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Guide to the VAT One Stop Shop

(applicable from 1 July 2021)

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General information on this guide

This guide aims at providing a better understanding of the EU legislation (see Annex 1) relating to the extended One Stop Shop, as well as the functional and technical specifications for the special schemes, as adopted by the Standing Committee on Administrative Cooperation (SCAC).

This guide is not legally binding and is only practical and informal guidance about how EU law and EU specifications are to be applied on the basis of views of DG TAXUD.

The guide is a work in progress: it is neither exhaustive nor a final product but reflects the state of play at a certain point in time in accordance with the knowledge and experience available. Over time, it is expected that additional elements may be needed.

The enlarged One Stop Shop is part of the VAT e-commerce package. Extensive explanations and clarifications on the VAT e-commerce rules can be found in the "Explanatory notes on the new VAT e-commerce rules":
https://ec.europa.eu/taxation_customs/business/vat/ressources_en

Abbreviations

B2C – Business to consumer

EU – European Union

IOSS – Import One Stop Shop

IOSS VAT identification number – VAT identification number allocated to a taxable person or to the intermediary in respect of a taxable person for which he is appointed to use the import One Stop Shop

MOSS – Mini One Stop Shop

MS – Member State

MSI – Member State of identification

MSC – Member State of consumption

OSS – One Stop Shop

OSS schemes – One Stop Shop schemes: non-Union scheme, Union scheme, import scheme

SME/SMEs – Small enterprise/Small enterprises

Supplier – taxable person supplying goods and/or services

Taxable person not established in the EU – a taxable person who has not established his business nor has a fixed establishment in the EU or who has established his business in a territory of a Member State to which the VAT Directive does not apply (see Article 6 of the VAT Directive 2006/112/EC).

TBE services – telecommunications, broadcasting and electronically supplied services

Background

The mini One Stop Shop (MOSS), which was put in place on 1 January 2015, has been extended to become a One Stop Shop (OSS) as from 1 July 2021 covering a wider range of supplies and has introduced further simplifications.

This enlarged One Stop Shop covers three special schemes: the non-Union scheme, the Union scheme and the import scheme. The scope of the already existing non-Union scheme and Union scheme has been extended, whereas the import scheme has been newly introduced. These special schemes allow taxable persons to declare and pay VAT due in Member States in which these taxable persons are (in general) not established via a web-portal in the Member State in which they are identified (Member State of identification). The schemes are optional.

In practice, a taxable person who is registered for an OSS scheme in a Member State (the Member State of identification) will electronically submit OSS VAT returns detailing the supplies that can be declared in the respective OSS scheme along with the VAT due. The VAT return is submitted quarterly in the non-Union and in the Union scheme and monthly in the import scheme. If a taxable person chooses to use one of the schemes, he has to declare all supplies that fall under that particular scheme via the OSS return of the respective scheme. These OSS VAT returns, along with the VAT paid, are then transmitted by the Member State of identification to the corresponding Member States of consumption via a secure communications network.

The OSS VAT returns are additional and do not replace the VAT return a taxable person submits to his Member State under his domestic VAT obligations.

The OSS schemes are available to taxable persons established in the EU and outside the EU. Taxable persons who are **established in the EU** can use the Union scheme and the import scheme, whereas taxable persons who are **not established in the EU** can possibly use all three schemes, i.e. the non-Union, the Union and the import scheme.

Without the OSS schemes, the supplier would be required to register in each Member State in which he supplies goods or services to his customers. The OSS schemes are optional for taxable persons. However, when choosing to use an OSS scheme, the taxable person must apply the scheme to all supplies falling under this scheme in all relevant Member States. The taxable person cannot, therefore, opt to use the OSS scheme just for supplies in some Member States and not for supplies in other Member States. Once opting into the scheme, it is applicable for all supplies to consumers in all Member States.

The legislation relating to the One Stop Shop is contained in a number of legislative acts (see Annex 1). In order to provide taxable persons and Member States with a clear understanding of the operation of the One Stop Shop, the Commission has brought the salient points together in the form of a Guide to the One Stop Shop. This Guide to the One Stop Shop covers four elements:

- The registration process, including deregistration/exclusion;
- The return process (including corrections);
- The payment process, including reimbursements;
- Miscellaneous, including record keeping.

For the purposes of these elements, it is important to clarify some basic concepts:

1) The concept of a **taxable person** in relation to the One Stop Shop

   Under the non-Union scheme, a taxable person is a business (be it a company, a partnership or a sole proprietor) which has not established its business (place of business) in the EU, nor has a fixed establishment there. Being identified or required to be identified for VAT purposes in the EU does not prevent the taxable person from using the non-Union scheme.

   Under the Union scheme, a taxable person is a business (be it a company, a partnership or a sole proprietor) which has established its business in the EU or has a fixed establishment there.

   Note: A taxable person not established in the EU can also use the Union scheme to declare certain supplies of goods (see part 2 One Stop Shop VAT returns).

   Under the import scheme, a taxable person is a business (be it a company, a partnership or a sole proprietor) established within the EU or outside the EU. However, a taxable person established outside the EU[1] is required to appoint an intermediary to use the import scheme.

2) The concept of **deemed supplier**

   A deemed supplier is a taxable person who is not the actual supplier of certain goods, but he facilitates the supply and is therefore, for VAT purposes (only), treated as the supplier (fiction for VAT purposes).

   A deemed supplier is a taxable person who facilitates a supply of goods that is concluded between a supplier (underlying supplier) and a customer through the use of an electronic interface (e.g. marketplace, platform, portal etc.).

   In the Union scheme a deemed supplier is a taxable person – established in the EU or outside the EU – who facilitates a supply of goods:

   - via an electronic interface
   - that takes place in the EU (i.e. intra-Community distance sales of goods as well as domestic supplies of goods)
   - to a non-taxable person
   - if the underlying supplier is established outside the EU.

   In the import scheme a deemed supplier is a taxable person – established in the EU or outside the EU – who facilitates a supply of goods:

   - imported from a third territory or a third country
   - in a consignment of a value not exceeding EUR 150
   - to a non-taxable person

[1] A taxable person established in a third country with which the Union has concluded an agreement on mutual assistance, does not need to appoint an intermediary to be able to use the import scheme (e.g. Norway) for supplies of goods that are dispatched from that country.

- via an electronic interface.

3) The concept of **intermediary** in relation to the import scheme

The term "intermediary" is only used in and for the import scheme.

An intermediary is a taxable person who is established in the EU (business or fixed establishment) and who will be the person liable to pay VAT and to fulfil the VAT obligations laid down in the import scheme (e.g. submission of VAT declaration, payment of VAT, record keeping obligation etc.) in the name and on behalf of another taxable person who has appointed him as intermediary. Member States may introduce additional rules for an intermediary at national level (e.g. requirement of a guarantee).

A taxable person not established in the EU who wants to use the import scheme, needs to appoint an intermediary for this purpose. Note that taxable persons established within the EU do not need to appoint an intermediary to use the import scheme, but may decide to do so.

An intermediary has to first get registered in his Member State of identification to be able to act as such. Only after this step, can he register one or more taxable persons who have appointed him to be able to use the import scheme. He will receive a separate IOSS VAT identification number for each taxable person he represents.

4) The concept of **distance sales of goods**

Intra-Community distance sales of goods are supplies of goods that are dispatched or transported from one Member State to another Member State by or on behalf of the supplier (taxable person selling these goods) to a non-taxable person or a person who is treated as non-taxable person[2]. New means of transport and goods supplied after assembly or installation are excluded from this definition and can therefore not be the subject of an intra-Community distance sale. Goods subject to excise duties however fall under this definition.

Distance sales of goods imported from third territories or third countries are supplies of goods from a third territory or a third country made by or on behalf of the supplier (taxable person selling the goods) to a non-taxable person or a person treated as such. Please note that the goods have to be dispatched/transported from a third territory/third country to fall under this definition. Goods already stored in a warehouse in the EU are not covered and do not qualify as distance sales of imported goods. New means of transport and goods supplied after assembly or installation are excluded and can therefore per definition not be the subject of such a distance sale.

Note that goods subject to excise duty can be object of a distance sale of imported goods from third territories or third countries, but cannot be declared in the import scheme.

[2] Taxable persons and non-taxable legal persons whose intra-Community acquisitions of goods are not subject to VAT pursuant to Article 3(1) of the VAT Directive are treated as non-taxable persons.

5) The concept of the **Member State of identification**

The Member State of identification is the Member State in which the taxable person is registered for using a scheme of the One Stop Shop, and where he declares and pays the VAT due in the Member State(s) of consumption.

A taxable person can only register in one single Member State to use a special scheme. A taxable person can usually not choose which Member State will be his Member State of identification. He has to follow the respective legal provisions (see registration below).

6) The concept of the **Member State of consumption**

The Member State of consumption is a Member State in which the taxable person supplies goods or services to non-taxable persons, i.e. in which the supply takes place and where the VAT is due.

In the non-Union scheme, a taxable person can declare supplies of **services** to non-taxable persons taking place in any Member State of the EU, including the Member State of identification. Any Member State can therefore be Member State of consumption.

In the Union scheme, a taxable person can declare cross-border supplies of **services** to non-taxable persons taking place in a Member State in which that taxable person is not established, i.e. in which the taxable person has neither his place of business nor a fixed establishment. Services supplied to non-taxable persons that take place in a Member State in which the supplier has an establishment cannot be declared in the Union scheme, but have to be declared in the national VAT return of the respective Member State.

A taxable person can also declare **intra-Community distance sales of goods** in the Union scheme, regardless of the Member State in which the transport ends. Any Member State can therefore, in this case, be Member State of consumption, including the Member State of identification, on condition that the transport of the goods starts in another Member State.

A **deemed supplier** can, in addition, declare **domestic supplies of goods** (i.e. supplies where the transport/dispatch of the goods starts and ends in the same Member State), regardless of whether he is established in this Member State or not. Any Member State can therefore in this case be Member State of consumption.

In the import scheme a taxable person can declare distance sales of goods imported from a third territory or third country to customers that take place in the EU. This only covers low value goods, i.e. goods in consignments of an intrinsic value not exceeding EUR 150 and does not apply to goods subject to excise duties. Any Member State can therefore in this case be Member State of consumption, including the Member State of identification.

Table 1: Member State of consumption

	Member State of consumption	
Non-Union scheme	**Any Member State**	
Union scheme	Services: Any **Member State** in which the supplier is **not established**	Goods: **Any Member State** different from the Member State in which dispatch/transport of goods starts[3]
Import scheme	**Any Member State**	

7) The concept of **fixed establishment**

For a fixed establishment to be considered as such, it should have a sufficient degree of permanence and a suitable structure in terms of human and technical resources to receive and use or to make the respective supplies. Simply having a VAT identification number does not in itself mean that an establishment qualifies as fixed establishment.

8) The concept of the **Member State of establishment**

The Member State of establishment is a Member State in which a taxable person has a fixed establishment. A taxable person may have established his business in the Member State of identification, but at the same time have fixed establishments in other Member States. Supplies **from** these fixed establishments to Member States of consumption must also be included in the Union scheme.

However, in the Union scheme, a Member State of establishment cannot be the Member State of consumption for supplies of services - any relevant supply in this Member State must be declared via the domestic VAT return of the fixed establishment.

9) The place of supply – **threshold of EUR 10 000**

The general rules to determine the place of supply are the following:

The place of supply of TBE services supplied by a taxable person (the supplier) to a non-taxable person (the customer) is in the Member State where the customer is

[3] See exception for deemed suppliers under point 6 above.

established, has his permanent address or usually resides.

The place of supply of intra-Community distance sales of goods is in the Member State in which the dispatch/transport of the goods ends.

An annual EUR 10 000 turnover threshold for cross-border supplies of B2C TBE services has been introduced on 1 January 2019, up to which the place of supply of such services remains in the Member State where the supplier is established, has his permanent address or usually resides. As from 1 July 2021, this threshold also covers intra-Community distance sales of goods whose transport/dispatch has started in the Member State in which the supplier is established.

