activities of the non-established company.







## Making claims

### Minimum amounts

If the application relates to a period of less than one calendar year but not less than two months, the amount for which application is made may not be less than ISK 96,400; if the application relates to a period of a calendar year or the remainder of a calendar year, the amount may not be less than ISK 19,300. These amounts are linked to the consumer cost index as defined by Statistics Iceland.

### Time limits

The application must refer to purchases of goods and taxable services over a period of at least two months, i.e., January-February, March-April, May-June, July-August, September-October, November-December, and not exceed one calendar year. The period may be less than two months if the application relates to the remainder of a calendar year. The application must be submitted at least fifteen days after the relevant period and no later than six years after the claim for the VAT refund was established.

A claimant may submit more than one refund claim for the remainder of a calendar year; for example, if a claimant has submitted a refund claim for the remainder of a calendar year but then receives additional invoices from certain suppliers, another application may be submitted provided the submission is within the above deadlines.

### Proxy

A proxy is required if the nonresident company appoints a representative to apply for a reimbursement of VAT in Iceland. The authorities provide a sample proxy that claimants may complete, granting an agent authorization to apply for and collect a VAT reimbursement. This letter is available online at [https://www.rsk.is/media/rsk10/rsk\\_1036.en.pdf](https://www.rsk.is/media/rsk10/rsk_1036.en.pdf). Any party, foreign or established, and whether or not registered in Iceland, can submit the refund claim on behalf of the claimant if the proper authorization letter is provided.

This proxy is to be provided together with the refund claim and may be valid for a maximum of five years from the date of issue. It is necessary to submit an original proxy.

There is no requirement to have the proxy notarized, but it must be prepared in Icelandic or English.

### Application forms

The application must be made by completing Form RSK 10.29 issued by the Icelandic tax authorities. It must be completed in Icelandic or English, in block capitals or typed in ISK.

Application forms can be obtained from the local VAT offices or online at: [http://www.rsk.is/media/rsk10/rsk\\_1029.en.pdf](http://www.rsk.is/media/rsk10/rsk_1029.en.pdf) for all claimants.

All invoices must be mentioned in the attachment to the application form.

The application must be signed by a person who is entitled to represent the company. Otherwise, a letter of authority must be provided (see above).

The Iceland tax authorities will not issue a specific confirmation of receipt of the claim.

The form and supporting documentation must be sent to the Iceland Revenue and Customs:

Skatturinn  
Katrínartúni 6  
105 Reykjavík  
Iceland

Sending via [email](#) is also allowed.

The application must include a declaration by the claimant about the purpose of the purchases. The claimant also must declare that, during the refund period, it did not supply goods or taxable services in Iceland for which it would be liable for registration and taxation.

### Follow up on submitted claims

The claimant and its nominated representative can follow up with the authorities on the status of a VAT refund claim.

### Supporting documentation

Applications and supporting documents can be submitted electronically via email. There is no need for original invoices - copies can be submitted. The documents sent (if any) are not returned to the claimant after the application is processed. All submitted invoices must be drafted according to Icelandic VAT regulations.

The claimant must enclose a certificate issued by the competent authority in the country where the claimant is established, stating the type of business the claimant carries out.

This certificate of registration is only valid for one year from the date of issue. The tax authorities may extend this period by two years if they deem that the relevant information remains unchanged.

### E-Invoicing

E-Invoicing is voluntary, and the e-invoice has to be in accordance with Icelandic law. There is no specific procedure to reclaim VAT based on e-invoices.

## Refunds and appeals

Applications received on the fifteenth day of the month following the VAT reimbursement period and supported by all required documents must be processed no later than three calendar months after the end of the relevant VAT refund period. This period may be extended when the authorities determine that additional information is requested, and the claimant is not able to promptly respond to such request.





The authorities inform the claimant by letter whether the refund is rejected or granted. Correspondence is directed to the claimant or the claimant's authorized representative if such an authorization was granted. The claimant can either respond to the authorities via letter or email to [skatturinn@skatturinn.is](mailto:skatturinn@skatturinn.is). The email subject line should clearly refer to the claimant's reimbursement application.

There are no specific consequences if the authorities are late responding to a refund claim.

Applications received after the deadline will be processed with applications for the next VAT reimbursement period.

The tax authorities are not liable for late payment interest if the refund is not made within the required timeline.

The claimant may request that the reimbursement be made in its country of residence or in Iceland. Bank account details must be stated in part D of the application form. The bank account, which can be a domestic or a foreign bank account, must be held by the claimant.

If the refund is to be paid to a bank account in the claimant's country of residence, the claimant is responsible for any costs arising from the transfer. If the application is rejected, an appeal may be filed within three months to the Iceland Revenue Board, either by written letter or via email. Once the appeal procedure has been finalized, the claimant can initiate a procedure with the national court.

If the refund is not granted, the authorities must state the grounds for rejection. The authorities generally will not reject the entire refund claim due to problems with individual invoices.

These invoices will simply be excluded from the refund and the grounds for rejecting the invoice will be detailed. In practice, the authorities promptly issue refunds if the claimant's application and documents are correct.

The submission of incorrect or misleading information or non-disclosure of information required in connection with an application for a reimbursement of VAT or in declarations is punishable by law.





# Ireland



Irish VAT is known as “Value Added Tax.”

The standard VAT rate is VAT is 23%, and there are reduced rates of 13.5%, 9%, 4.8% and 0%.

An extensive overview of the VAT rates applied in Ireland can be found at: <https://www.revenue.ie/en/vat/vat-rates/index.aspx>

It is not necessary to appoint an Irish fiscal representative to claim a VAT refund based on Directive 2008/09/EC or the 13<sup>th</sup> Directive.

## Ireland is the Member State of Establishment EU countries (Directive 2008/09/EC)

*This refers to an Irish-established company submitting an EU (former 8<sup>th</sup> Directive) claim in another EU member state.*

### Procedure

#### Filing

The application must be electronically submitted through the portal of the tax authorities in the country in which the claimant is established ([www.ros.ie](http://www.ros.ie) for Ireland-established claimants). This electronic VAT refund (or “EVR”) application must be made by the claimant or an authorized third-party service provider directly to the Irish Revenue Authorities through ROS, the Revenue On-line Service, under the tax head “EVR.”

The authorized third- party service provider does not have to be established in Ireland to file the refund claim, but it must have a tax identification number (TIN) or Tax Agent Identification Number (TAIN) if an Irish agent is appointed.

The agent will have to satisfy the Irish revenue authorities that it is authorized to act on the claimant’s behalf by submitting a letter of authority/agent link from-for the claimant and/or power of attorney indicating that the agent is authorized to submit claims and/or receive refunds, on the claimant’s behalf.

When Ireland is the member state of establishment, the Irish tax authorities will issue a confirmation of receipt of a VAT refund claim.

#### IT requirements

Irish taxpayers registered for Irish VAT purposes must file a refund claim for VAT incurred outside Ireland but within the EU electronically through the ROS. To file a refund application, the claimant must be registered for Irish VAT and be registered to use the ROS system. An agent may file a claim on behalf of a claimant if it is registered for ROS and the claimant provided authority for the agent to file the claim.

To obtain access to the web portal to file the VAT refund claim, the claimant must follow the instructions in this portal:

<https://www.ros.ie/ros-registration-web/ros-registration;rjsessionid=8B7A0CE325F5F97CC5725AC09D43DA3A?execution=e1s1>

Data must be uploaded on a line-by-line basis with a limit of 1,400 invoices per application. The Bulk Upload Facility allows preparing claims offline and uploading the information once ready by selecting the “Populate from CSV” button on the import/invoice entry screen. The format is that of a comma separated value excel file containing the information on the invoices and imports that make up the claim.

#### Non-EU countries (13<sup>th</sup> Directive equivalent)

*This refers to an Irish-established company submitting a non-EU (13<sup>th</sup> Directive equivalent) claim in a non-EU country.*

The refund application for an Irish-established company claiming input VAT in a non-EU country must be submitted according to the requirements of the country of refund. The Irish portal cannot be used.



## Ireland is the Member State of Refund EU businesses (Directive 2008/09/EC)

*This refers to an EU-established company submitting an EU (former 8<sup>th</sup> Directive) claim seeking a refund of Irish VAT.*

### Eligibility for refund

A foreign taxable person is entitled to recover Irish VAT if the following conditions are satisfied:

- The company is not registered, liable or eligible to be registered for VAT in Ireland;
- The company does not have residence, its seat or a fixed establishment in Ireland; and
- The company has not carried out any taxable supplies in Ireland, except for:
  - Certain tax-exempt cross-border transport from/to non-EU countries;
  - Supplies for which the reverse charge applies; and
  - Telecommunication, broadcasting and electronically supplied services where the foreign taxable person opted for application of the special regime for non-established taxable persons supplying such services to non-taxable persons.

### Non-refundable VAT

VAT generally cannot be recovered on:

- Petrol, although VAT on diesel is recoverable;
- Food, drink, hotels / accommodation or other personal services (however, VAT on accommodation is recoverable if stringent requirements are met);
- Entertainment expenses; and
- Purchase, hire or import of passenger motor vehicles (but VAT on motor vehicles used for certain purposes is recoverable).

### Partially refundable VAT

Vehicles first registered on or after 1 January 2009 to 31 December 2021 and with a level of CO<sub>2</sub> emissions of less than 156g/km may reclaim a maximum of 20% of the VAT incurred if at least 60% of the vehicle's use is for business purposes and other conditions are satisfied.

Vehicles first registered on or after 1 January 2021 and with a level of CO<sub>2</sub> emissions of less than 140g/km may reclaim a maximum of 20% of the VAT incurred if at least 60% of the vehicle's use is for business purposes and other conditions are satisfied.

## Making claims

### Minimum amounts

If the application relates to a period of less than one calendar year but not less than three months, the amount for which application is made may not be less than EUR 400; if the application relates to a period of a calendar year or the remainder of a calendar year, the amount may not be less than EUR50.

### Time limits

The refund period will be based on a calendar year. The application must cover a period of not less than three consecutive calendar months in one calendar year or not more than one calendar year, unless the period represents the remainder of a calendar year (e.g. from 1 November to 31 December). The application must be submitted by 30 September in the calendar year directly following the calendar year in which the expenditure was incurred.

A claimant may submit up to five claims, including the calendar year claim, in any calendar year.

As the member state of refund, the tax authorities in the claimant's own member state should notify the claimant when the application is received by the Irish Revenue.

Applicants established outside of Ireland should include their VAT registration number when contacting the Irish Revenue.

An authorized agent can be appointed to follow up on submitted claims.

### Proxy

For a power of attorney document to be valid in Ireland, it must:

- Be received in hardcopy format before the VAT refund application is submitted;
- Confirm that the agent is authorized to submit claims and/or receive refunds on the claimant's behalf;
- Contain the signatures of both parties;
- Contain the VAT number of the client;
- State the TIN of the agent and TAIN if an Irish agent; and
- State the date when the agreement commenced.

### Supporting documentation

The application will incorporate an online declaration and the following information will be required:

- Name and full address;
- Address for contact by electronic means;
- Description of the business activity for which the goods and services are acquired;
- The refund period covered by the application;
- Bank account details, including IBAN and BIC codes;
- Details of each invoice or import document, including:
  - Name and full address of the supplier;
  - VAT identification number or tax reference number of the supplier;





- Prefix of the member state of refund (i.e. Ireland = IE);
- Date and number of the invoice or importation document;
- Taxable amount and amount of VAT expressed in the currency of the member state of refund;
- Amount of deductible VAT calculated expressed in the currency of the member state of refund; and
- Nature of the goods and services acquired.

The Irish Revenue can request additional information to be forwarded at a later date, i.e. within a four-month period.

## Refunds and appeals

The decision on the application will be announced within four months from the date the application was submitted to the Irish Revenue. However, if the authorities request additional information relating to the claim, the maximum time limit for making a decision may be extended to eight months.

When an agent is acting on behalf of a claimant, queries or decisions generally will be sent to both the claimant and the agent.

Correspondence with the Irish Revenue generally can be by mail or by electronic means.

An online contact facility, MyEnquiries, makes it easier for taxpayers or their agents to securely send and receive correspondence to and from Revenue, instead of using email. Customers are able to access MyEnquiries via either ROS or MyAccounts depending on the type of business query. There is no separate registration process for MyEnquiries.

Taxpayers and their agents can access MyEnquiries via [www.revenue.ie](http://www.revenue.ie). For individual taxpayers, the link to MyEnquiries can be found under the “My Services” tab in the “Other Services” section. For ROS administrators, the MyEnquiries icon always will be shown. For “sub-users,” the icon will appear only if the user has permissions on an active MyEnquiries email address.

In addition to the types of customers mentioned above, there also are some types of contacts that are not suitable for MyEnquiries, such as third-party data exchanges. Currently, the only options for these customers to raise queries are by using standard email, regular mail, phone or fax.

If a refund is granted, payment will be made via electronic fund transfer (EFT) into the bank account provided when the application was submitted.

The bank account must be an EUR-denominated account in any of the Single Euro Payments Area (SEPA) participating countries (Ireland is participating in SEPA). The Irish Revenue does not require the bank account to be in Ireland.

If the refund is not granted, the grounds for rejection must be stated. An appeal against a denied claim can be made to Irish Revenue within twenty-one days of receipt of the notification.

If the Irish tax authorities do not query a refund, it generally is deemed to be accepted as a valid refund.

The Irish Revenue generally will not reject a refund on the basis of one invoice. Depending on the circumstances, either an amended refund claim will be submitted or the Revenue will request additional information on the invoice before they process the refund.

Some of the most common reasons for rejecting a refund application are the following:

- The claimant is registered for VAT in Ireland for the period of the claim;
- It only carries out supplies of goods or services that are exempt without the right to deduct VAT;
- The claimant includes an incorrect VAT number;
- Information requested during the application process is not provided;
- The maximum number of claims in a calendar year is exceeded (up to five claims are allowed in a calendar year);
- The amount claimed is less than the minimum allowed; or
- A claim or invoice already has been submitted.

## E-Invoicing

E-invoices generally are accepted and are sufficient to claim input VAT via the former 8th Directive procedure. In Ireland, the issuance of invoices or other documents in electronic format is subject to the following conditions:

- There is prior agreement between the issuer and the recipient in relation to the issue and acceptance of invoices or documents in electronic format;
- The electronic system being used conforms to the following specifications:
- The system is able to produce, retain and store electronic records and messages in such form and containing particulars required for VAT purposes, and make them available to the Irish Revenue, upon request;
- The system is able to reproduce in hard copy or electronic format any electronic record or message required to be produced, retained or stored;
- The system is able to maintain electronic records in a manner that allows their retrieval by reference to the name of the person who issues or receives the message or the date of the message or the unique identification number of the message;
- The issuer and recipient of an invoice or other document have an obligation to ensure the authenticity of origin, the integrity of content and a reliable audit trail between the invoice and the supply for the duration of the period of storage of the invoice. This can be done using business controls and the Irish Revenue may require evidence of those business controls.







Simplified arrangements for issuing invoices may be allowed when commercial, technical or administrative practices in a business sector make it difficult to comply with general invoicing requirements, or if the amount of the invoice is minor. Applications for approval of simplified invoicing arrangements should be made to the tax authority in their own member state.

Under a simplified arrangement, the relevant documents must include the following details:

- Date of issue;
- Identification of the supplier, including the supplier's VAT number;
- Identification of the types of goods or services supplied; and
- Tax due or the information needed to calculate the tax due.

Simplified invoices will be accepted only for amounts less than EUR 100. It is important to ensure the correct invoice category is selected when submitting EVR claims. Where "simplified" is selected in the "Invoice" field and the total (gross) amount of that individual invoice is greater than EUR 100, the invoice will be rejected.

### Non-EU businesses (13<sup>th</sup> Directive)

*This refers to a non-EU-established company submitting a 13<sup>th</sup> Directive claim in Ireland.*

The rules for non-EU businesses are similar to those for EU businesses. Persons that carry out businesses outside the EU and supply no good or services in Ireland may claim repayment of Irish VAT on most business purchases in Ireland if they provide written proof of economic activity issued by the competent authority of their country of residence to the Irish Revenue.

In addition, the goods and services giving rise to the claim must be goods and services in respect of which tax would be deductible if the claimant's business was carried on in Ireland. They must not include goods for supply within Ireland or motor vehicles for hiring out for use within Ireland. The business for which the goods and services were purchased must be a business which would be taxable if carried on in Ireland.

Application for repayment by VAT-registered traders established outside the EU (under the 13th EU VAT Directive) can be made on Form VAT 60OEC.

### Eligibility for refund

There have been recent changes to the eligibility criteria for the 13th Directive VAT refund claim in Ireland.

- As part of the recent changes, it is a condition of the scheme that the country of establishment of the business making this claim in Ireland allows similar concessions to Irish traders in respect of its own VAT equivalent taxes. The application will only be allowed on the basis that the country of establishment for the business customer has a similar scheme for refunding these taxes to Irish traders;

- The application must be accompanied with confirmation from the tax authorities of reciprocal arrangements for refunds to be made to taxable persons who have an establishment in Ireland.

### Non-refundable VAT

VAT generally cannot be recovered on:

- Petrol, although VAT on diesel is recoverable;
- Food, drink, hotels / accommodation or other personal services (however, VAT on accommodation is recoverable if certain conditions are satisfied);
- Entertainment expenses; and
- The purchase, hire or importation of passenger motor vehicles (VAT on motor vehicles used for certain purposes is recoverable).

### Partially refundable VAT

Vehicles first registered on or after 1 January 2009 to 31 December 2021 and with a level of CO<sub>2</sub> emissions of less than 156g/km may reclaim a maximum of 20% of the VAT incurred if at least 60% of the vehicle's use is for business purposes and other conditions are satisfied.

Vehicles first registered on or after 1 January 2021 and with a level of CO<sub>2</sub> emissions of less than 140g/km may reclaim a maximum of 20% of the VAT incurred if at least 60% of the vehicle's use is for business purposes and other conditions are satisfied.

### Making claims

#### Minimum amounts

If the application relates to a period of less than one calendar year but not less than three months, the amount for which application is made may not be less than EUR 400; if the application relates to a period of a calendar year or the remainder of a calendar year, the amount may not be less than EUR50.

#### Time limits

The application must be filed within six months of the end of the calendar year in which the tax paid became chargeable.

#### Follow up on submitted claims

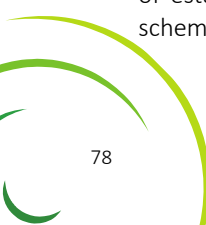
Claimants established outside the EU must state their VAT registration number when contacting the Irish Revenue.

An authorized agent can be appointed to follow up on submitted claims.

#### Proxy

For a power of attorney document to be valid in Ireland, it must:

- Be received in hardcopy format before the VAT refund application is submitted;





- Confirm that the agent is authorized to submit claims and/or receive refunds on the claimant's behalf;
- Contain the signatures of both parties;
- Contain the VAT number of the client;
- State the TIN/TAIN of the agent; and
- State the date the agreement commenced.

### Application forms

The application is made on Form VAT 600EC issued by the Irish Revenue.

To receive a refund, the business for which the goods/services were purchased must be a business that would be taxable if carried on in Ireland.

### Supporting documentation

The following documents must be submitted with each application:

- Original invoices containing the following:
  - The supplier's name, address and VAT registration number;
  - The name and address of the person to whom the goods or services were supplied;
  - The date of issue of the invoice;
  - A sequential number which uniquely identifies the invoice;
  - A detailed description of the goods and services supplied;
  - The total cost, the rate of VAT and the VAT charged.
- A certificate issued by the competent authorities of the country in which the claimant is established stating the economic activity in which the claimant is engaged. The certificate must have been issued within the past year; and
- A letter of authority if the amount is to be refunded to a third party.

### E-Invoicing

E-invoices generally are accepted and sufficient to claim input VAT. In Ireland, the issue of invoices or other documents in electronic format is subject to the following conditions:

- There is prior agreement between the issuer and the recipient in relation to the issue and acceptance of invoices or documents in electronic format;
- The electronic system being used conforms to the following specifications:
- The system is able to produce, retain and store electronic records and messages in such form and containing particulars required for VAT purposes, and make them available to the Irish Revenue, upon request;
- The system is able to reproduce in hard copy or electronic format any electronic record or message required to be produced, retained or stored;

- The system is able to maintain electronic records in a manner that allows their retrieval by reference to the name of the person who issues or receives the message or the date of the message or the unique identification number of the message; and
- The issuer and recipient of an invoice or other document have an obligation to ensure the authenticity of origin, the integrity of content and a reliable audit trail between the invoice and the supply for the duration of the period of storage of the invoice.

This can be done using business controls and Revenue may require evidence of those business controls.

### Refunds and appeals

There is no timeframe binding the Irish VAT authorities for deciding on a 13<sup>th</sup> Directive refund claim.

When an agent is acting on behalf of a claimant, in most cases, queries or decisions will be sent to both the claimant and the agent.

The decision on the application will be announced within four months of the date the application was submitted. However, if the authorities request additional information relating to the claim, the maximum time limit for making a decision may be extended to eight months.

Correspondence with the Irish Revenue can be by mail or by electronic means.

An online contact facility, MyEnquiries, makes it easier for taxpayers or their agents to securely send and receive correspondence to and from Revenue instead of using email. Customers are able to access MyEnquiries via either ROS or MyAccounts depending on the type of business query. There is no separate registration process for MyEnquiries.

Taxpayers and their agents will be able to access MyEnquiries via [www.revenue.ie](http://www.revenue.ie). For individual taxpayers, the link to MyEnquiries can be found under the "My Services" tab in the "Other Services" section. For ROS administrators, the MyEnquiries icon will always be shown. For "sub-users," the icon will appear only if the user has permissions on an active MyEnquiries email address.

In addition to the types of customers mentioned above, there are some types of contacts that are not suitable for MyEnquiries, such as third-party data exchanges. At present, the only options for these customers to raise queries are by using standard email, regular mail, phone, or fax.

If the Irish Revenue does not query a refund, it generally is deemed to be accepted as a valid refund.

Refunds usually take between two to six weeks, although this may vary depending on the size of the refund. The repayment will be made via EFT into the bank account provided in the application.





The bank account must be an EUR-denominated account in any of the SEPA participating countries (Ireland participates in SEPA). The Irish tax authorities do not require the bank account to be in Ireland.

If a refund is not processed in a timely manner, Irish Revenue may pay interest on refunds of VAT to a claimant in two circumstances:

- Where there is a mistaken assumption in the operation of the tax made by the authorities; or
- Where there is a delay of more than ninety-three days in processing a fully completed claim.

The Irish tax authorities generally will not reject a refund based on one invoice. Depending on the circumstances, either an amended refund claim would be submitted or the tax authorities will request more information on the invoice concerned before they process the refund.

Some of the most common reasons for a refund application not being processed by the Irish tax authorities are the following:

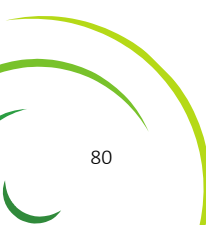
- The claimant is registered for VAT in Ireland for the period of the claim;
- It only carries out supplies of goods or services which are exempt without deductibility for VAT;

- Information requested during the application process is not provided;
- The amount claimed is less than the minimum allowed;
- The claimant has inserted an incorrect VAT number;
- A claim or invoice has been submitted previously; and
- Additional invoices are added to a claim that has been submitted previously.

If the refund is not granted, the grounds for rejection must be stated. An appeal against a denied claim can be made to Irish Revenue within twenty-one days of receipt of the notification. Correspondence with the Irish tax authorities can be by mail or by electronic means.

Claim forms together with supporting documentation should be sent to:

Office of the Revenue Commissioners, Collector General's  
Division  
Sarsfield House Francis Street  
Limerick  
Ireland V94 R972.  
Tel: +353 1 738 3667  
E-Mail: [unregvat@revenue.ie](mailto:unregvat@revenue.ie)





# Italy



Italian VAT is known as “Imposta sul Valore Aggiunto” (IVA). The standard VAT rate is 22% and there are reduced rates of 4%, 5%, 10% (i.e. health services; educational services; primary necessity goods) and 0% (i.e. insurance services). Livigno, Campione d’Italia and the territorial waters of Lake Lugano are not considered part of the EU for VAT purposes.

An extensive overview of the VAT rates applied in Italy can be found at: [https://taxation-customs.ec.europa.eu/system/files/2021-06/vat\\_rates\\_en.pdf](https://taxation-customs.ec.europa.eu/system/files/2021-06/vat_rates_en.pdf)  
It is not necessary to appoint an Italian fiscal representative to claim a VAT refund based on Directive 2008/09/EC or the 13<sup>th</sup> Directive.

## Italy is the Member State of Establishment EU countries (Directive 2008/09/EC)

*This refers to an Italian-established company submitting an EU (former 8<sup>th</sup> Directive) claim in another EU member state.*

### Procedure

#### Filing

The application must be submitted electronically through the portal of the tax authorities of the country in which the claimant is established. For refunds of input VAT paid by Italian-established entities on purchases made in another EU member state, the claim must be submitted to the Italian tax authorities via the web portal:

<http://www.agenziaentrato.gov.it/wps/portal/entrato/home>.

The application can be filed by the claimant or its authorized intermediary. In principle, authorized intermediaries are the same persons as those permitted to file tax returns, i.e. Italians with specific recognized professional skills (e.g. associations of chartered tax consultants, etc.). However, the Italian tax authorities allow a claim to be filed on behalf of the claimant by an EU entity if certain requirements are met. The third party must have “adequate technical, economic, financial and structural capacity” and must obtain a proxy from the Italian claimant before registering to access the Italian portal.

Italian-established companies filing their claims with the Italian tax authorities will receive several receipts confirming that the application for a VAT refund was received by the state responsible for the refund. The final decision on the claim will be processed by the state of refund.

#### IT requirements

The preparation and filing of a refund claim is done through the web portal of the Italian tax authorities (Entratel or Fisconline). To use this service, registration and licensing are required (unless an Italian authorized intermediary is used). If the third party applying for the e-filing authorization is an EU company (and not a private individual), the following steps must be taken: the legal representative or authorized proxy in charge of the e-filing (EU company) must request an Italian fiscal code; access to the Entratel system for the EU company must be requested; and an authorization/proxy to operate through the e-system must be obtained.

The information must be uploaded manually on a line-by-line basis. Data for each invoice must be entered showing the invoice number, date, supplier’s name, and taxable amount and VAT amount.

A scanned copy of the invoices must be attached to the claim when uploading it (in PDF, JPEG, TIFF or zip format).

There is no limit on the number of invoices that can be submitted in a refund claim or per year. However, the maximum size for the annexes (i.e. invoices) is 5MB. If the annexes exceed 5MB, the files must be compressed as much as possible or the claimant must contact the tax authorities of the member state of refund.

#### Non-EU countries (13<sup>th</sup> Directive equivalent)

*This refers to an Italian-established company submitting a non-EU (13<sup>th</sup> Directive equivalent) claim in a non-EU country.*

The refund application for an Italian-established company claiming input VAT in a non-EU country must be submitted according to the requirements of the country of refund. The Italian portal may not be used.



Another difference with the former 8<sup>th</sup> Directive EU VAT refund procedure is that a “certificate of taxable status” issued by the member state of establishment usually will be required by the non- EU country of refund. This form is called “certificato di partita IVA” in Italy.

## Italy is the Member State of Refund EU businesses (Directive 2008/09/EC)

*This refers to an EU-established company submitting an EU (former 8<sup>th</sup> Directive) claim in Italy.*

### Eligibility for refund

A foreign taxable person is entitled to recover Italian VAT if the following conditions are satisfied:

- The company is not registered or liable to be registered for VAT in Italy;
- The company does not have residence, seat or a fixed establishment in Italy (in the case of a branch with an Italian VAT number, a VAT refund may not be claimed under Directive 2008/09/EC for purchases made by the head office); and
- The company has not carried out any taxable supplies in Italy, except for:
  - Certain tax-exempt cross-border transport and ancillary services; or
  - Supplies of goods and/or services to a person that is VAT- established in Italy at the time of the supply who applies VAT via the reverse charge.

### Non-refundable VAT

VAT incurred on hotel and catering services supplied during conventions linked to the business of the company may be recovered. VAT related to accommodation (restaurant, bar and hotel expenses) is 100% deductible, unless related to entertainment expenses.

Based on EU case law, it should be possible to deduct the relevant VAT paid on cars/fuel/car maintenance used for the company’s business. The deduction percentage set by Italian VAT legislation is 40% in the case of cars used for both private and business purposes and 100% if the vehicle is exclusively used for business purposes.

### Partially refundable VAT

Where a non-resident business carries out both VAT-exempt and taxable supplies in its country of establishment, the VAT refund will be granted only with respect to the deductible VAT percentage applicable in its country of establishment. In some cases, VAT can be refunded based on the VAT deduction percentage allowed by Italian law (e.g. the deduction percentage for cars/fuel/ maintenance).

## Making claims

### Minimum amounts

If the application relates to a period of less than one calendar year but not less than three months, the amount for which application is made may not be less than EUR 400; if the application relates to a period of a calendar year or the remainder of a calendar year, the amount may not be less than EUR50.

### Time limits

The application must cover a period of not less than three consecutive calendar months (e.g. from 1 January to 31 March) in one calendar year and not more than one calendar year, unless the period represents the remainder of a calendar year (e.g. from 1 November to 31 December). The application can relate to invoices or import documents not covered by previous applications in respect of transactions carried out during that calendar year.

The claimant can either submit four claims related to each quarter of the year or one annual claim. The quarterly claims can only include invoices issued in the relevant quarter, but the annual claim can include invoices issued during the entire year.

### Proxy

If the VAT refund claim is submitted by a third party, a proxy must be filed with the claim. An electronic scanned copy is accepted and a copy of the identity document/passport of the subscriber must be attached.

The Italian tax authorities have clarified that in the case of an EU- established company submitting an EU claim in Italy, the non-resident claimant can appoint a third party entitled to collect (on behalf of the non-resident claimant) the amount under the refund claim. In this case, a power of attorney is needed; the power of attorney must be in writing and be notarized. The power of attorney must be retained by the authorized representative in case of a request from the Centro Operativo of Pescara.

Since, in principle, Italian law allows taxpayers to be represented by a third party before the tax authorities on the basis of a special power of attorney (e.g. in the case of tax assessments, tax litigation or issues concerning tax payments), the third party also may be entitled to deal with the above actions relating to the VAT refund claim procedure.

As a result, even though no official guidelines clarify who can follow up on a submitted refund claim, it should be possible for a third party to request information on the status of a refund at the competent Pescara VAT office. In this case, the requesting person, when different from the claimant, will have to show a power of attorney to act on behalf of the claimant.

No specific rules apply for a power of attorney, but it must be drafted on the claimant’s letterhead and be signed by a person authorized to legally bind the company (a copy of the identity document/passport must be attached).







## E-Invoicing

Italian law does not contain any specific provision on refunds of VAT based on electronic invoices. In principle, e-invoices should be accepted. Italy has E-Invoicing requirements/restrictions, basically implementing the EU Invoicing Directive.

## Refunds and appeals

The Italian tax authorities must issue a decision on a refund claim within four months of receipt of the claim:

- The authorities can accept the refund claim and notify the claimant via electronic means;
- The authorities can reject the claim (in whole or in part) and notify the claimant via electronic means; or
- The authorities can request additional information and notify the claimant via electronic means. The claimant must provide the information within one month of receipt of the request.

The decision will be sent to the email address included in the application or through the platform used for transmitting the claim.

Any queries made and/or the decision issued by the Italian tax authorities will be sent electronically to the claimant or to the appointed third party.

The period in which the authorities must make a decision will be extended to six months where additional information is requested, or eight months where the authorities request additional information after a first request.

If a refund is granted, it will be processed in EUR within ten business days after the relevant period. A local bank account is not required.

The Italian tax authorities will be liable for late payment interest if the refund is not processed in a timely manner.

If one of the submitted invoices is incorrect/not provided in a readable/acceptable scanned copy, the entire refund claim generally will not be rejected; only the part of the request relating to the relevant invoice will be rejected. If the required information is not provided, the refund process may be suspended. Failure of a claimant to respond to a query on an invoice may have different consequences, depending on the type of the query and the amounts involved.

If the refund is not granted, the grounds for rejection must be stated. The decision will be sent to the claimant. In principle, a refund claim will be deemed to be rejected (the “silent denial”) if a decision is not issued within ninety days from the date the claim was filed.

However, considering the time limits provided by the relevant legislation for issuing a decision or to request additional information under a former 8th Directive EU VAT refund claim, the tax authorities likely will issue an explicit decision after ninety days.

An appeal against the denial of a claim may be made to the Italian tax authorities within sixty days of receipt of the notification. If the appeal is unsuccessful, a further appeal can be made to the second level Tax Court, and if this appeal is unsuccessful, the claimant can go to the Supreme Court. Specific requirements must be met and the appeal must be filed through a defense attorney.

Penalties ranging from 100% up to 200% of the VAT will be levied if VAT is unduly refunded. There is no specific provision referring to penalties where an application is rejected, but rejection of the claim may have consequences, depending on the reasons for the rejection.

Refund claims typically take four to six months if documentation has been requested by the Italian tax authorities, and eight months if additional documentation is requested, assuming the responses are provided in a timely manner.

## Non-EU businesses (13<sup>th</sup> Directive)

*This refers to a non EU-established company submitting a 13<sup>th</sup> Directive claim in Italy.*

### Eligibility for refund

Reciprocity is required. Italy has signed reciprocity agreements with Israel, Norway and Switzerland.

### Non-refundable VAT

VAT incurred on hotel and catering services supplied during conventions linked to the business of the company may be recovered. VAT related to accommodation (restaurant, bar and hotel expenses) is 100% deductible, unless related to entertainment expenses.

Based on case law of the CJEU, it should be possible to deduct the relevant VAT paid on cars/fuel/ car maintenance used for the company’s business. The deduction percentage in Italian VAT legislation is 40% if the car is used for both private and business purposes and 100% if the car is used exclusively for business purposes.

### Partially refundable VAT

If a non-resident business carries out both VAT-exempt and taxable transactions in its country of establishment, the VAT refund will be granted only with respect to the deductible VAT relating to the country of establishment. In some cases, VAT can be refunded based on the VAT deduction percentage allowed under Italian law (e.g. deduction percentage for cars/fuel/car maintenance).

## Making claims

### Minimum amounts

If the application relates to a period of less than one calendar year but not less than three months, the amount for which application is made may not be less than EUR 400; if the application relates to a period of a calendar year, the amount may not be less than EUR 50.





### Time limits

The application can cover a period of (not less than) three consecutive calendar months (e.g. from 1 January to 31 March) in one calendar year or a period of (not more than) one calendar year. However, applications can relate to a period of less than three months where the period represents the remainder of a calendar year (e.g. from 1 November to 31 December). The application can relate to invoices or import documents not covered by previous applications in respect of transactions carried out during that calendar year.

The claimant can either submit four claims relating to each quarter of the year or one annual claim. The quarterly claims can include only invoices issued in the relevant quarter, but the annual claim can include invoices issued during the entire year.

### Proxy

If the VAT refund claim is submitted by a third party, a proxy must be filed with the claim. An electronic scanned copy is accepted and a copy of the identity document/passport of the subscriber must be attached.

The Italian tax authorities have clarified that in the case of an EU-established company submitting an EU claim in Italy, the non-resident claimant is allowed to appoint a third party entitled to collect (on behalf of the nonresident claimant) the amount under the refund claim. In this case, a special written power of attorney is required, which must be in writing and notarized. The power of attorney must be retained by the authorized representative in case of a request from the Centro Operativo of Pescara.

Since, in principle, Italian law allows taxpayers to be represented by a third party before the tax authorities based on a power of attorney (e.g. in the case of tax assessments, tax litigation or issues concerning tax payments), the third party also may be entitled to deal with the above actions relating to the VAT refund claim.

As a result, even though no official guidelines clarify who can follow up on a submitted refund claim, it should be possible for a third party to request information on the status of a VAT refund claim from the competent Pescara VAT office. In this case, the requesting person, when different from the claimant, will have to show a power of attorney to act on behalf of the claimant.

No specific rules apply for the power of attorney, but it must be drafted on the claimant's letterhead and signed by a person authorized to legally bind the company (a copy of the identity document/passport must be attached).

### Application forms

Refund claims must be completed on Form VAT 79 issued by the Italian tax authorities and either personally delivered or sent by registered mail or courier to:

Centro Operativo di Pescara  
Via Rio Sparto, 21  
65129 Pescara  
Italy

Fax and email submissions are not allowed.

### Supporting documentation

The following documents must be attached to the claim:

- Original invoices;
- Documentation confirming the payment of the invoices; and
- A tax administration certificate of taxable status for VAT purposes has been issued within the last year.

### E-Invoicing

Italian law does not contain any specific provision on refunds of Italian VAT based on electronic invoices. However, e-invoices should be accepted. Italy has E-Invoicing requirements/restrictions, basically implementing the EU Invoicing Directive.

### Refunds and appeals

The deadline for the authorities to issue a decision on a 13<sup>th</sup> Directive refund claim is six months starting from the date of receipt of the refund request. If additional information is requested, the deadline is eight months starting from the date of receipt of the refund request, assuming the responses are provided in a timely manner.

- The authorities can accept the claim and notify the claimant via electronic means;
- The authorities can reject the claim (in whole or in part) and notify the claimant via electronic means; or
- The authorities can request additional information and notify the claimant via electronic means. The claimant must provide all information within one month of receipt of the request.

Any queries and/or the decision will be sent to the fax/email address included in the form.

According to Italian legislation, a tax refund claim will be deemed to be rejected ("silent denial") if a decision is not issued within ninety days from the date the claim was filed. However, considering the time limits provided by law for issuing a decision or requesting additional information on a 13<sup>th</sup> Directive VAT refund claim, a decision is likely to be issued by the tax authorities within ninety days.

The deadline for payment of the refund depends on the availability of the funds. An Italian bank account is not required.

The Italian tax authorities will be liable for late payment interest if the refund is not processed in a timely manner.





A VAT refund claim will not be rejected in its entirety if only one of the submitted invoices is not correct; only the part of the claim relating to the invoice will be rejected, and if requested information is not provided, the refund process may be suspended. If a query on an invoice is not answered, this may have different consequences, depending on the type of query and the amounts involved.

The decision will be sent to the claimant, stating the reasons for rejection.

An appeal against the rejection of a VAT refund claim must be filed within sixty days from the date of the notification of the decision.

Penalties ranging from 200% up to 400% of the VAT are applied if VAT is unduly refunded.

The refund process typically takes six to eight months, assuming responses are provided in a timely manner.





