

VAT in the digital age

Webinar – 12 December 2024

Introduction



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Agenda

Time	Topic	Speaker
16.00-16.05	Introduction	Milja Bormann-Bakker
16.05-16.15	Single VAT registration	Rakesh Ghirah
16.15-16.25	Platform economy	Madeleine Merkx
16.25-16.35	Introduction to EFS' programs	Milja Bormann-Bakker, John Gruson and Rakesh Ghirah
16.35-16.50	E-invoicing and digital reporting	John Gruson
16.50-17.00	Q&A	Moderated by Milja Bormann-Bakker

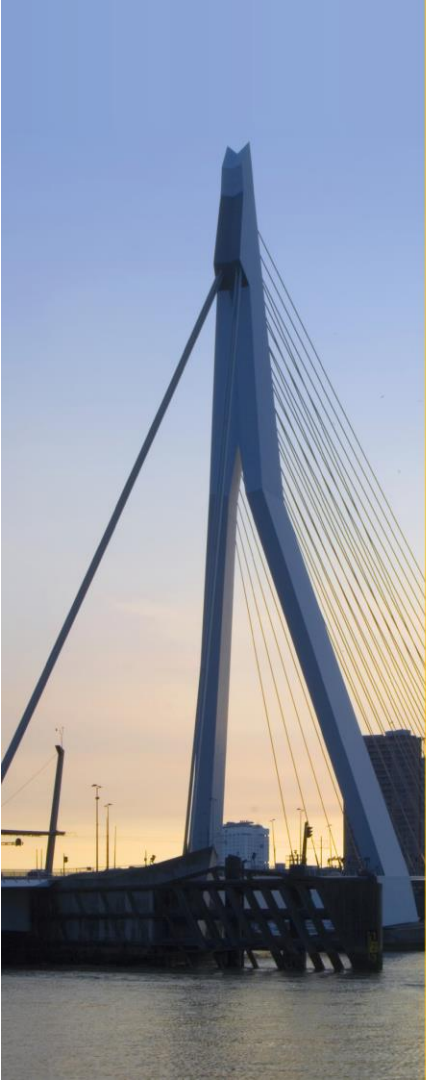
The three pillars of ViDa

I. Single VAT registration

II. Platform economy

III. E-invoicing and digital reporting

New and improved



Single VAT registration

Rakesh Ghirah LL.M.

Components of the SVR part of ViDA



Extension of the mandatory reverse charge



Extension of the OSS



Adoption of a special scheme for transfers of own goods

Extension of the mandatory reverse charge

Currently

- ▶ Supplies of services B2B + application of the general place of supply rule
- ▶ B2B supplies of heating, cooling, gas and electricity
- ▶ Application of the simplification in triangular cases

