

COMPLETION GUIDE TO FORM

EXEMPTION CERTIFICATE

to certify eligibility for exemption

pursuant to Section 2 of the Decree no. 11/2010 (III. 31.) of the Ministry of Finance on the *implementation of the enforceability of certain privileges, immunities and exemptions from VAT and excise taxes*, the exemption from VAT provided for in Section 107 of *Act CXXVII of 2007 on Value Added Tax (VAT Act)*, the exemption from excise tax provided for in Section 9 (1) (i)-(j), Section 12 (c), (g) and (i) and Section 13 (1) of *Act LXVIII of 2016 on Excise Tax (Excise Act)* as well as exemptions provided for in Sections 14-16 of *Act XXXIV of 2011 on the registration of foreign armed forces on duty in the territory of the Republic of Hungary and of international military headquarters and their personnel established in the territory of the Republic of Hungary, and on certain provisions related to their legal status (FAF Act)*

(ÁNYK)

Contents

I. General information	2
1. What is the Exemption Certificate form for?	2
2. To whom does the form apply?	2
3. How can the form be submitted?	2
4. Where to find the form?	2
5. What are the possibilities for using the form?	2
6. What are the parts of the form?	3
7. Additional information, assistance	3
8. Which legislation should be taken into account?	4
II. Detailed information	5

I. General information

1. What is the Exemption Certificate form for?

This form is used to certify the VAT and excise duty exemption eligibility of the taxable persons concerned.

2. To whom does the form apply?

The form may be submitted to the competent authority with jurisdiction of the host state, i.e. the Ministry of Foreign Affairs and Trade (hereinafter: MoFAT) or the Ministry of Defence (hereinafter: the MoD) by persons or organisations eligible and entitled for tax exemption.

3. How can the form be submitted?

The completed and printed Exemption Certificate shall be submitted on paper to the MoFAT. Pursuant to Decree no. 16/2020 of the Ministry of Defence, the application for the issuance of the certificate must be submitted to MoD on paper or electronically, based on which MoD prints the Exemption Certificate.

4. Where to find the form?

The Exemption Certificate is a form available only from the National Tax and Customs Administration (NTCA). The Exemption Certificate is available electronically on the website of NTCA in the General Form Filling Framework Program (abbreviated ÁNYK in Hungarian) on the following path:

- www.nav.gov.hu → Forms (*Nyomtatványok*) → Forms for ÁNYK → Form Finder (*Nyomtatványkereső*) → Advanced search (*Részletes keresés*) → [Exemption Certificate \(*Mentességi Igazolás*\)](#)

5. What are the possibilities for using the form?

- **If the entitled person/entity wishes to claim a *direct tax exemption* on the purchase of goods/services, i.e. he/she wishes to carry out the transaction free of tax, *the original of the Exemption Certificate shall be provided to the supplier of the goods or services at the time of the transaction.***

Therefore, the entitled person/entity shall have the Exemption Certificate authenticated by MoD or MoFAT before the purchase of the goods or services.

It is sufficient to fulfil the obligation set out in the preceding paragraph only once, for the first time, if the effectiveness of the Exemption Certificate allows it and the person selling the product or providing the service does not change during this period, not including the case of succession. Furthermore, if the conditions for direct VAT exemption for the

entitled person or organisation set out in Act CXXVII of 2007 on Value Added Tax (VAT Act) are still fulfilled.

- **If the exemption takes the form of a *subsequent tax refund* to the eligible person, the right arises upon full payment of the consideration, including VAT and, in the case of the supply of excise goods, the excise tax, which is due for the supply of goods or services.**

The original copy of the Exemption Certificate shall be submitted to the NTCA together with the application for the tax refund (form IDIPL) no later than 30 September of the year following the year covered by the application, unless the effectiveness of the Exemption Certificate indicates otherwise. In the latter case, it is sufficient to submit the Exemption Certificate only once during its period of effectiveness, for the first time, provided that, during this period, the conditions for the right to reclaim the tax set out in the VAT Act and in Act LXVIII of 2016 on Excise Tax continue to be met.