# Latvia



Latvian VAT is known as “Pievienotās vērtības nodoklis” (PVN).

The standard VAT rate is 21%, and there is a reduced rate of 12% (applies to medical products, passenger transport, etc.) and a second reduced rate of 5% (applicable to supplies of books and literature as a brochure, booklets, coloring books, press, media, magazines etc. in printed and electronic format).

It is not necessary to appoint a Latvian fiscal representative to claim a VAT refund based on Directive 2008/09/EC or the 13<sup>th</sup> Directive.

## Latvia is the Member State of Establishment EU countries (Directive 2008/09/EC)

*This refers to a Latvian-established company submitting an EU (former 8<sup>th</sup> Directive) claim in another EU member state.*

### Procedure

#### Filing

The application must be submitted electronically (in Latvian or English) through the website of the tax authorities in the country in which the claimant is established. This is <https://eds.vid.gov.lv/login> for companies established in Latvia.

When Latvia is the member state of establishment, the Latvian authorities will issue a confirmation of receipt of a VAT refund claim.

### IT requirements

A Latvian VAT payer must file its refund claim electronically using the Electronic Declaration System (EDS) web service of the Latvian tax authorities. To access the EDS web service, the company must conclude an agreement with the tax authorities and then file an application listing the people who will be using the system. The EDS can be accessed at:

<https://eds.vid.gov.lv/login>

The form can be uploaded in XML format. Guidance on how to file the form can be obtained at:

<https://www.vid.gov.lv/lv/media/1261/download?attachment>

The electronic form is divided into three main sections:

- General information about the taxpayer and the period for which the refund is requested;
- List of invoices in which each document can be typed in manually;
- Annexes: scanned invoices, if required, only JPEG, PDF, TIFF or zip files are accepted, and the maximum size of an individual file is 1 MB and the maximum size of all attached files is 5 MB. If the information cannot be uploaded in the system due to its size, it can be emailed to the Latvian tax authorities.

There is no limit on the number of invoices that may be submitted in a refund claim or per year.

### Non-EU countries (13<sup>th</sup> Directive equivalent)

*This refers to a Latvian-established company submitting a non-EU (13<sup>th</sup> Directive equivalent claim) in a non-EU country.*

The refund application for a Latvian-established company claiming input VAT in a non-EU country must be submitted according to the requirements of the country of refund. The Latvian portal may not be used.

Another difference with the 8<sup>th</sup> Directive EU VAT refund procedure is that a “certificate of taxable status” issued by the member state of establishment usually will be required by the non-EU country of refund. This form is called “VID izziņa par PVN maksātāja statusu Latvijā” (VAT certificate), and it must have been issued within the past year.



## Latvia is the Member State of Refund EU businesses (Directive 2008/09/EC)

*This refers to an EU-established company submitting an EU (former 8<sup>th</sup> Directive) claim in Latvia.*

### Eligibility for refund

A foreign registered taxable person is entitled to recover Latvian VAT if the following conditions are satisfied:

- The claimant is not registered or liable to be registered for VAT in Latvia;
- It does not have residence, its seat or a fixed establishment in Latvia;
- The claimant has not carried out any taxable supplies in Latvia, except for:
  - Tax-exempt cross-border transport from/to EU countries and ancillary services; and
  - Supplies to which the reverse charge applies.

### Non-refundable VAT

VAT cannot be recovered on the following:

- The acquisition of unused immovable property and services received in relation to the construction, reconstruction, renovation, restoration, or repair of immovable property;
- Goods and services purchased for personal use, such as: rental, maintenance, and repair of a passenger car if these services are not used for business purposes. If the vehicle is used for business purposes, 50% of the VAT amount can be recovered for the business use (in proportion to that use), but the claimant must provide supporting documentation with the application;
- Acquisition, rental, maintenance, and repair of vehicle registered as cargo van the full weight of which is below 3,000 kilograms, has more than three seats (including the driver's seats) and the value of which is EUR 75,000 or above;
- Purchase of fuel, lubricants and spare parts intended for a passenger car if the car is not used for business purposes. If the car is used for business purposes, 50% of the VAT amount can be refunded;
- Expenses for recreation activities;
- Catering, including restaurants (if catering is provided for representation purposes, 40% of the VAT amount can be refunded);
- Health improvement activities;
- Entertainment;
- Tour operator applying special VAT margin scheme for travel agents.

### Partially refundable VAT

A partial VAT refund in Latvia can be obtained for the following:

- Rental, maintenance, and repair of a passenger car if the vehicle is used for business purposes: 50% of the VAT amount can be recovered for the business use, but the claimant must provide supporting documentation with the application;
- Purchase of fuel, lubricants and spare parts intended for a passenger car if the car is used for business purposes: 50% of the VAT amount can be refunded; and
- Catering provided for representation purposes: 40% of the VAT amount can be refunded.

### Making claims

#### Minimum amounts

If the application relates to a period of less than one calendar year but not less than three months, the amount for which application is made may not be less than EUR 400; if the application relates to a calendar year or to the remaining months of a calendar year, the amount may not be less than EUR 50.

#### Time limits

The application must cover a period of not less than three consecutive calendar months (e.g., from 1 January to 31 March) in one calendar year and not more than one calendar year, unless the period represents the remainder of a calendar year (e.g., from 1 November to 31 December).

The application can relate to invoices or import documents not covered by previous applications in respect of transactions carried out during that calendar year.

Additional refund claims for the same time periods are accepted if the deadlines are met and minimum amounts are respected.

#### Proxy

The request can be submitted by the claimant, or a person authorized to act on behalf of the claimant. A company not established in Latvia may act as the authorized person.

The proxy must be provided only if so, requested by the Latvian tax authorities. Documents relating to VAT refunds must be provided in English or Latvian.

#### Supporting documentation

Electronic copies of invoices for transactions equal to or exceeding EUR 1,000 (EUR 250 for invoices relating to fuel costs) must be submitted with the application. The invoice number must be mentioned on the application.

If the Latvian tax authorities have reasonable doubts regarding the validity or accuracy of a claim, they may request the original or a copy of the relevant invoice or import document.







## E-Invoicing

To issue electronic invoices, a written agreement on the acceptance of such an invoicing system must be in place between the provider and the claimant. In practice, the Latvian tax authorities will not request a copy of the E-Invoicing agreement.

## Refunds and appeals

The Latvian tax authorities must issue a decision on a refund claim within four months of receipt of the claim:

- The authorities can accept the claim and notify the claimant or the tax authorities in the claimant's country of establishment via electronic means;
- The authorities can reject the claim (in whole or in part) and notify the claimant or the tax authorities in the claimant's country of establishment via registered mail; or
- The authorities can request additional information and notify the claimant via electronic means. The claimant must provide all information within one month of receipt of the request. The method of responding to the request (electronic or regular mail) depends on whether the authorities have requested original documents.

If original documents are required, courier/regular mail should be used. The correspondence address to be used will be included in the request made by the authorities.

The tax authorities always send an email notification.

The period in which the authorities must make a decision will be extended to six months when additional information is requested, or eight months where the authorities request additional information after a first request.

If a refund is granted, the payment will be made in EUR within ten business days after the decision is made and transferred to the bank account stated in the application. This bank account can be held by the claimant or a proxy holder. There are no restrictions on the location of the bank account (Latvia, another EU member state or outside the EU). However, any costs associated with the bank transfer will be deducted from the refundable tax amount.

If the refund is to be sent to the bank account of a legal person other than the claimant or its authorized person, the Latvian tax authorities will require that person to prove it is authorized to receive the funds on behalf of the claimant or the authorized person.

When Latvia is the member state of refund, the Latvian authorities will issue a confirmation of receipt of a VAT refund claim.

The Latvian tax authorities can request a copy or the original power of attorney when considering a claim filed by an authorized person.

The refund may be paid to the bank account of the authorized person, but not to the bank account of a private individual.

If the refund claim contains a bank account other than that of the claimant or the authorized person, the refund will be transferred after extensive control procedures have been carried out.

The Latvian tax authorities will be liable for late payment interest if the refund is not processed in a timely manner.

If the refund is not granted, the grounds for rejection must be stated in the official letter sent to the tax authorities of the claimant's country. If the relevant country has indicated that it will not notify the claimant, the Latvian tax authorities will send the information to the claimant. An appeal against a denied claim may be filed with the Latvian tax authorities within one month after receipt of the decision.

In most cases, if one of the invoices submitted was not correct or a readable/acceptable copy could not be provided, only the relevant invoice will be rejected.

The most common cause for rejection of a VAT refund claim is the submission of incomplete or incorrect documentation (e.g. wrong amounts, wrong invoice numbers indicated, missing VAT number of the supplier/recipient, etc.).

Although invoices must be provided only for transactions starting from EUR 1,000 (EUR 250 for fuel invoices), the Latvian tax authorities can request invoices for amounts below the threshold if they question the invoice.

The appeal must be sent by letter to the Latvian tax authorities: Valsts ieņēmumu dienests, Talejas ielā 1, Rīgā, LV-1978.

The Latvian tax authorities will not levy penalties if a VAT refund claim is rejected.

A decision on a VAT refund generally will be made within three to four months.

## Non-EU businesses (13<sup>th</sup> Directive)

*This refers to a non-EU-established company submitting a 13<sup>th</sup> Directive claim in Latvia.*

### Eligibility for refund

Reciprocity is required. The Latvian authorities currently will issue a refund to VAT-taxable persons established in Iceland, Monaco, Norway, and Switzerland.

### Non-refundable VAT

VAT cannot be recovered on the following:

- The acquisition of unused immovable property and services received in relation to the construction, reconstruction, renovation, restoration, or repair of immovable property;
- Goods and services purchased for non-business use, such as: rental, maintenance, and repair of a passenger car;
- Purchase of fuel, lubricants and spare parts intended for a passenger car;
- Expenses for recreation activities;
- Catering (including restaurants);





- Health improvement activities;
- Entertainment; and
- A tour operator applying special VAT margin scheme for travel agents.

## Partially refundable VAT

A partial VAT refund in Latvia is available for the following:

- Rental, maintenance, and repair of a passenger car if the vehicle is used for business purposes: 50% of the VAT amount can be recovered for the business use (in proportion to that use), but the claimant must provide supporting documentation with the application;
- Purchase of fuel, lubricants and spare parts intended for a passenger car if the car is used for business purposes: 50% of the VAT amount can be refunded; and
- Catering provided for representation purposes: 40% of the VAT amount can be refunded.

## Making claims

### Minimum amounts

If the application relates to a period of less than one calendar year but not less than three months, the minimum amount claimed must be EUR 400; if the application relates to a period of a calendar year or the remaining part of a calendar year (the last two months of the calendar year), the amount claimed may not be less than EUR 50.

### Time limits

The application must cover a period of not less than three consecutive calendar months (e.g., from 1 January to 31 March) in one calendar year and not more than one calendar year, unless the period represents the remainder of a calendar year (e.g., from 1 November to 31 December). The application may relate to invoices or import documents not covered by previous applications with respect to transactions carried out during the calendar year.

The application must be submitted:

- By 30 September of the following year if the application relates to a calendar year or the remaining months in a relevant year; or
- Within three months after the end of the period covered by the application if the application relates to a period of not less than three months and does not exceed one calendar year.

Late claims are not accepted, and the deadline will not be extended. If the application is sent by regular mail, the date it was delivered to the post office (i.e. the postmark date) will be deemed to be the submission date.

### Proxy

The request can be submitted by the claimant or an authorized person. A company not established in Latvia may act as the authorized person.

The proxy must be provided only if requested by Latvian tax authorities. Documents relating to VAT refunds must be provided in English or Latvian.

### Application forms

The application is made on a form that is annexed to Cabinet of Ministers Regulation No. 1507 for claims covering the calendar year or the remaining months of a calendar year.

The form can be downloaded from the official website of the Latvian tax authorities at:

<https://www.vid.gov.lv/lv/pvn-parmaksas-atmaksas>

The form must be completed in Latvian or English and all amounts in EUR. All invoices must be listed in the attachment to the application. An excel spreadsheet may be used to provide an overview of the claimed amounts.

The application must be signed by a person who is legally entitled to represent the company (e.g., managing director); otherwise, a letter of authority must be provided.

The form and supporting documentation must be sent to:

VID Nodokļu pārvaldes Nerezidentu nodokļu datu ticamības novērtējuma daļa

Talejas iela 1 Rīga

LV-1978

Latvia

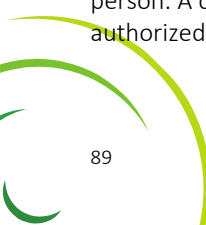
### Supporting documentation

The following documents must be submitted with each application:

- Import documents, bills, vouchers, receipts, or customs clearance forms (copies are not accepted). Invoices must comply with the VAT invoicing requirements;
- Original invoices;
- Proof that the invoices have been paid (e.g. bank orders of payment, internet banking printouts, cash register receipts, etc.);
- Original customs declarations (translation of the statement is not required) must be submitted if the VAT refund is claimed for the import of goods;
- An original certificate of VAT status confirming that the claimant is registered for VAT purposes in its country of residence. The certificate must have been issued within the past year; and
- Original power of attorney if a third party submits an application on behalf of the claimant; the power of attorney must be certified with The Hague apostille.

### E-Invoicing

To issue electronic invoices, a written agreement on the acceptance of such invoicing system must be in place between the provider and client. In practice, the Latvian tax authorities will not request a copy of the E-Invoicing agreement.





## Refunds and appeals

The Latvian tax authorities must issue a decision on a refund claim within four months of receipt of the claim:

- The authorities can accept the claim and notify the claimant via electronic means;
- The authorities can reject the claim (in whole or in part) and notify the claimant via electronic means; or
- The authorities can request additional information and notify the claimant via electronic means.

The claimant must provide all information within one month of receipt of the request. The means of responding (electronic or regular mail) to the request depends on whether original documents are requested by the authorities. If original documents are required, a courier should be used. The correspondence address to be used is included in the request made by the authorities.

Notification always is sent to the contact in the refund form. If an email address is provided, tax authorities normally send all notifications electronically rather than by regular mail.

The Latvian tax authorities will stamp each invoice and/or import document to prevent their use in subsequent applications and will return the documents within one month after a decision on the claim is made.

The Latvian tax authorities can request additional information from the claimant, in which case the deadline is extended to six months.

If a refund is granted, the payment will be processed in EUR within ten business days after the decision. There are no restrictions on the location of the bank account (Latvia, another EU member state or outside the EU). However, any costs associated with the bank transfer will be deducted from the refundable tax amount.

The Latvian tax authorities are not liable for interest if the refund is not processed in a timely manner.

If the refund is not granted, the grounds for rejection must be stated.

An appeal against the denied claim may be made to the Latvian tax authorities within thirty days of receipt of the notification (tax assessment). The appeal must be addressed to the Director General of the SRS and sent to the following address:

VID Nodokļu pārvaldes Nerezidentu nodokļu datu ticamības novērtējuma daļa  
Talejas iela 1 Rīga  
LV-1978  
Latvia

If the appeal is unsuccessful, a further appeal can be filed within thirty days after receipt of the decision. If the VAT is not refunded after the appeal, the claimant can initiate proceedings before the national court.

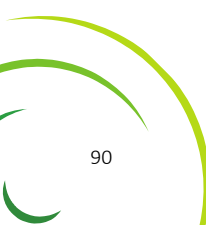
A claimant can submit a "re-application" if the first application is rejected. The amended application and supporting documents must be submitted within one month from the date of the decision. The following documents must be submitted for an application to be reconsidered:

- Relevant corrected, updated, or additional documents;
- Original invoices and customs declarations;
- Proof of payment of invoices; and
- Letter stating the date of receipt of the previous decision and listing the attached documents.

In most cases, if one of the invoices submitted was not correct or a readable/acceptable copy could not be provided, only the relevant invoice will be rejected.

The most common cause for rejection of a VAT refund claim is the submission of incomplete or incorrect documentation (e.g. wrong amounts, wrong invoice numbers, failure to include the VAT number of the supplier/recipient, etc.).

The Latvian tax authorities do not impose penalties if a VAT refund claim is rejected. A decision on a VAT refund generally will be made within three to four months.





# Lithuania



Lithuanian VAT is known as “Pridėtinės vertės mokestis” (PVM). The standard VAT rate is 21%, and there are reduced rates of 9% and 5%.

An extensive overview of the VAT rates applied in Lithuania can be found at:

[https://ec.europa.eu/taxation\\_customs/system/files/2021-06/vat\\_rates\\_en.pdf](https://ec.europa.eu/taxation_customs/system/files/2021-06/vat_rates_en.pdf)

It is not necessary to appoint a Lithuanian fiscal representative to claim a VAT refund based on Directive 2008/09/EC or the 13<sup>th</sup> Directive.

## Lithuania is the Member State of Establishment

### EU countries (Directive 2008/09/EC)

*This refers to a Lithuanian-established company submitting an EU (former 8<sup>th</sup> Directive) claim in another EU member state.*

### Procedure

#### Filing

The application must be submitted electronically (in Lithuanian or English) through the portal of the tax authorities:

<https://sso.vmi.lt/sso/login?locale=en> by 30 September of the calendar year following the refund period.

The request can be submitted by the claimant, or an authorized person established in any EU member state.

If a third party is to submit the application, a power of attorney (“contract of mandate”) must be submitted electronically with the VAT refund claim. If the power of attorney is not in Lithuanian or English, it must be translated into Lithuanian. When Lithuania is the member state of establishment, the Lithuanian tax authorities will issue a confirmation of receipt of a VAT refund claim.

#### IT requirements

Lithuanian claimants registered for VAT purposes file their refund claims electronically using the EPRIS system (“Elektroninė prašymų registravimo informacinė sistema “EPRIS”) of the Lithuanian tax authorities.

A claimant must register to be able to apply for a refund through EPRIS. An application for the EPRIS registration may be sent to the tax authorities by mail or presented to the tax authorities physically or uploaded on tax authorities’ electronic system “Mano VMI”. If the refund application is to be filed by an authorized person on behalf of the claimant, both the claimant and that person must obtain access to EPRIS, and the authorized person must ensure that its power of attorney is submitted to the tax authorities.

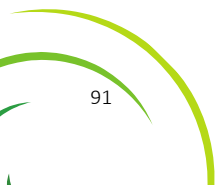
The claimant or its authorized representative must provide the following information on the application:

- General information relating to the claimant;
- Economic activities the claimant is engaged in and for which VAT was incurred;
- Information relating to the authorized person, if any;
- Details of the bank account to which the refund is to be paid;
- List of invoices and import documents in which each document can be manually typed in;
- And annexes: scanned invoices (import documents)/annexes can be uploaded, considering that only JPEG, PDF or zip files are accepted, and the maximum total file size is 5MB.

Once the claim is submitted, the claimant will receive confirmation from the website, referencing the application.

The input of the above information generally must be made manually on a line-by-line basis. An automatic upload of the information is possible by using a “web service” function in EPRIS. In this case, the software used by the claimant for its accounting (or other special software) must be adapted to the “web service” function. The software requirements can be found at (in Lithuanian): <https://sso.vmi.lt/sso/login?locale=en>.

There are no limits on the number of invoices that can be submitted in a single refund claim or per year.





## Non-EU countries (13<sup>th</sup> Directive equivalent)

*This refers to a Lithuanian-established company submitting a non-EU (13<sup>th</sup> Directive equivalent) claim in a non-EU country.*

The refund application for a Lithuanian-established company claiming input VAT in a non-EU country must be submitted according to the requirements of the country of refund. The Lithuanian portal may not be used.

Another difference with the 8<sup>th</sup> Directive EU VAT refund procedure is that a “certificate of taxable status” issued by the member state of establishment usually will be required by the non-EU country of refund. This certificate is called “Pridėtinės vertės mokesčio registravimą patvirtinantis sertifikatas” and is issued by the tax authorities further to taxpayer request the in Mano VMI system.

## Lithuania is the Member State of Refund

### EU businesses (Directive 2008/09/EC)

*This refers to an EU-established company submitting an EU (former 8<sup>th</sup> Directive) claim in Lithuania.*

#### Eligibility for refund

A foreign taxable person established in another EU member state is entitled to recover Lithuanian VAT in the period for which a VAT refund is requested:

- The claimant did not have a fixed establishment in Lithuania from which economic activities were affected, and, in case of an individual, its usual place of residence was not in Lithuania; and
- The claimant did not carry out any activities in Lithuania that would be subject to VAT, except for:
  - The supply of transport services and ancillary transport services that would be subject to 0% VAT rate; and (or)
  - The supply of certain goods or services for which VAT should be applied by the purchaser under the reverse charge mechanism;
  - The supply of services under a special tax scheme for telecommunications, radio and television broadcasting and electronically supplied services. A taxpayer must only be engaged in the above services or in the provision of services for which VAT registration in Lithuania is not required;
  - To carry out economic activity as EU scheme OSS member, and/or at the same time carry out activity, that does not create an obligation for VAT registration in Lithuania and(or);
  - To carry out economic activity as IOSS scheme member (Import scheme), and/or at the same time carry out activity, that does not create an obligation for VAT registration in Lithuania.

## Non-refundable VAT

VAT cannot be recovered on:

- The purchase or lease of a passenger car;
- Transport of passengers by cars (taxi services);
- The supply of goods or services on which VAT is incorrectly calculated (e.g. exempt supplies taxed with standard rate);
- Goods supplied to another EU member state if the supply of these goods would have been subject to the 0% VAT rate;
- Goods exported from the EU if the supply of these goods would have been subject to the 0% VAT rate.
- VAT paid on behalf of another person according to article 15 paragraph 7 part 2 of the VAT law, is also not recoverable.

## Partially refundable VAT

VAT can be partially recovered on:

- Entertainment and representation expenses (goods and services): Since 2020 only, 50% of VAT may be recovered; and
- Purchases of goods or services by a taxable person that performs transactions giving a right of VAT deduction and transactions not giving a right of VAT deduction: A pro rata criterion applies.

## Making claims

### Minimum amounts

If the application relates to a period of less than one calendar year but not less than three months, of that calendar year the amount for which application is made may not be less than EUR 400; if the application relates to a period of a calendar year or the remainder of a calendar year shorter than three calendar months, the amount may not be less than EUR 50.

### Time limits

The application must cover a period of not less than three consecutive calendar months (e.g. from 1 January to 31 March) in one calendar year and not more than one calendar year, unless the period represents the remainder of a calendar year (e.g. from 1 November to 31 December). The application for the remainder of a calendar year can relate to invoices or import documents not covered by previous applications in respect of transactions carried out during that calendar year.

Lithuanian legislation does not address whether a claimant can submit more than one refund claim for the remainder of a calendar year (e.g. the claimant receives additional invoices after submitting a refund claim).







### Follow up on submitted claims

The claimant or its authorized representative can follow up on a claim. When Lithuania is the member state of refund, the Lithuanian tax authorities will request a third-party proxy holder to prove its authorization to follow up on the status of a VAT refund claim, by filing the power of attorney electronically, along with the refund claim.

#### Proxy

If a refund claim is submitted by an authorized representative, a proxy must be provided with the refund claim. If the proxy is written in a language other than Lithuanian or English, a translation into Lithuanian is required. The proxy must be submitted electronically, although there are no specific requirements relating to format.

#### Supporting documentation

The general threshold for the submission of an electronic copy of an invoice is where the taxable basis on the invoice or import document is at least EUR 1,000 (EUR 250 for invoices relating to fuel costs). The Lithuanian tax authorities can request additional documents/information (e.g. an authorization document from the foreign claimant stating that payment may be made to a third party).

#### E-Invoicing

E-invoices are accepted to claim input VAT via the 8<sup>th</sup> Directive procedure and there are no specific requirements/restrictions related to E-Invoicing.

### Refunds and appeals

The Lithuanian tax authorities must issue a decision on a refund claim within four months of receipt of the claim:

- The authorities can satisfy the claim and inform the claimant via electronic means or regular mail (the latter, at the request of the claimant);
- The authorities can reject the claim (in whole or in part) and inform the claimant via electronic means or regular mail (regular mail, at the request of the claimant); or
- The authorities can request additional information and notify the claimant via electronic means. The claimant must provide all information within one month of receipt of the request. The information usually is delivered via email. The authorities always inform the claimant about the decision via electronic means.

If the refund claim was submitted by the claimant, the decision will be sent to the claimant; if the refund was submitted by the authorized person, it will be sent to that person.

The period in which the authorities must make a decision will be extended to six months where additional information is requested, or eight months where the authorities request additional information after a first request.

If a refund is granted, it will be paid in EUR or another currency within ten business days after the end of the relevant period to the bank account provided to the authorities. There is no requirement to hold a Lithuanian bank account.

The Lithuanian VAT authorities will be liable for late payment interest if the refund is not processed in a timely manner.

The Lithuanian VAT authorities may issue a decision to refund only part of the claim, such as where only one incorrect invoice is submitted or if the claimant fails to comply with certain formalities for filing a claim. If the authorities question the nature of the activities carried on by the claimant in Lithuania, there is a risk that the entire refund claim may be rejected.

If the refund is not granted, the grounds for rejection must be stated. A decision to reject the claim will be issued within four months of receipt of the claim.

The claimant will receive a notification via electronic means or regular mail (regular mail, at the request of the claimant). An appeal against a denied claim may be made to the Lithuanian VAT authorities within twenty days following the date of receipt of the decision (if the decision was sent via registered mail, the twenty-day period will begin on the fifth business day after the decision was mailed). However, this time limit can be extended upon request. If this appeal is unsuccessful, the claimant can initiate proceedings before the national court (within twenty calendar days after receipt of the decision).

The most common reason for rejection of a claim is that the claimant was required to register as a VAT taxpayer in Lithuania due to activities carried out in Lithuania.

The appeal must be in Lithuanian and delivered or provided by letter to the Lithuanian VAT authorities.

Lithuanian tax law does not provide for any penalties where a VAT refund claim is rejected.

A refund must be made no later than ten business days after the end of four months of receipt of a claim. There is no typical time frame in which payments are made.

### Non-EU businesses (13<sup>th</sup> Directive)

*This refers to a non-EU-established company submitting a 13<sup>th</sup> Directive claim in Lithuania.*

#### Eligibility for refund

Reciprocity generally is required. Lithuania will refund VAT incurred by taxable persons established in a non-EU country provided Lithuanian taxable persons are entitled to recover the VAT (or any equivalent tax) in that country. Reciprocity currently exists with Armenia, Canada, Iceland, Norway, Switzerland and Turkey (with certain limitations).

As of 1 January 2019, the list of countries entitled to a VAT refund in Lithuania has been expanded to include all OECD countries that do not have VAT or other identical tax. This provision is applicable for refunds covering periods from 1 January 2019.





VAT also will be refunded to taxable persons established in a non- EU country that supply telecommunications, radio and television broadcasting and electronically supplied services in the EU and by using a special registration procedure, are registered in an EU member state. Non-EU suppliers of e-services registered for VAT but not established in other member states can request a refund of VAT paid in Lithuania regardless of whether the country of their establishment refunds VAT to Lithuanian taxable persons.

Non-EU established suppliers, operating via the OSS system, have the right to apply for VAT refund in Lithuania.

The following conditions must be satisfied in the period for which a VAT refund is requested for a person established in a non-EU state to recover Lithuanian VAT:

- The claimant is registered for VAT purposes in its country of establishment (exception applied for claimants established in an OECD country, in which there is no VAT or a tax identical to it; and, the claimant did not have a fixed establishment in Lithuania from which economic activities were performed, in case of an individual, its usual place of residence was not in Lithuania; and
- The claimant has not carried out any transport activities in Lithuania that would be subject to VAT, except for:
  - The supply of transport services and ancillary services that would be subject to the 0% VAT rate; and (or)
  - The supply of certain goods or services for which VAT should be applied by the purchaser under the reverse charge mechanism;
  - and (or) The supply of services under a special tax scheme for telecommunications, radio and television broadcasting and electronically supplied services applicable for non-EU businesses;
  - and (or) To carry out economic activity as EU scheme OSS member, and/or at the same time carry out activity, that does not create an obligation for VAT registration in Lithuania;
  - and (or) To carry out economic activity as IOSS scheme member (Import scheme), and/or at the same time carry out activity, that does not create an obligation for VAT registration in Lithuania.

### Non-refundable VAT

VAT cannot be recovered on:

- The purchase or lease of a passenger car;
- Transport of passengers by cars (taxi services);
- The supply of goods or services on which VAT does is incorrectly calculated (e. g. exempt supplies taxed with standard rate);
- Goods supplied to another EU member state if the supply of these goods would have been subject to the 0% VAT rate;
- Goods exported from the EU if the supply of these goods would have been subject to the 0% VAT rate.

- VAT paid on behalf of another person pursuant to the provisions of article 15 paragraph 7 part 2 of the VAT Law also is not recoverable.

### Partially refundable VAT

VAT can be partially recovered on entertainment and representation expenses (goods and services): since 2019, only 50% of VAT may be recovered.

### Making claims

#### Minimum amounts

If the application relates to a period of less than one calendar year but not less than three months of that calendar year, the amount for which application is made may not be less than EUR 400; if the application relates to a period of a calendar year shorter than three calendar months or the remainder of a calendar year, the amount may not be less than EUR 50.

#### Time limits

The application must be submitted to the Lithuanian VAT authorities by 30 June of the calendar year following the calendar year in which the tax became chargeable. The deadline will not be extended. or import documents not covered by previous applications in respect of transactions carried out during that calendar year.

The application must be submitted to the Lithuanian VAT authorities within six months of the end of the calendar year in which the tax became chargeable, i.e. by 30 June of the following year. The deadline will not be extended.

#### Proxy

If a refund claim is submitted by an authorized representative, a proxy must be provided with the refund claim. If the proxy is written in a language other than Lithuanian or English, it must be translated into Lithuanian. If the refund claim is provided electronically, an electronic copy of proxy may be provided.

#### Application forms

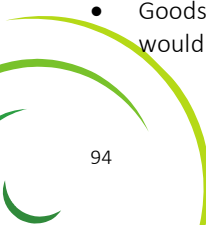
The application is made on Form FR0445, issued by the Lithuanian tax authorities. It must be completed in either Lithuanian or English and in Euro. The forms can be obtained from the local VAT offices or downloaded at:

<https://www.vmi.lt/evmi/formos>

The application form can be presented in the following ways:

- Electronically using the electronic system “Mano VMI”;
- Delivered to the Lithuanian VAT authorities; or
- Provided by regular mail to the Lithuanian VAT authorities.

All invoices must be mentioned in the attachment to the application form. The Lithuanian VAT authorities do not have any practical experience with excel spreadsheets, so claimants should have the invoices listed in the application rather than enclosing an excel spreadsheet with the application.





The application must be signed by a person who is legally entitled to represent the company (e.g. managing director); otherwise a power of attorney must be provided.

The form and supporting documentation must be brought or sent to:

Vilniaus apskrities valstybine mokesciu inspekcija Ulonu st. 2  
LT-08245 VILNIUS

Lithuania

T: + 370 5 268 7621

F: + 370 5 262 1906

[www.vmi.lt](http://www.vmi.lt)

Information on the status of the VAT refund can be obtained via email by contacting: [vilniaus.apskr.rastai@vmi.lt](mailto:vilniaus.apskr.rastai@vmi.lt)

### Supporting documentation

The following documents must be submitted with each application:

- Originals or copies of invoices (or in certain cases cash register receipts), import documents on the basis of which corresponding amounts of VAT were paid;
- In the case of fuel cards, the originals or copies of documents that allow identification of the person to whom the fuel card is issued;
- A notarized power of attorney (contract of mandate) if a third party submits an application on behalf of a claimant; or
- A notarized certificate of VAT status showing that the claimant is registered for VAT purposes in its country of residence. The certificate must have been issued within the past year.

If the power of attorney and the certificate of the VAT status are not in Lithuanian or English, the documents must be translated into Lithuanian and include the signature of the translator. These documents, together with the VAT refund claim, can be delivered to the tax authorities in person or sent via mail.

### E-Invoicing

E-invoices are accepted to claim input VAT via the 13<sup>th</sup> Directive procedures if a refund claim is submitted electronically, and there are no specific requirements/ restrictions related to E-Invoicing. Copies of invoices must be provided using the electronic system "Mano VMI." The maximum size of total files uploaded per file may not exceed 4MB.

## Refunds and appeals

The Lithuanian VAT authorities must issue a decision on a refund claim within four months of receipt of the claim:

- The authorities can accept the claim and notify the claimant in writing or via electronic means;
- The authorities can reject the claim (in whole or in part) and notify the claimant in writing or via electronic means; or

- The authorities can request additional information and notify the claimant in writing or via electronic means. The claimant must provide all information within one month of receipt of the request. The VAT authorities can extend the deadline to respond. Additional information is usually provided through electronic means.

If additional or amended information or a tax audit is required for the tax authorities to make a decision on an application, the authorities can request additional documents, ask the claimant to correct the errors in the application or initiate an audit within four months after receipt of the VAT refund claim.

If the refund claim was submitted electronically, the authorities will inform the claimant about the decision electronically. If the claimant submitted the refund claim, the decision will be sent to the claimant; if the authorized represented submitted the claim, the decision will be sent to that person.

When the tax authorities request additional information, request corrections to the application or initiate an audit, the decision on the VAT refund must be made within two months after receipt of the additional information, correction of errors or conclusion of the tax audit. The refund claim may only be accepted or rejected through a decision issued by the Lithuanian VAT authorities.

If a refund is granted, the refundable amount (reduced by banking services costs including currency conversion costs, if any) will be paid in EUR or another currency within ten business days after the end of the relevant period, to the bank account number provided to the authorities. It is not necessary to have a Lithuanian bank account. The Lithuanian VAT authorities will not be liable for late payment interest if the refund is not processed in a timely manner.

The Lithuanian VAT authorities may issue a refund of only part of the amount indicated in a refund claim, such as where an incorrect invoice is submitted or where the claimant failed to comply with all of the formalities for filing a claim. If the authorities question the nature of the activities carried on by the claimant in Lithuania, there is a risk that the entire refund claim could be rejected.

The most common reason for rejecting a VAT refund claim is failure to register as a VAT taxpayer in Lithuania due to activities performed in Lithuania or where expenses related to entertainment / representation (i.e. non-refundable VAT) are claimed.

If the refund is not granted, the grounds for rejection must be stated. An appeal against the denial of the claim may be made to the Lithuanian VAT authorities within twenty days of receipt of the decision. If appeal is unsuccessful, the claimant can initiate proceedings before the national court (within twenty calendar days after receipt of the decision).

Lithuanian tax law does not provide for penalties where a refund claim is rejected.





VAT refund claims must be refunded no later than ten business days after the end of four months of receipt of a refund claim. There is no common practice when payments are made.





# Luxembourg



Luxembourg VAT is known as “Taxe sur la Valeur Ajoutée” (TVA) in French and “Mehrwertsteuer” (MwSt) in German.

The standard VAT rate is 17%, and there are reduced rates of 14%, 8% and 3%.

An extensive overview of the VAT rates applied in Luxembourg can be found at:

[http://ec.europa.eu/taxation\\_customs/resources/documents/taxation/vat/how\\_vat\\_works/rates/vat\\_rates\\_en.pdf](http://ec.europa.eu/taxation_customs/resources/documents/taxation/vat/how_vat_works/rates/vat_rates_en.pdf).

It is not necessary to appoint a Luxembourg fiscal representative to claim a VAT refund based on Directive 2008/09/EC or the 13<sup>th</sup> Directive.

## Luxembourg is the Member State of Establishment

### EU countries (Directive 2008/09/EC)

*This refers to a Luxembourg-established company submitting an EU (former 8<sup>th</sup> Directive) claim in another EU member state.*

### Procedure

#### Filing

VAT refund claims must be submitted to the tax authorities of the member state in which the claimant is established:

<http://www.aed.public.lu/vatrefund/> for companies established in Luxembourg.

The refund claim may be submitted by the claimant or by an authorized third party. If the claimant delegates the preparation and submission of its claim to a third party, it must identify the third party on the relevant page of the VAT refund portal. The third party may be a non-established person. However, it must have a LuxTrust smart card or a LuxTrust signing stick. There is nothing in the Luxembourg VAT law preventing a non-established third-party company from submitting VAT refund claims for a claimant; in fact, the website of the Luxembourg VAT authorities confirms that this is possible and that the third-party company also must have a LuxTrust smart card or a LuxTrust signing stick.

When Luxembourg is the member state of establishment, the Luxembourg authorities will issue a confirmation of receipt of a VAT refund claim.

#### IT requirements

Luxembourg-based claimants registered for VAT purposes must submit their refund claims electronically via the VAT refund web portal of the Luxembourg VAT authorities:

<http://www.aed.public.lu/vatrefund/>.

Access is granted using a LuxTrust smart card or a LuxTrust signing stick that can be ordered online (<http://test.luxtrust.lu/>). It also is necessary to apply for prior registration to the tax authorities' system. A digital certificate is included in the LuxTrust smart card or LuxTrust signing stick. Therefore the digital certificate, log-in details, etc. are provided when the LuxTrust smart card or LuxTrust signing stick are ordered and received.

The information must be uploaded manually on a line-by-line basis. It is not possible to upload an entire file directly into the system.

In principle, there is no requirement to provide supporting documentation attached to the VAT refund request. Where invoices are submitted, all scanned invoices (PDF or “image”) cannot exceed 5 MB (“scan”: 200 dpi, black/white or greyscale in PDF format that allows several pages in a single file).

### Non-EU countries (13<sup>th</sup> Directive equivalent)

*This refers to a Luxembourg-established company submitting a non-EU (13<sup>th</sup> Directive equivalent) claim in a non-EU country.*

The refund application for a Luxembourg-established company claiming input VAT in a non-EU country must be submitted according to the requirements of the country of refund. The Luxembourg portal may not be used.





Another difference with the 8<sup>th</sup> Directive refund procedure is that a “certificate of taxable status” issued by the member state of establishment usually will be required by the non-EU country of refund. This form is called a “certificate of VAT status” in Luxembourg.

## Luxembourg is the Member State of Refund EU businesses (Directive 2008/09/EC)

*This refers to an EU-established company submitting an EU (former 8<sup>th</sup> Directive) claim in Luxembourg.*

### Eligibility for refund

A foreign taxable person is entitled to recover Luxembourg VAT if the following conditions are satisfied:

- It is not registered, liable or eligible to be VAT-registered in Luxembourg;
- It does not have its place of business, a fixed establishment, or its usual place of residence in Luxembourg during the refund period;
- It has not carried out any taxable supplies of goods or supplies of services in Luxembourg during the refund period, except for:
  - Certain VAT-exempt cross-border transport services and ancillary services; and
  - Certain supplies of goods or services for which the Luxembourg recipient is the VAT debtor.