The threshold of EUR 10 000 only applies to TBE services and intra-Community distance sales of goods. It does not apply to other services than TBE services nor to distance sales of imported goods.

The application of this threshold is subject to the following conditions:

1) the supplier is established or, in the absence of an establishment, has his permanent address or usually resides in only **one** Member State; and

2) he supplies TBE services to non-taxable persons that take place in another Member State or he supplies goods that are dispatched or transported from the Member State in which the supplier is established to another Member State; and

3) the total sum of these supplies does not exceed EUR 10 000 (without VAT) in the current and the preceding calendar year.

If all these conditions are met, these supplies are subject to VAT in accordance with the rules applicable in the Member State of the supplier. The One Stop Shop (Union scheme) is not relevant in this situation, because the supplies will be domestic supplies and cannot be declared in the OSS.

In case the supplier wants to apply the general place-of-supply rules, i.e. Member State of the customer (services)/Member State where the transport of the goods ends (goods) he can decide to do so and will be bound by this decision for two calendar years.

As soon as the threshold is exceeded, the general rule applies without exception, i.e. the place of supply of TBE services is in the Member State of the customer and the place of supply of intra-Community distance sales is in the Member State in which the transport of the goods ends.

The threshold of EUR 10 000 is <u>not</u> counted separately for supplies of cross-border TBE services and intra-Community distance sales, but the sum of all of these supplies must not exceed EUR 10 000 for the threshold to apply.

Suppliers who have established their business outside the EU and have one or more fixed establishment(s) in the EU cannot make use of the threshold, because the application of the threshold requires that that supplier be only established in one single Member State (and nowhere else).

Part 1a - Registration

Background:

A taxable person who opts to use one of the OSS schemes is only required to register in one single Member State, the Member State of identification.

Which Member State is the **Member State of identification**?

1. For the non-Union scheme, a taxable person (who has neither established his business nor has a fixed establishment in the EU[4]) can choose any Member State to be the Member State of identification. That Member State will allocate an individual VAT identification number to the taxable person (using the format EUxxxyyyyyz). This VAT identification number can only be used to declare supplies falling under the non-Union scheme.

2. For the Union scheme, the Member State of identification is the Member State in which the taxable person has established his business. If a taxable person has not established his business in the EU, but has a fixed establishment in the EU, the Member State of identification is the Member State in which he has that fixed establishment. If the taxable person has fixed establishments in different EU Member States, he is entitled to choose one of those Member States to be the Member State of identification. In this case, the taxable person is bound by that decision for the calendar year in which he makes that decision, plus the two following calendar years and cannot change Member State of identification, unless the fixed establishment of his current Member State of identification is dissolved or is moved to another country.

   If a taxable person is not established in the EU, he can only use the Union scheme to declare supplies of goods that fall under the scope of the Union scheme[5]. In this case, the Member State of identification is the Member State in which the dispatch or the transport of the goods begins. Where there is more than one Member State from which goods are dispatched or transported, the taxable person can choose any of those Member States as Member State of identification. He will be bound by this decision for the current calendar year and the two following calendar years.

   In the Union scheme, the taxable person will be identified for the One Stop Shop with the same individual VAT identification number with which he is identified for his domestic VAT obligations. In case the taxable person is not established in the EU, he will be allocated a VAT number by the Member State of identification before registering for the scheme.

3. For the import scheme, the Member State of identification is the Member State in which the taxable person has established his business.

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[4] It should be noted - when distinguishing between the Union and non-Union scheme - that there are certain territories of EU Member States to which the VAT Directive 2006/112/EC does not apply. Those are listed in Article 6 of that Directive. If a taxable person has established his business in such a territory, he can only use the non-Union scheme.

[5] These supplies of goods are intra-Community distance sales of goods and in case of a deemed supplier also domestic supplies of goods.

However, if the taxable person has not established his business in the EU, the Member State of identification is a Member State in which the taxable person has a fixed establishment. Where the taxable person has more than one fixed establishment, that taxable person can choose any Member State in which he has a fixed establishment to be his Member State of identification. In this case, the taxable person is bound by his decision for the current calendar year and the two following calendar years, unless the fixed establishment of his current Member State of identification is dissolved or moved to another country.

If the taxable person is established outside the EU, but in a third country with which the EU has concluded an agreement on mutual assistance for the recovery of VAT[6] and makes distance sales of imported goods from **that** third country, he is free to choose any Member State as Member State of identification. In this case, there is no need to appoint an intermediary to be able to use the import scheme. However, if such a person makes distance sales of imported goods from other third countries, he does have to appoint an intermediary in order to use the import scheme.

For example, a Norwegian supplier makes distance sales of imported goods in consignments up to EUR 150 to customers that take place in the EU. An agreement on mutual assistance for the recovery of VAT has been concluded with Norway.

a) Such sales are made/goods depart from Norway only → no need to appoint an intermediary
b) Such sales are made/goods depart from China only → need to appoint an intermediary
c) Such sales are made/goods depart from Norway and China → need to appoint an intermediary

That Member State of identification will allocate an individual IOSS VAT identification number to the taxable person (using the format IMxxxyyyyyyz).

If the taxable person is established outside the EU[7], he needs to appoint an **intermediary** to be able to use the import scheme. An intermediary has to be a taxable person established in the EU. Member States may impose further conditions at national level for a taxable person to act as intermediary (e.g. requirement of guarantees). The Member State of identification of the taxable person for the import scheme is the Member State in which the intermediary registers as such:

The Member State of identification of the intermediary is the Member State in which the intermediary has established his business - i.e. where he has his place of business.

If the intermediary has not established his business in the EU, the Member State of identification is a Member State in which the intermediary has a fixed establishment. Where the intermediary has more than one fixed establishment, he can choose any Member State in which he has a fixed establishment to be his Member State of identification. In this case, the intermediary is bound by his decision for the current calendar year and the two calendar years following, unless the fixed establishment of his current Member State of

6 Currently only Norway.

7 A taxable person established in a third country with which the Union has not concluded an agreement on mutual assistance for the recovery of VAT or who has established his business in a territory of a Member State to which the VAT Directive does not apply (see Article 6 of the VAT Directive 2006/112/EC).

identification is dissolved or moved to another country.

If the intermediary is not established in the EU, he cannot act as intermediary.

An intermediary first registers in the Member State in which he is established (Member State of identification) to be able to act as intermediary. That Member State of identification will allocate an individual identification number, which is not a VAT number, to the intermediary to be able to act as such (using the format INxxxyyyyyyz).

The intermediary then registers the taxable person(s) he represents for the import scheme in this same Member State. That Member State of identification will allocate an individual IOSS VAT identification number to the intermediary for each taxable person he represents (using the format IMxxxyyyyyyz).

A taxable person can only have one Member State of identification per scheme. Note that following the above-mentioned rules, the Member State of identification might differ according to the scheme the taxable person is using.

Table 2: Member State of identification

Member State of identification (MSI)			
	Non-Union scheme	**Union scheme**	**Import scheme**
Taxable persons established in the EU	---	**Member State where business is established** ↓ If business outside EU, **Member State of fixed establishment**[8]	
Taxable persons not established in the EU	**Free choice of MSI**	**Member State from which goods are dispatched**[9]	**MSI is MSI of intermediary** Need to appoint an intermediary to use import scheme
Taxable persons not established in EU but in 3rd country with mutual assistance agreement	**Free choice of MSI**		**Free choice of MSI**
Intermediary	---	----	**Member State in which business is established** ↓ If business outside EU, **Member State of fixed establishment**[10]

8 If a taxable person has a fixed establishment in more than one Member State, he can choose which of these Member States will be his Member State of identification, but is bound by this decision for the current and the following two calendar years.

9 If there is more than one Member State from which goods are dispatched/transported, the taxable person can choose which of these Member States will be his Member State of identification, but is bound by this decision for the current and the following two calendar years.

10 If a taxable person has a fixed establishment in more than one Member State, he can choose which of these Member States will be his Member State of identification, but is bound by this decision for the current and the following two calendar years.

Specific details

1. Who can register for the One Stop Shop?

There are three different schemes available:

a) Non-Union scheme:
Any taxable person, not established in the EU, who supplies services to non-taxable persons taking place in the EU, can register in the non-Union scheme.

b) Union scheme:
The following taxable persons can register for the Union scheme:

i. Any taxable person established in the EU who
   - supplies services to non-taxable persons taking place in a Member State where that taxable person has no establishment and/or
   - carries out intra-Community distance sales of goods;

ii. Any taxable person not established in the EU who
   - carries out intra-Community distance sales of goods;

iii. Any taxable person who is a deemed supplier who
   - carries out intra-Community distance sales of goods and/or
   - domestic supplies of goods

c) Import scheme:
Any taxable person who carries out distance sales of goods imported from a third territory or a third country in consignments not exceeding EUR 150 can register for the import scheme. If that person has no establishment in the EU, he needs to appoint an intermediary to be able to use the scheme.

Table 3: Who can register for the OSS schemes

Non-Union scheme	Union scheme	Import scheme
Taxable persons established **outside** the EU	• Taxable persons established **in the EU** (services and goods) • Taxable persons established **outside the EU** (only goods)	• Taxable persons established **in the EU** • Taxable persons established **outside the EU** (need to appoint an intermediary[11])

2. How to register for the One Stop Shop in the Member State of identification?

In order to register for one of the schemes, the taxable person is required to provide

[11] If a taxable person is established in a third country with which the Union has concluded an agreement on mutual assistance for the recovery of VAT and he supplies distance sales of imported goods from that country, he does not need to appoint an intermediary.

certain information to the Member State of identification. Member States are free to choose how they collect this information from the taxable person, but it must be provided electronically. In practice, Member States will provide a web portal for the submission of this information.

The information will differ depending on whether the taxable person is registering to use the non-Union scheme, the Union scheme, or the import scheme.

Once the Member State of identification has received and validated the required registration details (see point 3 below), these are stored in its database and forwarded to the other Member States as well as any update to this information. A taxable person using the non-Union scheme or the import scheme will, at this point, receive an individual VAT identification number from the Member State of identification. For the Union scheme, no separate individual VAT identification number will be attributed. The national VAT identification number already allocated to the taxable person will be used.

Annex 2 contains the registration information which Member States will forward to each other.

3. Does the Member State of identification carry out any checks on the registration details?

The Member State of identification will carry out certain checks on the registration information provided to ensure that the taxable person meets the conditions for using the scheme. It will, at minimum, check whether the taxable person is already registered for the same scheme in another Member State, or whether a possible quarantine period (see the section on exclusion) is still in effect.

As a result of these checks, the Member State of identification may refuse registration to a scheme of the One Stop Shop. The taxable person has recourse to the national procedures in appealing against this decision.

4. Can a taxable person register for more than one scheme?

Yes, because the schemes cover different supplies and are open to different taxable persons.

A taxable person **established in the EU** can use the Union scheme and the import scheme.

A taxable person **not established in the EU** could possibly use all three schemes.

Table 4: Which supplies can be declared in the OSS schemes?

	Non-Union scheme	Union scheme	Import scheme
Taxable person established in the EU	Cannot use this scheme	• B2C supplies of services in the EU[12] • Intra-Community distance sales of goods • Domestic supplies of goods (only by deemed suppliers)	Distance sales of imported goods in consignments not exceeding EUR 150
Taxable persons <u>not</u> established in the EU	B2C supplies of services in the EU	• Intra-Community distance sales of goods • Domestic supplies of goods (only deemed suppliers)	Distance sales of imported goods in consignments not exceeding EUR 150

5. Will the taxable person/intermediary be allocated an individual VAT identification number?

Under the <u>Union scheme</u>, the individual VAT registration number is the same as that which is already allocated to the taxable person by the Member State of identification for domestic supplies. If a taxable person does not have a VAT registration number yet, he will need to obtain one before he can register for the Union scheme. A taxable person cannot register for the Union scheme without this number or if this number is not valid anymore.

