VAT package 2010 (2011 and 2013)



When two parties to a transaction are in different EU countries it is essential that each person knows where that transaction is subject to VAT and who is responsible for accounting for VAT to the responsible tax authority. The changes come in from 1 January 2010 with other provisions coming in from 2011 and 2013. Once the place of supply is established it will help substantiate who is paying any VAT due. In addition, it will

help establish who is liable to register for VAT and where to register if there is an obligation to do so.

Does the supply fall into one of the following general exceptions? Services directly relating to land Passenger transport Hiring a means of transport Supplies of cultural, artistic, sporting, scientific educational, entertainment and similar services (including fairs and exhibitions, and ancillary services relating to such activities) Restaurant and catering Hiring of goods and telecommunication and broadcasting services Application of 'use of enjoyment'. Yes Nο Is the customer a 'relevant business person' Follow the general exception rule specific to each exception i.e. is it a B2B or a B2C supply? B2C B2B Does the supply fall into to following B2C Does the supply fall into one of the following exceptions? B2B exceptions? Supplies by an intermediary Electronically-supplied services Transport of goods between Admissions to cultural, educational different EU territories and entertainment activities etc and Transport of goods ancillary services relating to admission to such events. Ancillary transport services Long term hiring of means of Yes No transport Valuation services and work on Follow the B2B Default place of goods exception rules in supply is 'where Cultural, educational and accordance to the the customer entertainment services etc belongs'. notes. Electronic services Other services provided to recipient belonging outside EC. Yes No **B2B** – this is a 'business to business' supply where Follow the B2C Default place of the customer is a 'relevant business person'. exception rules in supply is 'where the supplier accordance to the **B2C** – this is a 'business to customer' supply where notes. belongs'. the customer is not a 'relevant business person'.

Should you have any concern as to your tax status, the appropriate advice must be obtained. This document has no regulatory status, it is for guidance purposes only.