### Non-refundable VAT

VAT cannot be recovered when it has been charged by mistake or for certain supplies of goods that are VAT exempt. VAT cannot be recovered if the goods or services are used for private purposes.

### Partially refundable VAT

There are no expenses for which non-established companies would be allowed only a partial refund of Luxembourg VAT to the extent that these expenses are made for business purposes.

### Making claims

#### Minimum amounts

If the application relates to a period of less than one calendar year but not less than three months, the amount for which the application is made may not be less than EUR 400; if the application relates to a period of a calendar year or the remainder of a calendar year, the amount may not be less than EUR 50.

#### Time limits

The application must cover a period of not less than three consecutive calendar months (e.g. from 1 January until 31 March) in one calendar year or not more than one calendar year, unless the period represents the remainder of a calendar year (e.g. from 1 November until 31 December).

The application may relate to invoices or import documents not covered by previously filed applications with respect to transactions carried out during that calendar year.

The application must be submitted by 30 September of the year following the end of the refund period. Late claims are not accepted, and the deadline will not be extended.

The claimant can only submit one refund claim for a specific period and for the remainder of a calendar year. There are no clear guidelines in the VAT law as to how the claimant should provide invoices received after the refund claim is submitted for the relevant period. The VAT authorities have informally stated that quarterly returns are recommended, with an annual claim including invoices not reported in the quarterly claims.

#### Follow up submitted claims

When Luxembourg is the member state of refund, the Luxembourg authorities will request a third-party service provider to prove its authorization to follow up on the status of a VAT refund claim.

#### Proxy

The taxable person usually must register the proxy on the website (e-TVA) by clicking the relevant “boxes” and indicate the period of validity of the proxy (start date – end date), along with the Luxembourg intracommunity VAT number of the representative (if the representative does not carry out any taxable transactions in Luxembourg, its identification number would start with LU99).

The Luxembourg VAT authorities may request an original written document with an authorization which should be sent via regular mail. The Luxembourg VAT authorities accept documents in English, French or German. They may accept documents in other languages but may demand a certified translation of these documents.

#### Supporting documentation

In principle, taxable persons established in the EU are not required to submit any supporting documents with their claim. However, the form must contain the following information:

- The claimant's name and full address;
- An email address;
- A description of the claimant's business activity for which the goods and services are acquired;
- The refund period covered by the application;
- A declaration by the claimant that it did not supply any goods or services in the member state of refund during the refund period, except for exempt transport services and ancillary services or the supply of goods and services to a person that is liable for the payment of VAT;
- The claimant's VAT identification number or tax reference number; and
- Bank account details, including IBAN and BICcodes.





## E-Invoicing

E-invoices generally are accepted and there are no specific requirements for such invoices. However, the invoices must be attached as a PDF file and the total size cannot exceed 5 MB.

## Refunds and appeals

The Luxembourg VAT authorities will notify the claimant by electronic means about their decision to accept or reject the claim within four months from the date of receipt of the request. An email notification always will be sent by the authorities.

Any queries and the decision on the claim will be sent to the person whose email address is mentioned in the eTVA registration. If the claimant indicated a proxy, the notification will be addressed and sent to the proxy holder, with a “cc” to the claimant.

The authorities can request additional information (e.g. original invoices) during this four-month period. The claimant must provide the information within one month from the date a request was received. The authorities should indicate whether the information must be provided by email or regular mail.

Where additional information is requested, the authorities must issue a decision on the claim within two months after the claimant submits the information; if the claimant does not provide the additional information, the decision must be issued within two months from the expiration of the one-month period for the claimant to respond.

In any case, if the authorities request additional information, they have at least six months from the date of receipt of the application to issue a decision. If the authorities again request additional information, the claimant must be notified.

If a refund is granted, it will be paid within ten business days after the end of the fourth-month period or, if additional information was requested, at the end of the two-month period, to a bank in Luxembourg or another member state. In the latter case, any bank charges for the transfer will be deducted from the amount to be paid to the claimant.

The tax authorities will be liable to pay interest on the amount refunded if the refund is not issued within the relevant period. Interest is calculated at the rate of 7.2% from the day following the date of expiry of the refund period until the date of actual refund. This provision will not apply where the applicant failed to provide the additional information within the required.

If the refund is not granted, the grounds for rejection are notified by electronic means together with the rejection decision. An appeal against the denied claim can be made to the Luxembourg VAT authorities within three months of receipt of the notification (tax assessment). The appeal must be in letter form, in one of the official languages. If the appeal is unsuccessful, the claimant can initiate proceedings before the national court.

Some reasons for a claim to be rejected include the submission of a claim for an invalid refund period, the claimant has a permanent establishment in Luxembourg from which it performs an economic activity, etc.

In cases where a refund has been obtained by fraud or other irregular means, the administration will proceed to recover the wrongly refunded amounts and may impose fines and interest.

In practice, the processing of a refund claim takes about four to eight months.

## Non-EU businesses (13<sup>th</sup> Directive)

*This refers to a non-EU-established company submitting a 13<sup>th</sup> Directive claim in Luxembourg.*

### Eligibility for refund

A foreign taxable person is entitled to recover Luxembourg VAT if the following conditions are satisfied:

- It is not registered, liable or eligible to be VAT-registered in Luxembourg;
- It does not have its place of business, a fixed establishment, or its usual place of residence in Luxembourg during the refund period;
- It has not carried out any taxable supplies of goods or supplies of services in Luxembourg during the refund period, except for:
  - Certain VAT-exempt cross-border transport services and ancillary services;
  - Certain supplies of goods or services for which the Luxembourg recipient is the VAT debtor; and
  - Certain electronically provided services to non-VAT-taxable persons established in the EU.

### Non-refundable VAT

VAT cannot be recovered if it has been charged by mistake or for certain VAT-exempt supplies of goods. VAT cannot be recovered if the goods or services are used for private purposes.

### Partially refundable VAT

There are no expenses for which non-established companies will only be allowed a partial refund of Luxembourg VAT.

### Making claims

#### Minimum amounts

The amount for which the application is made may not be less than EUR 250 for the calendar year.

#### Time limits

The application must cover a period of one calendar year and must be submitted to the Luxembourg “Administration de l’enregistrement des domaines et de la TVA” by 30 June of the year following the end of the refund period. Late claims are not accepted, and the deadline will not be extended.





### Proxy

If the claimant decides to be represented by a proxy, it must inform the Luxembourg VAT authorities by submitting the written proxy.

### Application forms

VAT refund claims for input VAT incurred in Luxembourg must be submitted to the Luxembourg “Administration de l’enregistrement des domaines et de la TVA” on the form issued by the Luxembourg VAT authorities. This form can be ordered or collected in person from the Luxembourg administration or downloaded from its website at:

<http://www.aed.public.lu/formulaires/index.html>.

The form must be completed in French, German or in English (in capital letters). The Luxembourg VAT authorities may request an original written document with an authorization which should be sent via regular mail. The Luxembourg VAT authorities accept documents in English, French or German. They may accept documents in other languages but may request a certified translation of these documents.

### Supporting documentation

The following documents must be submitted with each application:

- Original invoices from domestic suppliers and service providers, import documents, bills, vouchers, receipts, or customs clearance forms (copies are not accepted);
- An original certificate of VAT (or similar tax) status showing that the claimant is registered for VAT (or similar tax) purposes in its country of residence (the certificate must have been issued within the past year) or, failing that, a written statement confirming that it independently carries out an economic activity on a regular basis, regardless of the purpose or result of this activity;
- A written statement confirming that the claimant has not carried out any taxable supplies in Luxembourg other from those mentioned above under “Eligibility for refund;” and
- A written statement confirming that the taxable person will reimburse to the Luxembourg VAT authorities any unduly received payments.

The application form and supporting documentation must be sent to:

Administration de l’enregistrement, des domaines et de la TVA  
Bureau d’imposition XI  
308 route d’Esch  
Remboursement et Franchises BP 31  
L- 1471Luxembourg  
T: + 352 247-80690 (Bureau XI) or 240-80800 (General)  
[lux.imp11@en.etat.lu](mailto:lux.imp11@en.etat.lu)

### E-Invoicing

There is no specific procedure to reclaim VAT under the 13<sup>th</sup> Directive based on e-invoices. Original copies of invoices must be provided to the Luxembourg VAT authorities along with the VAT refund claim.

### Refunds and appeals

The Luxembourg VAT authorities must issue a decision on a refund claim within six months from the date the claim is submitted.

If a refund is granted, it should be paid within the six-month period following the submission of the VAT refund claim. The Luxembourg tax authorities are not liable for late payment interest if the refund is not processed in a timely manner.

If the refund is not granted, the grounds for rejection are notified to the applicants at the time the decision is made. An appeal against the denied claim may be made to the Luxembourg tax authorities within three months following receipt of the notification (tax assessment).

In cases where a refund has been obtained by fraud or other irregular means, the administration will proceed to recover the wrongly refunded amounts and may impose fines and interest.

Where an administrative fine or interest has been imposed but not paid, the administration may suspend all other refund requests up to an amount equal to the unpaid amount.





# Malta



VAT in Malta is known as “Taxxa fuq il-Valur Mizjud.”

The standard VAT rate is 18%, and there are reduced rates of 7% and 5%.

An extensive overview of the VAT rates applied in Malta can be found at:

[https://ec.europa.eu/taxation\\_customs/system/files/2021-06/vat\\_rates\\_en.pdf](https://ec.europa.eu/taxation_customs/system/files/2021-06/vat_rates_en.pdf)

It is not necessary to appoint a Maltese fiscal representative to claim a VAT refund based on Directive 2008/09/EC, but the tax authorities may require a fiscal representative for a claim under the 13<sup>th</sup> EU VAT Directive.

## Malta is the Member State of Establishment EU countries (Directive 2008/09/EC)

*This refers to a Maltese-established company submitting an EU (former 8<sup>th</sup> Directive) claim to another EU member state.*

### Procedure

#### Filing

Where Malta is the member state of establishment of the taxable person seeking to reclaim foreign VAT incurred, the application must be submitted electronically through the portal set up by the Maltese tax authorities:

<https://cfr.gov.mt/en/eServices/Pages/VAT-Online-Services.aspx>.

The claim may be submitted by the claimant or an authorized third party/tax practitioner. In principle, the third party can be a non-established company.

When Malta is the member state of establishment, the Maltese tax authorities will issue an electronic confirmation of receipt. The claim will be provisionally verified by the authorities to ensure that it meets formal requirements. If the application is correct, the Maltese tax authorities will forward it to the member state of refund for processing, and if the application is not in compliance, the Maltese tax authorities will notify the claimant.

#### IT requirements

Maltese claimants registered for VAT purposes must file their refund claims electronically using the service offered by the Maltese tax authorities (available on:

<https://cfr.gov.mt/en/eServices/Pages/VAT-Online-Services.aspx>).

Individuals access the system using their electronic identity (e-ID) log-in credentials. Access to the system on behalf of a legal person requires prior registration of the legal person for an e-ID or, alternatively, the submission of various forms to the authorities. Full guidance on the procedures to obtain access to the website of the Maltese tax authorities can be found at:

<https://cfr.gov.mt/en/eServices/Documents/ecommguidelines.pdf>.

The VAT refund claim details must be filled in manually as the portal of the Maltese tax authorities currently does not cater for an automatic upload of data through an electronic file. Once the claim is submitted, the taxpayer will receive a confirmation from the website, referencing the application.

There is no limit on the number of invoices that can be submitted in a refund claim or per year.

## Non-EU countries (13<sup>th</sup> Directive equivalent)

*This refers to a Maltese-established company submitting a non-EU (13<sup>th</sup> Directive equivalent) claim in a non-EU-country.*

The refund application for a Maltese-established company claiming input VAT in a non-EU country must be submitted according to the requirements of the country of refund. The Maltese portal may not be used.

Another difference with the former 8<sup>th</sup> Directive EU VAT refund procedure is that a “certificate of taxable status” issued by the member state of establishment will typically be required by the non-EU country of refund.

For Maltese VAT purposes, the Maltese VAT certificate of established taxable person serves as proof of that person’s taxable status and a copy thereof must be provided.





## Malta is the Member State of Refund EU businesses (Directive 2008/09/EC)

*This refers to an EU-established company submitting an EU (former 8<sup>th</sup> Directive) claim to Malta.*

### Eligibility for refund

A foreign taxable person is entitled to recover Maltese VAT if the following conditions are satisfied:

- The claimant is not registered, liable or eligible to be registered for VAT in Malta;
- The claimant must be registered for VAT purposes in an EU member state other than Malta;
- It does not have its domicile or normal place of residence, its seat or a fixed establishment in Malta; and
- It has not carried out any taxable supplies in Malta, except for:
  - Certain tax-exempt cross-border transport services and ancillary services; or
  - Supplies for which the reverse charge applies.

### Non-refundable VAT

VAT cannot be recovered on:

- Tobacco or tobacco products, except those intended for resale;
- Alcoholic beverages, except those intended for resale or for the supply of a service (e.g. bars, hotels and restaurants);
- Works of art, collectors' items and antiques, except those intended for resale;
- Non-commercial motor vehicles (and goods and services for the purpose of repairing, maintaining, fueling and keeping non-commercial motor vehicles), except those intended for resale, hire (with a driver or for self-drive hire), driving instructions or for the carriage of goods or passengers for consideration;
- Vessels or aircraft (as well as goods and services for repairing, maintaining, fueling and keeping vessels or aircraft), except those intended for resale, charter/hire, the carriage of goods or passengers for consideration, the carriage of goods or personnel in the course of an economic activity or where the use of such vessels or aircraft constitutes a specific and essential element of the carrying out of the economic activity that would otherwise entitle the person to deduct input tax;
- Purchases relating to the provision of receptions, hospitality or entertainment, except where the provision is made for consideration in the normal course of that person's economic activity; and
- Purchases relating to the provision of transport or entertainment for employees and officers, subject to certain exceptions.

### Partially refundable VAT

Non-established persons will be eligible for a Maltese VAT refund provided that the expenses on which VAT was incurred can be attributed to transactions giving rise to a right of deduction in its member state of establishment. Thus, if the non-established person carries out both transactions that give rise to a right of deduction, and transactions that do not give rise to a right of deduction in its member state of establishment, Maltese VAT incurred on general overhead expenses will be partially refundable.

### Making claims

#### Minimum amounts

If the application relates to a period of less than one calendar year but not less than three months, the amount of VAT for which application is made may not be less than EUR 400; if the application relates to a period of a calendar year or the remainder of a calendar year, the amount of VAT may not be less than EUR 50.

#### Time limits

The application must cover a period of not less than three consecutive calendar months (e.g. from 1 January to 31 March) in one calendar year and not more than one calendar year, unless the period represents the remainder of a calendar year (e.g. from 1 November to 31 December).

The refund application must be submitted to the member state of establishment by 30 September of the calendar year following the refund period.

Although Malta's legislation does not specifically address whether it is possible for a claimant to submit more than one claim for a refund period, as long as a claim is made for a minimum amount (see above) and within the deadline, such claims may pertain to a refund period for which a claim has already been submitted.

#### Proxy

If certain aspects of the refund claim procedure (e.g. the submission of the refund claim, follow up on submitted claims, etc.) are carried out by an authorized third party, such party will have to prove its authorization to act on the claimant's behalf by submitting a proxy, authorization letter or any other equivalent documentation.

Maltese VAT legislation does not contain specific (formal) requirements for proxies, authorization letters or documents, nor does it address when such authorization documents must be provided. The documents must be presented to the Maltese tax authorities at the "appropriate time," contingent upon the specific actions the third party is authorized to undertake as delineated in the documents. The Maltese tax authorities have introduced specific procedures enabling claimants to delegate the execution of the entire refund claim to tax practitioners. The formalities of these procedures depend on whether the persons involved are in possession of a Maltese e-ID.







When Malta is the member state of refund, the Maltese tax authorities may require evidence of the third party's authorization to request information on behalf of the claimant.

### Supporting documentation

The claimant may be requested to provide an electronic copy of the invoice or import document where the taxable amount on the invoice or import document equals or exceeds EUR 1,000 (EUR 250 for invoices relating to fuel costs). In addition, the claimant may be required to provide a description of its business activity by using the harmonized codes determined in accordance with the second subparagraph of article 34a(3) of Council Regulation (EC) No 1798/2003.

The Maltese tax authorities can request from the claimant or the competent authorities of the member state of establishment of the claimant additional documents/information (e.g. originals or copies of relevant invoices or import documents where the VAT authorities have reasonable doubts regarding the validity or accuracy of a claim, in which case the thresholds mentioned above will not apply) if they consider that they do not have all the relevant information necessary to make a decision on a claim.

The tax authorities can specify the language(s) that must be used by the claimant for the provision of information in the refund application.

### E-Invoicing

As mentioned above, the claimant may be requested to provide (by electronic means) a copy of the invoice or import document where the taxable amount on the invoice or import document equals or exceeds EUR 1,000 (EUR 250 for invoices relating to fuel costs).

While Maltese legislation does not explicitly address this issue, e-invoices are considered acceptable. Malta does not have specific requirements/restrictions related to E-Invoicing (aside from the general requirements in the Second EU Invoicing Directive).

## Refunds and appeals

The Maltese tax authorities must issue a decision on a refund claim within four months from receipt of the claim:

- The authorities can accept the claim and notify the claimant by electronic means;
- The authorities can reject the claim (in whole or in part) and notify the claimant by electronic means; or
- The authorities can request additional information from the claimant or from the competent authorities of the member state of establishment and notify the claimant via electronic means. The claimant must provide all information within one month upon receipt of the request, preferably by electronic means. The VAT authorities also accept registered mail (courier) provided the mail is from the claimant or his/her representative and is submitted within the requested period.

Any notifications and/or requests for further information will be sent to the claimant or its agent appointed to act on behalf of the claimant.

The period in which the authorities must issue a decision will be extended to two months from the date the additional information is received or, when the information requested has not been received, from the date the request for additional information reached the claimant, and in any case, may not be shorter than six months from the date the tax authorities received the refund application.

If additional information is requested by the authorities after a first request, the period in which the authorities must make a decision on the refund application will be extended to eight months from receipt of the application.

Refunds will be granted in EUR within ten business days after the relevant period and paid to an EU bank account number provided to the authorities. The refund will be paid in the member state of refund or, at the claimant's request, in any other member state. In the latter case, any bank charges for the transfer will be deducted by the member state of refund. If the refund is to be made on the representative/agent's bank account, an original notarized power of attorney must be mailed to the VAT authorities.

The Maltese tax authorities will be liable for late payment interest if the payment is not processed in a timely manner.

The Maltese tax authorities generally will not reject an entire refund application based on an error in the readability/acceptability of a single invoice, if an invoice was not provided or if the claimant failed to respond to a question about one invoice; only the claim relating to the relevant invoice will be rejected. If the VAT authorities request additional information/documents that they consider relevant for the other invoices/the entire claim, they may reject the entire claim or suspend a decision until the necessary information/documents have been provided and issues clarified.

If the refund is not granted (in whole or in part), the grounds for rejection must be stated. If the authorities fail to issue a decision within the prescribed deadlines, the refund application will be deemed to have been rejected. The grounds for rejection will not be explicitly communicated to the claimant at this stage.

An appeal against a denied claim can be made to the Maltese Administrative Review Tribunal by means of a written application (in Maltese or English) that outlines the relevant facts and the claimant's position on the matter. Although not specifically addressed in Maltese VAT legislation, the appeal must be filed within the same period that applies to appeals against assessments (of Maltese VAT due, administrative penalties etc.), i.e. within thirty days from the date of the decision.





Reasons for rejecting a VAT refund claim include the claimant's failure to provide the authorities with appropriate invoices or other supporting information/documents, because the expenditure is "blocked" and the input VAT incurred is not eligible for a refund (e.g. with respect to entertainment and hospitality expenses). Maltese VAT legislation does not contain provisions allowing administrative penalties to be levied on claimants where a refund claim is rejected. However, where a refund has been obtained in a fraudulent/incorrect manner, the authorities will reclaim the erroneously paid amount, impose an administrative penalty and interest, and no additional refunds will be issued until the corresponding amounts have been repaid.

### Non-EU businesses (13<sup>th</sup> Directive)

*This refers to a non-EU-established company submitting a 13<sup>th</sup> Directive claim in Malta.*

#### Eligibility for the refund

While, in principle, reciprocity between Malta and the country of establishment of the claimant is required, in practice, this is not applied. However, no refunds will be granted:

- To non-EU-established persons under conditions that are more favorable than those applied to EU-established taxable persons; and
- On supplies made by a non-EU-established person where its business would by its nature be treated as exempt without credit had the business been carried out in Malta.

The Maltese tax authorities may require the appointment of a tax representative to file a VAT refund claim.

#### Non-refundable VAT

VAT cannot be recovered on:

- Tobacco or tobacco products, except those intended for resale;
- Alcoholic beverages, except those intended for resale or for the supply of a service (e.g. bars, hotels and restaurants);
- Works of art, collectors' items and antiques, except those intended for resale;
- Non-commercial motor vehicles (and goods and services for repairing, maintaining, fueling and keeping non-commercial motor vehicles), except those intended for resale, hire (with a driver or for self-drive hire), driving instructions or for the carriage of goods or passengers for consideration;
- Vessels or aircraft (as well as goods and services for repairing, maintaining, fueling and keeping vessels or aircraft), except those intended for resale, charter/hire, the carriage of goods or passengers for consideration, the carriage of goods or personnel in the course of an economic activity or where the use of such vessels or aircraft constitutes a specific and essential element of the carrying out of the economic activity that would otherwise entitle the person to deduct input tax;

- Purchases relating to the provision of receptions, hospitality or entertainment, except where such provision is made for consideration in the normal course of that person's economic activity; and
- Purchases relating to the provision of transport or entertainment to employees and officers, subject to certain exceptions.

Furthermore, Maltese input VAT incurred in relation to electronically supplied services provided by a non-EU-established company registered in the EU under the mini one-stop-shop scheme is not recoverable through a 13<sup>th</sup> Directive refund claim.

#### Partially refundable VAT

In principle, non-established persons will be eligible for a Maltese VAT refund only to the extent the expenses on which the VAT was incurred are attributed to transactions that would have given rise to a right of deduction had they taken place in Malta. Hence, if the non-established person carries out both transactions that would give rise to a right of deduction, and transactions that would not give rise to a right of deduction, Maltese VAT incurred on general overhead generally will be partially refundable.

#### Making claims

##### Minimum amounts

If the application relates to a period of less than one calendar year but not less than three months, the amount for which application is made may not be less than EUR 200; if the application relates to a period of a calendar year or the remainder of a calendar year, the amount may not be less than EUR 25.

##### Time limits

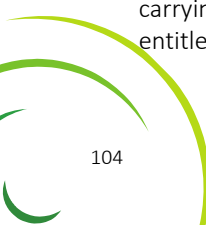
The application must cover a period of not less than three consecutive calendar months (e.g. from 1 January to 31 March) in one calendar year and not more than one calendar year, unless the period represents the remainder of a calendar year (e.g. from 1 November to 31 December). The application can relate to invoices or import documents not covered by previous applications in respect of transactions carried out during that calendar year.

The application must be submitted to the Maltese tax authorities within six months of the end of the calendar year in which the tax became chargeable, i.e. by 30 June of the following year.

##### Proxy

If certain aspects of the refund claim procedure (e.g. the submission of the refund claim, follow up on submitted claims, etc.) are carried out by an authorized third party, such party will have to prove its authorization to act on the claimant's behalf by submitting a proxy, authorization letter or any other equivalent documentation.

Maltese VAT legislation does not contain specific (formal) requirements for proxies, authorization letters or documents.





Common civil law principles apply. The legislation also does not address when such authorization documents must be provided. The documents must be presented to the local authorities at the “appropriate time.” The third party’s authorization is limited as delineated in the proxy. As mentioned above, the Maltese tax authorities may require the appointment of a tax representative to file a VAT refund claim.

### Application forms

The application must be submitted electronically through the portal set up by the Maltese tax authorities:

<https://www.servizz.gov.mt/en/Pages/Tax-and-Finance/Taxation/Tax/WEB444/default.aspx>

### Supporting documentation

The following documents must be uploaded with each application:

- Copies of invoices or import documents;
- A statement with a list of all the details of the invoices which can be accessed here; <https://cfr.gov.mt/en/eServices/Documents/Statement+Notes+Guidelines-VAT-NON-EU.pdf>; and
- A declaration to be signed by the applicant which can be accessed here: [https://cfr.gov.mt/en/eServices/Documents/13th\\_Directive\\_Declaration.pdf](https://cfr.gov.mt/en/eServices/Documents/13th_Directive_Declaration.pdf)

### E-Invoicing

As mentioned above, the claimant has to provide (by electronic means) a copy of the invoice or import document. While Maltese legislation does not explicitly address this issue, e-invoices are considered acceptable. Malta does not have specific requirements/restrictions related to E-Invoicing (aside from the general requirements in the Second EU Invoicing Directive).

## Refunds and appeals

The Maltese tax authorities must issue a decision on a refund claim within six months from receipt of the duly documented claim:

- The authorities can accept the claim and notify the claimant in writing; or
- The authorities can reject the claim (in whole or in part) and notify the claimant in writing.

A notification will be sent electronically to the claimant or its agent/ tax representative if the latter is appointed to act on behalf of the claimant.

Refunds must be issued before the end of the six-month period mentioned above. Maltese legislation does not provide for interest to be paid if the refund is not issued in a timely manner.

The refund will be paid in EUR or in the national currency of the claimant, as per the claimant’s preference.

Refunds normally are made through a bank transfer to a SEPA IBAN bank account number.

If the refund is not granted (in whole or in part), the grounds for rejection must be stated. If no decision is made within the established time limits, the application will be deemed to be rejected. The grounds for rejection will not be explicitly communicated to the claimant at this stage.

The Maltese tax authorities generally will not reject an entire refund application based on an error in the readability/ acceptability of a single invoice, if an invoice was not provided or if the claimant failed to respond to a question about one invoice; only the claim relating to the relevant invoice will be rejected. If the Maltese tax authorities request additional information/documents that they consider relevant for the other invoices / the entire claim, they may fully reject the claim, or suspend a decision until the necessary information/documents have been provided and any relevant issues clarified.

An appeal against a denied claim can be made to the Maltese Administrative Review Tribunal by means of a written application (either in Maltese or English) that clearly states the relevant facts and the claimant’s position on the matter. Although not specifically addressed in Maltese VAT legislation, the appeal must be filed within the same period that applies to appeals against assessments of Maltese VAT due, administrative penalties, etc., i.e. within thirty days from the date of the decision.

Reasons for rejecting a VAT refund claim include the claimant’s failure to provide the authorities with appropriate invoices or other supporting information/documents, because the expenditure is “blocked” and the input VAT incurred is not eligible for a refund (e.g. with respect to entertainment and hospitality expenses).

The Maltese VAT legislation does not contain provisions allowing for administrative penalties to be imposed on claimants where a refund claim is rejected.

However, where a refund has been obtained in a fraudulent/ incorrect manner, the authorities will reclaim the erroneously paid amount and impose an administrative penalty and interest. If fraudulent applications cannot be subject to an administrative penalty, the Maltese tax authorities will refuse to issue any further refunds to the claimant for up to two years from the date the fraudulent application was made. If an administrative penalty has been imposed and interest is due but not paid, the Maltese tax authorities will suspend any further refunds until the payment is made.

Furthermore, the authorities have the right to deduct the administrative penalty and interest from any future refunds claimed.





# Netherlands



Dutch VAT is known as “Belasting over de toegevoegde waarde” (BTW).

The standard VAT rate is 21%, and there is a reduced rate of 9%.

An extensive overview of the VAT rates applied in the Netherlands can be found at:

[https://ec.europa.eu/taxation\\_customs/system/files/2021-06/vat\\_rates\\_en.pdf](https://ec.europa.eu/taxation_customs/system/files/2021-06/vat_rates_en.pdf)

It is not necessary to appoint a Dutch fiscal representative to claim a VAT refund based on Directive 2008/09/EC or the 13th Directive.

## The Netherlands is the Member State of Establishment

### EU countries (Directive 2008/09/EC)

*This refers to a Dutch-established company submitting an EU (former 8<sup>th</sup> Directive) claim in another EU member state.*

## Procedure

### Filing

The refund application must be submitted electronically through the portal of the tax authorities of the country in which the claimant is established:

<https://eubtw.belastingdienst.nl/netp/> for companies established in the Netherlands.

Applications for VAT refunds in different EU Member States must be separately submitted.

For further information check:

[https://download.belastingdienst.nl/belastingdienst/docs/toelichting\\_verzoek\\_teruggaaf\\_btw\\_andere\\_eu\\_ob4091t21fd.pdf](https://download.belastingdienst.nl/belastingdienst/docs/toelichting_verzoek_teruggaaf_btw_andere_eu_ob4091t21fd.pdf)

For requirements to refund VAT from other EU countries - per country check: [Vereisten voor verzoek om teruggaaf btw uit andere EU-landen \(per land\) \(belastingdienst.nl\)](#)

The refund request may be submitted by the claimant or by an authorized person, which may be a non-established company. However, the third party must have a VAT registration in an EU Member State to obtain log-in codes.

To access the Dutch tax authorities' portal as an intermediary, the third-party service provider must obtain log-in codes from the Dutch tax authorities and complete the form "Aanvraag inloggegevens teruggaaf btw uit andere EU-landen voor intermediairs," which can be downloaded at:

[https://download.belastingdienst.nl/belastingdienst/docs/aanvraag\\_inloggeg\\_btw\\_andere\\_%20eu\\_land\\_ob4082z8fol.pdf](https://download.belastingdienst.nl/belastingdienst/docs/aanvraag_inloggeg_btw_andere_%20eu_land_ob4082z8fol.pdf)

Some countries demand to send in copies of the invoices:

- if the threshold of EUR 1,000 (EUR 250 for fuel) is reached: Belgium, Cyprus (equivalent in own currency), Germany, Estonia, Finland, France, Greece, Hungary (equivalent in own currency), Croatia, Latvia, Lithuania, Malta, Northern Ireland (equivalent in own currency), Poland (euro or equivalent in own currency), Romania (equivalent in own currency), Slovenia, Slovakia and Spain;
- regardless of a threshold: Italy, Czech Republic;
- regardless of the threshold and they also have additional requirements for diesel fuel invoices: Ireland;
- no copies of invoices required: Bulgaria, Denmark, Luxembourg, Austria, Portugal, Sweden.

In some countries a third party can file the request:

- With authorization (and possibly additional conditions): Belgium, Cyprus, Denmark, Germany, Estonia, Finland, France, Ireland, Croatia, Latvia, Luxembourg, Malta, Northern Ireland, Austria, Poland, Portugal, Romania, Slovenia, Slovakia, Spain, Czech Republic, Sweden;
- With authorization that has to be kept in administration: Greece;
- With authorization delivered in person at the local tax authorities office: Bulgaria;
- With authorization + requirement of authorized person to be established in that country: Italy, Lithuania





### IT requirements

Taxpayers established in the Netherlands and registered for VAT purposes are allowed to file their refund claim using the following website:

<https://eubtw.belastingdienst.nl/netp/>

The claimant must request a log-in code and an administrator must be appointed. For an authorized person (e.g. tax advisor) to submit the application, it must be appointed to access the site by the administrator.

Access to the portal to submit the refund claim may be obtained by submitting the form, "Aanvraag inloggegevens teruggaaf btw uit andere EU-landen" to the Dutch authorities:

<https://www.belastingdienst.nl/wps/wcm/connect/nl/btw/content/hulpmiddel-btw-terugvragen-eu-landen-inloggegevens-aanvragen>

In the following member states, an authorization must be added, including the address of the authorized person, the claimant's address, written authorization, and signature:

- All EU Member States;
- For Bulgaria, the authorization must be personally delivered to the tax office: Territorial Revenue Directorate, Aksakov Street 21, BG-1000 Sofia;
- Hungary, Italy, and Lithuania require the authorized person to be established in that member state, in addition to providing a written authorization;
- Authorizations must be in English or the official language of the member state.

There is no limit on the number of invoices that can be submitted in a refund claim or per year.

### Non-EU countries (13<sup>th</sup> Directive equivalent)

*This refers to a Dutch-established company submitting a non-EU (13<sup>th</sup> Directive equivalent) claim in a non-EU country.*

The refund application for a Dutch-established company claiming input VAT in a non-EU country must be submitted according to the requirements of the country of refund. The Dutch portal is not to be used.

Another difference with the former 8<sup>th</sup> Directive EU VAT refund procedure is that a "certificate of taxable status" issued by the member state of establishment usually will be required by the non-EU country of refund. This form is called "verklaring omtrent de hoedanigheid van belastingplichtige" in the Netherlands. More information about requesting this certificate can be found here:

[https://www.belastingdienst.nl/wps/wcm/connect/bldcontentn/belastingdienst/zakelijk/btw/hoe\\_werkt\\_de\\_btw/voor\\_wie\\_geldt\\_de\\_btw/ondernemer](https://www.belastingdienst.nl/wps/wcm/connect/bldcontentn/belastingdienst/zakelijk/btw/hoe_werkt_de_btw/voor_wie_geldt_de_btw/ondernemer)

## The Netherlands is the Member State of Refund

### EU businesses (Directive 2008/09/EC)

*This refers to an EU-established company submitting an EU (former 8<sup>th</sup> Directive) claim in The Netherlands.*

#### Eligibility for refund

A foreign taxable person is entitled to recover Dutch VAT if the following conditions are satisfied:

- The claimant is not registered, liable or eligible to be registered for VAT in the Netherlands;
- It does not have residence, a seat or fixed establishment for VAT purposes in the Netherlands;
- The claimant has not carried out any taxable supplies in the Netherlands, except for:
  - Certain tax-exempt cross-border transport services from/to non- EU countries;
  - Supplies for which the reverse charge applies;
  - Supplies subject to occasional taxation; or
  - Electronically provided supplies where the foreign taxable person opted for application of the special regime for non- established taxable persons supplying electronic services to non-taxable persons.

#### Non-refundable VAT

VAT cannot be recovered on:

- Supplies of goods and services that are not used for business purposes;
- Supplies and services acquired or imported in connection with an exempt business activity in the state of establishment;
- Incorrectly invoiced VAT;
- Food and drinks in restaurants, hotels, and cafes;
- Business entertainment exceeding EUR 227 per year per person; and
- Employee benefits in-kind exceeding EUR 227 per year per person.

#### Partially refundable VAT

VAT can be partially recovered on:

- VAT on costs for the lease or rental of cars: limited to an 84% VAT refund (a 16% correction is made for private use); and
- Businesses use goods or services for exempt services: the deductible VAT will be calculated pro rata. The 84% is applied by the Dutch tax authorities as per their internal policy (since private use of the car is presumed). If it can be established that the car is only used for business purposes, a 100% VAT deduction should be possible.







## Making claims

### Minimum amounts

If the application relates to a period of less than one calendar year but not less than three months, the amount for which application is made may not be less than EUR 400; if the application relates to a period of a calendar year or the remainder of a calendar year, the amount may not be less than EUR 50. A claimant can make a maximum of five claims (per member state) annually.

### Time limits

The application must cover a period of not less than three consecutive calendar months (e.g. from 1 January to 31 March) in one calendar year and not more than one calendar year. To have the right to appeal against the decision of the tax authorities, the claim must be submitted within nine months after the end of the calendar year (i.e., before 1 October) in which the VAT was incurred.

However, it is possible to submit a claim within five calendar years from the end of the calendar year in which the VAT was incurred, but in this case, no appeal is possible. In some EU Member States, it is not possible to submit a refund request after 1 October; in this case, a written request may be submitted to the Dutch tax authorities.

A claimant can submit more than one refund claim for the remainder of a calendar year, and it is possible to add the additional invoices in a subsequent refund claim for the same year (provided the deadlines are met). Additional invoices may not be added to a refund claim for the following calendar year.

If the invoice cannot be reported in the same calendar year, the claimant will have to appeal against a decision received for the relevant period.

### Follow up on submitted claims

When the Netherlands is the Member State of refund, the Dutch authorities will not require a third-party service provider to prove its authorization to follow up on the status of the refund claim, but the third party should retain a copy of the authorization.

### Proxy

If the foreign company is represented by a VAT agent (e.g., a tax advisor), the Dutch tax authorities may request a power of attorney. There is no notarization requirement and an electronic scanned copy generally is accepted.

### Supporting documentation

In principle, supporting documentation is only required if the Dutch VAT authorities request additional information.

### E-Invoicing

E-invoices generally are accepted, subject to the approval of the recipient, and are self-sufficient to claim input VAT via the former 8<sup>th</sup> Directive procedure. The business decides how to ensure the integrity, authenticity, and legibility of e-invoice.

An advanced electronic signature (or another system) can be used to establish a certain e-invoice.

## Refunds and appeals

The Dutch VAT authorities must issue a decision on a refund claim within four months of receipt of the claim:

- The authorities can accept the claim and notify the claimant;
- The authorities can reject the claim (in whole or in part) and notify the claimant; or
- The authorities can request additional information via electronic means (not necessarily via email). The claimant must provide all information within one month of receipt of the request.

Queries will be sent by the tax authorities to the claimant and the agent. Decisions will be sent to the claimant.

The period in which the authorities must make a decision will be extended to six months where additional information is requested, or eight months where the authorities request additional information after a first request.

If a refund is granted, it will be processed in EUR within ten business days after the relevant period and paid to the bank account number provided to the tax authorities. The refund is made in the Netherlands, unless the claimant requests payment in another member state; in the latter case, any bank charges may be deducted from the refundable amount.

The Dutch VAT authorities will be liable for late payment interest if the refund is not processed in a timely manner.

In principle, the tax authorities will not deny the entire refund claim if one of the submitted invoices was incorrect or if the taxpayer did not respond to a query on a specific invoice.

If the refund is not granted, the grounds for rejection must be stated.

An appeal against the denied claim can be made to the Dutch tax authorities within six weeks following the date on the notification of the decision. If the appeal is unsuccessful, the claimant can initiate proceedings before the national court (within six weeks after receipt of notification of the decision).

A common reason for a VAT refund claim to be rejected is where the name and address of the purchaser is not stated on an invoice for the purchase of vehicle fuel.

The appeal must be sent by a letter of objection and should be drafted in Dutch.

The processing of a refund claim typically takes four to eight months.





## Non-EU businesses (13<sup>th</sup> Directive)

This refers to a non-EU-established company submitting a 13<sup>th</sup> Directive claim in the Netherlands.

### Eligibility for refund

No reciprocity is required. The business must be a “taxable person.”