Under the <u>non-Union scheme</u> and the <u>import scheme</u>, the Member State of identification will allocate an individual VAT identification number (using the format EUxxxyyyyyz for the non-Union scheme and the format IMxxxyyyyyyz for the import scheme) to the taxable person. If a taxable person has appointed an intermediary to use the import scheme, this number will be allocated to the intermediary for the taxable person he represents. If an intermediary represents more than one taxable person, he will get a different VAT identification number per person he represents.

The intermediary himself will get an individual identification number to be able to act as such from the Member State of identification (using the format INxxxyyyyyyz). Please note that this number is not a VAT identification number.

[12] Only B2C supplies to customers in a Member State in which the supplier is not established can be declared in the Union scheme.

6. When will the registration take effect (commencement date)?

In a normal situation, the registration to the non-Union or the Union scheme will take effect from the first day of the calendar quarter following that in which the taxable person informs the Member State of identification that he wishes to start using the scheme. If, for example, on 15 February 2022, a taxable person informs the Member State of identification that he wishes to start using the scheme and he provides the required information, the taxable person will be able to use the scheme as from 1 April 2022, i.e. for supplies made on and after 1 April 2022. 1 April 2022 will be the commencement date to use the scheme.

However, there may be situations in which a taxable person starts making supplies under the scheme before this date. If this is the case, then the taxable person can start using the scheme from the date of that first supply, provided he has informed the Member State of identification that he has started activities under the scheme by the tenth day of the month following that first supply. If the taxable person fails to meet this deadline, he is required to register and account for the VAT in the Member State(s) of consumption directly.

As an example, the same taxable person mentioned above makes his first supply to a non-taxable person on 1 March 2022. As long as the Member State of identification is informed of this by 10 April 2022, the taxable person can use the special scheme as from 1 March 2022 and all subsequent supplies will be covered by that special scheme. This applies for both the Union scheme, and the non-Union scheme. In this case, the commencement date of the scheme will be 1 March 2022.

The registration to the import scheme will take effect from the day the taxable person or his intermediary has been allocated the individual VAT identification number to use this scheme. This day is the date of commencement of the scheme.

Annex 2 contains three boxes which relate to the date of registration. This is included in the registration information, which the Member State of identification will send to the other Member States:

- Box 17: Date of commencement of using the scheme;

  This is the date when the taxable person starts using the scheme.

- Box 18: Date of request to be registered under the scheme by the taxable person or the intermediary acting on his behalf; or date of request to be registered as intermediary;

  This is the date on which the taxable person informs the Member State of identification that he wishes to start using the scheme, and the required information is sent. In practice, it is the date the taxable person provides all the required registration details on the web portal.

  For the intermediary, this is the date on which he informs the Member State of identification that he wishes to start acting as intermediary and the required information is sent.

- Box 19: Date of registration decision by the Member State of identification.

  This is the date on which the Member State of identification, having checked that the information provided by the taxable person or the intermediary acting on his behalf is valid, makes the decision to register the taxable person for the respective special scheme (or to register the intermediary to act as such).

The Member State of identification will confirm to the taxable person/intermediary the date of the registration decision by electronic means (this could possibly be on the national One Stop Shop web portal).

7. What if a taxable person has fixed establishments in other Member States than the Member State of identification or dispatches/transports goods from other Member States than the Member State of identification?

If a taxable person using the Union scheme or the import scheme has fixed establishments outside the Member State of identification, the One Stop Shop registration details have to include the VAT identification number or tax reference number, and name and address of each of these fixed establishments in those other Member States. This is required irrespective of whether or not the fixed establishment will carry out supplies that can be declared under the respective scheme. The requirements for this information can be found in Boxes 13.1 and 14.1 of Annex 2.

In addition, under the Union scheme, the taxable person must provide the VAT identification number or tax reference number of any Member State where goods are dispatched or transported from (other than the Member State of identification or Member States of the above-mentioned fixed establishments).

Moreover, if a taxable person is registered for VAT in another Member State, but is not established in that Member State, that VAT identification number must also be included in the One Stop Shop registration details (Box 15.1 of Annex 2).

8. Can a taxable person make amendments to registration information?

The taxable person is legally obliged to inform the Member State of identification of any changes to the registration information, at the latest on the tenth day of the month following the change.

Amendments can be made to certain elements of the registration information, such as postal addresses, email addresses, contact details, list of fixed establishments, list of VAT identification numbers in other Member States etc. Member States will define more precisely how and what amendments to registration details can be made.

9. What happens to these amendments?

The registration information, including any amendments made to this information, is stored in a database of the Member State of identification and is transmitted to the other Member States.

10. What needs to be done if a taxable person is already registered in the MOSS (mini One Stop Shop)?

If, prior to 1 July 2021, a taxable person is registered in the Union or the non-Union scheme of the MOSS, he will continue to make use of that same special scheme in the OSS after that date.

However he will be invited by his Member State of identification to update his registration data in order to provide, if needed, the following information:

a) Individual VAT identification number(s) or, if not available, tax reference number(s) allocated by the Member States where goods are dispatched or transported from (Union scheme only);

b) Electronic declaration that the taxable person is an electronic interface acting as deemed supplier (Union scheme only);

c) Individual IOSS VAT identification number allocated by the Member State of identification if the taxable person is also registered in the import scheme (both Union and Non-Union schemes).

11. How is a VAT group treated?

Whilst it is acknowledged that Member States legislate for VAT groups at domestic level, as a practical solution for the particular circumstances of the One Stop Shop, a VAT group shall be treated in the following way:

- A VAT group can use the One Stop Shop, but when it registers, it must indicate that it is a VAT group (see the registration information);

- A VAT group registers under the VAT identification number with which it is registered for its domestic supplies; where group members are also given separate numbers at domestic level, the single number allocated to the VAT group should be used for the One Stop Shop registration[13].

- If a member of the VAT group has, or will have, a fixed establishment in another Member State, the ties with that fixed establishment are broken and for One Stop Shop registration purposes, the supplies from that fixed establishment cannot be declared on the One Stop Shop VAT return of the VAT group.

- Similarly, supplies from the VAT group to the Member State of that fixed establishment shall be declared via the One Stop Shop VAT return, and not via the domestic VAT return of that fixed establishment.

- Therefore, a VAT group cannot include any fixed establishments in other Member States in its One Stop Shop registration.

[13] This can either be a new number or an existing number already allocated to a member of the group.

12. Voluntary change of Member State of identification in cases where there is no change in the location of the business establishment or establishment(s) or in the Member State from which the goods are dispatched or transported from:

A taxable person making use of the non-Union scheme may change his Member State of identification at any time. Such a change will take effect at the end of the calendar quarter.

A taxable person using the Union scheme can only change his Member State of identification voluntarily in two situations:

- The taxable person has established his business outside the EU, but has fixed establishments in at least two different Member States:
  He can choose a different Member State in which he has a fixed establishment as Member State of identification. This change will take effect at the end of the calendar quarter and the taxable person will be bound by this decision for the calendar year concerned and the two following calendar years.

- The taxable person is not established in the EU (no business establishment or fixed establishment in the EU), but has a stock of goods in at least two different Member States:
  He can choose a different Member State from which he dispatches or transports goods as Member State of identification. This change will take effect at the end of the calendar quarter and the taxable person will be bound by this decision for the calendar year concerned and the two following calendar years.

A taxable person using the import scheme may change his Member State of identification if he has established his business outside the EU, but has fixed establishments in at least two different Member States:

He can choose a different Member State in which he has a fixed establishment as Member State of identification. The exclusion from the import scheme in the former Member State of identification will be effective from the first day of the month following the day on which the exclusion decision has been sent. The taxable person can use the import scheme in the (new) Member State of identification as from the day he has been allocated an individual IOSS VAT identification number. The taxable person will be bound by this decision for the calendar year concerned and the two following calendar years.

In any case, this is a voluntary deregistration followed by a registration. The taxable person therefore needs to get deregistered in the former Member State of identification and follow the registration procedure in the new Member State of identification according to the normal rules.

13. Can a taxable person who is established in the EU appoint an intermediary for the import scheme? If yes, does the taxable person have to appoint an intermediary from the Member State in which he is established himself? If not, which Member State will be the Member State of identification in this case?

A taxable person who is established in the EU does not need to appoint an intermediary to be able to use the import scheme, but he is free to appoint an

intermediary. He can choose his intermediary and is not obliged to appoint an intermediary established in the Member State in which he is established himself.

The Member State of identification for the taxable person represented by the intermediary will be the Member State in which the intermediary has established his business or if he has established his business outside the EU, the Member State in which the intermediary has a fixed establishment.

14. Can a taxable person who is using the special scheme for small enterprises (SME scheme) register for the Union and the import scheme? If so, under which conditions?

Any taxable person established in the EU can make use of the Union scheme to declare supplies of goods and services covered by the scheme. A taxable person who is using the special scheme for SMEs is not excluded and can therefore register for the Union scheme. He needs a national VAT identification number from the Member State in which he is established (Member State of identification) to register for the Union scheme, but does not have to opt out of the special scheme for SMEs to use the Union scheme.

Any taxable person carrying out sales of goods imported from a third territory or a third country to a customer in the EU can use the import scheme to declare and pay VAT for these sales. A taxable person using the special scheme for SMEs however, has to opt out of the SME scheme to be able to use the import scheme and will need a VAT identification number of the Member State in which he is established to register in the import scheme. The reason for this condition is to avoid the risk of non-taxation.

Part 1b - Deregistration/exclusion

Background

A taxable person can leave a scheme voluntarily (deregistration), or he can be excluded from the scheme by the Member State of identification. Similarly, an intermediary can cease to act as intermediary voluntarily or be deleted from the registry by the Member State of identification.

The taxable person is barred from using all three schemes (non-Union scheme, Union scheme and import scheme) for a certain period if he persistently fails to comply with the rules. Similarly, an intermediary is barred from acting as such if he persistently fails to comply with the rules of the import scheme. This period is called the quarantine period.

Specific details

Deregistration

1. How does a taxable person deregister from the One Stop Shop? / How does an intermediary cease to act as such?

   In order to deregister from the non-Union or the Union scheme, the taxable person is required to inform the Member State of identification at least 15 days before the end of the calendar quarter prior to that in which he intends to cease using the scheme. This means that if a taxable person wants to deregister from the scheme from 1 July, he must inform the Member State of identification by 15 June. In order to deregister from the import scheme, the taxable person (or the intermediary acting on his behalf) is required to inform the Member State of identification at least 15 days before the end of the month prior to that in which he intends to cease using the scheme.

   Member States will implement their own processes for notification of the intention to deregister from a scheme, but it must be done electronically.

   Once the taxable person has ceased using a scheme, obligations arising from supplies where VAT becomes chargeable after the date of cessation shall be discharged directly to the Member State(s) of consumption.

   It is important to note that there is no blocking period for re-registration. The taxable person can register for the scheme he deregistered from at any moment provided that he fulfils the conditions to use the scheme.

   An intermediary who wants to cease acting as intermediary in the import scheme has to inform his Member State of identification thereof. The Member State of identification will then delete the intermediary from the identification register. This deletion will be effective from the first day of the next calendar month. All the taxable persons he represents will consequently be excluded from the import scheme. Their exclusion will be effective from the first day of the month following the day on which the exclusion

decision is sent to them electronically.

Those taxable persons can – if they fulfil the conditions – register directly for the import scheme or appoint another intermediary to be able to continue using this scheme.

2. What if a taxable person/intermediary moves his place of business, or fixed establishment, or stock of goods held in the Member State of identification to another Member State and wants to continue using the same scheme (without interruption)?

If a **taxable person**

- moves his place of business from one Member State to another, or
- ceases to be established in the Member State of identification, or
- ceases to have a stock of goods in the Member State of identification,

but wants to continue using the scheme, the taxable person will be required to deregister from the scheme in the current Member State of identification, and register for the scheme in another Member State (in the Member State he moved his place of business to, in a Member State in which he has another fixed establishment or in which he has a stock of goods).