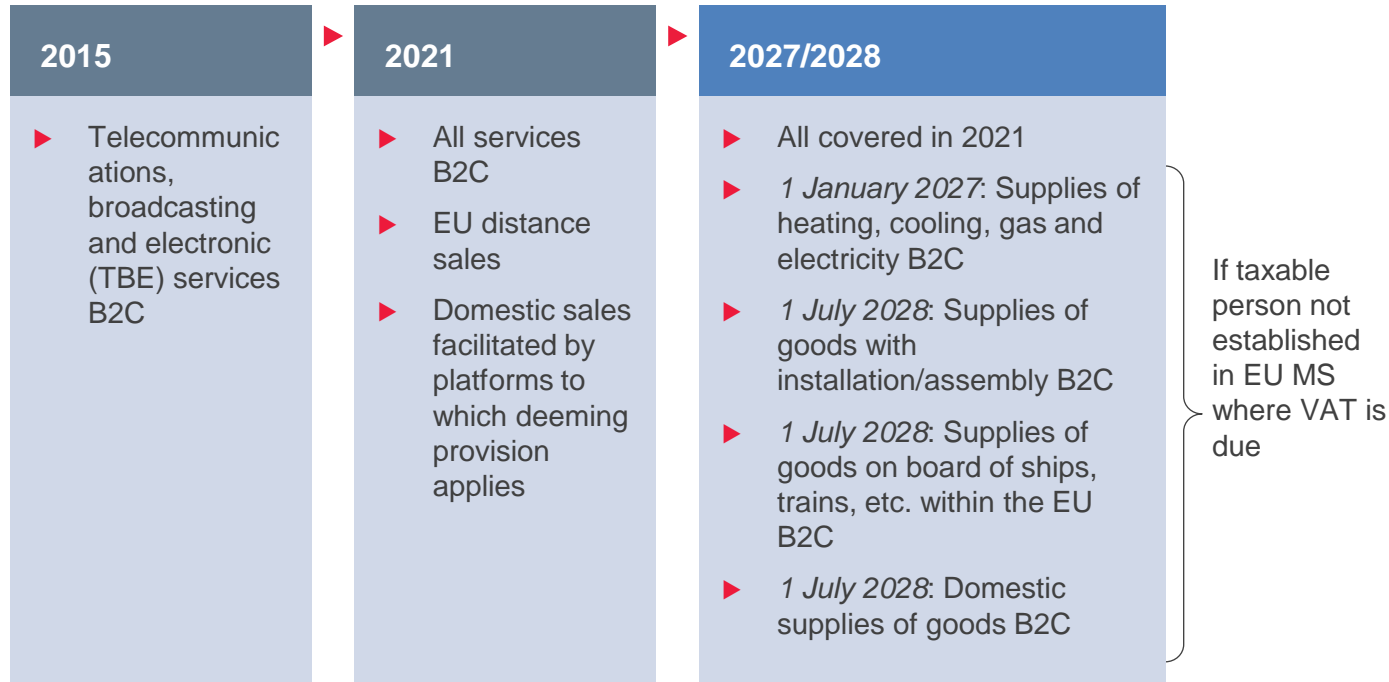
1 July 2028

- ▶ Mandatory for supplies of goods and services when:
 - Supplier not established and not registered in EU MS where VAT is due
 - Customer registered in that MS
 - *Not applicable to supplies of goods under the margin scheme*
- ▶ MS option when supplier not established in EU MS where VAT is due

Note

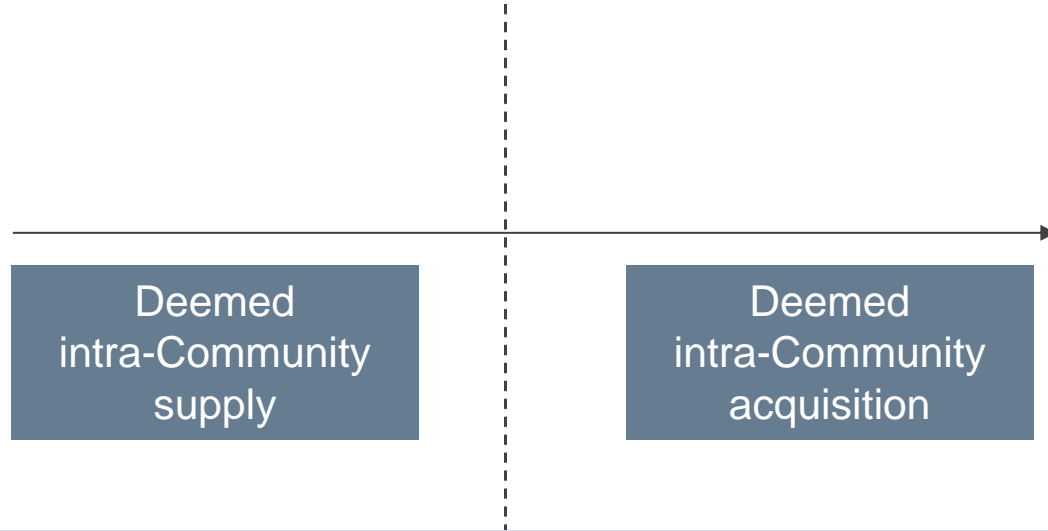
Requirement of reporting in recapitulative statements (+ VAT due 15th of the month following the month of the supply) vs. DRR/e-invoicing requirement as of 1 July 2030 under new rules *when customer registered in EU MS where VAT is due*

Extension of the OSS



Adoption of a special scheme for transfers of own goods

Applicable as of 1 July 2028



Two options:

1. Report intra-Community acquisition in MS of arrival and deduct input VAT in local VAT return (*requires additional registration in MS of arrival*)
2. Use special scheme for transfers of own goods to report transfers + intra-Community acquisition is exempt