However, the following documents must be filed with the refund claim:

- Declaration of entrepreneurship, preferably from the tax administration in the country of establishment;
- Original invoices; and
- Import documents.

The tax authorities will handle the request only after registration as a foreign entrepreneur (registration number is obligatory).

A foreign taxable person is entitled to recover Dutch VAT if the following conditions are satisfied:

- The claimant is not registered, liable or eligible to be registered for VAT in the Netherlands;
- It does not have residence, a seat or fixed establishment for VAT purposes in the Netherlands;
- The claimant has not carried out any taxable supplies in the Netherlands, except for:
  - Certain tax-exempt cross-border transport services from/to non- EU countries;
  - Supplies for which the reverse charge applies;
  - Supplies subject to occasional taxation; or
  - Electronically provided supplies where the foreign taxable person opted for application of the special regime for non- established taxable persons supplying electronic services to non-taxable persons.

### Partially refundable VAT

VAT can be partially recovered on the following:

- VAT on costs for the lease or rental of cars: limited to an 84% VAT refund (a 16% correction is made for private use); and
- Businesses use goods or services for exempt services: the deductible VAT will be then calculated on a pro rata basis.

The 84% is applied by the Dutch tax authorities as internal policy (since private use of the car is presumed). If it can be established that the car is used only for business purposes, a 100% VAT deduction should be possible.

### Non-refundable VAT

VAT cannot be recovered on:

- Supplies of goods and services that are not used for business purposes;
- Supplies and services acquired or imported in connection with an exempt business activity;
- Incorrectly invoiced VAT;

- Food and drinks in restaurants, hotels and cafes;
- Business entertainment exceeding EUR 227 per year per person; and
- Employee benefits in-kind exceeding EUR 227 per year per person.

### Making claims

#### Minimum amounts

If the application relates to a period of less than one calendar year but not less than three months, the amount for which application is made may not be less than EUR 400; if the application relates to a period of a calendar year or the remainder of a calendar year, the amount may not be less than EUR 50.

#### Time limits

The application must cover a period of not less than three consecutive calendar months (e.g. from 1 January to 31 March) in one calendar year and not more than one calendar year, unless the period represents the remainder of a calendar year (e.g. from 1 November to 31 December).

The application can relate to invoices or import documents not covered by previous applications in respect of transactions carried out during that calendar year.

To have the right to appeal the decision of the tax authorities, the claim must be submitted within six months after the end of the calendar year in which the VAT was incurred.

However, it is possible to submit a claim within five calendar years from the end of the calendar year in which the VAT was incurred, but in this case, no appeal can be filed.

#### Proxy

If the foreign company is represented by a VAT agent (e.g. a tax advisor), the Dutch tax authorities may request a power of attorney. There is no notarization requirement, and an electronic scanned copy generally is accepted.

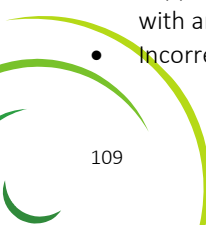
#### Application forms

To submit a VAT refund request, the foreign entity must be registered in the Netherlands. Registration is carried out by completing form “Aanmelding Onderneming Buitenland” which can be downloaded at:

[https://www.belastingdienst.nl/wps/wcm/connect/bldcontentn/themaoverstijgend/programmas\\_en\\_formulieren/aanmelding-onderneming-buitenland](https://www.belastingdienst.nl/wps/wcm/connect/bldcontentn/themaoverstijgend/programmas_en_formulieren/aanmelding-onderneming-buitenland)

The refund application is via the form “Verzoek teruggaaf btw voor ondernemers gevestigd in niet-EU-landen issued by the Dutch tax authorities (other EU forms are also accepted).

The form must be completed in EUR. Whilst forms supplied by the tax authorities in any EU member state are accepted, it is preferable to have the form printed in the same language as in the application.





### Supporting documentation

The following documents must be submitted with each claim:

- Original invoices/import documents, bills, vouchers, receipts or customs clearance forms;
- A copy of the articles of association;
- A copy of the extract of the Chamber of Commerce (business registration register);
- A letter of authority if a third party submits a claim on behalf of the claimant; and
- An original certificate of taxable status.

The form and supporting documentation must be sent to:

Belastingdienst Buitenland, Afdeling omzetbelasting  
Postbus 2865  
6401 DJ HEERLEN  
The Netherlands  
Tel: + 31 45 560 31 11  
Fax: +31 45 560 31 00

### E-Invoicing

E-invoices generally are accepted, subject to the approval of the recipient, and are self-sufficient to claim input VAT. The business decides how to ensure the integrity, authenticity and legibility of e-invoice. The advanced electronic signature (or another system) can be used to confirm a certain e-invoice.

### Refund and appeals

The Dutch tax authorities will stamp or perforate each invoice and/or import document to prevent their use in subsequent applications and will return the documents to the claimant within one month after a decision is made:

- The authorities can accept the claim and notify the claimant via electronic means;
- The authorities can reject the claim in whole or in part and so notify the claimant via electronic means; or

- The authorities can request additional information via electronic means (not necessarily via email). The claimant must provide all information within of one month of receipt of the request.

Queries by the tax authorities will be sent to the claimant and the agent. Decisions will be sent only to the claimant.

A decision on a refund application will be made within six months of the date the application and all supporting documents are submitted to the Dutch tax authorities.

If the authorities request additional information, the six month period will be suspended until the claimant has provided the necessary information. If a refund is granted, it will be made in EUR directly to the claimant or its appointed agent before the end of the above period and paid to a bank account in the Netherlands or the state in which the claimant is established. In the latter case, the claimant will be responsible for any bank charges on the transfer.

The Dutch tax authorities will not be liable to pay interest on the refund if the refund is not processed in a timely manner.

If the refund is not granted, the grounds must be stated. An appeal against the decision may be made to the Dutch tax authorities within six weeks of the receipt of the notification (tax assessment). If this appeal is unsuccessful, the claimant may resort to the national court within six weeks after receipt of the notification of the decision on the appeal.

In principle, the tax authorities will not deny the entire refund claim if one of the submitted invoices was incorrect or because a query on a specific invoice has not been answered.

The time limit for an appeal is six weeks from the day the claimant was notified of the decision.

The processing of a refund claim generally takes four to eight months.





# Norway



Norwegian VAT is known as “Merverdiavgift” (MVA).

The standard VAT rate is 25 %, and there are reduced rates of 15 %, 12 %, 11,11 % and 0 %. The reduced rate of 15 % is applicable on goods that can be consumed by humans, typically food. A 12 % rate is applicable on passenger transport, letting of rooms/accommodation, public broadcasting and entry to cinemas, sports events, amusement parks and activity centers. Further, the 11,11 % is applicable for fishermen’s supply of fish.

It is not necessary to appoint a Norwegian fiscal representative to claim a VAT refund.

## Norway is the State of Establishment

### 13th Directive

*This refers to a Norway-established company, submitting a 13<sup>th</sup> Directive claim in an EU country.*

The refund application for a Norway-established company claiming input VAT in an EU country must be submitted according to the requirements of the country of refund. Reciprocity rules (allowing or not allowing Norway companies to submit a refund claim) must be verified with the country of refund.

An original “certificate of taxable status” issued by the relevant Norwegian tax office usually have to be provided to the EU country of refund. This certificate is called “Confirmation of VAT registration in Norway.”

## Norway is the State of Refund

### 13th Directive equivalent legislation in Norway (Norwegian VAT Act section 10-1)

Since Norway is not part of the EU, the EU Directive 2008/09/EC and the 13<sup>th</sup> Directive are not applicable to companies requesting VAT refunds in Norway. However, it is possible for foreign companies to reclaim VAT in Norway via a “13<sup>th</sup> Directive equivalent legislation”.

### Eligibility for refund

Foreign businesses can obtain refunds of VAT paid on purchases of goods and services in Norway or on imports of goods into Norway. Foreign providers of electronic services to Norwegian private individuals are also covered by the refund scheme if the provider has chosen to be registered in the simplified registration and reporting scheme (VOEC). No reciprocal agreement with the home country of the non-resident business is required for refunds to be made. However, the foreign business must satisfy the following conditions:

- The business did not have VAT liable turnover in Norway during the past 12 months;
- The VAT relates to the claimant’s business activities carried out abroad;
- The foreign business is not liable to register for VAT in Norway;
- The business would have been liable to register for VAT in Norway (in accordance with the Norwegian VAT Act) if the supply had taken place in Norway; and
- The VAT would have been deductible if the business had been registered for VAT purposes in Norway.

VAT on goods imported for delivery to a buyer in Norway and on goods imported for sale in Norway is not refunded. The same applies to goods and services purchased locally to be resold in Norway. Businesses carrying out such activities are generally obliged to register for VAT in Norway;

Foreign businesses that only carry out VAT-exempt services (zero rated with credit) in connection with transport directly to or from Norway may opt to register for VAT in Norway. For example, to recover VAT costs incurred in Norway, airlines could register for VAT purposes and request a VAT refund through the ordinary VAT return, or they could apply for a refund through the refund mechanism for foreign businesses.

Foreign businesses can have VAT refunded to the same extent as businesses registered for VAT in Norway, i.e. refund of VAT on purchases for use in a VAT- taxable activity. If the business engages in both VAT-taxable and non-taxable activities, only the part relating to taxable activities will be refunded.





Unless specific exemptions apply, the supply of goods and services is subject to VAT in Norway. Specific exempt services include health services, social services, educational services, cultural services, financial services, (including the procurement of such services), lottery services and the supply and letting of real property. Foreign businesses that are exclusively engaged in such activities will not be entitled to VAT refunds.

Sales of certain goods/services are exempt from tax (zero rated), e.g. the supply of goods and services for export and use in offshore petroleum activities. For services to be regarded as exported, the services generally must be used entirely abroad. If a service can be supplied from a remote location, VAT will not be charged if the recipient is a non-established taxable person.

VAT will not be paid on advertising services and guarantee repairs that are carried out in Norway on behalf of a foreign principal. The seller will not charge VAT on such sales and, therefore, the issue of a refund does not arise.

Any mistakenly charged VAT will not be refunded; foreign businesses applying for the refund must have the mistake corrected by the seller.

### Non-refundable VAT

VAT cannot be recovered on the purchase of the following goods/services, regardless of whether the purchases are business related or for private use:

- Catering;
- Food and drinks;
- Costs relation to the hiring of venues in connection with catering;
- Art and antiques;
- Remuneration/Benefits-in-kind for employees;
- Entertainment expenses;
- Gifts, goods and services for distribution for advertising purposes when the value is not insignificant;
- The construction, maintenance, renting or operation of real estate intended to meet housing, leisure or other welfare needs;
- The purchase, hire or importation of passenger cars, as well as on petrol, oil, repairs, maintenance and other related costs;
- Goods and services acquired for use outside the scope of Norwegian VAT;
- Goods imported and used for activities outside the scope of Norwegian VAT.

### Partially refundable VAT

There are no expenses for which non-established companies would only be allowed a partial refund of Norwegian VAT.

## Making claims

### Minimum amounts

A refund must be claimed for at least NOK 5,000. If the application relates to an entire calendar year or the remainder of a calendar year, however, the refund can be as low as NOK 500.

The claimant can choose whether payment is to be made in EUR or in another currency.

### Time limits

An application must relate to a period of at least three months and at most one calendar year. The period can be less than three months if it is the remainder of a calendar year. A claimant may submit up to four refund claims per year.

The claim must relate to goods and/or services supplied/imported or invoiced during the application period, depending on the last date. The application must be sent to the tax office no later than 30 September the following calendar year to which the application relates (the application must be postmarked no later than that date).

### Proxy

If the refund application is submitted by a proxy, an original power of attorney must be enclosed with the refund application. The proxy's rights must be clearly stated. The power of attorney must be in Norwegian, Danish, English, or Swedish. If it is issued in another language, a certified translation must be enclosed.

### Application forms

The claimant must use Form RF-1032, which can be downloaded at: <https://www.skatteetaten.no/en/forms/1032-vat-refund-for-foreign-businesses/>

The form and information about refund requests can also be obtained from the tax office.

The form must be completed in Norwegian, Danish, English or Swedish.

Applications cannot be filed electronically. These can be filed

By post:

The Norwegian Tax Administration VAT Refunds  
P.O. Box 103  
N-1501 Moss Norway

By courier:

The Norwegian Tax Administration VAT Refunds  
Bernt Ankers gate 17 1534 Moss  
Norway

The application must be completed electronically before being printed and signed and the original must be submitted via post. If the form is completed by hand, capital letters must be used. The amount of VAT claimed must be stated in NOK. The application may be signed by the claimant, a person entitled to sign on behalf of the company, or a proxy holder authorized by the company.







The Norwegian authorities normally issue a confirmation receipt of the claim by email. The confirmation includes an ID number. This ID number shall be used when the foreign business is applying for a refund in the future. The Norwegian authorities normally do not issue a confirmation if the business already has received an ID number. A notification confirming that the application is received, may be requested by e-mailing or calling the tax authorities.

#### Follow up on submitted claims

As a general rule, the refund claims may be followed up only by the claimant. However, if a power of attorney has been issued to another person, that person may follow up on the claim.

#### Supporting documentation

The following documents must only be submitted with each claim:

- Copy of invoices;
- As from April 2019, the applicants can document the incurred input VAT with copies of the purchase invoices. Invoices must be numbered and dated and include the name and address of the Norwegian seller, its organization number followed by the letters MVA, the name and address of the claimant, a clear description of the goods or services, quantity/ extent, the place and date of delivery and the payment. The VAT must be specified and stated in NOK;
- If the foreign business only has an electronic accounting system, the business must state this in the application. In such case, the Norwegian authorities will be able to accept print-outs from the foreign business' accounting system. This only applies in cases where there is no paper archive;
- A certificate from a public authority in the claimant's home country;
- Confirming that the claimant is engaged in a commercial activity. The certificate cannot be older than one year from the date of issue;
- Certified customs declaration *if* the goods have been imported into Norway;
- Certified export documents *if* the goods have been exported; and
- An original authorization *if* the refund is being applied for by an authorized representative.

The certificate from a public authority can be omitted if these were previously submitted in the same year.

The application with all enclosures, must be in Norwegian, Danish, English or Swedish. The description of the commercial activity and the certificate from a public authority can be in another language, but it must be accompanied by a certified translation.

#### Declarations e.g., in an accompanying letter

A clear description of the commercial activity carried out abroad should be stated (should also be stated in the application). The description of the commercial activity can be omitted if these were previously submitted in the same year.

The foreign business must further declare in the application that the goods or services have been used in the company's business and state the purpose of these purchases. If the goods/services still are used in the company's business, the application must state what they are used for in Norway. If the goods have been exported, the claimant must declare that this was carried out as shown in an enclosed certified export declaration.

The claimant must declare that the goods covered by the refund application have not been or will not be sold in Norway or supplied to a buyer in Norway, and that the VAT paid is not covered by another refund scheme, e.g. the repayment scheme for re-exports of goods managed by the Directorate of Customs and Excise.

#### E-Invoicing

Since Norway is not an EU member state, the EU VAT directives do not apply.

E-Invoicing is accepted if the invoice (sales document) is in a non-editable format, such as a PDF file.

However, the e-filing of VAT refund applications for businesses not registered in Norway is not allowed. As such, electronic invoices must be printed and enclosed with the refund application. The claimant should explain that it uses E-Invoicing if the claimant sends print-outs of e-invoices that look like copies.

#### Refunds and appeals

The authorities will normally process applications within eight months, but the processing time may be extended if additional information is requested.

Even if the application is processed in a shorter time, the refund will not be paid earlier than four months after receipt of the application by the county tax office.

A refund claim that is not decided timely in Norway should not be deemed to be accepted or rejected. If the decision is not issued in due time, the claimant or its authorized agent may contact the tax office. A contact person at the tax office normally will confirm receipt of the application via email to both the claimant and its agent, and that person may be contacted for an estimate on when the claimant may expect to receive a decision.

Since there is no time limit to process a refund, the Norwegian tax authorities will not be liable for interest if they do not issue a decision in due course.





If the claimant has provided insufficient or incorrect information and received a refund higher than due, the incorrect amount plus interest may need to be repaid. Incorrectly refunded amounts, including interest, also can be offset against later applications for refunds.

Refunds paid can be offset/reclaimed when an incorrect payment is due to an obvious error by the tax authorities, e.g. a calculation error or if a significant amount is involved.

If the refund is not granted, the grounds for rejection must be stated. An appeal against the denied claim can be made by mail/ courier to the Norwegian directorate of taxes within six weeks after the rejection. If this appeal is unsuccessful, the claimant can appeal to the civil courts.

If one of the submitted invoices is not correct or it is not the original, the tax office should request that the claimant provide the invoices with the correct/original invoice before rejecting the application. The entire refund claim may not be rejected because a query on an invoice has not been answered; however, the claim for the refund of VAT included in that invoice may be rejected.

The payment is made in EUR unless another currency is specified. However, any costs for transfers to international accounts and currency exchange are borne by the claimant. The account holder's name and his/her VAT or business registration number must be stated. The claimant can list any bank account for the refund.

A common reason for rejecting VAT refund claims is that the Norwegian authorities consider that the claimant should have been required to register for VAT purposes in Norway.





# Poland



Polish VAT is known as “Podatek od Towarów I Usług” (PTU).

The standard VAT rate is 23%, and there are reduced rates of 8%, 5% and 0%.

An extensive overview of the VAT rates applied in Poland can be found at:

[http://ec.europa.eu/taxation\\_customs/resources/documents/taxation/vat/how\\_vat\\_works/rates/vat\\_rates\\_en.pdf](http://ec.europa.eu/taxation_customs/resources/documents/taxation/vat/how_vat_works/rates/vat_rates_en.pdf).

It is not necessary to appoint a Polish fiscal representative to claim a VAT refund based on Directive 2008/09/EC or the 1<sup>3th</sup> Directive. However, appointing a Polish contact person (proxy) is recommended since the authorities tend to require additional explanations in Polish (e.g. on the nature and reason for the purchases) and in some cases, can set short deadlines for this information to be delivered (e.g. seven days).

## Poland is the Member State of Establishment EU countries (Directive 2008/09/EC)

*This refers to a Polish-established company submitting an EU (former 8<sup>th</sup> Directive) claim in another EU member state.*

### Procedure

#### Filing

The application must be submitted electronically in Polish through the portal of the tax authorities in the country in which the claimant is established:

<https://www.podatki.gov.pl/vat/e-deklaracje-vat/formularze-vat/> for companies established in Poland.

Although not clearly stated in the Polish law, a refund claim can be submitted by a proxy holder on behalf of the claimant. However, the authorization must be filed in hard copy, with stamp duty paid to the competent tax authorities before the refund application reaches the Polish tax office.

As the member state of establishment, the Polish tax authorities will confirm receipt of the claim.

#### IT requirements

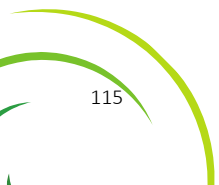
The tax authorities provide specific software and an application form to file a refund request. The form must be completed manually on a line-by-line basis. There is no mechanism to upload data electronically via XML or CSV.

For VAT refunds from other EU member states, the IT requirements are set by the rules of the relevant country. However, from a Polish VAT perspective, the following must be taken into account:

- All invoices must be included in a single zip file with no passwords or coding;
- The invoices in the zip file can be in JPEG, PDF or TIFF format;
- Maximum zip file size: 5MB; and
- Standard scanning preference: Black and white / max 200 dpi;
- Files should be sent at the same time as the application.

Polish taxpayers applying for refund of VAT incurred in other EU member states must use the form (VAT-REF) on the web page of the Minister of Finance. This form can be downloaded at: [VAT-REF \(podatki.gov.pl\)](https://www.podatki.gov.pl/vat-REF)

VAT refund claims filed in Poland must be signed with a certified electronic signature.





There are no restrictions on the number of invoices that may be submitted in a refund claim or per year. All invoices including Polish VAT and relating to a specific period must be submitted.

### Non-EU countries (1<sup>3</sup><sup>th</sup> Directive equivalent)

*This refers to a Polish-established company submitting a non-EU (1<sup>3</sup><sup>th</sup> Directive equivalent) claim in a non-EU country.*

The refund application for a Polish-established company claiming input VAT in a non-EU country must be submitted according to the requirements of the country of refund. The Polish portal may not be used.

Another difference with the former 8<sup>th</sup> Directive EU VAT refund procedure is that a “certificate of taxable status” issued by the member state of establishment usually will be required by the non- EU country of refund. This form is called zaświadczenie o rejestracji podatnika podatku od wartości dodanej lub podatku o podobnym charakterze w kraju siedziby in Poland.

### Poland is the Member State of Refund

#### EU businesses (Directive 2008/09/EC)

*This refers to an EU-established company submitting an EU (former 8<sup>th</sup> Directive) claim in Poland.*

#### Eligibility for refund

Foreign taxable persons are entitled to recover Polish VAT if the following conditions are satisfied:

- The claimant does not have its seat, of fixed establishment from which operations are performed, permanent or usual place of conducting business activities in Poland in the refund period;
- It has not carried out any taxable supplies in Poland, except for:
  - Certain import-related EU transport services and their value was included in the taxable basis;
  - Certain services related to international transport; and Supplies for which the reverse charge applies; and
  - Services provided to non-taxable persons referred to in art. 28a of VAT Act, by taxpayers or foreign entities identified for the purpose of the special VAT settlement procedure (EU and non-EU OSS);
  - Intra-community distance sales of goods by taxable persons identified for special procedure (OSS);
  - Supplies of goods by taxable persons facilitating such supplies in accordance with art. 7a paragraph. 2 of the VAT Act, identified for the purposes of the special VAT settlement procedure;
  - Distance sales of imported goods by taxpayers identified for the purposes of the special VAT settlement procedure (IOSS).
- The claimant is a registered VAT payer or registered taxpayer of a similar tax in the country in which it has its registered seat;

- Polish VAT law also requires that the claimant uses the goods and services purchased in Poland in relation to its taxable activities, which give the right to deduct input VAT in the country in which the VAT is being settled.

### Non-refundable VAT

VAT cannot be recovered on:

- Lodging and restaurant services, with some exceptions; and
- Purchases, where VAT was unduly charged;
- Transactions where VAT is charged on intra-Community supplies or export of goods;
- In some cases, costs borne by the supplier on behalf of the purchaser that subsequently were refunded by the purchaser and only temporarily presented in the supplier's accounting.

Full input VAT recovery is allowed on cars (purchase, lease, fuel and related expenditure), irrespective of their type (i.e. passenger cars/trucks) if the car is used only for business purposes. Specific conditions must be fulfilled for a company car to be considered to be used for business purposes; otherwise, input VAT deductibility is limited to 50% with no value cap on all expenditure (100% or 50% for fuel, depending on how the car is used).

### Partially refundable VAT

Aside from the above, there are no expenses for which non-established companies would be allowed only a partial refund of Polish VAT. However, if the claimant is allowed partial input VAT recovery because its purchases are used partly for taxable activities, the claimant would be allowed to recover input VAT on a pro rata basis.

### Making claims

#### Minimum amounts

If the application relates to a period of less than one calendar year but not less than three months, the amount for which application is made may not be less than EUR 400; if the application relates to a period of a calendar year or the period shorter than the last three months of a calendar year, the amount may not be less than EUR 50. These amounts will be recalculated at an average EUR exchange rate set by the National Bank of Poland on the day before the invoice (customs document) was issued.

#### Time limits

The application generally must cover a period of not less than three consecutive calendar months (e.g. from 1 January to 31 March) in one calendar year and not more than one calendar year. The application also may be submitted for a period shorter than the remaining three months of the calendar year (e.g. from 1 November to 31 December).





Polish VAT law does not specifically prohibit the submission of VAT refund claims for overlapping periods (e.g. January to June and May to December), assuming no double deduction is requested.

The application of VAT refund must be submitted no later than September 30 of the year following fiscal year to which the application relates.

### Follow up on submitted claims

The claimant or its authorized proxy can follow up on a claim. The Polish authorities contact claimants using the email address indicated on the VAT refund application. If the claimant intends to appoint a local proxy, the authorization must be filed in hard copy with stamp duty paid to the competent tax authorities.

Since a response made to the Polish tax authorities must be in Polish, it is recommended that a Polish proxy be appointed to supervise this process.

### Proxy

Proxy holder acting on behalf of the claimant, must file to the Polish tax office respective proxy. It may be filed either by the proxy holder or in response to a request by the Polish tax authorities. If no proxy is filed, all correspondence will be sent directly to the claimant.

The original proxy must be filed in hard copy, using a specified format and the PLN 17 stamp duty per proxy must be paid.

In addition, hard copies of the original statutory documents confirming that the persons who signed the power of attorney are authorized to represent the company must be submitted. All documents must be translated into Polish when drafted in a foreign language. A power of attorney has a standardized format as required by the Polish tax authorities.

### Supporting documentation

The general threshold for the submission of an electronic copy of an invoice is where the taxable basis on the invoice or import document is at least EUR 1,000 (EUR 250 for fuel costs). The Polish tax authorities can request additional documents or information.

### E-Invoicing

E-invoices will be accepted by the Polish tax authorities as the basis for the claim. E-invoices issued under the Polish VAT provisions must comply with certain requirements regarding the integrity of the content and the authenticity of origin.

## Refunds and appeals

The Polish tax authorities must issue a decision on a refund claim within four months of receipt of the claim along with all required documents.

The decision must be sent via registered mail. If the authorities reject the claim in whole or in part they must send a request to the claimant to acknowledge receipt of the evidence collected and inform the claimant about the identified irregularities before a decision is issued.

The authorities may request additional information via electronic means in Polish. Correspondence with the tax authorities will be done via email unless the claimant does not agree to use electronic means, in which case all correspondence will be in hard copy.

If the proxy is in place, all correspondence will be addressed to the proxy holder; otherwise, all documents will be sent directly to the claimant.

The claimant must provide all information requested within one month of receipt of the request.

Where additional information is requested, the authorities must issue their decision within two months of receipt of the requested information, and in any case no later than eight months from receipt of the claim.

If the claimant fails to submit the information, the decision must be issued within two months after the expiration of the deadline to provide the information, but no later than six months from the date the claim was submitted (if the authorities send only one request for additional information), or eight months (if the authorities requested additional information more than once).

If a refund is granted, it must be paid in Polish currency within ten business days after the decision is issued and paid to the bank account number provided in the VAT refund claim. This can be a foreign bank account.

The Polish tax authorities will be liable for late payment interest if the refund is not processed in a timely manner.

If only one of the submitted invoices is not correct or not in compliance with the format requirements, only that part of the refund claim will be rejected.

If the refund is not granted, the grounds for rejection must be stated (in Polish). An appeal against the denied claim can be made to the Polish tax authorities (Tax Chamber via the tax office that rejected the claim) within seven or 14 days of receipt of the decision (the exact deadline will depend on the legal form of the decision). The appeal can be filed in person, sent by courier or by regular mail. If this appeal is unsuccessful, the claimant can appeal to the national administrative court. The deadline for an appeal to the administrative court usually is thirty days from the date of the decision of the higher tax authorities' body.

Possible reasons for a VAT refund claim to be rejected include failure to provide information necessary to determine whether the refund is justified or that the invoices included in the claim are subject to input VAT recovery restrictions that are not taken into consideration by the claimant.







The appeal against the rejection of the refund claim must be drafted in Polish in a specified format.

### Non-EU businesses (13<sup>th</sup> Directive)

*This refers to a non-EU-established company submitting a 13<sup>th</sup> Directive claim in Poland.*

#### Eligibility for refund

Taxable persons with a registered seat outside the EU must meet the same requirements as those applying to EU taxable persons.

Reciprocity is required, i.e. Poland will refund VAT to claimants from countries that will refund VAT to Polish entities. There is no official list of countries for which reciprocity is granted.

However, according to information published on the Ministry of Finance website, the reciprocity rule currently applies to the following countries: Iceland, Macedonia, Norway, Switzerland and Great Britain.

#### Non-refundable VAT

VAT cannot be recovered on:

- Lodging and restaurant services, with some exceptions; and
- Purchases, where VAT was unduly charged;
- Transactions where VAT is charged on intra-Community supplies or export of goods;
- In some cases, costs borne by the supplier on behalf of the purchaser that subsequently were refunded by the purchaser and only temporarily presented in the supplier's accounting.

Full input VAT recovery is allowed on cars (their purchase, lease, fuel and related expenditures), irrespective of their type (i.e. passenger cars/trucks) only if the car is solely used for business purposes. Specific conditions must be fulfilled for company cars to be considered to be used for business purposes; otherwise, input VAT deductibility is limited to 50% with no value cap on all expenditure (100% or 50% for fuel depending on how the car is used).

#### Partially refundable VAT

Aside from the above case, there are no expenses for which non-established companies would be allowed only a partial refund of Polish VAT. However, if the claimant is allowed partial input VAT recovery because its purchases are only partly used for taxable activities, the claimant will be allowed to recover input VAT on a pro-rata basis.

### Making claims

#### Time limits

The application must be submitted to the Polish tax authorities by 30 September of the year following the calendar year to which the application relates. Late claims are not accepted, and the deadline will not be extended. The application also may be submitted at the local Polish consulate or embassy.

#### Proxy

If the refund claim is filed by a proxy holder acting on behalf of the claimant, the proxy must be filed with the tax office, along with the claim. If the proxy is not filed, the power of attorney may be filed at a later stage either by the proxy holder or in response to a request by the Polish tax authorities. If no proxy is filed, all correspondence will be sent directly to the claimant. A proxy can be added to the proceedings at any time.

The original proxy must be filed in hard copy in a specific format, with the PLN 17 stamp duty paid. In addition, the original statutory document must be filed in hard copy, confirming that the persons who signed the power of attorney are authorized to represent the claimant.

All documents must be officially translated into Polish (including the power of attorney) if drafted in a foreign language.

#### Application forms

The application must be made by filing a hard copy (it cannot be faxed or emailed) of the form attached to the Decree on VAT Refunds, issued by the Minister of Finance.

The form must be completed in Polish and in PLN.

All invoices must be mentioned in the application. It is unclear whether an excel spreadsheet can be used to provide an overview of the claimed amounts.

The application must be signed by a person who is legally entitled to represent the claimant; otherwise, an authorization must be provided to the tax authorities, along with a confirmation that stamp duty has been paid and with the hard copies of the original statutory documents of the claimant confirming that the signatories of the proxy may represent the claimant.

The form and supporting documentation must be sent to:

Drugi Urząd Skarbowy Warszawa  
Śródmieście ul. Jagiellońska 15  
03 -719 Warszawa Poland  
T: + 48 22 511 35 01  
F: + 48 22 511 35 02

#### Supporting documentation

The following must be attached to the application:

- Original hard copy invoices and customs documents supporting VAT amounts in the application;
- Confirmation from the tax authorities of the country where tax claimant has its seat showing that the claimant is a registered taxpayer, along with a notarized translation into Polish. If the claimant submits more than one application during a year, the certificate does not have to be submitted with each application, provided it was issued less than one year before the VAT refund claim was submitted and there have not been any changes to the scope of the certificate. The certificate must be officially translated into Polish;





- Confirmation of taxable status (which can be done on a special form in Polish provided as an appendix to the Decree on VAT refunds); and
- A power of attorney if a third party submits/signs an application on behalf of the claimant and confirmation that stamp duty has been paid.

These documents must be original. The authorities should accept a notarized copy of a VAT certificate, but in practice it is rarely used.

If the refund is granted, the Polish tax authorities will stamp and perforate each invoice and/or import document to prevent their use in subsequent applications and will return the documents to the claimant.

The authorities may request additional information, but the request must be made in Polish and sent via registered mail. The claimant must provide all information within one month of receipt of the request.

#### **E-Invoicing**

According to Polish VAT law, invoices/customs documents in electronic format that are included in a claim must be sent/provided to the tax office electronically upon submission of the claim. In practice, a CD may be submitted with all documents in electronic format.

Polish VAT law requires that e-invoices comply with the requirements of integrity of content and authenticity of origin.

## **Refunds and appeals**

The Polish tax authorities must issue a decision on a refund claim within four months of receipt of the claim.

The decision must be sent via registered mail. If the authorities reject the claim in whole or in part, they must send a request to the claimant acknowledging receipt of the evidence collected and inform the claimant about the identified irregularities before a decision is issued.

The authorities may request additional information. In general, all correspondence should be in hard copy.

Where additional information is requested, the authorities must issue their decision within two months of receipt of the requested information, and in any case not later than eight months as from receipt of the claim.

If one of the submitted invoices is not correct/original or if queries on a specific invoice are not answered, that part of the refund claim will be rejected.

If the refund is not granted, the grounds for rejection must be stated.

The current approach is to have the claim processed within four months. If additional information is needed, the deadline is extended, but the authorities will comply with the eight month time limit.





# Portugal



Portuguese VAT is known as “Imposto sobre o Valor Acrescentado” (IVA).

The standard VAT rate is 23%, and there are reduced rates of 13% and 6%. The standard VAT rate in the autonomous region of Madeira is 22%, and the reduced rates are 12% and 5%. In the autonomous region of Azores, the standard VAT rate is 16% , and the reduced rates are 9% and 4%.

It is necessary to appoint a Portuguese fiscal representative to claim a VAT refund based on the 13<sup>th</sup> Directive.

## Portugal is the Member State of Establishment EU countries (Directive 2008/09/EC)

*This refers to a Portuguese-established company submitting an EU claim in another EU member state .*

### Procedure

#### Filing

The application must be submitted electronically through the portal of the tax authorities of the country in which the claimant is established.

For Portuguese taxpayers, such can be found under: [Reembolso de IVA dentro da União Europeia \(portaldasfinancas.gov.pt\)](https://portaldasfinancas.gov.pt)

At that point, the Portuguese VAT number and password of the claimant must be provided.

The request must be submitted by the claimant or by an authorized person.

The third party does not have to be an entity established in Portugal, provided it is authorized by the claimant. When Portugal is the member state of establishment, the Portuguese tax authorities will issue a confirmation of receipt of the VAT refund claim.

#### IT requirements

Portuguese taxpayers registered for VAT purposes can file their refund claims electronically using the web service of the Portuguese tax authorities. The electronic form is divided into three main sections:

- General information relating to the claimant, the period for which the refund is requested and the member state to which the claim refers;
- List of invoices (each document has to be manually typed in); and
- Annexes: scanned invoices or other annexes can be uploaded.

Once the claim is submitted, the taxpayer will receive a confirmation from the website, including the reference code for the application.

There is no limit on the number of invoices that can be submitted in a refund claim or per year. However, the file can only be up to 5MB, including all annexes, headers, text detailing invoices, etc.

### Non-EU countries (13<sup>th</sup> Directive equivalent)

*This refers to a Portuguese-established company filing a non-EU claim in a non-EU country (13<sup>th</sup> Directive equivalent).*

The refund application for a Portuguese-established company claiming input VAT in a non-EU country must be submitted according to the requirements of the country of refund.

### Portugal is the Member State of Refund EU businesses (Directive 2008/09/EC)

*This refers to an EU-established company submitting an EU claim in Portugal .*

#### Eligibility for refund

A foreign taxable person is entitled to recover the incurred Portuguese VAT if the following conditions are fulfilled:

- The claimant does not have a head office, fixed establishment, domicile, or habitual residence in Portugal; and
- It has not carried out any supplies subject to VAT in Portugal, except for:



- Certain VAT-exempt transport services (as well as transport ancillary services);
- Certain supplies of goods and services in respect of which the reverse charge mechanism applies.

### Non-refundable VAT

VAT cannot be recovered on:

- Accommodation, food, and drinks (except in the case of specific events);
- Entertainment expenses;
- Purchase, hire, use, importation, leasing, transformation and repairs of vehicles, boats, and aircraft (unless these assets are used in specific activities). However, it is possible to recover VAT incurred related to commercial vehicles and trucks as well as related to the purchase, hire, production, leasing, importation, and transformation of electric and plug-in hybrid vehicles;
- Fuel expenses (50% of the VAT on diesel, LPG, natural gas and biofuel is recoverable; if certain types of vehicles are involved, such as some trucks and machines, 100% of the VAT on diesel, LPG, natural gas, biofuel, and gasoline is recoverable);
- Tobacco; and
- Travel expenses, including tolls (except in the case of specific events).

### Partially refundable VAT

A partial refund may be obtained as follows:

- 50% of the VAT on diesel, LPG, natural gas, and biofuel; and
- Provided certain requirements are met, companies may recover 50% of the VAT incurred with accommodation, transport, and food expenses where the expenses are related to the organization of an event to promote their business, and 25% of the VAT incurred where the expenses also relate to the participation in an event to promote their business.

### Making claims

#### Minimum amounts

The refund must relate to the previous calendar year and the amount may not be less than EUR 50. If the application covers the current year and to a period equal to three or more consecutive months, the amount for which the application is made may not be less than EUR 400; if the application relates to a shorter period, the amount may not be less than EUR 50 and the period must end on 31 December of the previous year.

#### Time limits

The application must be submitted to the Portuguese tax Authorities by 30 September of the calendar year following that in which the tax becomes due. Late claims are not accepted, and the deadline cannot be extended.

Taxpayers established in another EU Member States will be able to correct items of their VAT refund request (e.g. taxable and VAT amount or nature of the goods acquired, or even deductible VAT amount as a result of an adjustment of the pro rata VAT recovery ratio), until 30 September of the following year of the calendar year following that in which the tax becomes due.

A claimant can submit more than one refund claim for the remainder of a calendar year provided the relevant refund amounts are respected.

#### Follow up of submitted claims

The claimant or an authorized third party can follow up on a VAT refund claim. The follow up also may be made by phone.

#### Proxy

It is not necessary to appoint a Portuguese fiscal representative to claim a VAT refund based on the Directive 2008/09/EC. Consequently, the need for a proxy must be analyzed on a case-by-case basis and will depend on the situation. However, if a proxy is to be provided, the original (or at least a notarized copy) must be shown (an electronically scanned copy will not be sufficient). If the original proxy language is not Portuguese, the Portuguese tax authorities usually will request a notarized translation.

#### Supporting documentation

The Portuguese tax authorities can request additional documents/ information (e.g. originals or copies of the relevant invoices).

#### E-Invoicing

There is no specific procedure to reclaim VAT under Directive 2008/09/EC and Decree-Law no. 186/2009 on the basis of e-invoices.

### Refunds and appeals

The Portuguese tax authorities must issue a decision on a refund claim within four months of receipt of the claim:

- The authorities can accept the claim and notify the claimant (a notification is sent to the head office of the claimant);
- The authorities can reject the claim in whole or in part and notify the claimant (a notification is sent to the head office of the claimant); or
- The authorities can request additional information and notify the claimant via electronic means. The claimant must provide the information within one month of receipt of the request (the information may be provided by email); otherwise, the authorities can reject the claim (in whole or in part).