In this instance, the date of deregistration from the former Member State of identification and that of registration in the new Member State of identification will be the date of the change (i.e. relocation of business to another Member State, closure of a fixed establishment in the Member State of identification; no stock held in Member State of identification anymore). There will be no quarantine period. However, the taxable person is required to inform both Member States (the old Member State of identification and the new Member State of identification) of the change no later than on the tenth day of the month following the change.

As an example, a taxable person has established his business in the Netherlands, and has registered for the Union scheme in the Netherlands from 1 January 2022. Following a restructuring, the place of business is moved to France on 21 March 2022. To continue to be able to use the Union scheme, the taxable person will be required to deregister from the Union scheme in the Netherlands, and register for the Union scheme in France. The date of deregistration in the Netherlands, and registration in France, is 21 March 2022[14]. The taxable person has to inform both Member States of this change by 10 April 2022.

Failure to inform both Member States within this time period will result in the taxable person being required to register and account for the VAT in each Member State in which he has a customer with respect to his supplies made as of 21 March 2022.

The same procedure applies in case an **intermediary** moves his place of business from one Member State to another or moves his business outside the EU, but has a fixed establishment in a Member State. This instant change of Member State of identification is only possible for the intermediary himself, but not for the taxable persons he

[14] Supplies made on 21 March 2022 shall be included in the French Union scheme VAT declaration.

represents. These taxable persons will be excluded from the import scheme as from the first day of the month following the day on which the decision on exclusion is sent to them electronically. They are free to appoint the same intermediary (in a new Member State of identification) or another intermediary to continue using the import scheme. In both cases, the intermediary has to register each taxable person he represents for the import scheme and will receive a new IOSS VAT identification number for each of those taxable persons. They may also register directly if they do not need to appoint an intermediary to use the import scheme (i.e. if they are established in the EU or in a third country with which the Union has concluded an agreement on mutual assistance for the recovery of VAT).

3. What if a taxable person moves his place of business, or fixed establishment from the Member State of identification to a third country or from a third country to a Member State and wants to continue using a special scheme?

a) If a taxable person moves his business establishment or fixed establishment from the Member State of identification to a third country and wants to continue using a special scheme, it will have an impact on his registration if he is using the Union scheme and/or the import scheme **(EU → third country)**:

Union scheme:
The consequences depend on the supplies (goods or services) the taxable person carries out.

- **Services:** If the taxable person is no longer established in the EU, he does not fulfil the conditions to use the Union scheme to declare supplies of services anymore. He will be excluded from the scheme. The exclusion will be effective from the first day of the calendar quarter following the day on which the exclusion decision has been sent. If he wants to continue using a special scheme to declare supplies of services, he has to register in the non-Union scheme in a Member State of his choice. The commencement date will be the first day of the following calendar quarter.
- **Goods:** If the taxable person is no longer established in the EU, he can still use the Union scheme to declare intra-Community distance sales of goods, if these goods are stored in and dispatched or transported from a Member State to a customer in another Member State.
  There are two possible scenarios:
  - The goods are dispatched or transported from the Member State that is the taxable person's current Member State of identification. The taxable person can continue using the Union scheme in the same Member State of identification, but has to inform this Member State of the change of the place of business or fixed establishment by updating his registration information.
  - The goods are dispatched from another Member State than the current Member State of identification. The taxable person will be excluded from the Union scheme in his current Member State of identification. The exclusion will be effective from the first day of the calendar quarter following the day on which the exclusion decision has been sent. If he wants to continue using the Union scheme to declare intra-Community distance sales of goods, he has to register in a Member State from which he dispatches or transports goods. The commencement date will be the first day of the following calendar quarter.

Import scheme:

- If the taxable person is no longer established in the EU or in a third country with which the EU has concluded an agreement on mutual assistance, he can continue using the import scheme, but has to appoint an intermediary for this purpose. The taxable person will be excluded from the current Member State of identification and the intermediary he has appointed will register him in the (new) Member State of identification. Note that the Member State of identification could possibly remain the same, but a new registration is necessary and a new IOSS VAT identification number will be attributed. The exclusion will be effective from the first day of the month following the day on which the exclusion decision has been sent. The taxable person can use the import scheme in the (new) Member State of identification as from the day he or his intermediary has been allocated an individual IOSS VAT identification number.
- If the taxable person is no longer established in the EU or in a third country with which the EU has concluded an agreement on mutual assistance, but is already using the import scheme via an intermediary -although appointing an intermediary was not mandatory-, he can keep using the scheme but his intermediary has to update the registration information of the concerned taxable person accordingly.

b) If a taxable person moves his place of business or fixed establishment from a third country to a Member State and wants to continue using a special scheme, it will have an impact on his registration if he is using the non-Union, the Union or the import scheme **(third country→EU)**:

Non-Union scheme:

The taxable person no longer fulfils the conditions to use the non-Union scheme to declare supplies of services, since he is now established in the EU. He will be deleted from the non-Union scheme and can register in the Union scheme to declare B2C supplies of services. The Member State in which he is established will be the Member State of identification. The exclusion from the non-Union scheme will be effective from the first day of the calendar quarter following the day on which the exclusion decision has been sent. The commencement date in the Union scheme will be the first day of the following calendar quarter.

Union scheme:

A taxable person who has been using the Union scheme to declare intra-Community distance sales of goods, can now use the Union scheme to declare B2C supplies of services as well. The Member State of identification will be the Member State in which he is established (place of business or fixed establishment).

- If he has been using the Union scheme in the same Member State (Member State of identification) to which he has moved his place of business (or fixed establishment), he can continue using the scheme in this Member State, but has to update his registration information.
- If he has been using the Union scheme in another Member State than the Member State to which he has moved his place of business (or fixed establishment), he does not fulfil the conditions to use this scheme in that Member State anymore and will be excluded. The exclusion will be effective from the first day of the calendar quarter following the day on which the exclusion decision has been sent. He can then register in the Member State in which he is now established. The commencement date will be the first day of the following calendar quarter.

Import scheme:

- If the taxable person has been using the import scheme via an intermediary and wants to keep using the import scheme with the intermediary, nothing changes, but he has to update his registration details.
- If the taxable person has been using the import scheme via an intermediary and wants to continue using the scheme without intermediary, he must ask his intermediary to deregister him from the import scheme and he can then register without intermediary in the Member State in which he is established. This applies even in case the Member State of identification would be be the same. The exclusion will be effective from the first day of the month following the day on which the exclusion decision has been sent. The commencement date in the (new) Member State of identification is the day he or his intermediary has been allocated an individual IOSS VAT identification number.

4. Should a taxable person deregister from the Union scheme as from 1 July 2021 if the total value of his supplies of TBE services to non-taxable persons in Member States in which he was not established in 2020 did not exceed EUR 10 000?

The place of supply of TBE services to non-taxable persons in other Member States is, in principle, in the Member State of the customer. However, to reduce the administrative burden for microbusinesses, a derogation to this principle has been introduced. The threshold applies since 1 January 2019 to TBE services and since 1 July 2021 to TBE services and intra-Community distance sales of goods (total sum of both types of supplies). This derogation provides that the place of supply of these services and goods is in the Member State of the supplier, provided that:

- he is established or, in the absence of an establishment, has his permanent address or usually resides in only one Member State, and
- the total value of these supplies does not exceed EUR 10 000 (exclusive of VAT) in the current and the preceding calendar year.

The supplier can opt to apply the Member State of the customer-rule though and will in this case be bound by this decision for two calendar years.

As soon as the threshold is exceeded, the place of supply will in any event be in the Member State of the customer (services)/in the Member State in which the transport of the goods ends (goods).

This means that taxable persons whose relevant supplies of services did not exceed the value of EUR 10 000 in 2020 can voluntarily deregister from the Union scheme in 2021. They are however not obliged to do so and can opt to apply the general place of supply rule and continue using the Union scheme, in particular if they expect that their turnover is going to exceed this threshold in 2021.

The threshold of EUR 10 000 is calculated as the sum of supplies of TBE services and intra-Community distance sales of goods and does not apply to goods and services separately. Furthermore, it only applies to taxable persons who are established in only one Member State.

5. How should Member States that have not adopted the euro calculate the corresponding value of the EUR 10 000 threshold in their national currency?

   These Member States should calculate the national value by applying the exchange rate published by the European Central Bank on 5 December 2017 (the date of adoption of Directive (EU) 2017/2455 which introduced this threshold).

Exclusion

A **taxable person** shall be excluded by the Member State of identification from the scheme he is using for any of the following reasons:

- He or his intermediary notifies that he no longer supplies goods and/or services falling under the scheme he is using;
- It may be assumed that his activities under the special scheme have ceased
    - where he has made no supplies under the special scheme for 8 consecutive calendar quarters;
- He no longer meets the conditions necessary for using the scheme, for example:
    - a taxable person using the non-Union scheme moves his business to a Member State or sets up a fixed establishment in a Member State;
    - an intermediary who has been appointed by a taxable person to use the import scheme has notified that he no longer represents this taxable person.
- He persistently fails to comply with the rules relating to the scheme - this is defined as being so in at least the following cases:
    - Reminders to submit a return have been sent to the taxable person (or his intermediary) for three immediately preceding return periods, and no VAT return has been submitted for the respective return period within 10 days after the reminder has been sent;
    - Reminders to make a payment have been sent to the taxable person (or his intermediary) for three immediately preceding return periods, and the full amount has not been paid within 10 days of receiving each of these reminders, unless the outstanding amount for each return is less than EUR 100;
    - Where the taxable person/his intermediary has failed to make his records electronically available to the Member State of identification within one month of the reminder by the Member State of identification.

If a taxable person is excluded from one scheme for persistent failure to comply with the rules, he will be excluded from all other schemes he is currently using and will not be able to register for any of the three schemes before the quarantine period has come to an end (see quarantine period below). If the taxable person is registered for another scheme in another Member State, that Member State of identification will have to exclude the taxable person for persistent failure as well. The exclusion is communicated by the Member State of identification to all other Member States without delay.

If a taxable person is excluded from the import scheme, his IOSS VAT identification number

will remain valid for a period up to 2 months[15] to allow the import of goods that were supplied prior to the date of exclusion. This does not apply in case the taxable person is excluded for persistent failure to comply with the rules of the import scheme. In this case, the IOSS VAT identification number is not valid anymore as from the day following that on which the exclusion decision is sent to the taxable person.

An **intermediary** is deleted from the identification register if

- for a period of two consecutive calendar quarters (6 months) he has not acted as intermediary on behalf of a taxable person making use of the import scheme or
- he no longer meets the conditions necessary for acting as intermediary (for example if the intermediary is no longer established within the EU) or
- he persistently fails to comply with the rules relating to the import scheme.

If an intermediary persistently fails to comply with the rules of the import scheme, he will be excluded from the identification register. The taxable persons he represents will consequently be excluded from the import scheme, because they are no longer represented by an intermediary and therefore do no longer fulfil the conditions to use the import scheme.

If a taxable person is aware of having appointed an intermediary who is not compliant, he can choose to appoint another intermediary.

Whilst any Member State can ask the Member State of identification to exclude a taxable person or to delete an intermediary from the register, only the Member State of identification can take the decision on whether or not to exclude. The taxable person or an intermediary can appeal the exclusion decision according to the national procedures that apply in the Member State of identification.

Date on which deregistration/exclusion becomes effective

1. **Voluntary cessation**

Where the **taxable person** voluntarily leaves the non-Union or the Union scheme, the cessation shall be effective from the first day of the next calendar quarter. The cessation is effective from the first day of the next month if the taxable person voluntarily leaves the import scheme. Supplies carried out as from that day cannot be declared in the import scheme anymore.

Where the **intermediary** voluntarily ceases to act as such, the deletion from the identification register is effective from the first day of the month following the deletion decision.

[15] This period will be determined by the Member State of identification.

2. **Exclusion for a) no longer carrying out supplies eligible for the scheme in use, b) no longer meeting the conditions to use the scheme, or c) for no longer having an intermediary in the import scheme**

In these cases, the exclusion of the **taxable person** from the non-Union scheme or the Union scheme is effective from the first day of the calendar quarter following the day on which the decision on exclusion is sent by electronic means to the taxable person.