Scope and application of the special scheme

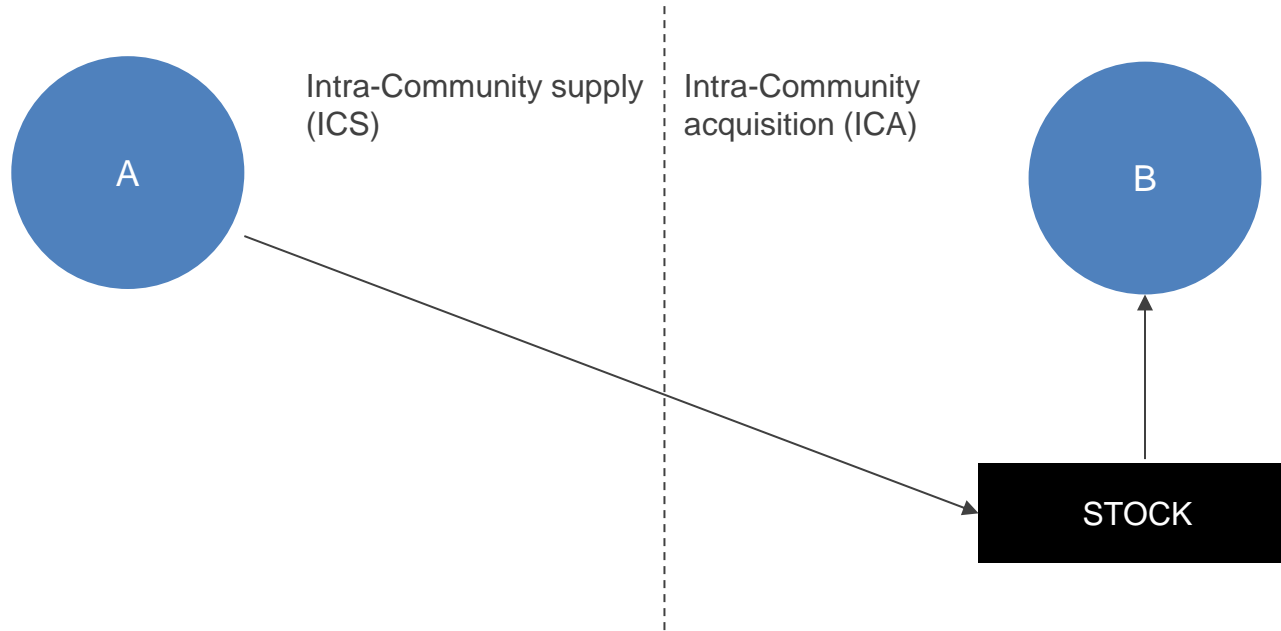
EU and non-EU businesses – registration in EU MS of establishment or EU MS where the transport/dispatch of goods begins

All goods with the exception of goods in relation to which there is no full right to deduct input VAT