6. What are the parts of the form?

Parts of the Exemption Certificate form

Main page	Details of the entitled person/organisation/entity
Block I.	Eligibility data, Details of family members living in the same household as the eligible person
Block II.	Certificate of the existence of other conditions for exemption, Signature of competent authority

7. Additional information, assistance

Should you have further questions related to the form or certain taxation rules please do not hesitate to contact us at our following availabilities!

On the Internet:

- On the website of NTCA at www.nav.gov.hu

Via E-mail:

- On the form that can be found on the following link:
https://nav.gov.hu/ugyfeligiranytu/keressen_minket/levelkuldes/e-ugyfsz.

On the Phone:

- On the info line of NTCA
 - from in-country on the phone number 1819,
 - from abroad on the phone number +36 (1) 461-1819.
- Information on specific case(s) and managing individual cases*
 - from in-country on the phone number 1819 (menu item 2),
 - from abroad on the phone number +36 (1) 461-1819.

The info line of NTCA can be reached between 08:30 and 16:00 from Monday till Thursday and between 08:30 and 13:30 on Fridays.

*Please select menu item (1) for general information and menu item (2) for case specific information and administration. For case specific information and assistance, you must have a customer identification number or a Partial Code for Telephone Identification (RKTA). If you do not have a customer identification number, you can request one using the so called TEL form, the easiest way to do this is to use the [Online Form Filling Application \(ONYA\)](#). Please note, if you wish to act not on your own business or to deal with a case on some else's behalf, you also need to submit the so called UJEGYKE form.

In person:

- Countrywide at the customer services of NTCA. Search engine for customer services:
<https://nav.gov.hu/nav/ugyfelszolg>

8. Which legislation should be taken into account?

- COUNCIL DIRECTIVE 2006/112/EC of 28 November 2006 on the common system of value added tax;
- COUNCIL DIRECTIVE 2008/118/EC of 16 December 2008 concerning the general arrangements for excise duty and repealing Directive 92/12/EEC;
- COUNCIL DIRECTIVE (EU) 2020/262 of 19 December 2019 laying down the general arrangements for excise duty (recast);
- COUNCIL Implementing Regulation (EU) No 282/2011 of 15 March 2011 laying down implementing measures for Directive 2006/112/EC on the common system of value added tax (recast);
- Commission Regulation (EC) No 31/96 of 10 January 1996 on the excise duty exemption certificate;
- Commission IMPLEMENTING REGULATION (EU) 2022/1637 of 5 July 2022 laying down the rules for the application of Council Directive (EU) 2020/262 as regards the use of documents in the context of movement of excise goods under a duty suspension arrangement and of movement of excise goods after release for consumption, and establishing the form to be used for the exemption certificate;
- Act CXXVII of 2007 on Value Added Tax (VAT Act);
- Act LXVIII of 2016 on Excise Tax (Excise Act);
- Act XXXIV Of 2011 on the Registration of Foreign Armed Forces on Duty in the Territory of the Republic of Hungary and of International Military Headquarters and their Personnel Established in the Territory of the Republic of Hungary, and on Certain Provisions related to their Legal Status (hereafter FAF Act);
- Act CXVI of 1999 on the Accession to the Protocol relating to the Status of International Military Headquarters Established under the North Atlantic Treaty, Done at Paris on 28 August 1952, and on the Promulgation of the Protocol (Paris Protocol);

- Act CII of 1995 on the Ratification and Promulgation of the Agreement between the States Parties to the North Atlantic Treaty and the Other States Participating in the "Partnership for Peace" on the Status of their Armed Forces and its Additional Protocol;
- Act LI of 2019 on the Promulgation of the Agreement on Defense Cooperation between the Government of Hungary and the Government of the United States (hereafter: DCA);
- Decree no. 45/2016 (XI.29) of the Ministry of National Economy on the Implementation of Certain Provisions of Act LXVIII of 2016 on Excise Tax;
- Decree no. 11/2010 (III. 31.) of the Ministry of Finance on the Implementation of the Enforceability of Certain Privileges, Immunities and Exemptions from VAT and Excise Taxes (hereafter: Decree of MoF);
- Law-Decree No. 22 of 1965 on the Promulgation of the International Treaty on Diplomatic Relations signed in Vienna on 18 April 1961;
- Law-Decree No. 13 of 1987 on the Promulgation of the Convention on Consular Relations, adopted in Vienna on 24 April 1963.