Any queries made and decisions issued by the tax authorities will be sent only to the claimant and not to the proxy holder.





If only one of the invoices is incorrect or cannot be provided or if a query on a specific invoice is not answered, only the VAT on the relevant invoice will be rejected; the entire claim will not be rejected.

The period in which the authorities must take a decision will be extended to six months where additional information is requested, or eight months where the authorities request additional information after a first request.

If a refund is granted, it will be processed in EUR within ten business days following the decision and paid to the bank account number provided to the authorities. The bank account must be held within the EU.

The Portuguese tax authorities will be liable for late payment interest if the refund is not processed in a timely manner. The interest must be claimed separately.

If the refund is not granted, the grounds for rejection must be stated. However, if there is an implicit denial (i.e. if there is no formal decision of the Portuguese tax authorities within the legal deadline to refund the VAT), there will be no formal notification to the claimant and, therefore, the grounds for implicit denial will not be expressly notified to the claimant.

An appeal against the denied claim (expressly or implicitly denied) can be presented before the Portuguese tax authorities (administrative claim) or before a Tax Court (judicial claim).

For the administrative claim, the deadline is one hundred and twenty days from the date of the notification relating to the rejection of the refund claim or from the date of the implicit denial. The administrative claim can be submitted through the portal of the Portuguese tax authorities, but an active Portuguese VAT number and a password are required; otherwise, the claim must be addressed to the Portuguese tax authorities (Directorate of Services of Refunds) by registered mail to the following address:

Diretor dos Serviços de Reembolsos de IVA  
Av. Joao XXI, 76-5º andar,  
1049-065 Lisboa

For a judicial claim, the deadline is three months from the same dates as apply to administrative claims. A lawyer must be appointed to deal with the filing of the claim electronically (through the web portal for legal professionals) by registered mail, fax or at the local tax office.

The most common reasons for a VAT refund claim to be rejected are related with the inclusion of non or partially recoverable expenses in the claim or failure to comply with the invoice requirements.

The appeal (administrative or judicial claim) must be drafted in Portuguese.

Penalties may be imposed by the Portuguese tax authorities if a VAT refund is unduly paid to the taxpayer. In such a case, penalties and interest will be levied in addition to the VAT due. It is arguable that penalties may be imposed if the taxpayer fails to provide information requested by the tax authorities, but the application of such penalties is not common.

The time to process a refund usually varies from four to six months.

### Non-EU businesses (13<sup>th</sup> Directive)

*This refers to a non-EU-established company submitting a 13<sup>th</sup> Directive claim in Portugal.*

#### Eligibility for refund

Reciprocity is required. The Portuguese tax authorities currently are managing reciprocity on a case-by-case basis, which may result in a contradictory outcome for companies from the same country.

#### Non-refundable VAT

VAT cannot be recovered on:

- Accommodation, food, and drinks (except in the case of specific events);
- Entertainment expenses;
- Purchase, hire, use, importation, leasing, transformation and repairs of vehicles, boats, and aircraft (unless these assets are used in specific activities). However, it is possible to recover VAT related to commercial vehicles and trucks as well as related to the purchase, hire, production, importation, leasing, and transformation of electric and plug-in hybrid vehicles;
- Fuel expenses (50% of the VAT on diesel, LPG, natural gas and biofuel is recoverable; if certain types of vehicles are involved, such as some trucks and machines, 100% of the VAT on diesel, LPG, natural gas, biofuel and gasoline is recoverable);
- Tobacco; and
- Travel expenses, including tolls (except in the case of specific events).

#### Partially refundable VAT

A partial refund may be obtained as follows:

- 50% of the VAT on diesel, LPG, natural gas, and biofuel; and
- If certain requirements are met, companies are entitled to recover 50% of the VAT incurred on accommodation, transport, and food expenses where the expenses are related to the organization of an event to promote their business, and 25% of the VAT incurred where the expenses are also related to participation in an event to promote their businesses.







## Making claims

### Minimum amounts

If the application relates to a period of less than one calendar year but not less than three months, the amount for which application is made may not be less than EUR 400; if the application relates to a period equal to a calendar year or to the remainder of a calendar year, the amount may not be less than EUR50.

### Time limits

The application must be submitted to the Portuguese tax authorities before 30 September of the calendar year following that in which the tax becomes due. Late claims are not accepted, and the deadline cannot be extended.

### Proxy

To file a VAT refund claim, the non-EU claimant must appoint a Portuguese fiscal representative. Consequently, a proxy must be provided to the tax authorities along with the refund claim. A notarized copy of the proxy can be presented, but the original may be required by the Portuguese Tax Authorities.

### Application forms

The claims may be filed electronically. The forms are available at [link](#) (login details will be required).

Alternatively, the VAT refund request can be filed in paper, case in which it is necessary to file Form 1496. The form can be downloaded (and must be printed in color) at: <https://loja.incm.pt/products/impressos-modelo-1496-pedido-de-reembolso-do-iva-por-sujeito-passivo-nao-e-1011553>

The form must be completed in Portuguese and in EUR.

Printed applications cost EUR 0.32.

The Portuguese Tax Authorities can request additional documents/ information (e.g. originals or copies of the relevant invoices).

The following documents must be submitted with each application:

- Original invoices and import documents. The serial number as included in the application form must be mentioned on the documents; and
- A certificate issued by the state of establishment of the claimant showing it is subject to a general turnover tax and that Portuguese taxpayers are entitled to a refund of that general tax (this is not required if a reciprocity agreement exists between Portugal and the relevant country).

### E-Invoicing

Under the 13<sup>th</sup> Directive and relevant Portuguese legislation, there is no specific procedure to reclaim VAT on the basis of e-invoices.

## Refunds and appeals

Any queries made and decisions issued by the tax authorities will be sent to the representative appointed for purposes of the VAT refund.

The rules relating to an extension of the deadline are similar to the rules concerning VAT refunds under the Directive 2008/09/EC.

If the refund is expressly or implicitly denied (totally or partially), the taxpayer can appeal by filing an administrative or a judicial claim.

Refunds under the 13<sup>th</sup> Directive/Decree Law No. 186/2009 must be paid by the end of the sixth month following the date the application was submitted.

The Portuguese Tax Authorities will be liable for late payment interest if the refund is not processed in a timely manner. The claimant must provide an IBAN number referencing a bank account held in an EU member state.

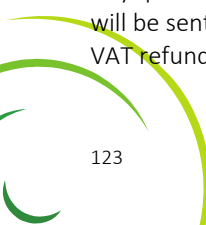
If a specific invoice is not correct or a query on a specific invoice is not answered, the VAT refund will be rejected in part, but the entire claim will not be rejected.

The most common reasons for a VAT refund claim to be rejected are related with the inclusion of non or partially recoverable expenses in a claim or failure to comply with the invoice requirements.

The deadline for filing an administrative appeal is one hundred and twenty days counting from the date of the notification relating to the rejection of the refund claim or from the date of the implicit denial. For a judicial claim, the deadline is three months from the same dates.

The Tax Authorities can impose penalties if a VAT refund is unduly paid to the taxpayer. In such a case, penalties and interest will be levied in addition to the VAT due. It is arguable that penalties may be imposed if the taxpayer fails to provide information requested by the tax authorities, but this is not common.

The processing of a refund typically takes six to eight months.





# Romania



Romanian VAT is known as “Taxa pe valoarea adăugată.”

The standard VAT rate is 19%, and there are reduced VAT rates of 9% and 5%.

An extensive overview of the VAT rates applied in Romania can be found at: [https://taxation-customs.ec.europa.eu/system/files/2021-06/vat\\_rates\\_en.pdf](https://taxation-customs.ec.europa.eu/system/files/2021-06/vat_rates_en.pdf)

It is not necessary to appoint a Romanian fiscal representative to claim a VAT refund based on Directive 2008/09/EC, but a representative is required for a refund claim under the 13<sup>th</sup> Directive.

## Romania is the Member State of Establishment EU countries (Directive 2008/09/EC)

*This refers to a Romanian-established company submitting an EU (former 8<sup>th</sup> Directive) claim in another EU member state.*

### Procedure

#### Filing

The application must be submitted electronically via the portal of the tax authorities in the country in which the claimant is established (<http://www.anaf.ro> for companies established in Romania).

The request can be submitted by the claimant or by an authorized resident or nonresident person, based on a proxy. If a third party is to file the claim, it must have a notarized power of attorney.

When Romania is the member state of establishment, the Romanian authorities will issue a confirmation of receipt of a VAT refund claim.

#### IT requirements

There are no specific provisions in Romanian VAT legislation on IT requirements that must be met regarding the claims submitted by EU-established persons.

Romanian taxpayers registered for VAT purposes must electronically file their refund claims using the smart PDF form (Form 318) provided on the website of the National Tax Administration.

An electronic form is available on the authorities' website: [http://static.anaf.ro/static/10/Anaf/Declaratii\\_R/318.html](http://static.anaf.ro/static/10/Anaf/Declaratii_R/318.html)

The filing procedure is done electronically, with the form signed using a digital signature and then submitted via the portal of the National Tax Administration: (<https://decl.anaf.mfinante.gov.ro>).

The same page can be accessed via the portal <http://e-guvernare.ro/> by pressing the first button on the right “Depunere declaratii ANAF.”

The deadline for submitting Form 318 is 30 September of the year following the reimbursement period.

The electronic form is divided into three main sections:

- General information relating to the claimant and the period for which the claim is requested;
- List of invoices/import documents with details related to each document typed in (e.g. invoice number, date, code, and description of goods and/or services, taxable amount, VAT, pro rata, deductible VAT, details about the supplier); and
- Annexes: scanned invoices/annexes, but only JPEG, PDF or TIFF files are accepted, and the maximum file size is 5 MB. If the taxpayer needs to provide more than one document, the documents can be grouped in a single document.

There is no limit on the number of invoices that may be submitted in the same refund claim. However, documents sent by email (including invoices and other types of appendices) cannot exceed a total of 5 MB/e-mail.



## Non-EU countries (13<sup>th</sup> Directive equivalent)

*This refers to a Romanian-established company submitting a non-EU (13<sup>th</sup> Directive equivalent) claim in a non-EU country.*

The refund application for a Romanian-established company claiming input VAT in a non-EU country must be submitted according to the requirements of the country of refund. The Romanian portal may not be used.

A “certificate of taxable status” issued by the member state of establishment usually will be required by the non-EU country of refund. Since there is no specific form in Romania, the tax authorities may issue confirmation that the company is registered in Romania for VAT purposes.

## Romania is the Member State of Refund EU businesses (Directive 2008/09/EC)

*This refers to an EU-established company submitting an EU (former 8<sup>th</sup> Directive) claim in Romania.*

### Eligibility for refund

A foreign taxable person is entitled to recover Romanian VAT if the following conditions are satisfied (during the refund period):

- The claimant was not registered or liable to be registered for VAT in Romania;
- It did not have its business established in Romania and did not have a fixed establishment or place of residence in Romania from which economic operations were performed;
- The claimant did not carry out any taxable supplies in Romania, except for:
  - Certain tax-exempt cross-border transport and auxiliary services from/to non-EU countries; or
  - Supplies of goods/services for which the reverse charge mechanism applies;
  - Supplies of services to non-taxable persons established in Romania, intra-community distance sales of goods taxable in Romania, distance sales of goods facilitated by an electronic interface;
  - Distance sales of goods imported from third countries, taxable in Romania.

### Non-refundable VAT

VAT cannot be recovered on:

- Invoices on which VAT was unlawfully charged;
- Acquisitions of goods that can or should be classified as VAT exempt;
- Acquisitions made by tourism agencies, including tour operators that apply the margin scheme, or an equivalent regime, in the member state of establishment;
- VAT invoiced after the taxable person's VAT registration in Romania;

- Acquisitions of goods/ services for whose delivery/ supply VAT deduction is not granted in Romania such as tobacco alcoholic products, except those intended for resale or for supply while performing a service (e.g. bars, hotels and restaurants); and
- Local and intra-community acquisitions, import, rental or leasing of passenger vehicles and all directly related costs (e.g. repairs, maintenance, lubricants, spare parts, fuel), are subject to a 50% limitation on the VAT deduction right if these vehicles are not used exclusively for business purpose. The exclusive use should be proved with documents.

The following are the most relevant exceptions related to passenger vehicles in relation to which input VAT is fully deductible:

- Vehicles having a total authorized weight of more than 3,500 kg and more than nine seats for passengers, including the driver's seat;
- Vehicles exclusively used for emergency, security, protection and courier services;
- Vehicles used by sales and procurement agents;
- Vehicles used for passenger transport against payment, including taxi services;
- Vehicles used for the provision of services against payment, including rental to other persons or training provided by driving schools;
- Vehicles intended to be sold or leased by a taxable person whose economic activity involves the sale or leasing of motor vehicles; and
- Vehicles used as goods for commercial purposes.

### Partially refundable VAT

As mentioned above, there is a 50% limitation on the VAT deduction right for vehicle-related acquisitions. The limit does not apply if the taxable person can prove the exclusive use for its business purposes or if the vehicles fall within one of the above exceptions.

VAT may be partially refundable when the taxable person carries out in the member state of establishment both transactions that give rise to a deduction right and transactions that do not give rise to such a right. In such case, Romania will only reimburse the VAT proportion corresponding to transactions that give rise to a VAT deduction right.

### Making claims

#### Minimum amounts

If the application relates to a period of less than one calendar year but not less than three months, the amount for which the application is made should not be lower than the RON equivalent of EUR 400. If the application relates to a period of a calendar year or the remainder of a calendar year, the amount may not be less than EUR 50.





The RON equivalent was determined using the exchange rate of RON 4.2282 to EUR 1 on 1 January 2010.

### Time limits

The application must cover a period of minimum three consecutive calendar months in one calendar year (e.g. from 1 January to 31 March) and not more than one calendar year, unless the period represents the remainder of a calendar year (e.g. from 1 November to 31 December). The application can relate to invoices or import documents not covered by previous applications in respect of transactions carried out during that calendar year.

A claimant can submit more than one refund claim for the remainder of a calendar year if it receives additional invoices from its suppliers.

### Proxy

A proxy must be provided when the claimant is represented by an agent. The proxy may be provided at any stage during the procedure and there are no specific requirements that apply.

The Romanian tax authorities generally require a power of attorney to be notarized (signed and stamped by a public notary).

### Application forms

To request a VAT refund in Romania, the claimant must submit a refund request by electronic means in its member state of establishment. That member state will forward the request to the Romanian tax authorities through its electronic portal.

### Supporting documentation

Electronic copies of documents (invoices, import customs declaration) must be attached to the PDF if the taxable amounts exceed EUR 1,000 (EUR 250 for invoices relating to fuel costs).

The Romanian tax authorities usually request additional documents/information to be submitted (e.g. copies of contracts, a description of activity, proof of payment, authorization document from foreign taxpayers stating that the refund may be made to a third party).

All documents that are submitted generally must be prepared or translated into Romanian by an authorized translator.

### E-Invoicing

E-invoices generally are accepted and are sufficient to claim input VAT via the former Directive. The requirements provided in Romanian tax legislation are aligned with the Ninth EU Invoicing Directive.

## Refunds and appeals

The Romanian tax authorities must issue a decision on a refund claim within four months from receipt of the claim:

- The authorities can accept the claim and notify the claimant;
- The authorities can reject the claim (in whole or in part) and notify the claimant; or

- The authorities can request additional information and notify the claimant via electronic means.

The claimant must electronically provide all information within one month from receipt of the request. However, if the Romanian tax authorities have reasonable doubts regarding the validity or accuracy of a claim, they may request additional information, including the original acquisition invoice or import document. In this case, the threshold of EUR 1,000 or EUR 250 for invoices relating to fuel costs is not applicable.

When the claimant is notified via electronic means, the tax authorities will send an email notification.

Queries by the tax authorities generally are sent to the claimant or to a third party if the third party is authorized to receive the queries and is empowered by a proxy.

The period in which the authorities must make a decision will be extended to six months where additional information is requested, or eight months where the authorities request additional information after a first request.

If a refund is granted, it will be processed within ten business days after the relevant period and paid to the bank account number provided to the authorities. The reimbursement will be paid in RON to a bank account in Romania or, upon request, to another EU member state. The account can be held by the claimant, a proxy holder or another person.

The Romanian tax authorities will be liable for late payment interest if the refund is not processed in a timely manner.

A refund claim cannot be rejected in its entirety simply because one invoice was incorrect or could not be provided in the correct format. The claimant may provide the authorities with a readable copy of the invoice, upon request. The VAT refund likely will be rejected where incorrect invoices are submitted, but the supplier can correct the invoices and then request a refund; if this is not possible, only the input VAT relating to the incorrect or unreadable invoice will be rejected.

A refund claim also cannot be rejected in its entirety merely because the claimant failed to respond to a query on an invoice; however, the input VAT relating to that invoice may be rejected.

If the refund is not granted, the grounds for rejection must be stated.

Romanian law does not provide for an implicit rejection, i.e. the absence of a decision regarding a VAT refund claim within the term provided by law does not imply rejection or approval of the claim. An appeal against a denied claim can be made to the Romanian tax authorities no later than forty five days following the notification of the decision.







The most common reasons for a claim to be rejected are incorrect invoices (i.e. invoices that do not comply with the formal requirements), failure to provide additional information as requested by the tax authorities or failure to demonstrate that the acquisitions were made for business purposes.

The appeal letter must be submitted via a letter (signed and stamped) and be drafted in Romanian.

The Romanian authorities may not impose penalties if a VAT refund claim is rejected. However, if the tax authorities deny a VAT refund because the claimant should have been registered for VAT purposes in Romania, late payment penalties and interest may be assessed.

In practice, VAT refund claims may take four to twelve months to be processed, as the Romanian tax authorities usually need additional information from the claimant.

### Non-EU businesses (13<sup>th</sup> Directive)

*This refers to a non-EU-established company submitting a 13<sup>th</sup> Directive claim in Romania.*

#### Eligibility for refund

Reciprocity is required for a non-EU taxable person to obtain a refund of VAT paid in Romania. Romania currently has reciprocity agreements with Norway, Switzerland, Turkey (partial reciprocity) and Serbia (since January 2018).

The general eligibility conditions and deductibility limitations governing refund claims by EU businesses are also applicable for non-EU businesses. However, the reciprocity agreements must be observed. The non-EU-established claimant must appoint a locally established representative for the refund procedure.

#### Non-refundable VAT

VAT cannot be recovered on:

- Invoices on which VAT was unlawfully charged;
- Acquisitions of goods that can or should be classified as VAT exempt;
- Acquisitions of goods/ services for whose delivery/ supply VAT deduction is not granted in Romania;
- VAT invoiced after the taxable person's VAT registration in Romania such as tobacco and alcoholic products, except those intended for resale or for supply while performing a service (e.g. bars, hotels and restaurants);
- Local and intra-community acquisitions, imports, rental or leasing of passenger vehicles and all directly related costs (e.g. repairs, maintenance, lubricants, spare parts, fuel), depending on the circumstances, are subject to a 50% limitation on the VAT deduction right.

The following are the most relevant exceptions related to passenger vehicles in relation to which input VAT is fully deductible:

- Vehicles having a total authorized weight of more than 3,500 kg and more than nine seats for passengers, including the driver's seat;
- Vehicles exclusively used for emergency, security, protection and courier services;
- Vehicles used by sales and procurement agents;
- Vehicles used for passenger transport against payment, including taxi services;
- Vehicles used for the provision of services against payment, including rental to other persons or training provided by driving schools; and
- Vehicles intended to be sold or leased by a taxable person whose economic activity involves the sale or leasing of motor vehicles.

#### Partially refundable VAT

- As mentioned above, there is a 50% limitation on the VAT deduction right for vehicle-related acquisitions. However, the limit does not apply if the taxable person can prove the exclusive use for its business purposes or if the vehicles fall within one of the above exceptions.
- VAT may be partially refundable when the taxable person carries out in the member state of establishment transactions that give rise to a deduction right, as well as transactions that do not give rise to such a right. In such case, Romania will only reimburse the VAT proportion corresponding to transactions that give rise to a VAT deduction right.

#### Making claims

##### Minimum amounts

If the application relates to a period of less than one calendar year but not less than three months, the amount for which application is made may not be less than the RON equivalent of EUR 400. If the application relates to a period of a calendar year or the remainder of a calendar year, the amount may not be less than EUR 50. The RON equivalent must be determined using the exchange rate of RON 4.2282 to EUR 1 on 1 January 2010.

##### Time limits

The application must cover a period of not less than three consecutive calendar months (e.g. from 1 January to 31 March) in one calendar year and not more than one calendar year, unless the period represents the remainder of a calendar year (e.g. from 1 November to 31 December). The application can relate to invoices or import documents not covered by previous applications in respect of transactions carried out during that calendar year.

A claimant can submit more than one refund claim for the remainder of a calendar year if it receives additional invoices from its suppliers.







The application must be submitted to the Romanian tax authorities within nine months of the end of the calendar year in which VAT became chargeable, i.e. by 30 September of the following year. The deadline cannot be extended.

### Proxy

Non-EU businesses must appoint a representative in Romania to claim a VAT refund via the 13<sup>th</sup> Directive. A proxy is required to prove the relationship between the claimant and the local representative and it must be provided before the application is submitted. The law does not contain any specific requirements.

### Application forms

The application is made on Form 313 issued by the Romanian tax authorities. Specific software is required to complete the form. The form must be completed in two copies and in Romanian:

[https://static.anaf.ro/static/10/Anaf/formulare/A2\\_OPANAF\\_3159\\_2017.pdf](https://static.anaf.ro/static/10/Anaf/formulare/A2_OPANAF_3159_2017.pdf)

All invoices must be mentioned in the attachment to the application form. The form must be signed by a person who is legally entitled to represent the company.

The form and supporting documentation must be sent in hard copy to the tax office where the local representative for refund purposes is registered.

### Supporting documentation

The following documents must be submitted with each application:

- Original invoices, import documents or credit notes;
- Evidence that the claimant is engaged in an economic activity that makes it a taxable person from a VAT perspective. Where the competent tax authorities already have such proof, it is not mandatory for the taxable person to provide new evidence for a period of one year from the date of submission of that evidence;
- An affidavit that no supplies of goods or services for which the claimant would have to assess Romanian VAT were carried out during the refund period; and
- When there are outgoing transactions, other documents demonstrating that the taxpayer carried out the transactions enabling the company to deduct Romanian input VAT (e.g. contracts, outgoing invoices, proof of payment of the relevant VAT).

All documents that are submitted generally must be in Romanian or translated into Romanian by an authorized translator.

### E-Invoicing

E-invoices generally are accepted by the Romanian authorities. However, hard copies usually are required for non-EU businesses, as well as other supporting documents related to the input VAT claimed (such as original import documents). The E-Invoicing requirements under Romanian tax law are aligned with the provisions of the Second EU Invoicing Directive.

## Refunds and appeals

The period for the Romanian tax authorities to decide on a VAT refund claim via the 13<sup>th</sup> Directive is six months from the date the authorities receive the claim and supporting documentation.

Original hard copies of all documentation supporting the claim, as well as the documents issued by the tax authorities, must be submitted.

However, notifications by electronic means may be sent.

- The authorities can accept the claim and notify the claimant via electronic means;
- The authorities can reject the claim (in whole or in part) and so notify the claimant via electronic means; or
- The authorities can request additional information and notify the claimant via electronic means. The claimant must provide, in hard copy, all information within one month of receipt of the request.

The tax authorities generally notify the representatives via mail.

Any queries made and decisions issued by the tax authorities will be sent to the locally established representative of the claimant. The legislation states that the six-month period to make a decision on a VAT refund claim starts on the date the request and all supporting documents are submitted. If the tax authorities request additional information, the decision will be extended from the date of the additional information request and the date of their submission.

A VAT refund claim will be accepted or rejected only upon issuance of a decision by the tax authorities.

An appeal of a denied refund claim must be made within forty five days from the date the claimant is notified of the decision. The original version of the appeal must be submitted to the tax authorities (and be signed and stamped) and be drafted in Romanian.

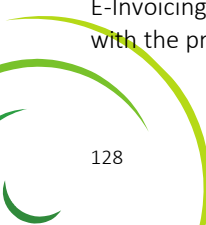
There are no specific provisions mentioning the deadline in which the payment should be made by the Romanian tax authorities.

The VAT refund will be transferred in RON to a bank account in Romania.

A refund claim cannot be rejected in its entirety if only one invoice was incorrect, the original was not submitted or if a query on a specific invoice is not answered. However, the input VAT relating to that invoice can be rejected.

If a refund is not granted, the grounds for rejection must be stated.

The most common reasons for rejecting a VAT refund claim are the submission of incorrect invoices, failure to provide original documents, failure to submit additional information requested by the tax authorities and the inability to demonstrate that acquisitions were made for taxable transactions.





The same type of penalties may arise as in the case of EU businesses. A non-EU business may be subject to penalties if the refund was fraudulently or incorrectly obtained.

In practice, refund claims take six to twelve months to be processed.





# Slovakia



The Slovak VAT Act is known as the “Act No. 222/2004 Coll. on value added tax.”

The standard VAT rate is 20%, and there is a reduced VAT rate of 10%.

An extensive overview of the VAT rates applied in Slovakia can be found at:

[https://ec.europa.eu/taxation\\_customs/system/files/2021-06/vat\\_rates\\_en.pdf](https://ec.europa.eu/taxation_customs/system/files/2021-06/vat_rates_en.pdf)

It is not necessary to appoint a Slovak fiscal representative to claim a VAT refund based on Directive 2008/09/EC or the 13<sup>th</sup> Directive.

## Slovakia is the Member State of Establishment EU countries (Directive 2008/09/EC)

*This refers to a Slovak-established company submitting an EU (former 8<sup>th</sup> Directive) claim in another EU member state.*

### Procedure

#### Filing

The application must be submitted electronically through the portal of the tax authorities of the country in which the claimant is established:

<https://www.financnasprava.sk/sk/titulna-stranka> for companies established in Slovakia.

The application must be submitted by the claimant or by an authorized person by using a certified electronic signature.

The Bratislava tax office will notify the claimant electronically upon receipt of the application.

#### IT requirements

The log-in details are automatically provided by the authorities when the taxable person registers for electronic submissions (i.e. filing of an electronic registration form, authorization of log-in details at the relevant tax office, etc.). Electronic filing is mandatory for Slovak VAT taxpayers.

The form consists of three main sections:

- General information relating to the claimant and the period for which the refund is requested;
- List of invoices and data included on the invoices and import documents relating to the supply of goods or services; and
- Annexes: scanned invoices or import documents with a maximum size of 5 MB.

Once the claim is submitted, the claimant will receive confirmation from the website, referencing the application.

The preparation and filing of the VAT refund application is done via the web portal of the Slovak tax directorate:

<https://www.financnasprava.sk/sk/titulna-stranka>

The form can be manually completed on a line-by-line basis or uploaded on the portal in an XML file.

There is no limit on the number of invoices that can be submitted within one refund claim or per year.

### Non-EU countries (13<sup>th</sup> Directive equivalent)

*This refers to a Slovak-established company submitting a non-EU (13<sup>th</sup> Directive equivalent) claim in a non-EU country.*

The refund application for a Slovak established company claiming input VAT in a non-EU country must be submitted according to the requirements of the country of refund. The Slovak portal may not be used.

Another difference with the former 8<sup>th</sup> Directive EU VAT refund procedure is that a “certificate of taxable status” issued by the member state of establishment often will be required by the non- EU country of refund. This form is called “Potvrdenie o postavení daňového subjektu”.



## Slovakia is the Member State of Refund EU businesses (Directive 2008/09/EC)

*This refers to an EU-established company submitting an EU (former 8<sup>th</sup> Directive) claim in Slovakia.*

### Eligibility for refund

A foreign taxable person is entitled to recover Slovak VAT if the following conditions are satisfied:

- It is registered for VAT in the EU member state in which it has its seat, place of business, fixed establishment or domicile;
- It does not have residence, its seat or a fixed establishment in Slovakia during the period for which the VAT refund claim is submitted;
- It has not carried out any taxable supplies in Slovakia during the period for which the VAT refund claim is submitted, except for:
  - Transport services and auxiliary services that are exempt from VAT;
  - Supplies of goods and services in Slovakia if the recipient is obliged to pay VAT pursuant to article 69 (2), (3) and (12) of the Slovak VAT Act;
  - Supply of natural gas, electricity, heat or cooling if the recipient is obliged to pay VAT;
  - Supply of goods from Slovakia to another EU member state imported from a third country if the foreign person was represented by a tax representative according to the article 69a of the Slovak VAT Act;
  - Supply of goods from Slovakia to another EU member state or third country acquired by the foreign person in Slovakia from another EU member state if the foreign person was represented by a tax representative according to article 69aa of the Slovak VAT Act;
  - Supply of goods under the triangular simplification rules where the foreign taxable person acts as the first customer and the person liable to pay VAT will be the second customer;
- It is entitled to recover Slovak VAT provided the acquired goods and services are used for carrying out taxable transactions in the member state in which the claimant has a seat, place of business, fixed establishment, domicile or habitual residence; and
- The claimed VAT is deductible based on the VAT act.

### Non-refundable VAT

VAT cannot be recovered on:

- Supplies of goods and services where the application of VAT was not in compliance with the Slovak VAT legislation;
- Supplies of goods that are or may be exempt from VAT (intra- Community supplies of goods, exports of goods); or
- Supplies made under the tour operator margin scheme.

### Partially refundable VAT

There are no expenses for which non-established companies would be entitled to only a partial refund of Slovak VAT.

### Making claims

#### Minimum amounts

If the VAT refund application relates to a period of less than one calendar year but not less than three months, the amount for which application is made may not be less than EUR 400; if the application relates to a period of a calendar year or the remainder of a calendar year, the amount may not be less than EUR 50.

#### Time limits

The application must cover a period of not less than three calendar months (e.g. from 1 January to 31 March) in one calendar year or not more than one calendar year, unless the period represents the remainder of a calendar year (e.g. from 1 November to 31 December). The application may relate to invoices or import documents not covered by previous applications in respect of transactions carried out during that calendar year.

It is not possible to submit more than one refund claim covering the same period.

#### Proxy

If a power of attorney is granted to an agent to act on behalf of the company for VAT refund claims, the power of attorney must be provided to the tax authorities. It is recommended to enclose the proxy to the refund claim. The authorities may request the original hard copy of the power of attorney.

#### Supporting documentation

The general threshold for the submission of an electronic copy of an invoice is EUR 1,000 for the taxable basis mentioned on the invoice or import document (EUR 250 where the invoices relate to fuel costs).

The Slovak tax authorities can request additional documents/information (e.g. originals or copies of invoices or import documents that do not meet the above thresholds).

#### E-Invoicing

E-invoices generally are accepted and are sufficient to claim input VAT via the former 8<sup>th</sup> Directive procedure. Slovakia does not have any specific requirements/restrictions related to E-Invoicing (besides the general requirements as described in the Second EU Invoicing Directive).

### Refunds and appeals

The Slovak tax authorities must issue a decision on a VAT refund application within four months from receipt of the application:

- The authorities can accept the claim and notify the claimant;
- The authorities can reject the claim (in whole or in part) and notify the claimant; or





- The authorities can request additional information and notify the claimant via electronic means. The claimant must provide all information within one month from receipt of the request.

Regarding the communication means with the tax authorities, best practice is to communicate by email provided originals of documents are not required.

Any queries and/or the decision generally will be sent to the email address of the contact person mentioned on the VAT refund claim.

If additional information is requested, the tax authorities must make a decision on the claim within two months following the receipt of the requested information. If additional information is not provided to the tax authorities, the authorities must make a decision within two months following the deadline for providing the additional information.

If this two-month period ends before the six-month period following receipt of the VAT refund claim by the tax authorities, the authorities must decide on the claim within six months following the date of receipt. If additional information is requested, the tax authorities must make a decision regarding the VAT refund claim within eight months following the date of receipt of the claim.

If the VAT refund is granted, it will be processed in Euro within ten business days after the relevant period and paid to the bank account of the claimant. The bank account may be in Slovakia or another EU member state.

The Slovak tax authorities will be liable for late payment interest if the refund is not processed in a timely manner.

If only one submitted invoice is incorrect, the VAT related to that invoice will not be refunded. The tax authorities can reject an entire VAT refund claim if one query on a specific invoice is not answered. If the refund is not granted, the grounds for rejection must be stated. Generally, an appeal against the denied claim can be made to the Slovak tax authorities within thirty days following the day the decision was notified to the taxpayer.

Common reasons for rejecting a refund claim are filing non-deductible VAT under the Slovak VAT Act (e.g. meals, refreshments) or if VAT is incorrectly stated on an invoice.

The appeal against the rejection of the refund must be in writing and be drafted in Slovak. The appeal must be delivered to the tax authorities by courier unless the claimant granted the power of attorney to an agent who is obliged to communicate with the tax authorities by electronic means.

In principle, the Slovak tax authorities will not impose penalties on a rejected refund claim.

The tax authorities generally will process the VAT refund claim within the legal deadline.

## Non-EU businesses (13<sup>th</sup> Directive)

*This refers a non-EU-established company submitting a 13<sup>th</sup> Directive claim in Slovakia.*

### Eligibility for refund

A foreign taxable person is entitled to recover Slovak VAT if the following conditions are satisfied:

- It is registered for VAT or other similar tax in the state in which it has its seat, place of business, fixed establishment or domicile;
- It does not have its residence, its seat or a fixed establishment in an EU member state during the period for which the VAT refund claim is submitted;
- It has not carried out any taxable supplies in Slovakia during the period for which the VAT refund claim is submitted, except for:
  - Transport services and auxiliary services that are exempt from VAT;
  - Supplies of goods and services in Slovakia if the recipient is obliged to pay VAT pursuant to article 69 (2), (3) and (12) of the Slovak VAT Act;
  - Supply of natural gas, electricity, heat or cooling if the recipient is obliged to pay VAT;
  - Supply of goods from Slovakia to another EU member state imported from the third country if the foreign person was represented by a tax representative according to the article 69a of the Slovak VAT Act;
  - Supply of goods from Slovakia to another EU member state or third country acquired by the foreign person in Slovakia from another EU member state if the foreign person was represented by a tax representative according to the article 69aa of the VAT Act;
  - Supply of goods under the triangular simplification rules where the foreign taxable person acts as the first customer and the person liable to pay VAT will be the second customer; and
- The claimant is entitled to the VAT refund if the claimed VAT is deductible based on the VAT Act.

Reciprocity is required, and the conditions must be confirmed by the tax authorities every quarter. Currently, this is addressed on a case-by-case basis, but in practice, VAT always should be refunded to Canadian and Swiss companies.

### Non-refundable VAT

VAT cannot be recovered on:

- Supplies of goods and services where the application of VAT was not in compliance with the VAT Act; or
- Supplies of goods that are or may be exempt from VAT (e.g. exports of goods).

### Partially refundable VAT

There are no expenses for which non-established companies would only be allowed a partial refund of Slovak VAT.







## Making claims

### Minimum amounts

The amount of requested VAT may not be less than EUR 50. If the VAT refund application relates to a period of a calendar half year, the amount for which the application is made may not be less than EUR 1,000 for the first half of the year and the amount for the second half year may not be less than EUR 50.

### Time limits

The application must cover the period of a calendar year.

The application must be submitted to the Slovak tax authorities within six months of the end of the calendar year, following the year in respect of which the refund is claimed, i.e. by 30 June of the following year. The deadline cannot be extended.

The application can cover the period of calendar half year if the requested amount is not less than EUR 1,000 for the first half of the year and the amount for which the application is made in second half year is not less than EUR 50.

The application for the second half of the calendar year may contain the invoices or import documents related to the transactions performed in the first half of the calendar year if these invoices were not included in the application for the first half of the calendar year.

### Proxy

If a power of attorney is granted to an agent to act on behalf of the company, the power of attorney must be provided to the tax authorities. It is recommended to enclose the proxy to the refund claim.

### Application forms

The application is made on the form "Ziadosť o vrátenie dane z pridanej hodnoty zahraničnej osobe podľa § 56 az 58 zákona č. 222/2004 Z.z."

The form can be completed in Slovak or in English and must be in EUR.

The application must be signed by a person who is legally entitled to represent the company; otherwise, a letter of authority must be provided.

### Supporting documentation

The following documents must be submitted with each application:

- Original invoices;
- Original import documents and proof that import VAT has been paid; and
- Confirmation issued by the tax authorities of the country in which the claimant is established that it is registered for VAT purposes (or a similar tax). The certificate must have been issued within the past year.

The tax authorities must return the originals of the invoices and import documents to the claimant within sixty days following the date of submission, but they can mark the relevant documents so they cannot be used on subsequent applications.

### E-Invoicing

E-invoices generally are accepted and are sufficient to claim input VAT via the 13<sup>th</sup> directive procedure. Normally, e-invoices can be provided to the tax authorities in hard copy or via email, depending on the agreement with the tax authorities.

## Refunds and appeals

The Slovak tax authorities must issue a decision on a VAT refund application within six months of receipt of the application:

- The authorities can accept the claim and notify the claimant; or
- The authorities can reject the claim (in whole or in part) and notify the claimant.

Any queries and/or the decision by the tax authorities generally will be sent to the contact person mentioned in the VAT refund claim. The best practice with respect to communication means is communication via email.

The deadline cannot be extended even if additional information is requested.

In principle, the VAT refund must be paid within the deadline for the issuance of the decision, i.e. within six months after the VAT refund request is filed. The refund can be paid to a bank account in Slovakia or in another state.

If only one submitted invoice is incorrect, only the VAT related to that invoice can be rejected. The tax authorities can reject an entire VAT refund claim if a single query on a specific invoice is not answered.

If the refund is not granted, the grounds for rejection must be stated.

Common reasons for rejecting a refund claim are filing non-deductible VAT under the VAT Act (e.g. meals, refreshments) or if VAT is incorrectly stated on an invoice.

An appeal against the rejection must be in writing and drafted in Slovak. The appeal must be delivered to the tax authorities by courier unless the claimant granted a power of attorney to an agent who is obliged to communicate with the tax authorities by electronic means.

In principle, the Slovak tax authorities will not impose penalties on a rejected refund claim.

The tax authorities generally will process a VAT refund claim within the legal deadline.





# Slovenia



Slovenian VAT is known as “Davek na dodano vrednost” (DDV). The standard VAT rate is 22%, and there is a reduced rate of 9.5% and a super reduced rate of 5%.