An exclusion from the import scheme is effective from the first day of the month following the day on which the decision on exclusion is sent by electronic means to the taxable person.

The deletion of an **intermediary** from the identification register for not having acted as such for two consecutive calendar quarters or for no longer meeting the conditions necessary to act as intermediary is effective from the first day of the month following the day on which the decision on deletion is sent by electronic means to the intermediary and the taxable persons he represents.

3. **Deregistration (change of Member State of identification) for moving the place of business or the fixed establishment to another Member State (Union scheme, import scheme)**

If the exclusion of a taxable person/intermediary is due to

- a change of the place of business or fixed establishment (Union scheme or import scheme) or
- a change of the place from which goods are dispatched or transported (only Union scheme),

it is effective from the date of that change provided the information about the change is communicated by the taxable person/intermediary to both Member States no later than the tenth day of the month following that change.

4. **Exclusion for persistent failure to comply with the rules**

Where the **taxable person** persistently fails to comply with the rules relating to the non-Union or the Union scheme, the exclusion shall be effective from the first day of the calendar quarter following the day on which the decision on exclusion was sent by electronic means to the taxable person.

The exclusion of a taxable person from the import scheme for persistent failure is effective from the day following that on which the decision on exclusion is sent by electronic means to the taxable person.

The deletion of an **intermediary** from the identification register for persistent failure to comply with the rules of the import scheme is effective from the day following that on which the decision on deletion is sent by electronic means to the intermediary and to the taxable persons he represents.

Table 5: Exclusion/Deletion Effective Date

EXCLUSION/DELETION - EFFECTIVE DATE				
	Taxable person in the **Non-Union scheme**	Taxable person in the **Union scheme**	Taxable person in the **Import scheme**	**Intermediary**
Voluntary cessation[16]	**First day of calendar quarter** following notification[17]		**First day of month** following notification[18]	**First day of month** following notification
Exclusion (no longer any eligible supplies; conditions not fulfilled anymore; no intermediary anymore) **Intermediary (not acting as such for 6 months; conditions not fulfilled anymore)**	**First day of calendar quarter** following exclusion decision		**First day of month** following exclusion decision	**First day of month** following deletion decision
Moving place of business/fixed establishment to another Member State	Not possible	**Date of that change**[19]	**Date of that change**[20]	**Date of that change**[21]
Persistent failure	**First day of calendar quarter** following the exclusion decision		**First day** following the exclusion decision	**First day** following the deletion decision

16 This includes the case where a taxable person chooses to change Member State of identification even though he still fulfils the conditions to use the (Union or import) scheme in the current Member State of identification.

17 Provided that the taxable person has informed the Member State of identification at least 15 days before the end of the calendar quarter prior to which he intends to cease using the scheme.

18 Provided that the taxable person has informed the Member State of identification at least 15 days before the end of the month prior to which he intends to cease using the scheme.

19 Provided that the change is communicated by the taxable person to both Member States no later than the tenth day of the month following that change.

20 Provided that the change is communicated by the taxable person/intermediary to both Member States no later than the tenth day of the month following that change.

21 Provided that the change is communicated by the taxable person/intermediary to both Member States no later than the tenth day of the month following that change.

Quarantine period

The quarantine period is the period during which the taxable person is excluded from using any of the schemes of the One Stop Shop or during which the intermediary cannot act as such on behalf of a taxable person using the import scheme. A quarantine period only applies when

a. the **taxable person** persistently fails to comply with the rules relating to a special scheme - there is a quarantine period of 2 years following the (quarterly/monthly) return period during which the taxable person was excluded. He will be excluded from all schemes he is currently using and will remain excluded from using any of the three schemes for 2 years. He can only (re)register for a scheme once the quarantine periods of all schemes have elapsed.

   Example:

   1. *A taxable person has established his business in France. He uses the Union scheme and the import scheme (Member State of identification for both schemes is France).*
   2. *He persistently fails to comply with the rules of the Union scheme and is therefore excluded from this scheme on 21 May 2024 (exclusion decision).*
   3. *The exclusion from the Union scheme is effective on the first day of the calendar quarter following the exclusion decision, i.e. 1 July 2024. The quarantine period is 2 years following the return period (calendar quarter) during which the taxable person was excluded.*
      The quarantine period for the Union scheme is: 1 July 2024 – 30 June 2026.
   4. *The exclusion from the Union scheme for persistent failure triggers the exclusion from all other schemes and the taxable person cannot (re)register for any of the three schemes while he is quarantined.*
   5. *Therefore he will also be excluded from the import scheme on 21 May 2024. The exclusion from the import scheme is effective from the first day following the exclusion decision, i.e. from 22 May 2024. The quarantine period is 2 years following the return period (month) during which the taxable person was excluded.*
      The quarantine period for the import scheme is 1 June 2024 – 31 May 2026.
   6. *The taxable person can (re)register for any of the schemes as soon as all quarantine periods have elapsed, i.e. as from **1 July 2026.***

b. the **intermediary** persistently fails to comply with the rules relating to the import scheme. There is a quarantine period of 2 years following the month during which he was deleted from the register. As a consequence, the taxable person(s) he represents will be excluded as well for not fulfilling the conditions to use the import scheme anymore. They can, however, reregister for the import scheme immediately if they fulfil the conditions to do so, i.e. directly if they are established in the EU or by appointing another intermediary.

   Example:

   1. *A taxable person is registered as intermediary in Belgium. He persistently fails to comply with the rules relating to the import scheme and is excluded by his Member State of identification Belgium. The exclusion decision is sent to the intermediary and the taxable persons he represents on 6 April 2027.*
   2. *The deletion of the intermediary from the identification register is effective from*

the day following that on which the decision on deletion is sent to the intermediary and to the taxable persons he represents, i.e. 7 April 2027.

3. *The intermediary is not allowed to act as intermediary for 2 years following the month during which he was deleted from that register. The quarantine period is therefore 1 May 2027 – 30 April 2029.*
4. *The taxable person(s) the intermediary represented is excluded from the import scheme. His exclusion will be effective from the first day of the month following the day on which the exclusion decision has been sent. He can reregister via an intermediary to continue using the import scheme. The reregistration will be effective as from the day on which the new intermediary has been attributed the individual IOSS VAT identification number in respect of the taxable person he represents.*

Note that a taxable person who is acting as intermediary and gets deleted from the identification register for persistent failure, is only deleted from this register. If he is using any of the special schemes himself, he will not get excluded from these schemes as a result of that persistent failure.

Part 2 - One Stop Shop VAT returns

Background

A taxable person using one of the special schemes or an intermediary representing a taxable person using the import scheme is required to submit, by electronic means, a One Stop Shop VAT return for each tax period, whether or not services or goods were supplied during this period. Where no supplies in the EU have been carried out for that period, a 'nil return' is to be submitted. The tax period is the calendar quarter for the non-Union and Union scheme and the calendar month for the import scheme. The One Stop Shop VAT return (and accompanying payment) is required to be submitted by the end of the month following the tax period covered by the return.

The One Stop Shop VAT return contains the details of supplies made to customers in each Member State of consumption by the taxable person using the scheme. In the Union scheme, supplies are split and details are given about supplies of goods and services. The taxable person has to list services supplied from the Member State of identification separately from those supplied from fixed establishments in another Member State than the Member State of identification. Supplies of goods in the Union scheme are also indicated separately according to the Member State in which the dispatch/transport of the goods starts.

The Member State of identification splits the One Stop Shop VAT return by Member State of consumption, and forwards the details to the various Member States of consumption, and in case of the Union scheme, in addition to the Member State(s) of establishment and to those Member States from which goods have been dispatched or transported.

The Member State of identification generates a unique reference number for each One Stop Shop VAT return, and informs the taxable person/intermediary of this number. This number is important, as the taxable person/intermediary must make a reference to it when making the corresponding payment.

Specific details

1. Which supplies can be declared in the One Stop Shop VAT return?

   The information to be included in the One Stop Shop VAT return relates to the supplies made under the respective One Stop Shop scheme.

   For the non-Union scheme, those are supplies of **services** to non-taxable persons taking place in the EU (including supplies of services taking place in the Member State of identification).

   Example:
   A trader established in the US registers in Ireland to use the non-Union scheme. He supplies electronic services to non-taxable persons in Finland, Sweden and Ireland. He declares all these B2C supplies via the non-Union VAT return in Ireland including

those that take place in Ireland.

For the Union scheme, those are

a. **supplies of services** made to non-taxable persons taking place **in a Member State in which the taxable person (supplier) is not established**. All such services have to be declared in the Union scheme, irrespective of whether they are supplied from the establishment located in the Member State of identification, from possible fixed establishments outside the Union or from fixed establishments in another Member State than the Member State of identification. The taxable person has to be established in the EU to be able to declare such services in the Union scheme.

It is important to note that, where a taxable person has an (business or fixed) establishment in a Member State, this Member State cannot be Member State of consumption in the Union scheme. All supplies of services made by the taxable person to private consumers in a Member State in which he has a business or fixed establishment have to be declared via the domestic VAT return of that Member State, and not in the One Stop Shop return. However, if services are supplied in a Member State in which the taxable person is VAT registered, but not established, these services have to be declared in the OSS VAT return.

Example:

- *A trader established in the Netherlands, has fixed establishments in France and Belgium and is VAT registered in Austria without being established there.*
- *The trader supplies telecommunications services to private persons in France, Germany and Austria from his head office in the Netherlands.*
- *He also supplies telecommunications services to private persons in France and Germany from his fixed establishment in Belgium.*
- *The trader declares his supplies from the head office and the fixed establishments:*
  - *to customers in Germany and Austria via the One Stop Shop return in the Netherlands,*
  - *to customers in France via the domestic VAT return in France.*

b. Moreover, any taxable person (established in the EU or not) can declare **intra-Community distance sales of goods** in this scheme (including those that take place in the Member State of identification or in a Member State of establishment).

Example:

- *A trader has established his business in Cyprus and has a fixed establishment in Bulgaria. He uses the Union scheme in Cyprus (Member State of identification).*
- *He supplies goods located in Cyprus to non-taxable persons in Greece and Cyprus. He also supplies goods located in Bulgaria to non-taxable persons in Cyprus and Bulgaria.*
- *The trader declares the following supplies in the One Stop Shop return:*
  - *Supplies of goods from Cyprus to Greece*
  - *Supplies of goods from Bulgaria to Cyprus.*
- *The supplies of goods from Cyprus to Cyprus and from Bulgaria to Bulgaria have to be declared in the respective domestic VAT return in Cyprus and*

Bulgaria, because these are not intra-Community distance sales of goods.

c. A taxable person can also declare domestic supplies of goods for which he is a **deemed supplier** in the Union scheme.

Example:
A taxable person established in China sells a tablet (goods) to a non-taxable person in Belgium via an electronic interface. The electronic interface facilitates the supply and becomes deemed supplier for this supply of goods. The tablet is located in Belgium and dispatched to the customer in Belgium (domestic supply, the transport begins and ends in Belgium). Usually such a domestic supply has to be declared in the domestic VAT return. However, a deemed supplier who is using the Union scheme, has to declare such a supply in the Union One Stop Shop VAT return.

In the import scheme, a taxable person declares distance sales of goods imported from third territories or third countries not exceeding EUR 150. This threshold applies per consignment. Please note that products subject to excise duties cannot be declared in the import scheme.

Table 6: What kind of B2C supplies can be declared in which scheme?

Non-Union scheme	Union scheme	Import scheme
Supplies of **services**	Supplies of **goods** (including goods subject to excise duty) • Intra-EU supplies of goods • Domestic supplies of goods by deemed suppliers and **services:** • Supplies of services in a Member State in which the supplier is not established	Supplies of **goods** (**ex**cluding goods subject to excise duty) • **imported** from a third territory/third country, • **in consignments ≤ EUR 150**

2. By when does a One Stop Shop VAT return need to be submitted?

The taxable person/intermediary is required to submit the One Stop Shop VAT return electronically to the Member State of identification by the end of the month following the end of the tax period covered by the return.