II. Detailed information

Eligible entities tax exemption

The form may be used by persons and organisations as defined in Section 107 (1) and (5) of the VAT Act and point 38 of Section 3 (1) of the Excise Act, and by US contractors as defined in point f) of Section 2 (1) of the FAF Act (hereinafter together referred to as "*entitled persons and organisations*") pursuant to Section 15 of the FAF Act to claim direct tax exemption provided for in Section 5 of the Decree of MoF as well as indirect tax exemption under Article 6 of the Decree of MoF, i.e. to certify exemption from value added tax (VAT) and excise tax.

Under Section 19 of the Decree of MoF, the use of the form is mandatory if the host state is Hungary.

As described above, the following entities may therefore use this form to certify their eligibility for tax exemption:

- 1.) persons:
 - a) members of diplomatic missions and professional consular representations;
 - b) officials of an international organisation;
 - c) solely entitled armed forces and members of their personnel; and
- 2.) organisations
 - a) diplomatic missions and professional consular representations;
 - b) the European Community, the European Atomic Energy Community, the European Central Bank, the European Investment Bank and any body set up by

- the European Communities to which the Protocol on the Privileges and Immunities of the European Communities applies;
- c) international organisations not covered by (a) and (b);
 - d) international military headquarters (or an international military organisation covered by Article I (b) or (c) or Article XIV of the Paris Protocol or established by an international treaty with the status of an international military headquarters);
 - e) armed forces
 - ea) the armed forces of a North Atlantic Treaty member state stationed in the domestic territory - not including the Hungarian Defence Forces;
 - eb) outside the domestic territory, an armed force stationed in another Member State of the North Atlantic Treaty, including all armed forces stationed there, but not including that Member State's own armed forces;
 - ec) the armed forces of the United Kingdom, provided that their acquisition is for the use of the armed forces of the United Kingdom stationed on the island of Cyprus or of the civilian staff accompanying them, or for the supply of their restaurants or canteens, in accordance with the international treaty of 16 August 1960 on the establishment of the Republic of Cyprus;
 - ed) the armed forces of a Member State engaged in the exercise of a defence function in the framework of the common security and defence policy of the Union, with the exception of the armed forces of the Member State of the tax warehouse;
 - f) US contractors.

The authority entitled to certify the exemption

Section 3 of the Decree of MoF specifies the authorities designated to certify the tax exemption of the entitled persons/organisations.

On this basis, the status as an entitled person or organisation is certified by MoFAT if the host state is Hungary. However, the status as an entitled person or organisation is certified by MoD in the case of a member of the armed forces or, the armed forces or international military headquarters or an international military organization having such status, or a U.S. contractor.

How to use the tax Exemption Certificate?

An Exemption Certificate duly completed and signed by the competent Ministry may be used as follows:

1. VAT exemption

1.1 Claiming direct VAT exemption

If the VAT exemption applies to the supply of goods or services in such a way that no VAT shall be charged pursuant to Section 107 (2) and (3) of the VAT Act (hereinafter: direct

VAT exemption), the person or organisation eligible for VAT exemption shall hand over the original of the Exemption Certificate to the person or organisation obliged to supply the goods or render services, who shall keep a record of it, at the latest until the time of the supply as determined in accordance with the provisions of the VAT Act. In the case of advance payments, the Exemption Certificate shall be submitted no later than the date of receipt of the advance payment.

During the period of validity of the Exemption Certificate, it is sufficient to present the Exemption Certificate only once, for the first time, to the same supplier of goods and/or services.

Direct exemption from VAT applies under the VAT Act:

- if the goods supplied are dispatched as a consignment in the domestic territory or transported from the domestic territory at the time the goods are supplied or within not more than ninety days from the date of the chargeable event - addressed to the name of the entitled person or organisation (as customer) - with proof of exportation, where - within the said time limit - the goods supplied may not be used or consumed, with the exception of sampling and trial production, with a consignment note or any other document accompanying the goods supplied attached (unless, in the framework of the common defence effort, the sale is made to the armed forces of a North Atlantic Treaty member state stationed in its domestic territory, excluding the Hungarian Defence Forces, or an international treaty expressly provides otherwise);
- in the case of services, where an international treaty expressly provides for this
- if the purchase of goods or services is made for the armed forces of a North Atlantic Treaty member state stationed in its domestic territory, excluding the Hungarian Defence Forces, in the framework of the common defence effort.