An extensive overview of the VAT rates applied in Slovenia can be found at:

[https://ec.europa.eu/taxation\\_customs/system/files/2021-06/vat\\_rates\\_en.pdf](https://ec.europa.eu/taxation_customs/system/files/2021-06/vat_rates_en.pdf)

It is not necessary to appoint a Slovenian fiscal representative to claim a VAT refund based on Directive 2008/09/EC or the 13<sup>th</sup> Directive.

## Slovenia is the Member State of Establishment EU countries (Directive 2008/09/EC)

*This refers to a Slovenian-established company submitting an EU (former 8<sup>th</sup> Directive) claim in another EU member state.*

### Filing

The application must be electronically submitted (in Slovene or English) through the portal of the Slovene tax authorities:

<https://edavki.durs.si/EdavkiPortal/OpenPortal/CommonPages/Opdynp/PageA.aspx>

The request must be submitted by the claimant or an authorized person if certain requirements are met. The authorized third party does not need to be established in Slovenia.

A person acting on behalf of the claimant in another EU member state, must obtain a tax identification number (applicable to persons established or residing outside Slovenia) and a digital certificate, which allows access to eDavki, the electronic system of the Slovene tax authorities.

Taxable persons granting authorization for representation in VAT refund procedure in another EU member state also must complete a special authorization form specifically designed for the eDavki system.

When Slovenia is the member state of establishment, the Slovene authorities will issue an electronic confirmation of receipt of a VAT refund claim.

### IT requirements

Slovene taxable persons registered for VAT purposes must file their refund claims electronically using the e-Davki system. Registration with the system is required, after which access is granted using a digital certificate. This digital certificate may be obtained by contacting HALCOM, Sigen-ca or other issuer of digital certificates.

Once in the e-filing system, the form VATR-APP must be used. The information must be manually uploaded on a line-by-line basis.

The file size of the supporting documentation cannot exceed 5 MB, and attachments may be in the form of a PDF, JPEG, TIFF or zip file.

There is no specific software required/available, except that the taxable person must obtain a digital certificate to enter e-Davki. Once the claim is submitted, the taxpayer will receive a confirmation from the website, referencing the application.

### Non-EU countries (13<sup>th</sup> Directive equivalent)

*This refers to a Slovenian-established company submitting a non-EU (13<sup>th</sup> Directive equivalent) claim in a non-EU country.*

The refund application for a Slovenian-established company claiming input VAT in a non-EU country must be submitted according to the requirements of the country of refund. The Slovenian portal is not to be used.

Another difference with the former 8<sup>th</sup> Directive EU VAT refund procedure is that a “certificate of taxable status” issued by the member state of establishment usually will be required by the non- EU country of refund. This form is called “Potrdilo o identifikaciji za namene DDV” in Slovenia.



## Slovenia is the Member State of Refund EU businesses (Directive 2008/09/EC)

*This refers to an EU-established company submitting an EU (former 8<sup>th</sup> Directive) claim in Slovenia.*

Foreign taxable persons registered for VAT purposes in another EU member state must file their refund claims in the member state of establishment via the electronic portal of the relevant member state or according to the relevant legislation.

The refund claim must include the following information:

- General information relating to the claimant and the period for which the refund is requested and in particular:
  - Name and full address of the claimant;
  - Email address of the claimant;
  - Description of the claimant's business activity for which the goods and services have been acquired;
  - The period of refund for which the request is made;
- A statement that, during the refund period, the claimant did not supply goods or services which could be considered to have been supplied in Slovenia, except transactions referred to in point b) of paragraph (1) of article 74 of the Slovenia VAT Act;
- VAT identification number or tax reference number of the claimant; and
- Bank account information including the International Bank Account Number (IBAN) and Bank Identification Code (BIC);
- List of invoices or import documents. Each document can be manually typed and must include the following:
  - Name and full address of the supplier;
  - Slovene VAT number (except for imports) of the supplier;
  - Date and number of the invoice or import document;
  - Taxable basis and the amount of VAT (in EUR), calculated on the invoice or import document (in EUR);
  - The amount of deductible VAT calculated in accordance with the 2) and 3) paragraphs of article 74 and paragraph 2) of Article 74.a of the Slovenia VAT Act (in EUR)
  - Pro rata, if any; and
  - The nature of the goods or services acquired is marked with codes, prescribed by the Rules on the implementation of the Value Added Tax Act.

### Eligibility for refund

A foreign taxable person is entitled to recover Slovene VAT if the following conditions are satisfied in the period for which the refund is requested:

- The claimant is not registered, liable or eligible to be registered for VAT in Slovenia;
- It does not have residence, its seat or a fixed establishment in Slovenia;
- The claimant has not carried out any taxable supplies in Slovenia, except for:

- Certain tax-exempt cross-border transport (and related supporting activities) from/to non-EU countries; or
- Supplies for which the reverse charge mechanism applies;
- A taxable person established in another member state will be entitled to a refund of VAT for which a taxable person established in Slovenia could claim a VAT deduction pursuant to the VAT Act.

### Non-refundable VAT

VAT cannot be recovered for:

- Yachts and boats for sport and amusement, fuel, lubricants, spare parts and closely related services, other than vessels used for the transport of passengers and goods, leasing, renting and resale;
- Aircraft and fuel, lubricants, spare parts and connected services, other than aircraft used for the transport of passengers and goods, leasing, renting and resale;
- Passenger cars and motorcycles, fuels, lubricants, spare parts and services that are closely linked, other than vehicles used for the transport of passengers and goods, leasing, renting and resale, vehicles used in driving schools for the provision of the driver's training and combined vehicles for carrying out an activity of a public line and special line transport, as well as special vehicles exclusively adapted for transport of the deceased persons;
- Accommodation, meals and beverages, unless these costs are incurred by a taxable person on supplies made as part of its economic activity; and
- Entertainment expenses (where entertainment expenses only include the costs of entertainment and amusement during business or social contacts).

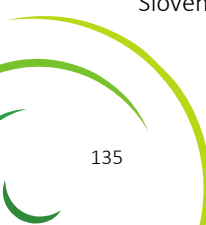
There is however an exception regarding electric vehicles. Namely, VAT can be recovered by a taxable person in respect of passenger cars, motorcycles, bicycles and similar vehicles with an auxiliary motor intended for the pursuit of taxable person's business activities, provided that vehicle is powered by non-carbon dioxide emitting engine and that the value of the vehicle, including VAT and other duties charged, does not exceed EUR 80,000. Similarly rules apply to fuels, lubricants, spare parts and services that are closely linked to respective vehicles.

Further to the above restrictions, VAT also cannot be recovered if:

- VAT was charged incorrectly;
- Was calculated on supplies of goods that are exempt or may be exempt (e.g. intracommunity supplies, export); or
- VAT was charged by a taxable person that, according to the VAT Act, is not allowed to charge VAT on its invoices.

### Partially refundable VAT

There are no expenses for which non-established companies would be allowed only a partial refund of Slovenian VAT.





## Making claims

### Minimum amounts

If the application relates to a period of less than one calendar year but not less than three months, the amount for which application is made may not be less than EUR 400; if the application relates to a period of a calendar year or the remainder of a calendar year, the amount may not be less than EUR 50.

### Time limits

The application must cover a period of not less than three consecutive calendar months (e.g. from 1 January to 31 March) in one calendar year and not more than one calendar year, unless the period represents the remainder of a calendar year (e.g. from 1 November to 31 December).

If a claimant submits one refund claim for the remainder of a calendar year and then receives additional invoices from certain suppliers, it is possible to submit another refund claim in a yearly VAT refund claim for the remainder of the calendar year. The refund application must be submitted to the tax authorities by 30 September following the calendar year in which VAT is charged, at the latest.

### Proxy

A proxy granting authorization to submit a VAT refund claim must be submitted as an attachment to the initial VAT refund claim. It must be submitted via the electronic portal (scanned document) or sent to the tax authorities in hard copy, which must be kept in the records of the tax authorities until its expiry date.

There are no legal requirements for a proxy's format, but the details of the taxable person granting the power of attorney and the authorized representative must be provided in the proxy.

Additionally, the proxy must contain a statement authorizing the proxy holder to represent the claimant in the VAT refund procedure in Slovenia, as well as the period of validity of the proxy, the date and place of the issuance and signatures of both parties. If the claimant authorizes the representative to receive the VAT refund, this must be stated in the proxy. The proxy must be in the Slovene language or if in another language, also translated into Slovene.

### E-Invoicing

E-invoices are regarded as equivalent to hard copy invoices. As such, e-invoices are accepted and are sufficient to claim input VAT via the former 8<sup>th</sup> Directive procedure. The requirements that apply to hard copy invoices also apply to e-invoices, (no special requirements exist for e-invoices).

### Supporting documentation

Copies of invoices or import documentation are mandatory if the taxable basis of the invoice exceeds EUR 1,000 (EUR 250 for fuel invoices).

## Refunds and appeals

The tax authorities must issue a decision on a refund claim within four months of receipt of the claim:

- The authorities can accept the claim and notify the claimant via electronic means;
- The authorities can reject the claim (in whole or in part) and notify the claimant via electronic means; or
- The authorities can request additional information and notify the claimant or the tax authorities of the EU member state of establishment via electronic means. The claimant must provide all requested information within one month of receipt of the request, using the communication means set by the authorities, either in electronic form via email, or in physical form sent by mail. The date of receipt of electronic notification is the fifteenth day after the day the notification was sent.

Queries/decisions will be sent only to the claimant or the authorized person (if so authorized).

The tax authorities must process the VAT refund claim within four months of receipt of the claim. The period in which the authorities must make a decision will be extended by two months from receipt of the additional information if so requested. The maximum period in which the authorities must make a decision is eight months.

If a refund is granted, it will be processed in EUR within ten business days upon expiration of the relevant deadline, i.e. four months, six months or eight months, and paid to the bank account number provided to the authorities.

The bank account can be held by the claimant, a proxy holder or any other person. The refund will be paid to the claimant's account in Slovenia or, at the claimant's request, to an account in a foreign country at his/her own costs.

The Slovene tax authorities will be liable for late payment interest if the refund is not processed in a timely manner.

If only one of the submitted invoices is incorrect or not in compliance with the format requirements, only that part of the refund claim will be rejected.

If the refund is not granted, the grounds for rejection must be stated. An appeal against the denied claim can be made to the tax authorities within thirty days from the date the claimant receives the decision.

The appeal must be submitted in writing. A written appeal is an appeal that is written or printed and personally signed (submission in physical form), or an appeal in electronic form, which is signed with a secure electronic signature with a qualified certificate.

A written appeal normally is handed over directly to the tax authorities, sent by mail/courier or sent by electronic means.

Penalties generally are not imposed on rejected refunds.







In practice, refund claims usually take from six to eight months to be processed.

### Non-EU businesses (13<sup>th</sup> Directive)

*This refers to a non-EU-established company submitting a 13<sup>th</sup> Directive claim in Slovenia.*

### Eligibility for refund

Reciprocity is required. The status of reciprocity can be checked [here](#).

### Non-refundable VAT

VAT cannot be recovered for:

- Yachts and boats for sport and amusement, fuel, lubricants, spare parts and closely related services, other than vessels used for the transport of passengers and goods, leasing, renting and resale;
- Aircraft and fuel, lubricants, spare parts and connected services, other than aircraft used for the transport of passengers and goods, leasing, renting and resale;
- Passenger cars and motorcycles, fuels, lubricants, spare parts and services which are closely linked thereto, other than vehicles used for the transport of passengers and goods, leasing, renting and resale, vehicles used in driving schools for the provision of the driver's training and combined vehicles for carrying out an activity of a public line and special line transport, as well as special vehicles exclusively adapted for the transport of deceased persons;
- Accommodation, meals and beverages, unless these costs are incurred by a taxable person in the course of supplies made as part of their economic activity; and
- Entertainment expenses (where entertainment expenses must only include the costs of entertainment and amusement during business or social contacts).

There is however an exception regarding electric vehicles. Namely, VAT can be recovered by a taxable person in respect of passenger cars, motorcycles, bicycles and similar vehicles with an auxiliary motor intended for the pursuit of taxable person's business activities, provided that vehicle is powered by non-carbon dioxide emitting engine and that the value of the vehicle (including VAT and other duties charged) does not exceed EUR 80,000. Similar rules apply to fuels, lubricants, spare parts and services that are closely linked to respective vehicles.

Further to the above restrictions, VAT cannot be recovered if:

- VAT was charged incorrectly; or
- Was calculated on supplies of goods which are exempt or may be exempt (e.g. intracommunity supplies, export); or
- VAT was charged by a taxable person who, according to the VAT Act, is not allowed to charge VAT on its invoices.

### Partially refundable VAT

There are no expenses for which non-established companies would only be allowed a partial refund of Slovenian VAT.

## Making claims

### Minimum amounts

If the application relates to a period of less than one calendar year but not less than six months, the amount for which application is made may not be less than EUR 400; if the application relates to a period of a calendar year or the remainder of a calendar year, the amount may not be less than EUR 50.

### Time limits

The application must cover a period of not less than six consecutive calendar months (e.g. from 1 January to 30 June) in one calendar year or not more than one calendar year.

However, applications may relate to a period of less than six months where the period represents the remainder of a calendar year (e.g. from 1 November to 31 December). The application can relate to invoices or import documents not covered by previous applications in respect of transactions carried out during that calendar year.

The application must be submitted to the Slovene tax authorities within six months of the end of the calendar year in which the tax became chargeable, i.e. by 30 June of the following year.

### Proxy

A proxy granting authorization to submit a VAT refund claim must be submitted to the tax authorities in a prescribed electronic form via the electronic portal.

If the principal authorizes the authorized representative to receive the VAT refund, this also must be stated in the proxy. The proxy must be in Slovene or if in another language, also translated into Slovene.

If the Slovene tax authorities question the authenticity of the proxy, it may request a certified/notarized proxy. In practice, the tax authorities only request proxies to be notarized where the VAT refund claim exceeds EUR 4,000 and is requested to be paid to an authorized representative.

### Application forms

Non-EU VAT refund claims must be submitted in electronic form. For such submission, a Slovene tax number is required. The claimant must submit Form DR-04 (application for entry of a legal person into the tax register) and Form DR-02 (application for entry of data for natural person in the tax register).

The application must be submitted through the web portal (eDavki) of the Slovenian tax authorities: <https://edavki.durs.si/EdavkiPortal> for which a digital certificate is required. The submission is possible directly through the electronic portal or by an authorized person. This third party may be a non-established company.

A person acting on behalf of a claimant must obtain a tax identification number (applicable to persons established or residing outside Slovenia), identity number in case of a foreign







natural person and a digital certificate that allows access to eDavki.

Additionally, a special authorization form (i.e. proxy) must be completed where a third party is to submit a claim.

The application must be submitted through the web portal eDavki and must be in EUR.

An example of the form in Slovene may be found at: [https://www.uradni-list.si/files/RS\\_-2011-082-03493-OB~P003-0000.PDF/](https://www.uradni-list.si/files/RS_-2011-082-03493-OB~P003-0000.PDF/)

### Supporting documentation

The following documents must be submitted with the application and/or indicated in the form:

- Copies of invoices, import documents or credit notes;
- A confirmation that the claimant has not carried out any taxable activities in Slovenia during the period for which the refund application applies;
- A certificate of VAT status confirming that the claimant is registered for VAT purposes in its country of residence. The certificate must have been issued within the past year; and
- A proxy if a third party submits an application on behalf of the claimant.

The claimant must repay any unduly obtained (refunded) VAT amount.

### E-Invoicing

E-invoices are regarded as equal to hard copy invoices. As such, e-invoices are accepted and are sufficient to claim input VAT via the 13<sup>th</sup> Directive procedure. The requirements that apply to hardcopy invoices also apply to e-invoices, so no special requirements exist for e-invoices.

## Refunds and appeals

The tax authorities must decide on the request within eight months of receipt of the refund claim.

- The authorities can accept the claim and notify the claimant via electronic means;
- The authorities can reject the claim (in whole or in part) and notify the claimant via electronic means; or
- The authorities can request additional information and notify the claimant via electronic means.

Although not explicitly stated in the legislation, the claimant must in practice provide all information within one month of receipt of the request using the means of communication defined by the authorities (usually via electronic communication).

If the communication is carried out via electronic means, notifications can be received via email or notification on the portal.

Decisions will be sent to the claimant or to the authorized person only (if so authorized).

Even if additional information is requested, the period in which the authorities must make a decision cannot be extended since the final deadline is eight months.

A decision on the acceptance or rejection of the refund will be issued. A decision that is not issued in a timely manner will not result in a presumption that the claim has been rejected or accepted.

If the tax authorities grant the refund request, the refund must be paid within ten business days following the expiration of the deadline to process the request (i.e. eight months).

The refund will be paid to the claimant's bank account in Slovenia or at the request of the claimant, to his/her account in another country. The claimant will be responsible for paying any bank transfer costs.

The Slovenian tax authorities will be liable for late payment interest if the refund is not processed in a timely manner.

If only one of the submitted invoices is incorrect or not in compliance with the format requirements, only that part of the refund claim will be rejected.

If the refund is not granted, the grounds for rejection must be stated.

An appeal against the denied claim can be made to the Slovene tax authorities within thirty days from the date of receipt of the decision. A written appeal normally is handed over directly to the tax authorities, or sent by mail/courier or by electronic means.

Penalties generally are not imposed on rejected refund claims. Refund claims generally take about eight months to be processed.





# Spain



Spanish VAT is known as “Impuesto sobre el Valor Añadido” (IVA).

The standard VAT rate is 21%, and there are reduced rates of 10% and 4%. Recently temporary 0% and 5% VAT rates have been also introduced.

The Canary Islands, Ceuta and Melilla are not considered part of the EU for VAT purposes.

An extensive overview of the VAT rates applied in Spain can be found at:

[https://ec.europa.eu/taxation\\_customs/system/files/2021-06/vat\\_rates\\_en.pdf](https://ec.europa.eu/taxation_customs/system/files/2021-06/vat_rates_en.pdf)

## Spain is the Member State of Establishment EU countries (Directive 2008/09/EC)

*This refers to a Spanish-established company submitting an EU (former 8<sup>th</sup> Directive) claim in another EU member state.*

### Procedure

#### Filing

The application must be submitted electronically through the website of the tax authorities of the country in which the claimant is established: <https://sede.agenciatributaria.gob.es/Sede/no-residentes/iva-empresarios-profesionales-no-establecidos/devoluciones-iva-no-establecidos/gestiones-devoluciones-iva-no-establecidos.html> (for companies established in Spain).

The Spanish form 360 must be submitted electronically by the claimant or an authorized person. Electronic submission is possible only through a user certificate issued by the Spanish tax authorities, and only by persons with a Spanish ID number (DNI) or tax identification number (NIE) can obtain a certificate.

When Spain is the member state of establishment, the Spanish tax authorities must issue a confirmation of receipt of a VAT refund claim.

#### IT requirements

Taxpayers registered and established for VAT purposes in Spain must file their refund claims electronically on Form 360.

If the entity is established within the Spanish VAT territory, in the Canary Islands, Ceuta or Melilla, the form can be retrieved via: <https://sede.agenciatributaria.gob.es/Sede/todas-gestiones.html>

The claimant also must satisfy the following conditions:

- Have a Spanish identification number;
- Have an electronic certificate issued by the Fabrica Nacional de Moneda y Timbre (Spanish mint); and
- Be registered in the Safe Electronic Notifications Service to receive electronic notifications from the tax authorities.

The electronic form is divided into two main sections:

- General information relating to the claimant, the period for which the refund is requested and bank details for the payment of the refund; and
- Annexes: scanned invoices/annexes can be uploaded provided the files are in PDF or TIFF format and the maximum size is 5 MB. Black and white / Image resolution higher than 200 dpi is preferred.

The form can be uploaded, thus avoiding the need to manually input the data on a line-by-line basis. In such case, only the TXT format is allowed.

If the application does not meet all the requirements, the authorities must inform the claimant that it will not be forwarded to the member state where the VAT was incurred. A claim may be rejected for any of the following reasons:

- The claimant does not have the status of a business or a professional acting as such;
- The claimant only carried out transactions that are not eligible for a full tax deduction; or
- The claimant carries out taxable activities under the special agriculture, livestock breeding and fishing schemes or an equivalent scheme.



In principle, there is no limit on the number of invoices that can be uploaded in a refund claim or per year. The company will be able to upload all invoices up to the 5 MB limit. If the file size exceeds this limit, the invoices must be detailed on page 2 of the form and only invoices with the highest value will be attached.

Electronic copies of the invoices must be attached using a separate process.

### Non-EU countries (13<sup>th</sup> Directive equivalent)

*This refers to a Spanish-established company submitting a non-EU (13<sup>th</sup> Directive equivalent) claim in a non-EU country.*

The refund application for a Spanish-established company claiming input VAT in a non-EU country must be submitted according to the requirements of the country of refund. The Spanish portal may not be used.

Another difference with the former 8<sup>th</sup> Directive EU VAT refund procedure is that a “certificate of taxable status” issued by the member state of establishment usually will be required by the non-EU country of refund. This form is called certificado de condición de sujeto pasivo de IVA in Spain.

### Spain is the Member State of Refund

#### EU businesses (Directive 2008/09/EC)

*This refers to an EU-established company submitting an EU (former 8<sup>th</sup> Directive) claim in Spain.*

#### Eligibility for refund

A foreign taxable person is entitled to recover Spanish VAT if the following conditions are satisfied:

- The claimant does not have residence, a seat or a fixed establishment in Spain from which it carries out taxable transactions; or it has a fixed establishment in Spain but it is not involved in the transactions carried out within the VAT territory and;
- It has not carried out any taxable transactions in Spain, except for:
  - Certain tax-exempt cross-border transport from/to non-EU countries; or
  - Supplies for which the reverse charge mechanism applies;
  - Allocate the goods or services acquired to the performance of transactions entitling the taxable persons to deduct the input VAT pursuant to the current legislation in the member states where they are established and according to the applicable deduction percentage in such state.

#### Non-refundable VAT

VAT cannot be recovered on:

- Entertainment expenses;
- Food and drinks and tobacco;

- Goods and services considered as gifts to employees, clients or third parties (as attentions to them); and
- Jewels and precious stones.

VAT on accommodation, restaurant and travel expenses will be refundable only to the extent the expenses are deductible for personal and corporate income tax purposes. VAT incurred on car rentals and fuel, in principle, will be fully refundable if the car is exclusively used for business activities.

#### Partially refundable VAT

For specific transactions, such as the acquisition of vehicles and related costs (e.g. fuel), only a partial refund of VAT is possible. A partial refund of VAT on car purchases, car imports and car leases will be possible, but only if the car can be considered an investment good for Spanish VAT purposes (i.e. it is used for at least one year within the company and its acquisition value exceeds EUR 3,000), and the vehicle is used only for business purposes (there is a 50% VAT deduction limit under Spanish VAT law). However, this limit on the deduction right may be refuted by evidence that the vehicle is more than 50% used for business purposes.

#### Making claims

##### Minimum amounts

If the application refers to a period less of a calendar year but not less to a calendar quarter, the amount for which application is made may not be less than EUR 400; if the application relates to a period of a calendar year or the remainder of a calendar year, it may not be less than EUR 50.

##### Time limits

The application must cover a period of not less than a calendar quarter (e.g. from 1 January to 31 March) in one calendar year and not more than one calendar year, unless the period represents the remainder of a calendar year (e.g. from 1 November to 31 December). The application can relate to invoices or import documents not covered by previous applications in respect of transactions carried out during that calendar year.

If the claimant has submitted a refund claim and subsequently receives additional invoices, the claimant must cancel the previously submitted claim through the website of the country or residence and create a new claim including all invoices. If the foreign website does not allow cancellation of the initial claim, the Spanish tax authorities recommend that the claimant file a writ explaining that, due to extraordinary circumstances, it was unable to cancel the claim.

In addition, a new claim may be filed to include new transactions not reported in the previous claim. The refund claim must be submitted by the relevant deadline.





The application (quarterly or annual) must be submitted to the Spanish tax authorities within nine months of the end of the calendar year in which the tax became chargeable, i.e. by 30 September of the following year. The deadline cannot be extended.

#### Follow up on submitted claims

When Spain is the member state of refund, the Spanish tax authorities may request a third-party service provider to prove its authorization to follow up on the status of a refund claim.

#### Proxy

A proxy will be required if a third party is to follow up on the procedure.

In principle, it is possible to provide the Spanish tax authorities with the relevant authorization at the time the refund claim is submitted or when the third party asks for additional information on the refund claim by electronic means. The authorization must be drafted in Spanish.

#### Supporting documentation

According to EU Directive 2008/9/CE, the Spanish tax authorities can request that the taxpayer claiming the VAT refund submit an electronic copy of an invoice where the taxable basis on the invoice or import document is at least EUR 1,000 (EUR 250 where the invoice relates to fuel costs). The serial number used in the application form must be mentioned on the documents.

The Spanish tax authorities may request additional documents/information from the claimant, third parties or the tax authorities where the claimant is established (e.g. authorization document from the foreign taxpayer stating that payment may be granted to a third party).

The Spanish tax authorities also should notify the claimant (by email) about any other communications that the member state of refund may send through the Spanish authorities.

#### E-Invoicing

E-invoices generally are accepted if they are submitted in a permissible format, i.e. PDF or TIFF. The person submitting the application must ensure that the image is accurate and complete.

### Refunds and appeals

The Spanish tax authorities must issue a decision on a refund claim within four months of receipt of the claim:

- The authorities can accept the claim and notify the claimant via electronic means;
- The authorities can reject the claim (in whole or in part) and notify the claimant via registered mail; or
- The authorities can request additional information and notify the claimant via electronic means. The claimant must be able to provide all additional information requested by the authorities (e.g. copy of invoices, contracts, etc.) electronically.

In practice and to obtain a receipt of the relevant submission, the Spanish tax authorities recommend the submission of a hard copy or that the claimant uses a valid electronic certificate.

The claimant will be notified via electronic means if it is required by law to set up an electronic address; otherwise, the decision will be notified by mail.

- If the claimant has not appointed a representative, the decision will be sent directly to the claimant;
- If the claimant operates through an agent, the decision will be sent to the agent;
- The notification will not be sent to both the claimant and the agent.

The period in which the authorities must make a decision will be extended to six months where additional information is requested, or eight months where the authorities request additional information after a first request.

If a refund is granted, it will be processed within ten business days after the relevant period and paid to the bank account number provided to the authorities (in EUR). The bank account holder must be the claimant or a filing party with a power of attorney specifically authorizing him/her to receive the refund. If the claimant has not provided a Spanish bank account number, costs arising from the bank transfer will reduce the amount of the refund. The Spanish tax authorities only process VAT refunds to bank accounts registered under the SEPA agreement.

The Spanish tax authorities will be liable for late payment interest if the refund is not processed in a timely manner.

If only one invoice does not comply with all requirements, only that part of the refund request will be rejected.

The most common reason for rejecting a VAT refund claim is failure to comply with the relevant formalities.

If the refund is not granted, the grounds for rejection must be stated. An appeal against a denied claim can be made to the Spanish tax authorities within thirty days of receipt of the notification (tax assessment). If the appeal is not successful, the claimant can initiate proceedings before the administrative regional court.

### Non-EU businesses (13<sup>th</sup> Directive)

*This refers to a non-EU-established company submitting a 13<sup>th</sup> Directive claim in Spain.*

#### Eligibility for refund

A non-EU business must appoint a fiscal representative established within the Spanish VAT territory to submit the refund claim and who will be jointly and severally liable if an undue refund is paid and therefore the Authorities may request such fiscal representative sufficient guarantee for these purposes. The representative must have a notarized and sealed (with The Hague apostille) power of attorney.





A Spanish Tax ID is required to submit VAT refund requests.

A reciprocity agreement between the countries is required. Spain has concluded reciprocity agreements with Canada (limited), Israel (limited), Japan, Monaco, Norway (limited), Switzerland (limited) and UK.

As a rule, reciprocity is required, but there may be some exceptions (i.e. supply of molds, services related to the organization of a business/professional event/fair).

There is no need of reciprocity agreement for those entrepreneurs or professionals not established in the Community who avail themselves of the special regimes applicable in relation to the e-commerce.

### Non-refundable VAT

VAT cannot be recovered on:

- Entertainment expenses;
- Food and drinks, and tobacco;
- Goods and services considered as gifts to employees, clients or third parties (as attentions to them); and
- Jewels and precious stones.

VAT on accommodation, restaurant and travel expenses will only be refundable to the extent the expenses are deductible for personal and corporate income tax purposes.

The VAT refund procedure under the 13<sup>th</sup> Directive is extended to countries, where no reciprocity agreement exists for the following imports and acquisitions of goods and services:

- Hotel, restaurant and transport services, related to fairs and conferences, carried out in the Spanish VAT territory;
- The supply of molds and equipment acquired or imported into the Spanish VAT territory by a non-established entrepreneur, to be made available to an established entrepreneur for use in the manufacturing of goods that are to be dispatched or transported outside the EU for the non-established entrepreneur if, at the end of the manufacturing of the goods, the molds and equipment are exported to the non-established entrepreneur or destroyed.

VAT incurred on car rentals and fuel, in principle, will be fully refundable only if the car is exclusively used for business activities. If not, a partial refund of VAT on car purchases, car imports and car leases will be possible, but only if the car can be considered an investment good for Spanish VAT purposes (i.e. it is used for at least one year within the company and its acquisition value exceeds EUR 3,000), and only to the extent the vehicle is used for business purposes (in principle, there is a 50% VAT deduction limit under Spanish VAT Law).

However, this limit of the deduction right may be refuted by evidence that the vehicle is more than 50% used for business purposes.

## Making claims

### Minimum amounts

If the application refers to a period less of a calendar year but not less to a calendar quarter, the amount for which application is made may not be less than EUR 400; if the application relates to a period of a calendar year or the remainder of a calendar year, it may not be less than EUR 50.

### Time limits

The application must cover a period of not less than a calendar year (e.g. from 1 January to 31 March) in one calendar year and not more than one calendar year, unless the period represents the remainder of a calendar year (e.g. from 1 November to 31 December).

The application can relate to invoices or import documents not covered by previous applications in respect of transactions carried out during that calendar year.

The application (quarterly or annual) must be submitted to the Spanish tax authorities within nine months of the end of the calendar year in which the tax became chargeable, i.e. by 30 September of the following year. The deadline cannot be extended.

### Proxy

A non-EU business must appoint a fiscal representative established within the Spanish VAT territory to submit the refund claim and who will be jointly and severally liable if an undue refund is paid. The representative must have a notarized and sealed (with The Hague apostille) power of attorney.

As of July 1 2024, it is required that in case of a first application filed by a representative on behalf of an applicant or when the power of attorney previously provided is not in force, the refund request must necessarily be accompanied by a valid power of attorney, granted prior to the filing of the refund application. If it is not provided, the refund request will not be considered to have been filed.

### Application form

The application is made on Form 361, available on the website of the Spanish authorities see here: <https://sede.agenciatributaria.gob.es/>. It must be filed electronically.

Electronic access can be requested by a representative established in the Spanish VAT territory.

### Supporting documentation

The following documents must be submitted with each application:

- A statement by the claimant or its tax representative confirming that the claimant does not carry out taxable supplies within the Spanish VAT territory, except for:
  - Certain tax-exempt cross-border transport from/to non-EU countries;
  - Supplies for which the reverse charge mechanism applies;







- If the claimant has a fixed establishment in Spain, it must inform the authorities that it is not engaging in any VAT-taxable activities in Spain;
- A commitment by the claimant or its representative to repay any undue VAT amounts received;
- An original certificate issued by the tax authorities of the country in which the claimant is established showing that the claimant carries out taxable transactions in that country and As of 1 July 2024, the refund request must also be accompanied by invoices or import documents when the taxable amount stated in each of them exceeds the amount of EUR 1,000 in general or EUR 250 in the case of fuel.

### E-Invoicing

There is no specific procedure to reclaim VAT under Directive 2008/09/EC or the 13<sup>th</sup> Directive on the basis of e-invoices. However, e-invoices provided in electronic format generally are accepted to reclaim input VAT.

### Refunds and appeals

The Spanish tax authorities must issue a decision on the VAT refund claim within four months from receipt of the claim. The period in which the authorities must issue a decision will be extended to six or eight months depending on whether additional information is requested.

It is standard practice for the authorities to initiate a limited VAT verification to confirm the root of the VAT refund requested.

The decision will be issued directly to the Spanish notification address of the agent. The claimant must be able to electronically provide all additional information requested by the tax authorities (e.g. copy of invoices, contracts, etc.). However, the authorities recommend that a hard copy be submitted, or a valid electronic certificate used.

If a refund is granted, it will be processed within ten business days after the relevant period and paid to the bank account number provided to the authorities. The tax authorities will issue a VAT refund only to a bank account registered under the SEPA agreement.

The Spanish tax authorities will be liable for late payment interest if the refund is not processed in a timely manner.

If only one invoice does not comply with all requirements, in principle, only that portion of the refund of VAT claim will be rejected, and if a query on a specific invoice is not answered, only the related VAT amount will not be refunded. However, if no answer is provided to a notification issued by the tax authorities, the entire VAT refund will be rejected.

The most common reason for a VAT refund claim to be rejected is failure to comply with formalities.

If the refund claim is rejected, the claimant may file an appeal within one month after the notification of the decision.

A refund claim typically will be processed within six to eight months.





# Sweden



Swedish VAT is known as “mervärdesskatt” or “moms”.

The standard VAT rate is 25%, and there are reduced rates of 12%, 6% and 0%.

An extensive overview of the VAT rates applied in Sweden can be found at: [Taxes in Europe Database v3 \(europa.eu\)](https://europa.eu/taxation-customs/etd/vat-rates)

It is not necessary to appoint a Swedish fiscal representative to claim a VAT refund under Directive 2008/9/EC or the 13<sup>th</sup> Directive.

## Sweden is the Member State of Establishment EU countries (Directive 2008/09/EC)

*This refers to a Swedish-established company submitting an EU (former 8<sup>th</sup> Directive) claim in another EU member state.*

### Procedure

#### Filing

The application must be submitted electronically through the portal of the tax authorities of the country in which the claimant is established ([Momsåterbetalning inom EU | Skatteverket](#) for Swedish taxpayers). The request must be submitted by an authorized person, who must have a Swedish e-identification or a foreign eIDAS.

When Sweden is the member state of establishment, the Swedish authorities will issue a confirmation that the refund claim has been received and forwarded to the member state of refund.

#### IT requirements

Swedish taxpayers that are registered for VAT purposes must file their refund claims electronically using the web service of the Swedish tax authorities.

Access is granted by using a Swedish e-identification or a similar foreign e-identification under the eIDAS cooperation. The claimant must have a Swedish personal identification number to obtain a Swedish e-identification. Agents established outside Sweden that cannot use a Swedish e-identification or from a member state that has not joined the eIDAS cooperation yet can be granted a dedicated electronic certificate issued by the Swedish tax authorities. For EU refund claims, the Swedish claimant must submit Form SKV 4862, under which it appoints a foreign representative to act on its behalf, or Form 4852 for Swedish agents.

The preparation and filing of the refund claim must be done through the tax authorities' website, either on a line-by-line basis or by uploading an electronic file. Supplementary documents can be uploaded if required by the member state of refund.

The electronic refund claim form is divided into the following sections:

- General information relating to the claimant, the country and period for which the claim is made;
- Information on the representative, if applicable;
- Information on the business of the claimant, including the NACE code and bank information for the repayment;
- Specification of invoices, including invoice numbers and VAT amount;
- Upload of invoices if required by the recipient country, considering the following restrictions:
  - File types accepted: JPG/JPEG, PDF, TIFF or zip;
  - Maximum file size: 5MB; and
  - Standard scanning preference: Black and white/maximum 200 dpi.
- Description of the content of each uploaded file.

Automatic upload to the portal is possible. No specific software is required but the uploaded file must meet the above requirements.

There is no limit on the number of invoices that can be included in a refund claim or per year if registered manually. However, each file can only contain up to 8,000 items.



## Non-EU countries (13<sup>th</sup> Directive equivalent)

*This refers to a Swedish-established company submitting a non-EU (13<sup>th</sup> Directive equivalent) claim in a non-EU country.*

The refund application for a Swedish-established company claiming input VAT in a non-EU country must be submitted according to the requirements of the country of refund. The Swedish portal may not be used.

Another difference with the former 8<sup>th</sup> Directive EU VAT refund procedure is that a “certificate of taxable status” issued by the member state of establishment usually will be required by the non-EU country of refund. This form is called “Registreringsbevis” in Sweden.

## Sweden is the Member State of Refund EU businesses (Directive 2008/09/EC)

*This refers to an EU-established company submitting an EU (former 8<sup>th</sup> Directive) claim in Sweden.*

### Eligibility for refund

A taxable person established in another EU member state may submit an electronic VAT refund claim if the following conditions are satisfied:

- During the refund period, the taxable person did not have the seat of his/her economic activities in Sweden or a fixed establishment in Sweden from which business transactions were performed, or, if no such seat or fixed establishment existed, his/ her domicile or normal place of residence in Sweden; and
- During the refund period, it has not supplied any goods or services deemed to have been supplied in Sweden, except for:
  - Certain tax-exempt cross-border transport services and services ancillary thereto, from/to non-EU countries;
  - Supplies for which the reverse charge mechanism applies except for gold, emission allowances, scrap metals, mobile phones, integrated circuits, game consoles, tablet PC's and laptops;
  - Electronically provided services where the taxable person has opted for application of the special regime under article 369a-369x of the VAT directive for non-established taxable persons supplying electronic services to non-taxable persons.

Recovery of input VAT should be made through a local Swedish VAT return if the taxable person is registered for VAT purposes in Sweden.

### Non-refundable VAT

VAT cannot be recovered on:

- Permanent accommodation;
- Travel services for which TOMS applies. Refunds are not given to a travel agency for goods and services that have directly benefited the traveller;

- Unreasonable entertainment costs, including food and drinks to the extent the cost excluding VAT exceeds SEK 300 per person; and
- Purchase of motor vehicles (refundable if intended to be sold or leased, used for passenger transport, driving license education and transport of deceased persons);
- Goods and services which do give rise to a right of deduction in the Member State of establishment.

### Partially refundable VAT

- Car rentals (which are 50% refundable); and,
- Reasonable entertainment costs, including food and drinks to the extent the cost excluding VAT does not exceed SEK 300 per person.

### Making claims

#### Minimum amounts

If the application relates to a period of less than one calendar year but not less than three months, the amount for which application is made may not be less than SEK 4,000 (approximately EUR 360); if the application relates to a period of a calendar year or the remainder of a calendar year, the amount may not be less than SEK 500 (approximately EUR 45).