Non-Union scheme and Union scheme	
Tax period – calendar quarter	Submission date of OSS return

Q1: 1 January to 31 March	30 April
Q2: 1 April to 30 June	31 July
Q3: 1 July to 30 September	31 October
Q4: 1 October to 31 December	31 January (of the following year)

In the import scheme, the tax period is one calendar month.

There is no change to the deadline for the submission of the return if this date falls on the weekend or on a public holiday.

The taxable person may not submit the One Stop Shop VAT return before the end of the return period.

3. What will happen if the One Stop Shop VAT return is not submitted in time?

If the taxable person/intermediary has not submitted a return in time, the Member State of identification shall issue a reminder to submit a return to the taxable person/the intermediary. This reminder will be sent by electronic means on the tenth day following the date on which the return should have been submitted.

Any further reminders will be issued by the Member State(s) of consumption. Notwithstanding the explanations given under point 18 below, the return shall always be submitted electronically to the Member State of identification. Any imposition of penalties and charges relating to the late submission of returns falls under the competence of the Member State of consumption, according to its rules and procedures.

It should be borne in mind that if the taxable person receives a reminder for three consecutive return periods, and does not submit the return within 10 days of each of these reminders being issued, he will be considered to have persistently failed to comply with the rules of the scheme, and will therefore be excluded.

If an intermediary does this, he will be deleted from the identification register and will be unable to act as intermediary. Consequently, all the taxable persons he represents will be excluded from the import scheme as well, because without intermediary they do not fulfil the conditions to use the scheme anymore.

4. What information is to be included in the One Stop Shop VAT return?

The precise details are laid out in Annex III of the Commission Implementing Regulation (EU) 2020/194 (reproduced here in Annex 3). In essence, for each Member

State of consumption, the taxable person is required to include the taxable amount for supplies at standard and reduced rate[22], and the amount of VAT at standard and reduced rate. The VAT rates for each Member State are published in the Taxes in Europe Database (TEDB[23]).

- Part 1 of the One Stop Shop VAT return contains general information. The unique reference number is a number allocated by the Member State of identification to that VAT return.

- Part 2 of the One Stop Shop VAT return contains information specific to each Member State of consumption.

  Part 2 relates to information concerning supplies carried out per Member State of consumption in which VAT is due. If a taxable person carries out supplies in different Member States of consumption, he will be required to complete Part 2 of the One Stop Shop VAT return for each Member State of consumption separately.

  For the non-Union scheme and the import scheme, this includes the total of supplies made per Member State of consumption.

  For the Union scheme:

  → Parts 2a and 2b cover supplies made from the Member State of identification to that Member State of consumption. In part 2a services supplied from the Member State of identification and from fixed establishments outside the EU to that Member State of consumption are declared, whereas part 2b relates to supplies of goods dispatched from the Member State of identification to that Member State of consumption.
  → Parts 2c and 2d cover supplies made from another Member State than the Member State of identification. Part 2c contains services supplied from fixed establishments other than the Member State of identification to that Member State of consumption, whereas part 2d relates to supplies of goods dispatched from a Member State other than the Member State of identification.
  → Part 2e is the grand total of all supplies (parts 2a-d) to that Member State of consumption.

- Part 3 of the One Stop Shop VAT return contains corrections to previous VAT returns. Corrections have to include the tax period they refer to, the Member State of consumption concerned as well as the total VAT amount resulting from the corrections. No distinction between standard and reduced VAT rate or goods and services is made.

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22 In some cases, more than two VAT rates can be required to be used in a VAT return. This can e.g. appear where a Member State has changed the respective VAT rate during the course of the return period.

23 https://ec.europa.eu/taxation_customs/economic-analysis-taxation/taxes-europe-database-tedb_en

- Part 4 of the One Stop Shop VAT return relates to the balance of VAT due for each Member State of consumption, building the sum of VAT due for supplies carried out during the return period and possible corrections to figures declared in previous VAT returns per Member State of consumption. Should the balance of one Member State of consumption be negative, it will not be taken into account for the total amount of VAT due in any of the other Member States of consumption (part 5) and does therefore not reduce the overall amount of VAT to be paid.

- Part 5 of the One Stop Shop VAT return is the total amount of VAT due in all Member States of consumption

5. What information does a taxable person have to provide in the Union scheme VAT return (part 2d) if he supplies goods that are located in a Member State in which he does not have a VAT identification number and in which he does not need to get VAT registered?

A supplier who carries out intra-Community distance sales of goods and uses the Union scheme to declare those sales, uses part 2a for goods that he dispatches/transports from the Member State of identification and part 2d for goods that he dispatches/ transports from another Member State than the Member State of identification. He is required to include the VAT identification number of the Member State from which goods are dispatched in the VAT return (part 2d). In most cases, he will have a VAT identification number in this Member State, because he is established there or because he is/needs to be VAT registered there (e.g. because of supplies he carries out in this Member State).

However, in the rare case that the supplier does not have a VAT identification number in this Member State and does not have to get VAT registered there, he can exceptionally indicate the country code of the Member State from which the goods are sent. This applies in cases where the supplier has a stock of goods in a Member State in which he is not VAT registered.

Note: This does **not** apply in the following case:

Supplier A established in MS1 sells goods to a customer in MS2. Supplier A does not have the goods in stock and buys these goods from supplier B in MS3 (in which supplier A is neither established nor VAT registered) and asks supplier B to send the goods directly to the customer in MS2. In this case, the supply of goods from supplier A to the customer is considered to be a supply of goods without transport and it can therefore not qualify as intra-Community distance sale of goods.

6. How do I declare supplies of goods for which I am deemed supplier?

Union scheme: A taxable person can declare supplies of goods for which he is deemed supplier in the Union scheme. Note that contrary to a "regular" supplier, he also needs to declare domestic supplies of goods for which he is the deemed supplier in this scheme. If the deemed supplier is not established or VAT registered in the Member State from which goods are dispatched or transported, it is sufficient to mention the country code of this Member State instead of the VAT identification number.

Import scheme**:** A taxable person can declare all distance sales of imported goods for which he is deemed supplier in the import scheme.

Please note that a deemed supplier can also use a special scheme for "his own" supplies of goods and services. If he is registered for one of the schemes, he will declare "his own" supplies as well as those for which he is deemed supplier in the VAT return of the respective scheme. He will not and cannot register twice for the same scheme.

7. What is **not** to be included on the One Stop Shop return?

If a taxable person has made no supplies under the One Stop Shop in a particular Member State of consumption in the return period, then he is not required to include that Member State of consumption in his One Stop Shop VAT return, irrespective of whether he has previously made supplies in that Member State of consumption. He might include this Member State in the correction part (part 3) though.

Example:
In the first quarter, a taxable person established in Germany makes supplies of services in Italy and Poland, and completes part 2a of the VAT return (Union scheme) twice, once for the supplies in Italy, and once for the supplies in Poland. In the following quarter, the same taxable person only makes supplies in Italy. The taxable person is then only required to complete part 2a of the VAT return (Union scheme) once, for the supplies in Italy. There is no requirement to complete part 2a of the return detailing 'zero' supplies in Poland.

In addition, supplies that are exempt in a Member State of consumption, must not be included in the One Stop Shop return. This is valid for all exempt supplies, irrespective of whether or not the supplier is entitled to deduct input VAT. Supplies to which a so-called zero rate is applied lead to the same result as exempt supplies with the right of input VAT deduction and are therefore not included in the One Stop Shop return either.

8. What is the unique reference number?

Once the taxable person/the intermediary has submitted the OSS VAT return, he will be informed of the unique reference number of that return. This is the number the taxable person/his intermediary is required to refer to when making the corresponding payment. The number is composed by the country code of the Member State of identification, the individual VAT identification number of the taxable person, and the relevant return period.

9. Can a taxable person offset VAT on business expenses incurred in the Member State of consumption in his One Stop Shop VAT return?

No. VAT on business expenses incurred in the Member State of consumption cannot be offset against supplies declared in the One Stop Shop VAT return. Those expenses must be claimed via the Electronic VAT Refund Mechanism (under Council Directive 2008/9/EC) or under the procedure governed by the 13th VAT Directive (Council Directive 86/560/EEC) or via the domestic VAT return should the taxable person be

registered (but not established) in the Member State of consumption.

10. What if no supplies are made in any Member State of consumption in a particular return period?

If a taxable person makes no One Stop Shop supplies whatsoever throughout the EU in a return period and has no corrections to make to previous VAT returns, he is required to submit a 'nil return'.

A "nil return" means in practice the following:

The taxable person (or the intermediary on his behalf) is required to fill in his individual VAT identification number allocated by the Member State of identification, the tax period, the total VAT amount due (= zero) and the total VAT amount resulting from corrections of previously submitted returns (= zero).

If he is using the import scheme and has appointed an intermediary, the identification number of the intermediary (to act as such) has to be provided as well.

11. Can a taxable person/an intermediary correct a return?

A VAT return can be corrected at any time before being submitted.

If a VAT return has already been submitted, corrections to VAT returns relating to tax periods starting on 1 July 2021 must be made in a subsequent VAT return.

Corrections to VAT returns relating to tax periods up to and including 30 June 2021 must be made by a correction of the original VAT return. This is only relevant for returns submitted in the MOSS (Mini One Stop Shop), i.e. supplies of TBE services to non-taxable persons (non-Union and Union scheme).

The Member State of identification will allow the taxable person/the intermediary to make corrections to One Stop Shop VAT returns electronically within three years of the date on which the initial return had to be submitted[24]. Any additional payment due to the Member State(s) of consumption shall be paid by the taxable person to the Member State of identification for distribution. Nevertheless, the Member State of consumption may accept corrections after the expiry of this three-year-period, in accordance with its national rules, in which case the taxable person will be required to contact the Member State of consumption directly. Such corrections are not part of the One Stop Shop scheme.

The VAT due for supplies declared in a VAT return for a Member State of consumption and possible corrections to previous VAT return(s) made in that VAT return for that same Member State of consumption are set off against each other. If the balance is zero, the taxable person does not have to pay any VAT for this Member State of consumption regarding his VAT return. If the balance is above zero, i.e. VAT is due, the taxable person has to pay this amount of VAT due (balance between VAT due for supplies carried out and corrections from previous tax periods). If the balance

[24] This applies even where the taxable person has meanwhile stopped using the scheme.

is negative, i.e. the taxable person has paid too much VAT, the Member State of consumption will reimburse the taxable person the overpaid amount. A negative amount for one Member State of consumption is never set off against VAT due for other Member States of consumption.

Example 1:
A taxable person uses the non-Union scheme in Germany (Member State of identification).
For Q1/2023 (current quarter), he declares EUR 200 in Poland (Member State of consumption). He is also making a negative correction to Q4/2022 of EUR 50 for Poland. The balance of VAT due for the current quarter, taking into account the correction made to the previous quarter is EUR 200 - EUR 50 = EUR 150. The taxable person will have to pay EUR 150 for Poland.

VAT return Q1/2023:

Supplies made to MSC Poland	*EUR 200*
Corrections made for MSC Poland (Q4/2022)	*EUR -50*
Balance of VAT due for MSC Poland	***EUR 150***

Example 2:
A taxable person uses the non-Union scheme in Germany (Member State of identification).
For Q1/2023 (current quarter), he declares EUR 100 in Poland (Member State of consumption). He is also making a negative correction to Q4/2022 of EUR 150 for Poland. The balance of VAT due for the current quarter, taking into account the correction made to the previous quarter is EUR 100 - EUR 150 = EUR -50. The taxable person will not have to pay anything for Poland. Poland needs to reimburse directly the amount of EUR 50 to the taxable person.

VAT return Q1/2023:

Supplies made to MSC Poland	*EUR 100*
Corrections made for MSC Poland (Q4/2022)	*EUR -150*
Balance of VAT due for MSC Poland	***EUR 0***
Amount to be reimbursed by Poland	*EUR 50*

Example 3:
A taxable person uses the non-Union scheme in Germany (Member State of identification).
For Q1/2023 (current quarter), he declares EUR 100 in Poland (Member State of consumption). He is also making a negative correction to Q4/2022 of EUR 100 for Poland. The balance of VAT due for the current quarter, taking into account the correction made to the previous quarter is EUR 100 - EUR 100 = EUR 0. The taxable person will not have to pay anything for Poland.