Consequently, if the entitled person or organisation has an original Exemption Certificate on which the competent ministry has certified the direct VAT exemption and the entitled person or organisation hands over the original of the certificate to the supplier of the goods or services until the time of delivery in accordance with the VAT Act, and the provisions of Sub-sections (2) - (3) of Section 107 of the VAT Act are met, the *invoice issuer is entitled to issue a VAT-exempt invoice.*

1.2 Claiming indirect VAT exemption

The entitled person or organisation, if not eligible for direct VAT exemption, *shall be eligible for VAT reclaim on the form submitted to the NTCA.* The original of the Exemption Certificate shall be attached to the VAT refund application ([IDIPL form](#)) to be submitted. The mandatory attachment can only be disregarded within the validity period of the previously submitted Exemption Certificate.

2. Exemption from excise tax

2.1 Direct exemption

Section 9 (1) (i) to (j) of the Excise Act specifies the cases in which excise goods may be acquired exempt from excise tax. On this basis, *exemption from excise tax is granted for*

- a) the exempted organisation on the quantity of excise goods which may be imported duty-free from a third country;
- b) the exempted organisation in respect of excise goods imported from another Member State up to the quantity referred to in point (a);

2.2 Indirect exemption

Section 12 of the Excise Act sets out the cases in which *tax paid may be reclaimed*. On this basis, the following are entitled to a tax refund:

- a) the exempted organisation, under the conditions and within the limits laid down in Section 13 of the Excise Act, on excise goods acquired and taxed within the country;
- b) a person who uses taxable excise goods for an activity for which an exemption from payment of tax may be claimed;
- c) a person or organisation exempted from tax under an international treaty promulgated by law not falling under points (a) to (h) of Section 12 of the Excise Act.

Pursuant to Section 13 (1) of the Excise Act, the following are eligible for a *tax refund* in the event of reciprocity:

- a) diplomatic and consular representation, as well as international organisations with respect to their excise goods purchased for official purposes recorded in their accounts as financial charges necessary for their proper functioning;
- b) members of a diplomatic and consular representation and members of an international organisation on excise goods acquired for personal use.

Other rules of procedure

The Exemption Certificate may be validly used without a certified Hungarian translation and without diplomatic authentication/legalization with Apostille Certificate if it is issued by an authority of a Member State of the European Union and is issued in an official language of that Member State or in a working language of the European Union (English, French, German).

The application for a tax refund shall be accompanied by an original copy of the Exemption Certificate, unless the effectiveness of the Exemption Certificate suggests otherwise. In the latter case, it is sufficient to submit the Exemption Certificate only once,

for the first time, during its period of effectiveness, provided that during that period, the conditions for the right to tax refund laid down in the VAT Act and the Excise Tax Act continue to be met.

If the duration of the mission (accreditation) in Hungary indicated in the Exemption Certificate is shortened, MoFAT or MoD shall, based on the information available to them, revoke the Exemption Certificate and immediately notify NTCA of this fact.

Completing specific data fields of the form

The sections of the form must be filled in by computer or in block capitals.

Completion of Block I

Block I shall contain the **data necessary to identify** the entitled person or organisation.

Section 1 can only be filled in by an entitled person!

In this section, please enter the information necessary to identify the entitled person:

- ***the first name and family name of the entitled person***

In this field you will enter your surname and first name. *If the form is submitted by an entitled person, this field is mandatory!*

- ***the official ID card number of the entitled person***

The number on the identity card issued by the Ministry of Foreign Affairs and Trade or the Ministry of Defence must be entered in this field.

If the certificate is issued by *MoFAT* by authorisation, the number of the diplomatic identity card shall be indicated in this field.

If *MoD* is authorised to issue the certificate, please indicate the letter and number of the card (i.e. international military residence card) specified in Section 5 (1) of FAF Act.

- ***the address of the permanent place of residence of the entitled person***

(In particular, please give the address of your permanent residence, branch office, premises, office or head office in the state of secondment/mission, in the absence of permanent residence, branch, premises, office in the state of secondment/mission, please enter the address of your permanent place of residence or that of the head office.)