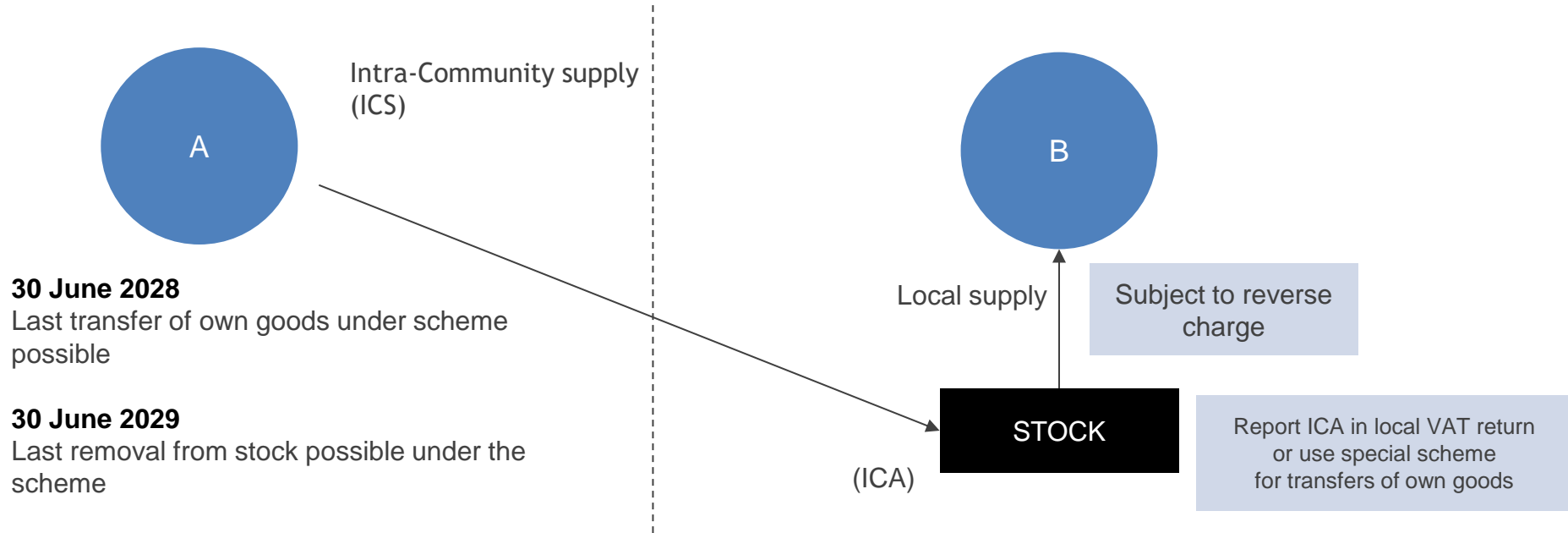
Monthly returns, no input VAT deduction through returns under the scheme

Record keeping obligations – should be sufficiently detailed to enable the tax authorities from and to which the goods have been dispatched/transported to verify VAT returns (the latter to be submitted until the end of following month)

Call-off stock – current rules



Call-off stock – current rules



Timeframe



1 July 2027

OSS extended to B2C-
supply of gas, electricity,
heating and cooling



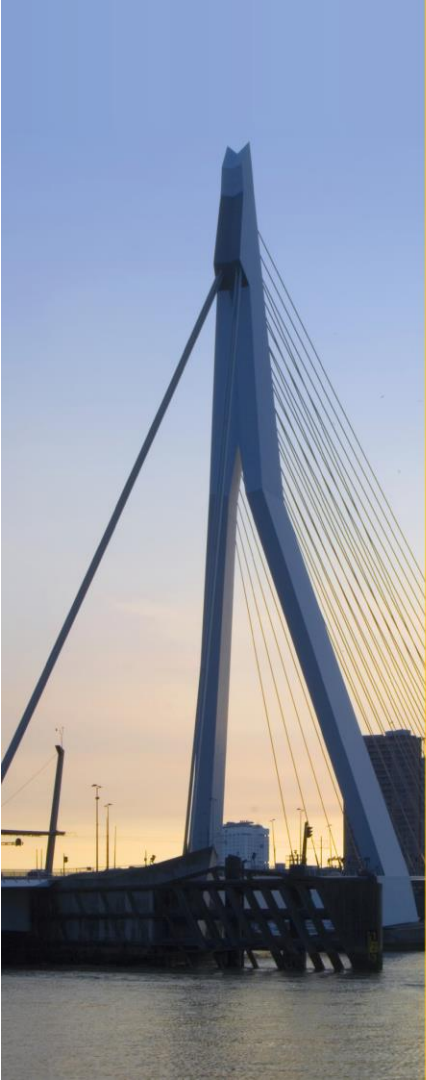
1 July 2028

Further extension of the
OSS, extended mandatory
reverse charge rule, start
of transfer of own goods
scheme, no transfers
under call-off-stock rules
possible



30 June 2029

Last date on which goods
can be supplied to
customer under call-off-
stock regime