#### Time limits

The application must cover a period of not less than three consecutive calendar months (e.g. from 1 January to 31 March) in one calendar year and not more than one calendar year, unless the period represents the remainder of a calendar year (e.g. from 1 November to 31 December). The application can relate to invoices or import documents not covered by previous applications in respect of transactions carried out during that calendar year.

Once a claimant submits a refund claim for a certain period, it is not possible to submit another claim for that period. However, additional invoices received may be included in a future claim. When using the web service of the Swedish tax authorities, invoices can be registered without submitting a claim. The data remains available for ninety days and the claimant may add other invoices to the claim during this time.

#### Follow up on submitted claims

The application must be submitted to the local tax authority where the taxable person is established within nine months from the end of the calendar year in which the tax became chargeable, i.e. by 30 September of the following year.

When Sweden is the member state of refund, the Swedish authorities will not request a third-party service provider to prove its authorization.

#### Proxy

The Swedish tax authorities will not require a proxy when Sweden is the member state of refund. This must be handled by the member state of establishment.





### Supporting documentation

From a Swedish perspective, no invoice copies are required for the application, but the Swedish authorities can request invoices or additional documents/information if they have questions.

### E-Invoicing

E-invoices generally are accepted. There are no specific requirements besides the general Swedish invoice requirements.

### Refunds and appeals

The Swedish tax authorities must issue a decision on a refund claim within four months of receipt of the claim:

- The authorities can accept the claim and notify the claimant via electronic means;
- The authorities can reject the claim (in whole or in part) and notify the claimant via electronic means; or
- The authorities can request additional information from the claimant, from the authorities in the member state of establishment or from someone else, via electronic means. The information must be provided within one month of receipt of the request. Email responses generally are accepted, although the tax authorities may request the original invoices and, in that case, the information must be sent by regular mail.

The decision or request for additional information will be sent to the email address stated on the application (claimant or agent).

Where additional information is requested, the period in which the authorities must make a decision will be extended to two months from the date the additional information is received (the authorities have six months to make a decision starting from the day the application is received), or eight months (if the authorities request additional information after the first request).

If the authorities do not issue a decision in a timely manner, the refund claim will be deemed to be rejected.

If a refund is granted, it will be made in SEK within ten business days after the relevant period and paid to the bank account number provided to the authorities. This bank account can be held by the claimant, a proxy holder or any other person. Payments can be made to bank accounts in other EU member states. If a payment is made to an account in another EU member state, bank fees will be deducted from the payable amount. The Swedish tax authorities may pay a refund to a bank account in a third country (outside the EU) but they are not (legally) obliged to do so.

The Swedish tax authorities will be liable for late payment interest if the refund payment is not processed in a timely manner.

In practice, the Swedish tax authorities will reject the refund claim where they consider that the claimant has a fixed establishment in Sweden from which business transactions were performed. If the refund is not granted, the grounds for rejection must be stated. A partial refund claim also can be granted, i.e. one or more invoices/ costs included in the claim may be rejected.

The Swedish tax authorities will normally not impose tax penalties if a refund claim is rejected. If the application is rejected because of incorrect information from the claimant and this is not evident from the application, a tax penalty may however be imposed. An appeal against the denied claim may be made to the authorities before the end of the sixth year from the calendar year to which the application relates. If the appeal is not successful, the claimant can initiate proceedings before the County Administrative Court before the end of the sixth year from the calendar year to which the application relates. If the tax authorities' decision is issued after 30 June the sixth year and received after the end of October the same year, the time limit to appeal to court is extended to two months from receipt of the decision. A written appeal must always be sent to the tax authorities even if appealed to the County Administrative Court. An emailed copy of the appeal may be accepted but it is recommended that the appeal be in hard copy and sent by regular mail.

The VAT refund process generally takes one to three months.

### Non-EU businesses (13<sup>th</sup> Directive)

*This refers to a non-EU-established company submitting a 13<sup>th</sup> Directive claim in Sweden.*

### Eligibility for refund

Sweden does not apply the principle of reciprocity. Businesses from any country of establishment can submit a VAT refund claim in Sweden.

### Non-refundable VAT

VAT cannot be recovered on:

- Permanent accommodation;
- Travel services for which TOMS applies. Refunds are not given to a travel agency for goods and services that have directly benefited the traveler;
- Unreasonable entertainment costs, including food and drinks to the extent the cost excluding VAT exceeds SEK 300 per person; and
- Purchase of motor vehicles (refundable if intended to be sold or leased, used for passenger transport, driving license education and transport of deceased persons).

### Partially refundable VAT

- Car rentals (these are 50% refundable); and
- Reasonable entertainment costs, including food and drinks to the extent the cost excluding VAT does not exceed SEK 300 per person.







## Making claims

### Minimum amounts

If the application relates to a period of less than one calendar year but not less than three months, the amount for which application is made may not be less than SEK 4,000; if the application relates to a period of a calendar year or the remainder of a calendar year, the amount may not be less than SEK 500.

### Time limits

The application must cover a period of not less than three consecutive calendar months (e.g. from 1 January to 31 March) in one calendar year and not more than one calendar year, unless the period represents the remainder of a calendar year (e.g. from 1 November to 31 December).

The application can relate to invoices or import documents not covered by previous applications in respect of transactions carried out during that calendar year.

The application must be submitted to the Swedish tax authorities within six months from the end of the calendar year in which the tax became chargeable, i.e. by 30 June of the following year.

### Proxy

If the claim is filed by an agent, a proxy must be provided with the refund application. An original of the proxy must be provided.

### Application forms

The application must be made on Form SKV 5801 issued by the Swedish tax authorities. The application must be completed in Swedish or English and all amounts must be shown in SEK. If the amount must be recalculated in SEK, the exchange rate applicable on the date of delivery must be used. However, if the invoicing was made near the time of delivery, the exchange rate on the invoicing date may be used.

It is preferable to have the form printed in the same language as used in the application.

All invoices must be mentioned in an attachment to the application. An excel spreadsheet may be used to provide an overview of the claimed amounts, and if an invoice refers to underlying invoices, those documents also must be attached.

The application must be signed by a person who is legally entitled to represent the company; if the claimant uses a representative, a proxy must be provided with the application.

Claimants must send the form and supporting documents to:

Skatteverket  
Utlandsenheten  
SE-205 31 Malmö  
Sweden  
T: +46 77 15 67 567

When using delivery services, the address is:

Skatteverket  
Hjalmar Gullbergsgatan 1  
SE-211 49 Malmö  
Sweden

The form is available on:

<https://www.skatteverket.se/foretagochorganisationer/sjalvservice/blanketterbroschyrer/blanketter/info/5801.4.39f16f103821c58f680007004.html?q=5801>

### Supporting documentation

The following documents must be submitted with each application:

- Original invoices, import documents or credit notes (copies are not accepted). The serial number as used in the application form must be included on the documents;
- A certificate issued by the tax authorities of the claimant's home country stating that the claimant is a taxable person. The certificate must not be older than twelve months;
- Other documents that are necessary to assess whether the claimant is entitled to a refund; and
- A power of attorney if a third party submits the claim on behalf of the claimant.

### E-Invoicing

E-invoices are accepted to claim a refund. However, for practical reasons, a hard copy of the e-invoice should be submitted.

## Refunds and appeals

The tax authorities must issue a decision within six months of receipt of the complete refund claim. The decision will be sent to the claimant. If the refund is granted, payment will be made to the bank account stated on the application (this may be a foreign bank account). If the refund is rejected, the grounds for rejection must be stated.

An appeal against the denied claim may be made to the authorities before the end of the second year from the calendar year to which the application relates. A written appeal must be sent to the tax authorities; an emailed copy may be accepted but a hard copy is recommended. If the appeal is not successful, the claimant can initiate proceedings before the County Administrative Court within two months of receipt.

Even if additional information is requested, the time limit to decide on the refund will not be extended.

There is no implicit rejection or acceptance of the refund claim if the decision or the request for additional information are not issued in due time.

The Swedish tax authorities will not be liable for late payment interest if the refund is not processed in a timely manner.

A refund claim can be partially granted, i.e. one or more invoices/ costs included in the claim are rejected.







The Swedish authorities will normally not impose penalties for refund claims, e.g. if a refund claim is rejected. If the application is rejected because of incorrect information from the claimant and this is not evident from the application, a penalty may however be imposed.

Processing a refund generally takes one to three months.





# Switzerland



Swiss VAT is known as “Mehrwertsteuer (MWST),” “Taxe sur la Valeur Ajoutée (TVA)” and “Imposta sul Valore Aggiunto (IVA).”

In 2023, the standard VAT rate is 7.7% and there are reduced rates of 3.7% and 2.5%.

As from January 2024, the standard VAT rate is 8.1% and there are reduced rates of 3.8% and 2.6%.

A Swiss-established fiscal representative must be appointed for a business to apply for a VAT refund.

## Switzerland is the State of Establishment

### 13<sup>th</sup> Directive

*This refers to a Swiss-established company, submitting a 13<sup>th</sup> Directive claim in an EU country.*

The refund application for a Swiss-established company claiming input VAT in an EU member state must be submitted according to the requirements of the country of refund. VAT refund reciprocity rules (that allow Swiss-established companies to submit a VAT refund claim) must be verified with the member state of refund.

An original “certificate of taxable status” issued by the Swiss Federal Tax Administration (FTA) (“Eidgenössische Steuerverwaltung ESTV” in German, “Administration fédérale des contributions AFC” in French and “Amministrazione federale delle contribuzioni AFC” in Italian) must be provided to the EU member state of refund.

This certificate is called “Bestätigung der Eintragungsbestätigung als MWST-Pflichtige (Unternehmerbescheinigung)” in German, “Attestation de l’immatriculation comme assujetti TVA” in French and “Attestazione d’iscrizione quale contribuente IVA” in Italian.

## Switzerland is the State of VAT Refund 13<sup>th</sup> Directive equivalent legislation in Switzerland

Since Switzerland is not part of the EU, EU Directive 2008/09/EC and the 13th Directive are not applicable to foreign companies requesting a VAT refund in Switzerland.

However, it is possible to reclaim VAT in Switzerland for foreign- companies via “13th Directive-equivalent legislation”.

### Eligibility for VAT refund

Foreign companies (whether or not located within the EU) that pay VAT on the supply of goods and/or services made to them in Switzerland by Swiss-registered persons and that have been invoiced according to the regulations for these supplies or services and use the supplies or services for business purposes (according to the Swiss VAT Law) generally may be entitled to benefit from the VAT refund procedure.

The claimant must be resident or domiciled abroad, not be VAT registered in the Swiss territory and not supply goods or services within the Swiss territory.

The right to file a Swiss VAT refund claim remains even if the foreign business supplies goods and services within the Swiss territory, provided that it does not waive its relief from Swiss VAT registration and its supplies within the Swiss territory consist exclusively of:

- VAT exempt supplies with credit operations referred to in Article 23 of the Swiss VAT Law (e.g. export of goods, cross-border transport of goods or related services, maintenance of qualifying aircraft, etc.);
- Services located in Switzerland based on the beneficiary principle of Article 8 paragraph 1 of the VAT Law (main rule services subject to the reverse charge, except for B2C e-services for which VAT registration is mandatory);
- Supplies of electricity transported by cables, gas transported via a natural gas distribution network or heating produced remotely to taxpayers in the Swiss territory.

The right to claim reimbursement also remains when the taxable person distributes, free of cost, pamphlets or advertising items in relation with its own products, or executes, as a warrantor, warranty operations on its own products.



The claimant must provide evidence of VAT registration (i.e. a certificate of business proving its status as a taxable person) in the country in which it is resident or has its business, as well as evidence (at the request of the FTA) that the invoices on which its claim is based effectively have been paid.

A Swiss VAT refund claim is possible only if the applicant's country of establishment or domicile grants reciprocity with Switzerland. If reciprocity is available, and the applicant's country has a VAT regime, the certificate of business status must:

- Confirm that the applicant was locally registered for VAT during the period for which the VAT refund is claimed; or
- Indicate the date from which the applicant is locally registered for VAT.

If reciprocity is granted and the applicant's country does not have a VAT regime, the certificate must:

- Confirm the applicant's status as a business during the period for which the VAT refund is requested; or
- Indicate the date from which the applicant has the status of a business.

Reciprocity exists with the following countries as from refund year 2024 (for 2023 invoices) : Australia, Austria (no VAT refunds on fuel), Bahrain, Belgium, Bermuda, Bulgaria, Canada (VAT refunds will only be granted for input VAT on accommodation services up to thirty days, exhibition costs and attendance at unofficial international conferences, seminars, etc.), Croatia, Cyprus, Czech Republic (no VAT refunds on fuel, travel costs, phone taxes and taxi costs), Denmark (partial VAT refunds on food and drinks), Estonia, Finland, France, Germany (no refund for input VAT on fuel and travel costs on a per diem basis), Greece, Hong Kong, Hungary, Ireland, Island, Israel (various supplies are zero rated), Italy, Japan, Latvia, Lithuania, Luxembourg, Macedonia, Malta, Monaco, Netherlands, Norway, Poland, Portugal, Romania, Saudi Arabia, Serbia, Slovakia, Slovenia, Spain, Sweden, Taiwan, the UAE, the UK (no reciprocity exists with Jersey, Guernsey and the other Anglo-Norman Islands, i.e. Alderley, Herm and Sark), the US, Turkey (a VAT refund will only be granted for input VAT on transport services, fuel and services related to the attendance to exhibitions and fairs).

The applicant, whose registered office is located in a state not included in the list of states above, has the possibility to prove to the SFTA that the conditions for granting reciprocity are nevertheless met according to Art.152 paragraph 1 of the VAT Act.

### Non-refundable VAT

A refund will not be granted for VAT incurred on, amongst other things:

- Supplies of goods and services not used for business purposes;

- Foreign travel agencies on deliveries and services refunded if such costs are re-invoiced to their customers;
- Incorrectly completed invoices or cash receipts;
- Proof of payment is missing (to be provided upon request); and
- Exempt or zero-rated transactions and transactions that are outside the scope of a supply.

VAT will not be refunded to residents of countries that do not have a VAT refund reciprocity agreement with Switzerland. Wrongly invoiced Swiss VAT will not be refunded, and no refund will be issued if proof of payment is missing.

VAT will not be refunded to non-established companies that only carry out VAT-exempt supplies without credit, according to article 21, paragraph 2 of the Swiss VAT Law.

### Partially refundable VAT

There are some expenses for which non-established companies will be allowed only a partial refund of Swiss VAT. This depends on the relevant VAT refund reciprocity rules and the applicable Swiss VAT rules and must be analyzed on a country-by-country basis.

### Making claims

#### Minimum amounts

The minimum VAT amount per year for a refund is CHF 500; a refund will not be issued for a total amount less than CHF 500.

#### Time limits

A VAT refund application must be made for the calendar year within six months after the year in which the supply was invoiced, i.e. by 30 June of the following year.

A claimant may submit only one refund claim per year. Late claims will not be accepted and the deadline will not be extended. The postmark date is used as the date of submission.

If a foreign company registers for Swiss VAT, the relevant period for the refund claim ends on the date of VAT registration. The VAT refund application related to this period may be submitted to the authorities at the same time as the first VAT return. Alternatively, the FTA also allows the VAT refund claim to be submitted within the usual deadlines (i.e. by 30 June of the following year).

#### Proxy

The fiscal representative, which must be established in Switzerland (and can be an individual or a company), must file the VAT refund application form (Form 1222) together with an invoice summary (Form 1223) and demonstrate its status with a power of attorney included in Form 1222. Form 1222 must be signed by both the claimant and its Swiss representative. As the proxy is part of the application for refund, it cannot be submitted separately.

Electronic filing is not possible in Switzerland. No special notarization of the forms is required.





The application forms are available in German, French or Italian. A Swiss-established fiscal representative must be appointed by an EU/non-EU-established company submitting a VAT refund claim in Switzerland.

Only a Swiss-established fiscal representative can be appointed as an agent for the submission and for the follow-up of Swiss VAT refunds.

A new proxy is needed for each refund claim for each calendar year (Form 1222).

### Application forms

The VAT refund claim must be sent by registered mail to the following address:

Administration fédérale des contributions  
Division principale de la taxe sur la valeur ajoutée  
Schwarztorstrasse 50  
CH-3003 Berne

If supplies have been purchased both in Switzerland and in the Principality of Liechtenstein, separate VAT refund claims must be made for each country. The forms for a Liechtenstein VAT refund can be found at <https://www.llv.li/inhalt/11610/amtsstellen/steuerverwaltung> and must be mailed to the following address:

Liechtensteinische Steuerverwaltung  
Postfach 684  
9490 Vaduz

A Liechtenstein-domiciled fiscal representative must be appointed to obtain a refund of Liechtenstein VAT.

The Swiss VAT refund application is made on Forms 1222 and 1223 issued by the FTA (EU forms will not be accepted). The forms must be completed in German, French or Italian and in capital letters.

Forms can be obtained at:

<https://www.estv.admin.ch/estv/fr/accueil/taxe-sur-la-valeur-ajoutee/decompter-tva/formulaires-tva.html>

An original of the application form (Form 1222) must be submitted, and it must be stamped, dated and signed by the claimant and its Swiss fiscal representative.

A person entitled to sign on behalf of the claimant must sign the Swiss VAT refund application form.

Since the refund application must be filed in Swiss francs (CHF), invoices issued in a foreign currency must be converted into CHF using the monthly average exchange rate published on the FTA website or daily exchange rate (sale). The method must be used for the entire refund claim.

VAT on imports may be refunded only if the businesses, after importing the goods, can use the goods in its own name and is in possession of the original documents.

If it is likely that a foreign claimant will carry out Swiss domestic supplies after the import and thus will not be entitled to use the VAT refund procedure, it may be required to request Swiss VAT registration.

Invoices relating to advance payments and deposits are not eligible for reimbursement. To claim a VAT refund, companies must submit a final invoice issued after the service has been acquired.

Applications cannot be filed electronically, and the FTA does not issue confirmation of receipt of a refund claim.

The claimant must provide the FTA with an overview of the claimed amounts in Form 1223. Since Form 1223 is mandatory, an additional excel spreadsheet is not required.

### Follow up on submitted claims

The claimant and the Swiss fiscal representative can follow up on a VAT refund claim. An electronic portal is not available for this purpose.

### Supporting documentation

The following documents must be submitted with each claim:

- Original supplier invoices and customs documents (copies are not accepted) issued in the name of the claimant and that meet the formal legal requirements of article 26 paragraph 2 of the Swiss VAT law. The VAT on cash receipts, parking tickets, train tickets, etc, cannot be refunded; and
- A statement of taxable status, e.g. a certificate of VAT registration in an EU member state or Form IRS 6166 for the US (this form is based on the information included in Form 8802).

An identification number is granted by the authorities and may be used for the next refund claim.

### E-Invoicing and electronic customs documents

Until further notice, print-outs of e-invoices and electronic customs documents are generally accepted. Upon the request of the FTA, the e-invoices and electronic customs documents kept on DVD, CD, or in a password-protected compressed and packed data file (e.g. WinZip, WinRAR) must be sent by email.

### Refunds and appeals

The FTA handles VAT refund applications in chronological order, i.e. from the date of receipt (if all necessary documents are available), so it is in the claimant's interest to submit the forms as early as possible.

Repayments are in Swiss Francs and are paid to a Swiss or foreign bank account of a non-resident business or its fiscal representative.

VAT refunds usually are processed within the 180-day period.





Late payment interest is paid as from the 181st day after the complete VAT refund claim is filed if full reciprocity is granted by the country in which the claimant is resident or domiciled (currently, only Belgium, Germany, Italy and Spain grant full reciprocity for late payment interest).

A Swiss VAT refund filed with the FTA must be complete; otherwise, the FTA can decline to further process the claim. The VAT guidelines do not provide for an extension of the processing period, i.e. the 180-day period applies.

The FTA will inform the claimant that the refund is granted or rejected by sending an official letter addressed to the Swiss fiscal representative.

If the FTA rejects the refund claim, the claimant can request a formal decision that can be appealed. An appeal must be filed with the FTA within thirty days of receipt of the decision. Decisions on the appeal can be further appealed to the Federal Tax Appeals Commission. Decisions on complaints to the Commission can be appealed within thirty days to the Supreme Court.

If only one invoice submitted with the refund claim is incorrect or a query on a specific invoice is not answered, only the VAT relating to the relevant invoice may be rejected; the entire VAT refund claim cannot be rejected on this basis.

Common reasons for rejection of a VAT refund claim are:

- Late filing;
- Providing copies of invoices, rather than the originals;
- When the claimant is generating domestic turnover (subject to exemptions);
- There is no reciprocity for VAT purposes between Switzerland and the country in which the claimant is resident;
- The relevant supplies are used for a non-business purposes or for VAT-exempt turnover without an input VAT credit;
- VAT was mistakenly charged for services; and
- The claim is filed by foreign-domiciled agencies and similar businesses (not entitled to a Swiss VAT refund).

In principle, no penalties will be imposed by the FTA if a refund claim is rejected.







# United Kingdom



UK VAT is known as “Value Added Tax” (VAT).

The standard VAT rate is 20%, and there are reduced rates of 5% and 0%.

Goods and services supplied to or from the Isle of Man are regarded as having been supplied within the UK. The Channel Islands are not part of the UK or the EU for VAT purposes.

It is not necessary to appoint a UK fiscal representative to claim a VAT refund.

## The UK is the State of Establishment EU countries (Directive 2008/09/EC)

*This refers to a Northern Ireland (NI)--established business submitting an EU (former 8<sup>th</sup> Directive) claim in an EU member state.*

Since the departure of the UK from the EU on 1 January 2021, NI has remained aligned with the EU VAT rules for goods. Accordingly, the EU rules for VAT refunds continue to apply in NI, in respect of goods. Supplies of services in NI and supplies of goods and services elsewhere in the UK (England, Scotland and Wales) are not subject to the EU rules.

To be able to claim a VAT refund, the business must be a taxable person registered for VAT in the UK with an establishment in NI and must be identified as trading under the Northern Ireland Protocol with an XI prefixed VAT registration number. The claim must be in relation to goods only and the invoice must only contain supply of goods.

## Procedure

### Filing

Applications must be submitted via the electronic online system. To make an electronic application for a refund, it is necessary to be registered for VAT online services (<https://www.gov.uk/send-vat-return>).

### IT requirements

If a claimant is UK VAT-registered, it usually will be registered for VAT online services.

To register for online services, the claimant business must have its VAT 4 Certificate of UK VAT registration and a copy of its most recently submitted VAT return, and it must follow the on-screen instructions. An activation code will be mailed to the business address registered with the UK tax authorities (HMRC) within set time limits (currently seven to ten days). Once this is received, the claimant will have twenty-eight days from the date of the letter to activate the service.

A claimant can appoint an agent to make a VAT refund claim on its behalf. Instructions are available on: <https://www.gov.uk/appoint-tax-agent/>.

The activation code will be mailed to the business, which should forward it to the agent, within the twenty-eight-day period.

The electronic form is comprised of standard information and specific invoice information.

Standard information fields:

- Name;
- Electronic contact address (i.e. email address);
- Description of the business activity to which the goods to be claimed relates (up to three business activities may be entered);
- Period of application;
- Declaration of eligibility to claim;
- VAT registration number with XI prefix; and
- Specified bank account details, including IBAN and BIC codes.

Specific invoice information:

- Name and address of the supplier;
- VAT identification number or tax reference number of the supplier, including the prefix of the EU member state of refund (except in cases of importation);
- Date and number of the invoice or import document;
- Taxable amount and amount of VAT expressed in the currency of the EU member state of refund;



- Amount of deductible VAT expressed in the currency of the EU member state of refund.  
This is the amount of VAT recoverable taking into account any partial exemption restriction, and any restriction on the recovery of input tax applying in the EU member state of refund;
- Where applicable, the deductible proportion calculated under the rules of the UK;
- The nature of the goods acquired is described in the following expenditure codes.
  - 1 Fuel;
  - 3 Expenditure relating to means of transport;
  - 9 Expenditure on luxuries, amusement and entertainment;
  - 10 Other.

Sub-codes in addition to the main codes set out above may also be required by EU member states. Where applicable, these sub-codes will appear as completion options on the electronic portal. Where code 10 is used, without an accompanying sub-code, a description of the goods must be entered in a free text box.

If an invoice includes items covering more than one expenditure code, the code relating to the highest proportion of expenditure is the one that must be used. Where required, scanned invoices/annexes can be uploaded via the HMRC website/portal, but the only types of files accepted are JPEG, PDF or TIFF and the maximum file size is 5MB.

The claimant will be informed electronically at the following stages:

- If the application fails basic validation checks;
- When HMRC forwards the application to the EU member state of refund;
- When the EU member state of refund receives the application;
- If the EU member state requires additional information; and
- When the EU member state of refund makes its decision.

### 13<sup>th</sup> Directive

*This refers to a Great Britain (GB)-established business (a business established in England, Scotland or Wales) submitting a 13<sup>th</sup> Directive claim for VAT incurred on goods or services to an EU member state, or an NI-established business submitting a 13<sup>th</sup> Directive claim for VAT incurred on services to an EU member state.*

From 1 April 2021, UK businesses no longer have access to the EU electronic online system (except for NI businesses in respect of VAT refund claims for goods) – 31 March 2021 was the deadline for submitting refund claims for the period up to 31 December 2020.

For VAT incurred on or after 1 January 2021, the refund application for a GB-established business or an NI-established business in respect of services claiming VAT in an EU member state must be submitted by way of a 13<sup>th</sup> Directive claim, according to the requirements of the country of refund.

### Non-EU countries (13<sup>th</sup> Directive equivalent)

*This refers to a UK-established business submitting a non-EU (13<sup>th</sup> Directive equivalent) claim in a non-EU country.*

The refund application for a UK-established business claiming VAT in a non-EU country must be submitted according to the requirements of that country.

### The United Kingdom is the State of Refund EU businesses (Directive 2008/09/EC)

This refers to an EU-established business submitting an EU (former 8<sup>th</sup> Directive) claim to the UK in respect of goods located in NI when they are supplied.

Since the departure of the UK from the EU on 1 January 2021, NI has remained aligned with the EU VAT rules for goods. Accordingly, the EU rules for VAT refunds continue to apply in NI, in respect of goods.

### Eligibility for refund

A taxable person established in an EU member state is entitled to recover UK VAT on goods if the following conditions are satisfied:

- The claimant is not registered or liable or eligible to be registered for VAT in the UK;
- The claimant does not have a place of business in the UK or the Isle of Man;
- The claimant has not made any taxable supplies in the UK;
- The goods are located in NI when they are supplied.

### Non-refundable VAT

VAT cannot be recovered on:

- Goods used for non-business activities;
- Goods used for business entertainment (VAT on basic entertainment for overseas customers can be recovered);
- Incorrectly invoiced VAT (this must be taken up with the supplier);
- The purchase of a car;
- Goods supplied in GB (England, Scotland, and Wales).

The goods on which VAT is being claimed must be for the purpose of carrying out economic activities in a country other than the UK and that would create the right to a VAT deduction in that country.

Where the goods supplied are used by the claimant for making exempt supplies without full recovery of VAT on related costs, it is necessary to identify the proportion of VAT that would have been recoverable by the claimant in its country of establishment on such supplies.





## Making claims

The period covered by the application is known as the “refund period.” This must not be more than one calendar year or less than three calendar months (unless it covers the remainder of a calendar year, e.g. where claims already have been submitted covering more than nine months).

### Minimum amounts

If the application relates to a period of less than one calendar year but not less than three months, the amount for which application is made may not be less than GBP 295; if the application relates to a calendar year or the remainder of a calendar year, the amount may not be less than GBP35.

### Time limits

Properly completed applications must be submitted by 30 September of the calendar year following the refund year. If a business deregisters for VAT during the refund year, it must submit an application as soon as possible following deregistration.

The UK will accept corrected applications, but advice should be sought from the tax authorities on how these should be submitted through the electronic facility in the member state of the claimant.

The UK may impose penalties for incorrect applications, so if an error has been made on an application, a correction should be submitted as soon as possible. The correction procedure can be used to amend existing claim lines; a claim line cannot be deleted but the VAT value can be reduced to zero and no additional lines may be inserted. If an invoice has been omitted from an application, it should be included in a subsequent application. The claims procedure also should be used to amend an email address or bank details if these change after the application is submitted. Corrected applications must be submitted by the same deadline as apply to original applications, i.e. by 30 September of the year following the year in which the VAT was incurred.

### Agents

A claimant can appoint an agent to make a VAT refund claim on its behalf. The agent will need a letter of authority before acting for, and receiving money on behalf of, the claimant.

The following is an example of a letter of authority, which is acceptable to HMRC:

*I [name and address of claimant] hereby appoint [name and address of agent] to act on my behalf in connection with any application I make to the Commissioners of HMRC under the Value Added Tax Regulations 1995 as from time to time amended or replaced. Any repayment of VAT to which I am entitled pursuant to any such application made on my behalf by my above named agent must be paid to [name and address of payee].*

*Date Signed [by the claimant]*

### Supporting documentation

Scanned copies of invoices and import documents must be attached where the taxable amount exceeds GBP 750 (GBP 200 for invoices relating to fuel costs).

### E-Invoicing

Invoices must be in PDF, TIFF or JPEG format and must not exceed 5MB in size.

## Refunds and appeals

HMRC must advise a claimant within four months of receiving a refund claim as to whether the application has been accepted, partly or wholly rejected, or further information is required. The authorities can request additional information, which may take the form of original invoices or documents. The claimant must provide all information within one month of receipt of the request.

HMRC has eight months from the date it receives the application to notify the claimant of the decision.

If a refund is granted, it will be processed in pounds sterling within ten business days after the relevant period and paid to the bank account referenced in the application; payment can be made in the UK or, at the claimant’s request, in an EU member state. In such case, the bank charges for the transfer will be deducted by the UK from the amount to be paid to the claimant.

HMRC will be liable for late payment interest if the payment is not processed in a timely manner.

If the refund is rejected, the reasons must be provided. The claimant can ask for the decision to be reviewed by an HMRC officer not previously involved in the matter or appeal to an independent tribunal. If the claimant opts for a review, it still may appeal to the tribunal after the review is completed.

A review must be requested within thirty days of receipt of the decision. To appeal to the tribunal, the appeal must be sent within thirty days of the decision, by way of email or regular mail.

Reason for rejecting a VAT refund claim could include incorrect VAT charges, claims for business entertainment expenses, situations where the claimant should have been VAT registered in the UK and lack of evidence of VAT payment.

HMRC processes claims and makes refunds within the time limits in the majority of cases.

## Non-UK businesses (13<sup>th</sup> Directive equivalent)

*This refers to a non-UK-established business submitting a VAT refund claim to the UK (except for EU businesses claiming a VAT refund for goods supplied in NI)*

As the UK is no longer part of the EU, EU Directive 2008/09/ EC and the 13th Directive do not apply to foreign businesses requesting a VAT refund in the UK. However, it is possible to reclaim VAT in the UK for foreign businesses via 13th Directive-equivalent legislation.





## Eligibility for refund

If the claimant is registered for business purposes in a country outside the UK, it can use the VAT refund procedure to reclaim VAT paid in the UK, provided the claimant:

- Is not registered and is not liable or eligible to be registered for VAT in the UK;
- Does not have a place of business or other residence in the UK; and
- Does not make any supplies in the UK (other than transportation services related to the international carriage of goods, or services where VAT is payable by the person in the UK to whom the supply is made).

It also is a condition of the scheme that the claimant's own country allows similar concessions to UK traders in respect of its own turnover taxes. In practice, the application will be rejected on these grounds only if the claimant's own country has a scheme for refunding these taxes but refuses to allow UK traders to use it.

## Non-refundable VAT

The scheme to reclaim VAT cannot be applied to:

- Non-business supplies (although if a supply covers both business and non-business use, VAT can be reclaimed on the business element of the supply);
- A supply used or to be used to make a supply in the UK;
- The supply or importation of most ordinary business cars; only 50% of the VAT incurred on the hire or lease of a car for mixed business and private purposes is allowed;
- Certain second-hand goods, such as cars and antiques, for which a tax invoice is not issued;
- Business entertainment/hospitality expenses (except for VAT on basic entertainment for overseas customers);
- Exports of goods (although these will be zero-rated provided the supplier has the necessary evidence);
- Goods and services, such as hotel accommodation, purchased for resale and which are for the direct benefit of travelers;
- A supply used or to be used to make an exempt supply outside the UK (for this purpose, an exempt supply is one described as exempt in Schedule 9 to the VAT Act 1994, whether or not the place of the supply is in the UK); or
- Goods supplied in NI that could be claimed by an EU-established business under the Northern Ireland Protocol.

If the claimant arranges for goods to be imported into the UK, and it is the owner of the goods, it can reclaim any VAT due, provided there is no other VAT relief available at import, but the scheme cannot be applied if, as a result of importing the goods, the claimant becomes liable to register for VAT purposes in the UK.

## Making claims

### Minimum amounts

If the application is for a period covering less than twelve months, the total amount of VAT claimed must not be less than GBP 130. However, when the application is for the full twelve months of the prescribed year, or there are less than three months remaining in the prescribed year, the amount of VAT claimed must not be less than GBP 16.

### Time limits

The application must cover a period of not less than three months of the prescribed year and not more than a prescribed year. The prescribed year is the twelve-month period from 1 July to 30 June. However, applications may relate to a period of less than three months where the period represents the remainder of a prescribed year (e.g. from 1 May to 30 June). Applications also may relate to invoices or import documents not covered by previous applications that concern transactions completed during that year.

The application must be submitted to HMRC within six months of the end of the prescribed year in which the tax became chargeable, i.e. by 31 December.

An extension of this deadline is not generally possible. However, where an official authority is not able to issue the necessary certificate showing that the claimant is registered for business purposes in that country because of exceptional circumstances, such as a global pandemic, HMRC will accept certificates that are late.

If accepted, the payment will be made within six months of the application. Payments will be made in GBP.

### Agents

A claimant can appoint an agent to make a VAT refund claim on its behalf. The agent will need either a power of attorney or a letter of authority before acting for and receiving money on behalf of the claimant.

The following is an example of a letter of authority, which is acceptable to HMRC:

*I [name and address of claimant] hereby appoint [name and address of agent] to act on my behalf in connection with any application I make to the Commissioners of HMRC under the Value Added Tax Regulations 1995 as from time to time amended or replaced. Any repayment of VAT to which I am entitled pursuant to any such application made on my behalf by my above named agent must be paid to [name and address of payee].*

*Date Signed [by the claimant]*

### Application forms

The application can be made electronically using HMRC's Secure Data Exchange Service (SDES) or by post, on Form VAT 65A, issued by HMRC. It must be completed in English.







All invoices to which the claim relates must be listed in the application form.

The application must be signed by a person who is legally entitled to represent the business (e.g., a director, company secretary or some other authorized officer of the claimant).

The form and supporting documentation must be sent to:

HM Revenue and Customs  
Compliance Centres  
VAT Overseas Repayment Unit S1250  
Benton Park View Newcastle upon Tyne NE98 1YX  
UK

### Supporting documentation

The first application must include a valid certificate from the official authority of the claimant's country showing that it is registered for business purposes in that country. When the certificate is applied for, it is recommended that all information HMRC will need to process the application be included. For example, if the invoices are made out in the claimant company's trading style, the certificate must indicate this, as well as the name of the person registered. Form [VAT66A](#) can be used.

The certificate must contain:

- The name, the address and official stamp of the authorizing body;
- The claimant's name and address;
- The nature of the business; and
- The business registration number.

If sending the claim by post, an original certificate must be provided (a photocopy is not acceptable). The certificate is valid for one year, so once the certificate has expired, a new one must be obtained to submit with any subsequent applications.

HMRC will accept electronic certificates of status (e-CoS) if they are issued by the official authority in the claimant's country of establishment, and the official authority has an online validation system that HMRC can access to verify that the claimant is in business. HMRC cannot accept e-CoS electronically so a copy of the e-CoS must be submitted with the paper refund application.

Original VAT invoices and import documents must be provided.

Examples of where claims may be rejected include incorrect VAT charges, claims for business entertainment expenses, situations where the claimant should have been VAT registered in the UK and lack of evidence of VAT payment.

HMRC processes claims and makes refunds within the relevant deadlines in the majority of cases. Penalties can be imposed in the case of false declarations.

### Refunds and appeals

HMRC must issue a decision within six months of receiving a satisfactory application.

If the refund claim is rejected, the reasons must be stated. The claimant can ask for the decision to be reviewed by an HMRC officer not previously involved in the matter or appeal to an independent tribunal. If the claimant opts for a review, an appeal may be filed to the tribunal after the review is completed.

A review must be requested within thirty days of receipt of the decision. To appeal to the tribunal, the appeal must be sent within thirty days of the decision, via email or regular mail.







# Appendices



# Appendix I - 2008/09/EC Directive

Council Directive 2008/09/EC of 12 February 2008 laying down detailed rules for the refund of value added tax, provided for in Directive 2006/112/EC, to taxable persons not established in the member state of refund but established in another member state)

## Article 1

This Directive lays down the detailed rules for the refund of value added tax (VAT), provided for in Article 170 of Directive 2006/112/EC, to taxable persons not established in the member state of refund, who meet the conditions laid down in Article 3.

## Article 2

For the purposes of this Directive, the following definitions apply:

1. 'taxable person not established in the member state of refund' means a taxable person within the meaning of Article 9(1) of Directive 2006/112/EC who is not established in the member state of refund but established in the territory of another member state;
2. 'member state of refund' means the member state in which the VAT was charged to the taxable person not established in the member state of refund in respect of goods or services supplied to him by other taxable persons in that member state or in respect of the importation of goods into that member state;
3. 'refund period' means the period mentioned in Article 16 covered by the refund application;
4. 'refund application' means the application for refund of VAT charged in the member state of refund to the taxable person not established in the member state of refund in respect of goods or services supplied to him by other taxable persons in that member state or in respect of the importation of goods into that member state;
5. 'applicant' means the taxable person not established in the member state of refund making the refund application.

## Article 3

This Directive shall apply to any taxable person not established in the member state of refund who meets the following conditions:

1. during the refund period, he has not had in the member state of refund, the seat of his/her economic activity, or a fixed establishment from which business transactions were effected, or, if no such seat or fixed establishment existed, his/her domicile or normal place of residence;
2. during the refund period, he has not supplied any goods or services deemed to have been supplied in the member state of refund, with the exception of the following transactions;

the supply of transport services and services ancillary thereto, exempted pursuant to Articles 144, 146, 148, 149, 151, 153, 159 or 160 of Directive 2006/112/EC;

the supply of goods and services to a person who is liable for payment of VAT in accordance with Articles 194 to 197 and Article 199 of Directive 2006/112/EC.