- ***the mailing address of the entitled person***

Your mailing address needs to be provided in this field.

- ***other address***

Please indicate in this field if you have e.g. PO box data.

Section 2 can only be filled in by an entitled organisation!

In this section, please enter the information necessary to identify the entitled organisation:

- ***the name of the entitled organisation***

If the form is submitted by an entitled organisation, this field is mandatory!
In this field you need to enter the name of the organisation.

- ***the address of the entitled organisation***

(In particular, please give the address of your permanent residence, branch office, premises, office or head office in the state of secondment/mission, in the absence of permanent residence, branch, premises, office in the state of secondment/mission, please enter the address of your permanent place of residence or that of the head office.)

- ***other address***

Please indicate in this field if you have e.g. PO box data.

The postcode is mandatory in the fields containing geographical addresses. You can also enter a foreign address in the given field, in which case the list of countries can be accessed by selecting the "Foreign address" checkbox. When entering a Hungarian address, the postcode must be entered enclosed to the left. The name of a settlement (e.g. city, town, village) cannot be abbreviated. For the address data, the name (e.g. Petőfi); the type (e.g. street, square, etc.) of the public area should be indicated.

Completion of Block II

Block II titled "certification of authority" is reserved for the competent authority of the host state, i.e. MoFAT and MoD, therefore, entitled persons or organisations shall not enter any data in it.

In this block, it is necessary to enter the details of the exemption related to the entitled person or organisation.

In section 1, please indicate whether the entitled person/organisation is eligible for a VAT and/or excise tax exemption and the period for which the exemption applies.

If point A) is completed, the entitled person/organisation will only be eligible for VAT exemption.

If point B) is completed, the entitled person/organisation will only be eligible for claiming an exemption from excise tax.

If point C) is completed, the entitled person/organisation will be eligible for VAT and excise tax exemptions.

Section 2 is used to disclose data on family members who are not Hungarian citizens and do not have the right of permanent residence in Hungary and who live in the same household as the entitled person.

This section can only be filled in for an entitled person!

Please complete the table in this section as follows:

In the "*Name*" field, please enter the name of the family member living in the same household as the entitled person.

The number on the official identity card issued by MoFAT or MoD shall be indicated in the "*Number of the official identity card*" field.

- If the certificate is issued by *MoFAT* by authorisation, the number of the diplomatic identity card shall be indicated in this field.
- If MoD is authorised to issue the certificate, please indicate the letter and number of the card (i.e. international military residence card) specified in Section 5 (1) of FAF Act.

In the field "*Start of eligibility*", the date from which a member of the family living in the same household as the entitled person is eligible for tax exemption shall be entered.

In the field "*End of eligibility*", the date until which the family member living in the same household as the entitled person is eligible for tax exemption shall be entered.

Section 3 is used to verify that other conditions for exemption from indirect taxes are met.

In other words, in this section you need to indicate the **legal title of the exemption** by placing an X in the checkbox in front of each legal title.

You can choose from the following:

1) *Based on reciprocity - as per the statement by the minister responsible for foreign policy.*

This legal title is used to justify the exemption from tax of purchases/use of services for official purposes by **diplomatic missions and professional consular representations**. Furthermore, this legal title is also used to justify the exemption from tax of purchases **for personal use by a member of the diplomatic missions and professional consular representations**.

2) *The European Community, the European Atomic Energy Community, the European Central Bank, the European Investment Bank and the organisations set up by the European Communities and to which the Protocol of 8 April 1965 on the Privileges and Immunities of the European Communities applies.*

This legal title is intended to justify exemption from taxation **for the European Community, the European Atomic Energy Community, the European Central Bank, the European Investment Bank and organisations set up by the European Communities and covered by the Protocol of 8 April 1965 on the Privileges and Immunities of the European Communities.**

3) *Under the provisions of an international treaty*

This legal title is used to justify the exemption from tax of **purchases for official purposes by an international organisation or its representative office**, as defined in an international treaty/agreement establishing the international organisation or in an international treaty/agreement on the official seat of an international organisation, promulgated by law, **which are not covered by the previous points**, or of **purchases for personal purposes by an official of such an organisation** or representative office, **recognised by Hungary as an international organisation**. Furthermore, this legal title applies to the exemption from taxation of purchases made before the date of entry into force of the act promulgating the international treaty on the accession of the Republic of Hungary to the European Union, as defined in an international treaty promulgated by an act or government decree, provided that such international treaty/agreement provides for the remission or refund of indirect taxes normally included in the price of the goods or services.