Platform economy

Prof. Madeleine Merkx

Elements of the platform economy part of ViDA



Deeming provision

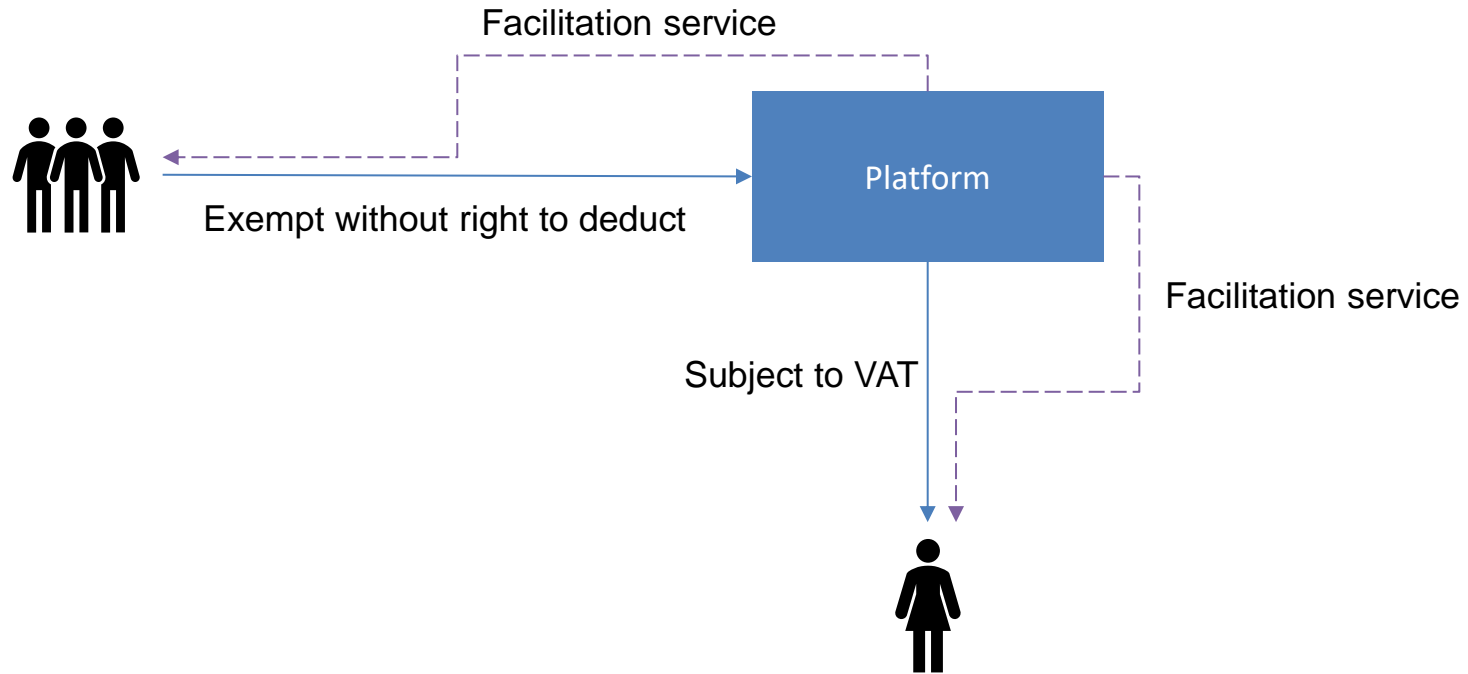


New place of supply rule for facilitation services

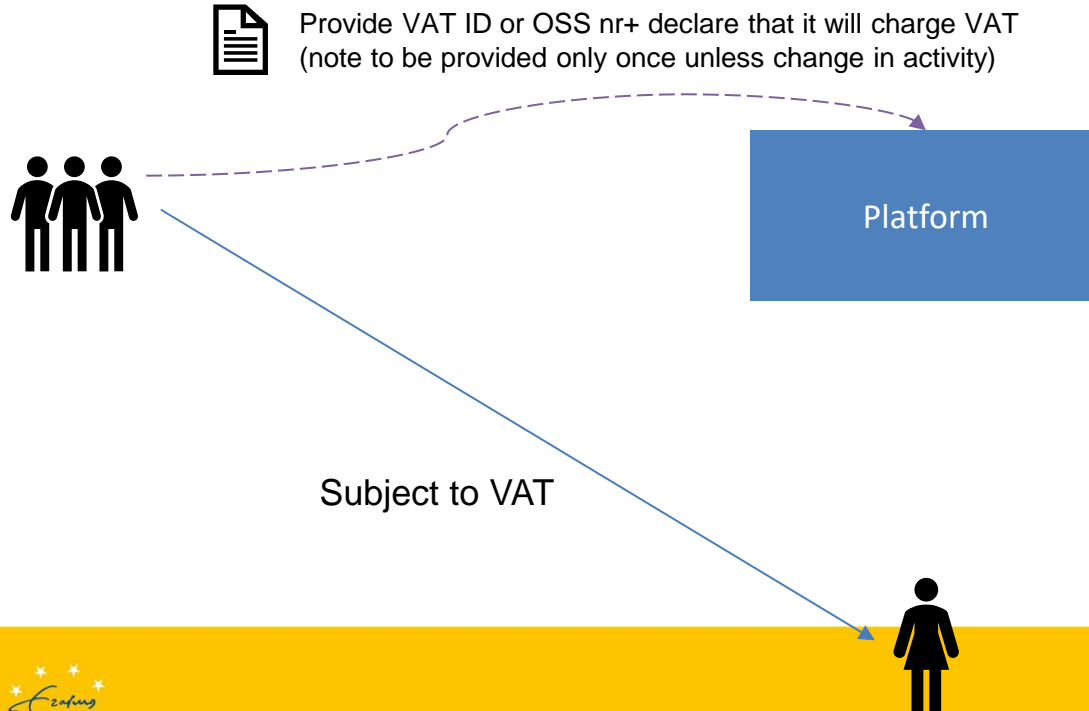


Additional record keeping obligations

Deeming provision for platforms



Opting out of the deeming provision



Member States may require that platform validates the VAT ID nr using appropriate means established by law

Type of service covered



Passenger transport by road effected in the EU → section of the service effected between two points of the Union

Except: ride sharing → person who provides the means by which the cost of passenger transport can be shared

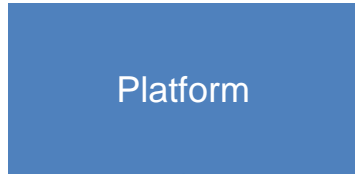


Short term accommodation rental services within the EU → uninterrupted rental of accommodation to the same person for a maximum of 30 nights

Facilitate

- Allow customer and supplier to
 - 1) enter into contact through the electronic interface which
 - 2) results in a supply of services through that electronic interface
- Not facilitating:
 - Does not set any terms and conditions under which supply is made
 - Not involved in authorizing the charge
 - Not involved in the provision of the services
- Exclusion:
 - Payment services
 - Listing or advertising
 - Redirecting or transferring

Services exempt or taxed?



- Uninterrupted rental of accommodation to the same person for a maximum of 30 nights → similar function to the hotel sector subject to criteria, conditions and limitations to be laid down by Member States
 - MS to communicate before 1 July 2028
 - Commission publishes a list by 31 December 2028