## Article 4

This Directive shall not apply to:

1. amounts of VAT which, according to the legislation of the member state of refund, have been incorrectly invoiced;
2. amounts of VAT which have been invoiced in respect of supplies of goods the supply of which is, or may be, exempt under Article 138 or Article 146(1)(b) of Directive 2006/112/EC.

## Article 5

Each member state shall refund to any taxable person not established in the member state of refund any VAT charged in respect of goods or services supplied to him by other taxable persons in that member state or in respect of the importation of goods into that member state, insofar as such goods and services are used for the purposes of the following transactions:

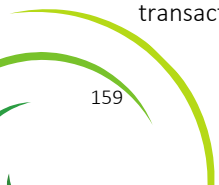
1. transactions referred to in Article 169(a) and (b) of Directive 2006/112/EC;
2. transactions to a person who is liable for payment of VAT in accordance with Articles 194 to 197 and Article 199 of Directive 2006/112/EC as applied in the member state of refund.

Without prejudice to Article 6, for the purposes of this Directive, entitlement to an input tax refund shall be determined pursuant to Directive 2006/112/EC as applied in the member state of refund.

## Article 6

To be eligible for a refund in the member state of refund, a taxable person not established in the member state of refund has to carry out transactions giving rise to a right of deduction in the member state of establishment.

When a taxable person not established in the member state of refund carries out in the member state in which he is established both transactions giving rise to a right of deduction and transactions not giving rise to a right of deduction in that member state, only such proportion of the VAT which is refundable in accordance with Article 5 may be refunded by the member state of refund as is attributable to the former transactions in accordance with Article 173 of Directive 2006/112/EC as applied by the member state of establishment.





### Article 7

To obtain a refund of VAT in the member state of refund, the taxable person not established in the member state of refund shall address an electronic refund application to that member state and submit it to the member state in which he is established via the electronic portal set up by that member state.

### Article 8

3. The refund application shall contain the following information:

- the applicant's name and full address;
- an address for contact by electronic means;
- a description of the applicant's business activity for which the goods and services are acquired;
- the refund period covered by the application;
- a declaration by the applicant that he has supplied no goods and services deemed to have been supplied in the member state of refund during the refund period, with the exception of transactions referred to in points (i) and (ii) of Article 3(b);
- the applicant's VAT identification number or tax reference number;
- bank account details including IBAN and BIC codes.

4. In addition to the information specified in paragraph 1, the refund application shall set out, for each member state of refund and for each invoice or importation document, the following details:

- name and full address of the supplier;
- except in the case of importation, the VAT identification number or tax reference number of the supplier, as allocated by the member state of refund in accordance with the provisions of Articles 239 and 240 of Directive 2006/112/EC;
- except in the case of importation, the prefix of the member state of refund in accordance with Article 215 of Directive 2006/112/EC;
- date and number of the invoice or importation document;
- taxable amount and amount of VAT expressed in the currency of the member state of refund;
- the amount of deductible VAT calculated in accordance with Article 5 and the second paragraph of Article 6 expressed in the currency of the member state of refund;
- where applicable, the deductible proportion calculated in accordance with Article 6, expressed as a percentage;
- nature of the goods and services acquired, described according to the codes in Article 9.

### Article 9

1. In the refund application, the nature of the goods and services acquired shall be described by the following codes:

- 1 = fuel;
- 2 = hiring of means of transport;

3 = expenditure relating to means of transport (other than the goods and services referred to under codes 1 and 2);

4 = road tolls and road user charge;

5 = travel expenses, such as taxi fares, public transport fares; 6 = accommodation;

7 = food, drink and restaurant services; 8 = admissions to fairs and exhibitions;

9 = expenditure on luxuries, amusements and entertainment; 10 = other.

If code 10 is used, the nature of the goods and services supplied shall be indicated.

2. The member state of refund may require the applicant to provide additional electronic coded information as regards each code set out in paragraph 1 to the extent that such information is necessary because of any restrictions on the right of deduction under Directive 2006/112/EC, as applicable in the member state of refund or for the implementation of a relevant derogation received by the member state of refund under Articles 395 or 396 of that Directive.

### Article 10

Without prejudice to requests for information under Article 20, the member state of refund may require the applicant to submit by electronic means a copy of the invoice or importation document with the refund application where the taxable amount on an invoice or importation document is EUR 1.000 or more or the equivalent in national currency.

Where the invoice concerns fuel, the threshold is EUR 250 or the equivalent in national currency.

### Article 11

The member state of refund may require the applicant to provide a description of his/her business activity by using the harmonized codes determined in accordance with the second subparagraph of Article 34a(3) of Council Regulation (EC) No 1798/2003.

### Article 12

The member state of refund may specify which language or languages shall be used by the applicant for the provision of information in the refund application or of possible additional information.

### Article 13

If subsequent to the submission of the refund application the deductible proportion is adjusted pursuant to Article 175 of Directive 2006/112/EC, the applicant shall make a correction to the amount applied for or already refunded.

The correction shall be made in a refund application during the calendar year following the refund period in question or, if the applicant makes no refund applications during that calendar year, by submitting a separate declaration via the electronic portal established by the member state of establishment.





#### Article 14

1. The refund application shall relate to the following:
  - the purchase of goods or services which was invoiced during the refund period, provided that the VAT became chargeable before or at the time of the invoicing, or in respect of which the VAT became chargeable during the refund period, provided that the purchase was invoiced before the tax became chargeable;
  - the importation of goods during the refund period.
2. In addition to the transactions referred to in paragraph 1, the refund application may relate to invoices or import documents not covered by previous refund applications and concerning transactions completed during that calendar year.

#### Article 15

3. The refund application shall be submitted to the member state of establishment by 30 September of the calendar year following the refund period. The application shall be considered submitted only if the applicant has filled in all the information required under Articles 8, 9 and 11.
4. The member state of establishment shall send the applicant an electronic confirmation of receipt without delay.

#### Article 16

The refund period shall not be more than one calendar year or less than three calendar months. Refund applications may, however, relate to a period of less than three months where the period represents the remainder of a calendar year.

#### Article 17

If the refund application relates to a refund period of less than one calendar year but not less than three months, the amount of VAT for which a refund is applied for may not be less than EUR 400 or the equivalent in national currency.

If the refund application relates to a refund period of a calendar year or the remainder of a calendar year, the amount of VAT may not be less than EUR 50 or the equivalent in national currency.

#### Article 18

1. The member state of establishment shall not forward the application to the member state of refund where, during the refund period, any of the following circumstances apply to the applicant in the member state of establishment:
  - he is not a taxable person for VAT purposes;
  - he carries out only supplies of goods or of services which are exempt without deductibility of the VAT paid at the preceding stage pursuant to Articles 132, 135, 136, 371, Articles 374 to 377, Article 378(2)(a), Article 379(2) or Articles 380 to 390 of Directive 2006/112/EC or provisions providing for identical exemptions contained in the 2005 Act of Accession;

he is covered by the exemption for small enterprises provided for in Articles 284, 285, 286 and 287 of Directive 2006/112/EC;

(d) he is covered by the common flat-rate scheme for farmers provided for in Articles 296 to 305 of Directive 2006/112/EC.

2. The member state of establishment shall notify the applicant by electronic means of the decision it has taken pursuant to paragraph 1.

#### Article 19

1. The member state of refund shall notify the applicant without delay, by electronic means, of the date on which it received the application.
2. The member state of refund shall notify the applicant of its decision to approve or refuse the refund application within four months of its receipt by that member state.

#### Article 20

1. Where the member state of refund considers that it does not have all the relevant information on which to make a decision in respect of the whole or part of the refund application, it may request, by electronic means, additional information, in particular from the applicant or from the competent authorities of the member state of establishment, within the four-month period referred to in Article 19(2).

Where the additional information is requested from someone other than the applicant or a competent authority of a member state, the request shall be made by electronic means only if such means are available to the recipient of the request.

If necessary, the member state of refund may request further additional information.

The information requested in accordance with this paragraph may include the submission of the original or a copy of the relevant invoice or import document where the member state of refund has reasonable doubts regarding the validity or accuracy of a particular claim. In that case, the thresholds mentioned in Article 10 shall not apply.

2. The member state of refund shall be provided with the information requested under paragraph 1 within one month of the date on which the request reaches the person to whom it is addressed.

#### Article 21

Where the member state of refund requests additional information, it shall notify the applicant of its decision to approve or refuse the refund application within two months of receiving the requested information or, if it has not received a reply to its request, within two months of expiry of the time limit laid down in Article 20(2).

However, the period available for the decision in respect of the whole or part of the refund application shall always be at least six months from the date of receipt of the application by the member state of refund.





Where the member state of refund requests further additional information, it shall notify the applicant of its decision in respect of the whole or part of the refund application within eight months of receipt of the application by that member state.

#### Article 22

1. Where the refund application is approved, refunds of the approved amount shall be paid by the member state of refund at the latest within 10 business days of the expiry of the deadline referred to in Article 19(2) or, where additional or further additional information has been requested, the deadlines referred to in Article 21.
2. The refund shall be paid in the member state of refund or, at the applicant's request, in any other member state. In the latter case, any bank charges for the transfer shall be deducted by the member state of refund from the amount to be paid to the applicant.

#### Article 23

1. Where the refund application is refused in whole or in part, the grounds for refusal shall be notified by the member state of refund to the applicant together with the decision.
2. Appeals against decisions to refuse a refund application may be made by the applicant to the competent authorities of the member state of refund in the forms and within the time limits laid down for appeals in the case of refund applications from persons who are established in that member state.

If, under the law of the member state of refund, failure to take a decision on a refund application within the time limits specified in this Directive is not regarded either as approval or as refusal, any administrative or judicial procedures which are available in that situation to taxable persons established in that member state shall be equally available to the applicant. If no such procedures are available, failure to take a decision on a refund application within these time limits shall mean that the application is deemed to be rejected.

#### Article 24

1. Where a refund has been obtained in a fraudulent way or otherwise incorrectly, the competent authority in the member state of refund shall proceed directly to recover the amounts wrongly paid and any penalties and interest imposed in accordance with the procedure applicable in the member state of refund, without prejudice to the provisions on mutual assistance for the recovery of VAT.
2. Where an administrative penalty or interest has been imposed but has not been paid, the member state of refund may suspend any further refund to the taxable person concerned up to the unpaid amount.

#### Article 25

The member state of refund shall take into account as a decrease or increase of the amount of the refund any correction made concerning a previous refund application in accordance with Article 13 or, where a separate declaration is submitted, in the form of separate payment or recovery.

#### Article 26

Interest shall be due to the applicant by the member state of refund on the amount of the refund to be paid if the refund is paid after the last date of payment pursuant to Article 22(1).

If the applicant does not submit the additional or further additional information requested to the member state of refund within the specified time limit, the first paragraph shall not apply. It shall

also not apply until the documents to be submitted electronically pursuant to Article 10 have been received by the member state of refund.

#### Article 27

1. Interest shall be calculated from the day following the last day for payment of the refund pursuant to Article 22(1) until the day the refund is actually paid.
2. Interest rates shall be equal to the interest rate applicable with respect to refunds of VAT to taxable persons established in the member state of refund under the national law of that member state.

If no interest is payable under national law in respect of refunds to established taxable persons, the interest payable shall be equal to the interest or equivalent charge which is applied by the member state of refund in respect of late payments of VAT by taxable persons.

#### Article 28

1. This Directive shall apply to refund applications submitted after 31 December 2009.
2. Directive 79/1072/EEC shall be repealed with effect from 1 January 2010. However, its provisions shall continue to apply to refund applications submitted before 1 January 2010.

References to the repealed Directive shall be construed as references to this Directive except for refund applications submitted before 1 January 2010.

#### Article 29

1. Member states shall bring into force the laws, regulations and administrative provisions necessary to comply with this Directive with effect from 1 January 2010. They shall forthwith inform the Commission thereof. When such provisions are adopted by member states, they shall contain a reference to this Directive or be accompanied by such reference on the occasion of their official publication. The methods of making such reference shall be laid down by member states.







2. Member states shall communicate to the Commission the text of the main provisions of national law which they adopt in the field covered by this Directive.

**Article 30**

This Directive shall enter into force on the day of its publication in the Official Journal of the European Union.

**Article 31**

This Directive is addressed to the member states.





# Appendix II - 13<sup>th</sup> EU VAT Directive

(Council Directive E.C. n° 86/560, 17 November 1986 on the harmonization of the laws of the member states relating to turnover taxes - Arrangements for the refund of value added tax to taxable persons not established in Community territory, OJ. L. 21 November 1986, n° 326, 40)

## Article 1

For the purposes of this Directive:

1. 'A taxable person not established in the territory of the Community' shall mean a taxable person as referred to in Article 4 (1) of Directive 77/388/EEC who, during the period referred to in Article 3 (1) of this Directive, has had in that territory neither his/her business nor a fixed establishment from which business transactions are effected, nor, if no such business or fixed establishment exists, his/her permanent address or usual place of residence, and who, during the same period, has supplied no goods or services deemed to have been supplied in the member state referred to in Article 2, with the exception of:

transport services and services ancillary thereto, exempted pursuant to Article 14 (1) (i), Article 15 or Article 16 (1), B, C and D of Directive 77/388/EEC; services provided in cases where tax is payable solely by the person to whom they are supplied, pursuant to Article 21 (1) (b) of Directive 77/388/EEC;

2. 'Territory of the Community' shall mean the territories of the member states in which Directive 77/388/EEC is applicable.

## Article 2

1. Without prejudice to Articles 3 and 4, each member state shall refund to any taxable person not established in the territory of the Community, subject to the conditions set out below, any value added tax charged in respect of services rendered or moveable property supplied to him in the territory or the country by other taxable persons or charged in respect of the importation of goods into the country, in so far as such goods and services are used for the purposes of the transactions referred to in Article 17 (3) (a) and (b) of Directive 77/388/EEC or of the provision of services referred to in point 1 (b) of Article 1 of this Directive.
2. Member states may make the refunds referred to in paragraph 1 conditional upon the granting by third States of comparable advantages regarding turnover taxes.
3. Member states may require the appointment of a tax representative.

## Article 3

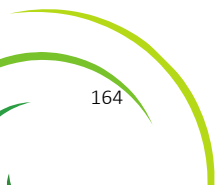
1. The refunds referred to in Article 2 (1) shall be granted upon application by the taxable person. Member states shall determine the arrangements for submitting applications, including the time limits for doing so, the period which applications should cover, the authority competent to receive them and the minimum amounts in respect of which applications may be submitted. They shall also determine the arrangements for making refunds, including the time limits for doing so. They shall impose on the applicant such obligations as are necessary to determine whether the application is justified and to prevent fraud, in particular the obligation to provide proof that he is engaged in an economic activity in accordance with Article 4 (1) of Directive 77/388/EEC. The applicant must certify, in a written declaration, that, during the period prescribed, he has not carried out any transaction which does not fulfil the conditions laid down in point 1 of Article 1 of this Directive.
2. Refunds may not be granted under conditions more favorable than those applied to Community taxable persons.

## Article 4

1. For the purposes of this Directive, eligibility for refunds shall be determined in accordance with Article 17 of Directive 77/388/EEC as applied in the member state where the refund is paid.
2. Member states may, however, provide for the exclusion of certain expenditure or make refunds subject to additional conditions.
3. This Directive shall not apply to supplies of goods which are or may be exempted under point 2 of Article 15 of Directive 77/388/EEC.

## Article 5

1. Member states shall bring into force the laws, regulations and administrative provisions necessary to comply with this Directive by 1 January 1988 at the latest. This Directive shall
2. apply only to applications for refunds concerning value added tax charged on purchases of goods or services invoiced or on imports effected on or after that date.
3. Member states shall communicate to the Commission the main provisions of national law which they adopt in the field covered by this Directive and shall inform the Commission of the use they make of the option afforded by Article 2 (2). The Commission shall inform the other member states thereof.





#### **Article 6**

Within three years of the date referred to in Article 5, the Commission shall, after consulting the member states, submit a report to the Council and to the European Parliament on the application of this Directive, particularly as regards the application of Article 2 (2).

#### **Article 7**

As from the date on which this Directive is implemented, and at all events by the date mentioned in Article 5, the last sentence of Article 17 (4) of Directive 77/388/EEC and Article 8 of Directive 79/1072/EEC shall cease to have effect in each member state.

#### **Article 8**

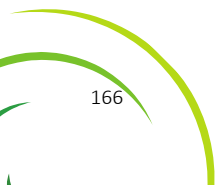
This Directive is addressed to the member states.





# Appendix III - Overview of VAT recovery rules

Country	Exhibitions/ fairs (entry fee / space rental)	Hotel / Accommodation	Restaurant meals	Car rentals	Car repairs	Taxis
Austria	100	100 (at1)	100 (at2)	0 (at3)	0 (at3)	100
Belgium	100	0	0	Max 50 (be1)	Max 50 (be1)	100
Bulgaria	100/RC	100	0/100 (bg1)	100	0/100 (bg2)	100
Croatia	100/R.C.	0/100 (hr3)	0/100 (hr3)	50/100 (hr2)	50/100 (hr2)	100(hr1)
Cyprus	100/100	100 (cy1)	100 (cy1)	100 (cy1)	100 (cy1)	100
Czech Republic	100/100	100 (cz1)	0	100 (cz2)	100 (cz1)	100 (cz1)
Denmark	100	100 (dk1)	25 (dk2)	0 (dk3)	0 (dk3)	-
Estonia	100 (ee1)	100 (ee1)	0 (ee1)	50/100 (ee2)	50/100 (ee2)	100 (ee1)
Finland	100	100 (fi1)	100 (fi1)	0/100 (fi2)	0/100 (fi2)	100
France	100 (fr1)	0 for employees (fr2); 100 for 3rd parties (fr1)	100(fr1)(fr4)	0(fr3)	0	0
Germany	100	100 (de1)	100 (de1)	100 (de2)	100 (de2)	100 (de1)
Greece	Depends (gr1)	0 (gr2)	0	0	0	0
Hungary	100	100	0	50	50 (hu1)	0
Iceland	100/100	100/100	0	0	0	N/A
Ireland	100	0 (ie2)	0	0/20 (ie1)	100	-
Italy	100	100 (it1)	100 (it2)	40 or 100	40 or 100	0
Latvia	100	100 (lv1)	0 / 40 (lv1)	0/50 (lv2)	0/50 (lv2)	100 (lv1)
Lithuania	100 (lt)	100 (lt)	0/50 (lt)	0	100 (lt)	0
Luxembourg	100	100	100	100 (lu1)	0 (lu2)	100
Malta	100/R.C.	100	0	0 (mt)	0 (mt)	0
Netherlands	100 (nl1)	100 (nl1)	0	84/100 (nl2)	100 (nl1)	100 (nl1)
Norway	100	100	0	0	100/0 (no)	100





Country	Exhibitions/ fairs (entry fee / space rental)	Hotel / Accommodation	Restaurant meals	Car rentals	Car repairs	Taxis
Poland	100	0	0	50 or 100 (pl1)	50 or 100 (pl1)	100
Portugal	100 (pt2)	0 (pt1)	0 (pt1)	0 (pt1)	0	0 (pt1)
Romania	100/100	100	100	50/100 (ro1)	50/100 (ro1)	100
Slovak Republic	100/100 (sk1)	100	0	100	100	100
Slovenia	100 (si1)	0	0	0 (si2)	0 (si2)	0
Spain	100 (es1)	100 (es1)	100 (es2)	50/100 (es3)	50/100 (es3)	100 (es4)
Sweden	100/R.C. (se1)	100	100 (se2)	50	100	100
Switzerland	100/100 (ch)	100 (ch)	100 (ch)	100 (ch)	100 (ch)	100 (ch)
United Kingdom	100	100	100	50 (uk2)	100	100







Country	Buses / trains	Entertainment expenses	Telephone	Diesel / petrol	Motorway tax	Trainings/Conferences/
Austria	100	0	100	0 (at3)	0 (at3)	100(at4)
Belgium	100	0	75	Max 50 (be1)	N/A	100% (be 2)
Bulgaria	100	0	100	0/100 (bg2)	N/A	RC(bg3)/100(bg3)/100 (bg4)
Croatia	100	0	100	50/100 (hr2)	N/A (hr5)	R.C./100 (hr4)
Cyprus	100	100 (cy1)	100	100	N/A	RC /100 (cy2)/ 100
Czech Republic	100 (cz1)	0	100 (cz2)	100 (cz2)	N/A	100/100/R.C.(cz3)
Denmark	- (dk4)	0	100 (dk5)	0 (dk3)	N/A	100
Estonia	100 (ee1)	0 (ee1)	100 (ee1)	50/100 (ee2)	N/A	100 (ee1)
Finland	100	0	100 (fi3)	0/100 (fi2)	N/A	100
France	0 (fr3)	100 (fr1)	100 (fr1)	Diesel 80 / Petrol 80 (fr5)/ LGP 100 (fr1)	100 (fr1) (fr6)	100 (fr1) (fr7)
Germany	100	100 (de3)	100	0 or 100 (de4)	N/A	100
Greece	0	0	100	0	N/A	Depends (gr1)
Hungary	100 (hu3)	0	70	0 (hu2)	0(hu4)	
Iceland	N/A	0	100 (ic1)	0	0	100 (ic1)/100/100
Ireland	-	0	100	Diesel 100/petrol 0	100	100 (ie1)
Italy	0	0	100	40 or 100	40 or 100	100 (it3)
Latvia	100	0	100	0/50 (lv2)	N/A	40/100 (lv3)
Lithuania	100 (lt)	0/50 (lt1)	100 (lt)	100 (lt)	N/A	100 (lt)
Luxembourg	100	100	100 (lu3)	100	N/A	
Malta	0	0	100	0 (mt)	N/A	R.C./100/100
Netherlands	100 (nl1)	100 (nl3)	100 (nl1)	100 (nl1)	N/A	100 (nl1)
Norway	100	0	100	100/0 (no)	N/A	100
Poland	100	100 (pl2)	100	50 or 100 (pl1)	50 or 100(pl1)	100(pl3)
Portugal	0 (pt1)	0	100	Diesel 50 / 100; petrol 0	0 (pt3)	100 (pt3)
Romania	100	0/100 (ro2)	100	50/100 (ro1)	50/100 (ro1)	100/100/100
Slovak Republic	100	0	100	80 - 100	N/A	100(1)/100(1)/100
Slovenia	100	0	100	0 (si2)	0 (si2)	100 (si3)





Country	Buses / trains	Entertainment expenses	Telephone	Diesel / petrol	Motorway tax	Trainings/Conferences/
Spain	100 (es4)	0 (es5)	100	50/100 (es3)	50/100 (es3)	100
Sweden	100	0-100(se3)	100	100	N/A	100/R.C. (se4)
Switzerland	100 (ch)	0-100 (ch)	100 (ch)	100 (ch)	N/A	100/100/100 (ch)
United Kingdom	-	0 (uk1)	100	100	N/A	100

\* This overview is designed to help provide a general first assessment of VAT recovery entitlement on the above items. Specific conditions and restrictions may apply. Consult the individual country chapter in this refund guide or contact your regular Deloitte professional for the most up to date information.

(at1) Only possible for business purposes.

(at2) Only possible for restaurant meals for business purposes.

(at3) VAT is recoverable if the vehicle is a car for which an input VAT deduction is allowed (defined by the Ministry of Finance).

(at4) In some cases, a VAT deduction is not possible due to VAT-exempt services.

(be1) VAT on car-related expenses is recoverable up to a maximum of 50%.

Depending on which method is used, the VAT deduction can range from 35% to 50%. The VAT deduction is 85% for light commercial vehicles.

(be2) VAT on catering costs incurred during conferences or on the rental of meeting rooms is not deductible.

(bg1) VAT on restaurant meals is recoverable only if the meals are not for representation purposes.

bg2) VAT on taxi transport, car rentals, repairs and fuel are recoverable only if not related to the use of passenger cars.

(bg3) Local VAT applies to entry fees for training and conferences.

(bg4) Local VAT applies to purchases related to immovable property in Bulgaria (e.g. room rentals).

(ch) If the vehicle also is used for private purposes, a reduction of the input VAT deduction must be computed (see also specific refund conditions section "Eligibility for VAT refund").

(cy1) The deduction will be granted for such expenses if they are incurred wholly and exclusively for business purposes and the invoices were issued in the name of the company.

(cy2) Local VAT will be applied on the entry fee where entry is considered as admission to a conference.

(cz1) VAT may be recovered only if the supply is used solely for business purposes.

(cz2) VAT may be recovered if the supply is used solely for business purposes. A proportional deduction is allowed if the supply is for both business and private purposes.

(cz3) The reverse charge applies if consultancy services are provided.

(de1) For business purposes.

(de2) If a car is used for business and private purposes, the vehicle must be used at least 10% for the business to be classified as business asset (Sec. 15(1)(2) GVATA).

Generally, the input tax attributable to the rent and maintenance costs of a rented vehicle that the taxable person uses for business and non-business purposes must be divided into a deductible and a non-deductible portion (Sec. 15.23(7)(1) German VAT Application Decree). However, for reasons of simplification, the taxable person can deduct input tax from the rental and maintenance costs in the case of partial non-business use of the vehicle (Sec. 15.23(7)(4) German VAT Application Decree.

(de3) Input tax deduction for business events presupposes a prevailing business interest. An employer cannot deduct input tax for a team building event in a non-business location outside of working hours in case of a prevailing private benefit for the employees (German Federal Fiscal Court, decision dated 10 May 2023, V R 16/21).

(de4) VAT on fuel is 100% deductible only for EU companies; non-EU companies do not have the right to deduct VAT on their fuel expenses.

(dk1) VAT may only be recovered if the amount of the hotel accommodation (excluding meals or other services) is separately specified on the invoice.

(dk2) Only for business purposes.

(dk3) VAT generally cannot be recovered on car rentals, car repairs and diesel/ petrol in Denmark, although some exceptions apply (rental, repair and diesel for lorries and vans).



Certain lines of business can recover 100% of the VAT on these expenses.

(dk4) In certain cases, bus services are liable to VAT. In this case, the VAT is deductible if the services were used in relation to fully VAT-taxable activities.

(dk5) If there is any private use, the VAT deduction will be based on an estimate. Special rules apply if the phone is a landline at the residence of the employee.

(ee1) Input VAT on all business-related expenses is deductible based on the relevant cost document. Input VAT on goods or services relating to the reception of guests or the provision of meals or accommodation for employees is not deductible.

(ee2) Input VAT on passenger cars and expenses related to these cars is 100% deductible only if sufficient evidence is provided that the vehicle is used exclusively for business purposes; otherwise, only 50% of the input VAT may be deducted.

(es1) If deductible for corporate and personal income tax purposes. The invoices must be issued to the company, not to the employees.

(es2) If deductible for corporate and personal income tax purposes. The invoices must be issued to the company, not to the employees. Expenses for which VAT is blocked for deduction: food and drinks to be freely given to employees or clients.

(es3) 100% is deductible if the car is used directly and exclusively for business activities.

If not, and if the car is used by the company for more than one year, 50% is presumed to be used for the car and all related costs (petrol, maintenance, etc.), unless a higher/lower business use could be proved with due evidence.

This is a very controversial matter (on input VAT and output VAT standpoint) and the criteria of the STA and Courts is constantly evolving. Hence a case-by-case analysis should be carried out.

(es4) Only based on invoices or simplified invoices, not on tickets and to the extent the expenses are deductible for personal and corporate income tax purposes.

(es5) Expenses for which VAT is blocked for deduction: entertainment and goods and services to be given for free to clients (i.e. as attention to clients employees). Promotional activities related to the presentation of new goods/services could be deductible if they primarily serve the purposes of the business activity.

(fi) Deductible only if acquired for taxable business purposes.

(fi1) Deductible only if not considered entertainment or the private use of employees/owners.

(fi2) Deductible only if the car is used strictly for business purposes.

(fi3) Fully deductible only if the mobile phone is purchased and used for business purposes. Private use of the mobile phone will be excluded from the VAT recovery.

(fr1) These expenses must be incurred for business purposes for input VAT to be recovered.

(fr2) VAT on lodging / housing services rendered for the security, safety and caretaking of work sites or business premises is recoverable.

(fr3) VAT on purchases / rentals of vehicles for the transport of freight or public transport is recoverable.

(fr4) French case law has restricted the possibility for a company to recover input VAT on restaurant expenses when the corresponding invoice does not make a clear reference to the name of the company and when the company grants a lump-sum to its employees for their restaurant expenses.

(fr5) This measure affects only fuel used for vehicles and machines that are excluded from the right to deduct VAT, and leased vehicles when the lessee cannot deduct the VAT relating to this rental.

(fr6) Specific mentions must be reported on the motorway ticket to enable VAT recovery.

(fr7) VAT can be recovered only if it has been correctly invoiced according to the VAT rules.

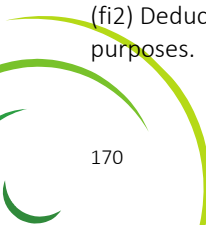
(gr1) Entry fees will be subject to VAT if the event takes place in Greece, irrespective of the place of establishment (Greek, EU, non-EU) or the VAT status of the attendees. If expenses incurred for the rental of space relate to the right to use a specific space/immovable property located in Greece, VAT will apply, also irrespective of the place of establishment (Greek, EU, non-EU) or the status (whether or not a VAT taxpayer) of the lessee. The VAT treatment of other services will be determined on a case-by-case basis (e.g. advertising or sponsorship services under the general B2B rule). The above services and any relevant input VAT incurred generally will be deductible for the organizer of the event, but for participants, it would have to be determined whether the deduction would be available. It is unclear whether all expenses related to exhibitions/fairs organized in Greece are fully deductible.

(gr2) VAT on accommodation costs are not deductible. Including incurred during a training seminar in Greece.

(hr1) Only possible for business purposes.

(hr2) 50% of the VAT charged on the leasing or purchase of passenger cars and related goods and services may be deducted. As an exception, 100% may be deducted if the car is purchased for prescribed activities (e.g. transport of passengers, car retail/wholesale, driving school, rent-a-car).

(hr3) VAT on hotel/accommodation and meals is not deductible when related to entertainment expenses.





(hr4) The admission to conference held in Croatia is subject to VAT. VAT is deductible only if the conference is attended for business purposes.

(hr5) If a regular toll, it is deductible if it relates to business purposes.

(hu1): 50% is deductible by law.

In the case of using a road register, the VAT deduction can range up to 100%. 100% deductibility also is possible where at least 50% of the consideration due for the supply of services is included in the taxable amount of the mediated services supplied by the company (and verified).

(hu2) VAT on diesel is deductible for trucks if it is used for certain technological developments or included in the taxable amount of other goods supplied.

(hu3) In case of a business trip. The right to deduct VAT for daily commuting to a workplace is limited.

(hu4):VAT on motorway fees is deductible if it is acquired for the business purpose and used in connection with a vehicle exceeding 3.5 t. This is verified through documentation.

(ic1) VAT may be recovered only if the supply is solely used for business purposes.

(ie1) Where a vehicle is first registered on or after 1 January 2009 with a level of CO2 emissions of less than 156g/km and used for business purposes for at least 60% of its total use, a maximum of 20% of the VAT incurred on the purchase, hiring, Intra-community acquisition or importation of the vehicle is deductible. Vehicles first registered on or after 1 January 2021 and with a level of CO2 emissions of less than 140g/km may reclaim a maximum of 20% of the VAT incurred if at least 60% of the vehicle's use is for business purposes and other conditions are satisfied.

(ie2) A conference/meeting may qualify as an event on which Irish VAT would be fully deductible. VAT on certain qualifying accommodation in connection with attendance at a qualifying conference also is fully deductible.

(it1) VAT on hotel accommodation is not deductible if it is related to entertainment expenses.

(it2) VAT on restaurant meals is not deductible if it relates to entertainment expenses.

(it3) VAT on training/conferences is not deductible if it relates to entertainment expenses.

(lu1) VAT is deductible only if it is correctly applied.

(lu2) The place of supply of a car repair in a B2B transaction is the place where the recipient is established, so no Luxembourg VAT should be applied.

(lu3) Only if Luxembourg VAT is correctly applied.

(lv1) Input VAT is deductible only if the goods or services were acquired for (VAT- taxable) business purposes.

(lv2) input VAT is not deductible with respect to expenses related to the rental, maintenance or repair of a passenger car, i.e. (if the value of the passenger car exceeds EUR 50,000). Only 50% of the input VAT amount can be refunded for expenses related to the rental, maintenance or repair of a passenger car valued below EUR 50,000 where the car is used for VAT-taxable business purposes.

(lv3) Only 40% of input VAT is deductible for representation expenses; input VAT incurred on goods and services acquired for VAT-taxable business purposes is fully deductible.

(lt) Input VAT is deductible only if the goods or services were acquired for VAT taxable economic activity.

(lt1) Input VAT is not deductible in case expenses were occurred for entertainment purposes. However, 50% of input VAT could be deducted in case of representation events.

(mt) There is no VAT recovery on the rental of motor vehicles, vessels or aircraft or on the purchase of goods or services for repairing, maintaining and fueling thereof. Exceptions apply to motor vehicles, vessels and aircraft that meet specified criteria / are used for a specific purpose.

(nl1) Provided the invoice meets Dutch VAT invoice requirements and the goods/ services are not used for private purposes.

(nl2) The 84% is applied by the Dutch tax authorities as an internal practice (the private use of the car is presumed). If it can be established that the car is used only for business purposes, a full VAT deduction will be allowed.

(nl3) VAT cannot be recovered on entertainment exceeding EUR 227 per year per person.

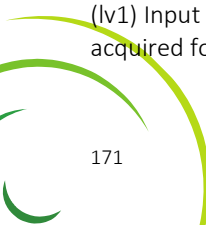
(no) Expenses relating to car repairs and fuel are recoverable only if incurred in relation to a car hiring business, the sale of cars and transport services.

(pl1) The recovery of input VAT is limited to 50% in the case of cars used for mixed use purposes (i.e. both business and private use). Where cars are strictly used for business purposes, a full deduction is allowed. A full recovery of input VAT is possible for specific types of truck/cars used for the transport of goods/ persons listed in the Polish VAT Act (e.g. buses, lorries, etc.).

(pl2) In principle, VAT recovery is allowed but it may depend on the nature of the expense.

(pl3) In general, 100% input VAT recovery would apply, subject to certain restrictions. In some cases (conferences), a detailed analysis is required to assess the scope of input VAT recovery.

(pt 1) If the taxpayer is the organizer of an event, 50% of the VAT incurred on certain expenses can be recovered; if the taxpayer is a participant, 25% of the VAT can be recovered.





(pt 2) The reverse charge will only apply if the space is supplied with other services; otherwise, the service will be considered land-related.

(pt 3) In the case of access to training and conferences in Portugal, the transaction will be located in Portugal for VAT purposes. Participation fees paid for conferences is 100% recoverable.

Under certain circumstances, VAT incurred by the taxable person and its staff related to transport and business travel expenses, such as lodging, meals and drinks, tobacco and reception expenses, including expenses related to the lease of immovable property or part of an immovable property - e.g. meeting rooms, as well as related equipment is 50% recoverable if the taxpayer is the event organizer or 25% if the taxpayer is a participant.

(ro1) VAT on the local acquisition, intra-community, import, rental or leasing of passenger vehicles and VAT on directly attributable costs (e.g. repair, maintenance, lubricants, spare parts, fuel) may be subject to a 50% limitation on the VAT deduction right.

(ro2) A deduction for entertainment services is only allowed if the cost is incurred for business purposes. A deduction on goods that are considered gifts is allowed up to RON 100/ gift. VAT is non-recoverable on tobacco and alcoholic drinks.

(si1) The reverse charge applies to space rentals.

(si2) Unless in relation to vehicles used for the transport of passengers and goods, leasing, renting and resale, vehicles used in driving schools for the provision of driver training and combined vehicles for carrying out an activity of a public nature and special line transport, as well as special vehicles exclusively adapted for the transport of deceased persons.

(si3) The reverse charge should apply for training-related services when these are not strictly entry fees.

(se1) Reverse charge applies on the provision of a stand location at a fair or exhibition site together with other related services to enable the exhibitor to display items, such as the design of the stand, transport and storage of the items, the provision of machines, cable laying, insurance and advertising;

(se2) With regards to meals, only a limited amount may be recovered if the meal is for business entertainment. The VAT calculated on a base amount of up to SEK 300 per person is recoverable. If the meals (12% VAT) also include alcohol (25% VAT), the VAT must be prorated but it is possible to use a standard amount of SEK 46 (provided the cost per person exceeds SEK 300 and the VAT amount is at least SEK 46). Other restaurant meals (e.g. for employees) generally are non-recoverable items.

(se3) With regard to business entertainment expenses, for entertainment costs to be recoverable from a VAT perspective, the costs must be attributable to the VAT-able business, i.e. not considered a personal living cost for the employees etc. It is presumed that all costs are incurred as part of carrying out a VATable business operations. Different restrictions apply depending on the type of entertainment expense. For business gifts, the VAT calculated on a base amount of up to SEK 300 is recoverable.

(se4) Local VAT applies on entry fees to training/conferences open to the public. This means that those who have the opportunity, subject to availability, must be given access to the event against payment. This applies even if the event is only aimed at a certain target group, e.g. persons with special professional competence. An event whose content has been adapted to the buyer's wishes is not aimed at the public. Provision of such tailor-made arrangements shall be assessed on the basis of the main rule in art. 44 of the VAT Directive.

(sk1) If VAT relates to entry fees for training/conferences, local VAT will apply, and a deduction is allowed.

(uk1) A full deduction is allowed if VAT relates to the entertainment of employees or is for overseas customers and has a business purpose (only for entertainment of a basic nature).

(uk2) The 50% rule also applies to the short-term hire of a vehicle unless the hire period is for ten days or less and the car is specifically hired for business purposes. In such a case, a full input tax can be reclaimed.







#### About Deloitte

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee (“DTTL”), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as “Deloitte Global”) does not provide services to clients. Please see [www.deloitte.com/about](http://www.deloitte.com/about) for a more detailed description of DTTL and its member firms.

Deloitte provides audit, tax and legal, consulting, and financial advisory services to public and private clients spanning multiple industries. With a globally connected network of member firms in more than 150 countries, Deloitte brings world-class capabilities and high-quality service to clients, delivering the insights they need to address their most complex business challenges. Deloitte has in the region of 312,000 professionals, all committed to becoming the standard of excellence.

This publication contains general information only, and none of Deloitte Touche Tohmatsu Limited, its member firms, or their related entities (collectively, the “Deloitte Network”) is, by means of this publication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser. No entity in the Deloitte Network shall be responsible for any loss whatsoever sustained by any person who relies on this publication.