VAT return Q1/2023:

Supplies made to MSC Poland	*EUR 100*
Corrections made for MSC Poland (Q4/2022)	*EUR -100*
Balance of VAT due for MSC Poland	***EUR 0***

12. What if a credit note is raised in a later quarter/month?

The credit note should be dealt with by making a correction to the One Stop Shop VAT return for the period in which the supply was declared.

13. Can a taxable person submit a negative return?

The part of the VAT return referring to supplies carried out in the return period concerned cannot be negative (part 2a). However, the correction part (part 3) can be negative. Thus, while the balance of VAT due for a Member State of consumption (part 4) can be negative, the total amount of VAT due for all Member States of consumption (part 5) cannot.

14. Who has access to One Stop Shop VAT return information?

The Member State of identification stores the One Stop Shop VAT return information in its database, which is accessible to the relevant authorities of any of the other Member State. The Member State of identification also sends the VAT return to all Member States of consumption.

15. In which currency is the One Stop Shop VAT return to be made?

The One Stop Shop return has to be made out in one single currency. In general, it should be made out in euro. However, Member States of identification which have not adopted the euro may require for the return to be made out in their national currency. If the supplies have been made in other currencies, the taxable person or his intermediary shall, for the purposes of completing the VAT return, use the exchange rate as published by the European Central Bank on the last date of the tax period.

When a Member State of identification which requires the One Stop Shop return to be made out in its national currency, transfers the VAT return to the other Member States, it first has to convert the amount into euro using the exchange rate as published by the European Central Bank on the last day of the tax period.

16. Can a One Stop Shop VAT return be saved half way through?

Yes. Member States' web portals allow for the taxable person to save the One Stop Shop VAT return for completion at a later date.

17. Is electronic file transfer allowed?

Yes, Member States' web portals allow for the uploading of One Stop Shop VAT return data via electronic file transfer.

18. What if no One Stop Shop VAT return has been submitted?

If no One Stop Shop VAT return has been submitted by the end of the month following the tax period (due date), the Member State of identification issues a reminder on the tenth day following the due date and informs the other Member States

thereof.

Any subsequent reminders and steps taken to assess and collect the VAT are the responsibility of the Member State of consumption concerned.

Notwithstanding possible reminders issued by the Member State(s) of consumption, the taxable person remains able to submit the return to the Member State of identification for three years after the date on which the return should have been submitted. If the taxable person submits the return after this date, it shall be submitted directly to the relevant Member State(s) of consumption.

Part 3 - Payments

Background

The taxable person pays the VAT due to the Member State of identification. He pays the total amount resulting from the VAT return (i.e. covering all Member States of consumption). The Member State of identification then distributes the appropriate amounts to the various Member States of consumption.

Specific details

1. How does a taxable person/his intermediary make the necessary payments to his Member State of identification?

   The Member State of identification will outline how payment is to be made by the taxable person or his intermediary (import scheme). The payment must include a reference to the relevant One Stop Shop VAT return (i.e. to the unique reference number allocated by the Member State of identification).

2. By when is the taxable person obliged to pay the outstanding VAT?

   The payment should be made when the One Stop Shop VAT return is submitted, along with a reference to the unique reference number of that return. However, if the payment is not made when the return is submitted, it should be made at the latest at the expiry of the deadline by which the return must be submitted. This means at the latest by the end of the month following the end of the tax period covered by the return.

   The taxable person should be aware that payment is considered being made when it reaches the bank account of the Member State of identification. In addition, the Member State of identification cannot offer any payment plans, or similar delayed payment mechanisms, for payment due under the One Stop Shop. This can only be arranged directly with the respective Member State of consumption.

3. What happens if the payment is not made?

   If the taxable person/the intermediary either fails to make a payment, or does not pay the full amount, the Member State of identification shall send a reminder electronically on the tenth day following the day on which the payment was due.

   It should be borne in mind that if the taxable person/intermediary receives a reminder from the Member State of identification for three consecutive quarters, and does not pay the full amount of VAT within 10 days of each of these reminders being issued, he will be considered to have persistently failed to comply with the rules of the scheme, and will be excluded/deleted, unless the amount unpaid for each return period is less than EUR 100.

4. What happens if the taxable person/intermediary still does not pay the VAT due?

Subsequent reminders and steps taken to collect the VAT shall be the responsibility of the Member State of consumption. If the Member State of consumption sends a reminder, the taxable person/intermediary can no longer pay the outstanding VAT to the Member State of identification, but must pay it directly to the Member State of consumption. Where the taxable person, despite this, pays to the Member State of identification, the amount will not be forwarded by the Member State of identification to the Member State of consumption, but returned to the taxable person/the intermediary.

Any imposition of penalties and charges relating to the late submission of the payment falls outside the One Stop Shop system and is the responsibility of the Member State of consumption, according to its rules and procedures.

5. What happens if there has been an overpayment of VAT?

There are two instances where an overpayment can occur:

- When the Member State of identification receives a payment, this is compared to the VAT return. If the Member State of identification sees that the amount paid by the taxable person is more than the amount indicated in the VAT return, the Member State of identification returns the overpaid amount to the taxable person according to its national legislation and procedures.

- If the taxable person realises that a mistake has been made in a VAT return and makes a correction in a subsequent VAT return which leads to an overpayment for a Member State of consumption, then the Member State of consumption shall return the overpaid amount directly to the taxable person according to its national legislation and procedures (provided that the Member State of consumption agrees to the correction).

Whilst it is a matter for national administrations to decide, the Commission recommends that overpayments be reimbursed to the taxable person within 30 days of the tax administration's decision agreeing with the correction. The repayment may also be offset against other liabilities with the Member State of consumption concerned if national legislation in the Member State of consumption allows it.

6. What if the taxable person/the intermediary corrects a previous One Stop Shop VAT return in such a way as to show that there has been an overpayment to one Member State, and an underpayment of the same amount to another Member State?

Overpayments and underpayments to different Member States of consumption cannot be set off against each other. The overpaid Member State of consumption is required to reimburse the amount directly to the taxable person (balance between the VAT due for supplies declared in the current tax period and corrections made to previous VAT return(s) for that same Member State of consumption), on the basis of the information in the One Stop Shop VAT return. The taxable person is required to pay the VAT due to the underpaid Member State via the One Stop Shop when the correction is made. Where a Member State of identification has received an amount in respect of a VAT

return subsequently found to be incorrect (e.g. because of a correction received from the taxable person), and that Member State of identification has not yet distributed that amount to the Member State(s) of consumption, the Member State of identification shall reimburse the overpaid amount directly to the taxable person concerned.

7. Matching the payment to the One Stop Shop VAT return using the unique reference number

Each One Stop Shop VAT return has a unique reference number, so it is imperative to make a reference to this number when the payment is made. If the taxable person/the intermediary makes a payment without making reference to this number, or the reference number does not correspond to any outstanding One Stop Shop VAT return, the Member State of identification may take steps to clarify the issue. If the issue remains unresolved, the payment will be returned to the taxable person/the intermediary and late payment is considered made if the deadline for resubmission of the payment has not been respected.

Part 4 - Miscellaneous

Records

1. What records should be kept by the taxable person/intermediary?

The content of records which should be kept by the taxable person is laid out in Council Regulation 282/2011 (Article 63c). This includes general information such as the Member State of consumption of the supply, the type of supply, the date of the supply and the VAT payable, but also more specific information, such as details of any payments on account and information used to determine the place where the customer is established, has his permanent address or usually resides.

2. How long should they be retained for?

These records must be kept for 10 years from the end of the year in which the transaction was made, regardless of whether the taxable person has stopped using the scheme or not.

3. How does the taxable person/intermediary make these records available to the tax authority?

These records have to be made electronically available, on request, to the Member State of identification or any Member State of consumption without delay. To obtain the records held by a taxable person or intermediary, the Member State of consumption first has to make a request to the Member State of identification. That Member State will provide information on how this is to be done in practical terms when the records are requested from the taxable person/intermediary.

It should be borne in mind that a failure to make these records available within a month of receiving a reminder from the Member State of identification will be regarded as persistent failure to comply with the rules relating to the scheme and will result in exclusion from the scheme.

Invoicing

In relation to invoices the following rules apply. For further details please also see the Explanatory Notes: https://ec.europa.eu/taxation_customs/business/vat/ressources_en

Table 7: Invoicing rules

Non-Union scheme	Union scheme	Import scheme
In general, there is no obligation for the supplier to issue an invoice. If the supplier chooses to issue an invoice, the rules of the Member State of identification apply.	There is no obligation for the supplier to issue an invoice. If the supplier chooses to issue an invoice, the rules of the Member State of identification apply. Please note that the supplier has to issue an invoice for intra-Community distance sales of goods if he does not use the Union scheme.	In general, there is no obligation for the supplier to issue an invoice. If the supplier chooses to issue an invoice, the rules of the Member State of identification apply.

Bad debt relief

1. What happens if a Member State of consumption offers bad debt relief? How is this accounted for in the One Stop Shop?

When the customer does not pay the taxable person, that taxable person may be entitled to bad debt relief. In such cases, the taxable amount should be reduced accordingly. In the context of the One Stop Shop, the taxable person should make a correction to the taxable amount in a subsequent One Stop Shop return, as he would with any other correction. The Member State of consumption is entitled to check this correction to ensure that it complies with their national rules.

Annex 1 - The legislation

- Council Directive 2006/112/EC on the common system of value added tax (as amended by Council Directives (EU) 2017/2455, Council Directive (EU) 2019/1995 and Council Decision (EU) 2020/1109);

- Council Directive 2009/132/EC determining the scope of Article 143(b) and (c) of Directive 2006/112/EC as regards exemption from value added tax on the final importation of certain goods (as amended by Council Directive (EU) 2017/2455);

- Council Regulation (EU) No 904/2010 on administrative cooperation and combating fraud in the field of value added tax (as amended by Council Regulation (EU) 2017/2454 and Council Regulation (EU) 2020/1108);

- Council Regulation (EU) No 282/2011 laying down implementing measures for Directive 2006/112/EC on the common system of value added tax (as amended by Council Implementing Regulation (EU) 2017/2459, Council Implementing Regulation (EU) 2019/2026 and Council Implementing Regulation (EU) 2020/1112);

- Commission Implementing Regulation (EU) 2020/194 of 12 February 2020 laying down detailed rules for the application of Council Regulation (EU) No 904/2010 as regards the special schemes for taxable persons supplying services to non-taxable persons, making distance sales of goods and certain domestic supplies of goods (as amended by Commission Implementing Regulation (EU) 2020/1318) ;

- In addition, the Standing Committee on Administrative Cooperation (SCAC) has adopted the functional and technical specifications.