It is necessary to specify the international treaty/agreement referred to!

4) *The procurement is for the use of the armed forces or civilian personnel accompanying them in the context of the common defence effort, or for the provision of their restaurants or canteens, and*

a) is for the armed forces of a North Atlantic Treaty member state stationed in the domestic territory, excluding the Hungarian Defence Forces

This legal title is used to justify the exemption from tax of purchases for the use of the armed forces and accompanying civilian staff, or for the provision of their restaurants and canteens, in the context of the common defence effort, for the armed forces of a **North Atlantic Treaty member state stationed in the domestic territory**, excluding the Hungarian Defence Forces.

b) is for an armed force outside the domestic territory stationed in another member state of the North Atlantic Treaty

This legal title is intended to justify the exemption from tax of purchases made for the use of the armed forces or civilian staff accompanying them, or for the supply of their restaurants or canteens, in the context of the common defence effort, and made outside the country to **armed forces stationed in another North Atlantic Treaty member state**.

c) is for official use by the armed forces of a Member State stationed in the domestic territory of a Member State with a view to the Union's action

in the framework of the common security and defence policy, except for the domestic armed forces

This legal title is used to justify the exemption from taxes of purchases made for the armed forces of a Member State of the Community other than Hungary stationed in the domestic territory, for the use of the armed forces or the civilian staff accompanying them, or for the provision of their restaurants or canteens, where these armed forces are engaged in the fulfilment of a defence task in the framework of the common security and defence policy of the European Union.

d) is for official use for the armed forces of a Member State stationed in another Member State of the Community with a view to the Union's action in the framework of the common security and defence policy, with the exception of the armed forces where the tax warehouse is located

This legal title is used to justify the exemption from taxes of purchases intended for another Member State of the Community, for the armed forces of a Member State other than the Member State of destination, for the use of the armed forces or of the civilian staff accompanying them, or for the supply of their restaurants or canteens, where these armed forces are engaged in a defence task in the framework of the implementation of the Union's common security and defence policy.

5) The procurement is for the use of the armed forces of the United Kingdom stationed on the island of Cyprus, or the accompanying civilian personnel, or for the provision of their restaurants or canteen

This legal title is intended to justify the exemption from taxes of purchases **for the use by the armed forces of the United Kingdom stationed in Cyprus, or by the civilian staff accompanying them**, or for the supply of their restaurants or canteens.

6) Purchases made by a US contractor

This legal title is used to justify the tax exemption from taxes of transactions carried out by **US contractors**.

US contractors are non-Hungarian individuals, legal entities, and their employees, as defined in point 4 of Article II of the DCA (Defense Cooperation Agreement), who are not Hungarian nationals and have a direct or subcontracting contractual relationship with the US Department of Defense.

In the "*other data*" field, it is necessary to provide relevant information on the exemption from tax of the purchase made by the US contractor, such as the contract number.

7) Procurement for personal use by the personnel of the US armed forces and by their dependents

This legal title is used to justify exemptions from taxes of purchases for personal use by US armed forces personnel and their dependents as defined in the DCA.

8) For the European Commission, or any agency or body established under EU law, if the Commission or such agency or body is carrying out its tasks in response to the Covid19 pandemic

This legal title is used to justify the exemption from taxes of purchases made for the **Commission or for an agency or body set up under EU law, if the Commission, or that agency or body, procures the product or uses the service in the context of carrying out tasks conferred on it by EU law to respond to the Covid19 pandemic**, provided that the Commission or that agency or body does not resell the purchased goods or services for consideration.

9) Other conditions

This field is used to provide data/information by the applicant other than those mentioned above to support the existence of the conditions for tax exemption.

Signature section

The certificate shall be signed by the competent authority of the host state, in this case the Ministry of Foreign Affairs and Trade or the Ministry of Defence, as the case may be, to certify the eligibility of the person/organisation for tax exemption.

The signature section is reserved for MoFAT and MoD, please do not enter any data in it as the entitled person/organisation!

National Tax and Customs Administration