- Other exemptions applied by Member States on these services
- SME scheme
- TOMS cannot be applied and services under TOMS not covered by the deeming provision

Whether exempt or taxed this does not affect the right of deduction of the platform

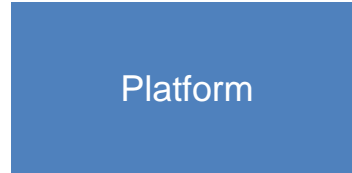
VAT treatment of the facilitation services

- B2B → subject to VAT in the Member State of the customer with reverse charge (if applicable)
- B2C → subject to VAT in the country where the underlying transaction is supplied
- Note: applies to all facilitation services, not just STR and PTR!!!

New record keeping obligations for STR and PTR

- Platforms that facilitate STR or PTR services and are not deemed supplier must keep records
- Must be made available electronically to Member States concerned on request
- Member States may continue to request these records to be provided on a regular and systematic basis until automated access to these records is available
- Retention period of 10 years

Member States can exclude suppliers under SME scheme



Exempt



Member State must inform VAT committee
→ Commission publishes list of Member States that have exercised this option



Safe harbour clause

In case deemed supplier rule not applied

No liability as deemed supplier if:

1. Platform is dependent on information provided by the supplier
2. Information provided is erroneous
3. Platform can prove that he or she did not and could not reasonably have known that the information was erroneous

Timeframe



1 July 2027

Commission to present assessment report of deemed supplier role e-commerce platforms



1 July 2028

Member States to implement measures under pillar 2 of ViDA (possibly with exception of deeming provision)