Annex 2 - The registration details

Column A	Column B	Column C	Column D	Column E
Box number	**The non-Union scheme**	**The Union scheme**	**The import scheme (Identification of the taxable person)**	**The import scheme (Identification of the intermediary)**
1	Individual VAT identification number allocated by the Member State of identification in accordance with Article 362 of Directive 2006/112/EC([1])	Individual VAT identification number allocated by the Member State of identification in accordance with Article 369d of Directive 2006/112/EC, including the country code	Individual VAT identification number allocated by the Member State of identification in accordance with Article 369q(1) or (3) of Directive 2006/112/EC([2])	Individual identification number allocated by the Member State of identification in accordance with Article 369q(2) of Directive 2006/112/EC([3])
1a			If the taxable person is represented by an intermediary, the individual identification number of that intermediary allocated in accordance with Article 369q(2) of Directive 2006/112/EC	
2	National tax number		National tax number([4])	
2a			VAT identification number, if any	VAT identification number
3	Company name	Company name	Company name	Company name
4	Trading name(s) of the company if different from the company name	Trading name(s) of the company if different from the company name	Trading name(s) of the company if different from the company name	Trading name(s) of the company if different from the company name
5	Full postal address of the company([5])	Full postal address of the company([5])	Full postal address of the company([5])	Full postal address of the company([5])

6	Country in which the taxable person has his place of business	Country in which the taxable person has his place of business if not in the Union	Country in which the taxable person has his place of business	The Member State in which the intermediary has his place of business or, in the absence of a place of business in the Union, the Member State in which the intermediary has a fixed establishment where he indicates that he will make use of the import scheme on behalf of the taxable person(s) he represents
7	Email address of the taxable person	Email address of the taxable person	Email address of the taxable person	Email address of the intermediary
8	Website(s) of the taxable person	Website(s) of the taxable person where available	Website(s) of the taxable person	
9	Contact name	Contact name	Contact name	Contact name
10	Telephone number	Telephone number	Telephone number	Telephone number
11	IBAN or OBAN number	IBAN number	IBAN number([6])	IBAN number([7])
12	BIC number([8])	BIC number([8])	BIC number([6]) ([8])	BIC number([7]) ([8])
13.1		Individual VAT identification number(s) or, if not available, tax reference number(s) allocated by the Member State(s) in which the taxable person has a fixed establishment(s) other than the Member State of identification and by	Individual VAT identification number(s) or, if not available, tax reference number(s) allocated by the Member State(s) in which the taxable person has a fixed establishment(s) other than the Member	Individual VAT identification number(s) or, if not available, tax reference number(s) allocated by the Member State(s) in which the intermediary has a fixed establishment(s)

		the Member State(s) where goods are dispatched or transported from other than the Member State of identification([9]) Indicator of whether the taxable person has a fixed establishment in this Member State([14])	State of identification([9])	other than the Member State of identification([9])
14.1		Full postal address and trading name of fixed establishments and places where goods are dispatched or transported from in Member States other than the Member State of identification([10])	Full postal address and trading name of fixed establishments in Member States other than the Member State of identification([10])	Full postal address and trading name of fixed establishments in Member States other than the Member State of identification([10])
15.1		VAT identification number(s) allocated by Member State(s) as a non-established taxable person([11])		
16.1	Electronic declaration that the taxable person is not established within the Union	Electronic declaration that the taxable person is not established within the Union		
16.2.		Indicator of whether the taxable person is an electronic interface referred to in Article 14a(2) of Directive 2006/112/EC([14])		
17	Date of commencement of using the scheme([12])	Date of commencement of using the scheme([12])	Date of commencement of using the scheme([13])	
18	Date of request by the taxable	Date of request by the taxable person to be	Date of request by the taxable person or the	Date of request to be registered as an

	person to be registered under the scheme	registered under the scheme	intermediary acting on his behalf to be registered under the scheme	intermediary
19	Date of registration decision by the Member State of identification	Date of registration decision by the Member State of identification	Date of registration decision by the Member State of identification	Date of registration decision by the Member State of identification
20		Indicator of whether the taxable person is a VAT group([14])		
21	Individual VAT identification number(s) allocated by the Member State of identification in accordance with Articles 362, 369d or 369q of Directive 2006/112/EC if the taxable person has previously used or is currently using one of these schemes	Individual VAT identification number(s) allocated by the Member State of identification in accordance with Articles 362, 369d or 369q of Directive 2006/112/EC if the taxable person has previously used or is currently using one of these schemes	Individual VAT identification number(s) allocated by the Member State of identification in accordance with Articles 362, 369d or 369q of Directive 2006/112/EC if the taxable person has previously used or is currently using one of these schemes	Intermediary number(s) allocated by the Member State of identification in accordance with Article 369q(2) of Directive 2006/112/EC if the intermediary has previously acted as such

([1]) To follow format: EUxxxyyyyyz where: xxx is the 3-digit ISO numeric code of the Member State of identification (MSI); yyyyy is the 5-digit number assigned by MSI; and z is a check digit.
([2]) To follow format: IMxxxyyyyyyz where: xxx is the 3-digit ISO numeric code of the MSI; yyyyyy is the 6-digit number assigned by MSI; and z is a check digit.
([3]) To follow format: INxxxyyyyyyz where: xxx is the 3-digit ISO numeric code of the MSI; yyyyyy is the 6-digit number assigned by MSI; and z is a check digit.
([4]) Mandatory if no VAT identification number is given in Box 2a.
([5]) Postcode to be indicated if there is one.
([6]) Where the taxable person is not represented by an intermediary.
([7]) Where the taxable person is represented by an intermediary.
([8]) The BIC number is optional.
([9]) Where there is more than one fixed establishment or more than one Member State where goods are dispatched or transported from, use box 13.1, 13.2, etc.
([10]) Where there is more than one fixed establishment and/or place where goods are dispatched or transported from, use box 14.1, 14.2, etc.
([11]) Where there is more than one VAT identification number allocated by Member State(s) as a non-established taxable person, use box 15.1, 15.2 etc.

(12) This can be in certain limited cases prior to the date of registration for the scheme.

(13) The date of commencement of using the scheme is identical to the date in column D, box 19 and, in case of pre-registration in accordance with the third paragraph of Article 2 of Council Implementing Regulation (EU) 2019/2026, cannot be prior to 1 July 2021.

(14) This is a simple yes/no tick box.

Annex 3 - The One Stop Shop return details

Part 1: General information			
Column A	Column B	Column C	Column D
Box number	The non-Union scheme	The Union scheme	The import scheme
Unique reference number([1])***:***			
1	Individual VAT identification number allocated by the Member State of identification in accordance with Article 362 of Directive 2006/112/EC	Individual VAT identification number allocated by the Member State of identification in accordance with Article 369d of Directive 2006/112/EC, including country code	Individual VAT identification number allocated by the Member State of identification in accordance with Article 369q(1) or (3) of Directive 2006/112/EC
1a			If the taxable person is represented by an intermediary, the identification number of that intermediary allocated in accordance with Article 369q(2) of Directive 2006/112/EC
2	Tax period([2])	Tax period([2])	Tax period([3])
2a	Start date and end date of period([4])	Start date and end date of period([4])	Start date and end date of period([5])
3	Currency	Currency	Currency
Part 2: For each Member State of consumption in which VAT is due([6])			
		2(a) Services supplied from the Member State of identification and fixed establishment(s) outside the Union **2(b) Supplies of goods dispatched or transported from the Member State of identification**([7])	
4.1	Country code of the Member State of	Country code of the Member State of consumption	Country code of the Member State of consumption

	consumption		
5.1	Standard VAT rate in the Member State of consumption([8])	Standard VAT rate in the Member State of consumption([8])	Standard VAT rate in the Member State of consumption([8])
6.1	Reduced VAT rate in the Member State of consumption([8])	Reduced VAT rate in the Member State of consumption([8])	Reduced VAT rate in the Member State of consumption([8])
7.1	Taxable amount at standard rate([8])	Taxable amount at standard rate([8])	Taxable amount at standard rate([8])
8.1	VAT amount at standard rate([8])	VAT amount at standard rate([8])	VAT amount at standard rate ([8])
9.1	Taxable amount at reduced rate([8])	Taxable amount at reduced rate([8])	Taxable amount at reduced rate([8])
10.1	VAT amount at reduced rate([8])	VAT amount at reduced rate([8])	VAT amount at reduced rate([8])
11.1	Total VAT amount payable	Total VAT amount payable for supplies of services declared in part 2a and supplies of goods declared in part 2b	Total VAT amount payable
		2(c) Services supplied from fixed establishments in Member States other than the Member State of identification([9])	
		2(d) Supplies of goods dispatched or transported from a Member State other than the Member State of identification([10]) ([11])	
12.1		Country code of the Member State of consumption	
13.1		Standard VAT rate in the Member State of consumption([8])	
14.1		Reduced VAT rate in the Member State of consumption([8])	
15.1		Individual VAT identification number or, if not available, tax	

		reference number, including country code: —of the fixed establishment from which supplies of services are made; or— of the establishment from which goods are dispatched or transported. Where the supplies of goods are made in accordance with Article 14a(2) of Directive 2006/112/EC and the taxable person does not have a VAT identification or tax reference number in the Member State from which goods are dispatched or transported, the country code of that Member State must still be provided.	
16.1		Taxable amount at standard rate([8])	
17.1		VAT amount at standard rate([8])	
18.1		Taxable amount at reduced rate([8])	
19.1		VAT amount at reduced rate([8])	
20.1		Total VAT amount payable for supplies of services declared in part 2c and supplies of goods declared in part 2d	
		2(e) Grand total for supplies from the Member State of identification, supplies of goods from another Member State and services from all fixed establishments not in the Member State of identification	
21.1		Total VAT amount payable (Box 11.1 + Box 11.2 ... + Box 20.1 + Box 20.2 ...)	

Part 3: For each Member State of consumption for which a VAT correction is made			
22.1.	Tax period([2])	Tax period([2])	Tax period([3])
23.1	Country code of the Member State of consumption	Country code of the Member State of consumption	Country code of the Member State of consumption
24.1	Total VAT amount resulting from corrections of supplies([12])	Total VAT amount resulting from corrections of supplies([12])	Total VAT amount resulting from corrections of supplies([12])
Part 4: Balance of VAT due for each Member State of consumption			
25.1.	Total VAT amount due including corrections of previous returns per Member State (Box 11.1 + Box 11.2 … + Box 24.1 + Box 24.2. …)([12])	Total VAT amount due including corrections of previous returns per Member State (Box 21.1 + Box 21.2 … + Box 24.1 + Box 24.2. …)([12])	Total VAT amount due including corrections of previous returns per Member State (Box 11.1 + Box 11.2 … + Box 24.1 + Box 24.2. …)([12])
Part 5: Total amount of VAT due for all Member States of consumption			
26	Total VAT amount due for all Member States (Box 25.1+ 25.2. …)([13])	Total VAT amount due for all Member States (Box 25.1+ 25.2. …)([13])	Total VAT amount due for all Member States (Box 25.1+ 25.2. …)([13])

([1]) Unique reference number as allocated by the Member State of identification shall consist of country code of MSI/VAT number/period – i.e. CZ/xxxxxxxxx/Q1.yyyy (or /M01.yyyy for the import scheme) + add timestamp. The number shall be attributed by the Member State of identification before transmission of the return to the other Member States concerned.

([2]) Relates to calendar quarters: Q1.yyyy – Q2.yyyy – Q3.yyyy – Q4.yyyy. Where there is more than one tax period to be corrected in Part 3, use box 22.1.1, 22.1.2, etc.

([3]) Relates to calendar months: M01.yyyy – M02.yyyy – M03.yyyy – etc. Where there is more than one tax period to be corrected in Part 3, use box 22.1.1, 22.1.2, etc.

([4]) To be completed only in cases where the taxable person submits more than one VAT return for the same quarter. Relates to calendar days: dd.mm.yyyy – dd.mm.yyyy.

([5]) To be completed only in cases where the taxable person/the intermediary submits more than one VAT return for the same month. Relates to calendar days: dd.mm.yyyy – dd.mm.yyyy.

([6]) Where there is more than one Member State of consumption.

([7]) Including supplies facilitated by an electronic interface referred to in Article 14a(2) of Directive 2006/112/EC, where the dispatch or the transport of those goods begins and ends in the Member State of identification.

([8]) Where more than one standard rate is applied during the return period, use boxes 5.1.2, 7.1.2, 8.1.2, 13.1.2, 16.1.2, 17.1.2, etc. Where more than one reduced VAT rate is applied, use boxes 6.1.2, 9.1.2, 10.1.2, 14.1.2, 18.1.2, 19.1.2, etc.

([9]) Where there is more than one fixed establishment, use box 12.2 to 20.2, etc.

([10]) Where there is more than one Member State other than the Member State of identification from which goods are dispatched or transported, use box 12.2 to 20.2, etc.

([11]) Including supplies facilitated by an electronic interface referred to in Article 14a(2) of Directive 2006/112/EC, where the dispatch or the transport of those goods begins and ends in the same Member State.

([12]) This amount can be negative.

([13]) Negative amounts in boxes 25.1, 25.2, etc. cannot be taken into account.