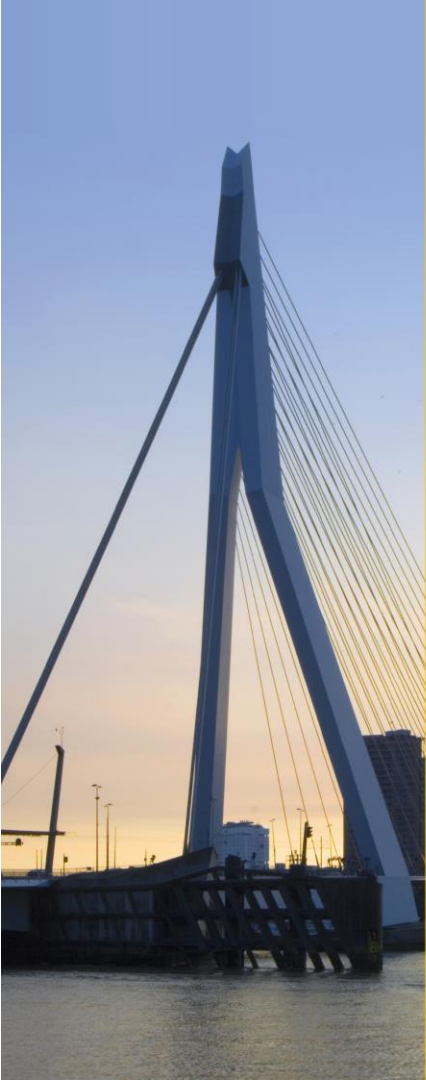
1 January 2030

Latest date on which deeming provision needs to be implemented by Member States



1 July 2033

Commission submits report on application of deeming provision STR and PTR



Introduction to EFS' programs

VAT

Overview of the Post Master EU VAT

- Two-week training programme about EU VAT in March and June
- In English
- Suitable for:
 - Tax professional in the tax consultancy practice, the business world, academia, the judiciary, other legal professions, ministries or the Tax Authorities
 - Tax professionals working in an EU Member State or dealing with VAT in EU Member States
 - 2-9 years' experience in VAT
- Paper and defence to obtain certificate

Two-week programme

- Module 1, Monday 3 - Friday 7 March 2025
 - Taxable person and taxable supply
 - Taxable amount including vouchers
 - Exemptions
 - Deduction
 - International trade
 - EU legislative process, functioning of the CJEU, EU principles and charter of fundamental rights
- Module 2, Monday 2 June - Friday 6 June 2025
 - Supply chain and VAT
 - Business restructuring and VAT
 - VAT in a digital environment
 - Indirect tax assurance
 - Responsibility and fair taxation
 - Administrative cooperation in the field of VAT
 - Panel session – VAT and entrepreneur strategies in the EU
 - Case study

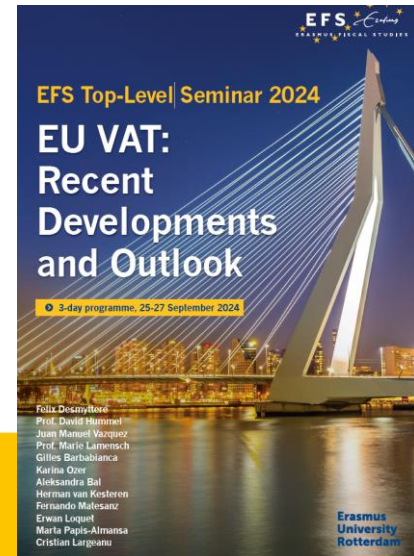
Overview of lecturers

- Module 1:
 - Marco Gomes Vale Viga, David Hummel (CJEU), Karoline Spies, Pieter Bouwhuis, Jeroen Bijl, Bart Heijnen, Erwan Loquet, Tina Ehrke-Rabel, Marta Papis-Almansa, Marja Hokkanen, John Gruson, Milja Bormann-Bakker and Madeleine Merkx
- Module 2
 - Walter de Wit, Martijn Schippers, Ilona van den Eijnde, Trudy Perie, Dimitri Koeprijanov, Maarten de Wilde, Eleonor Kristoffersson, Lisette van der Hel-van Dijk, Menno Griffioen, Madeleine Merkx, Oscar Smeets, Milja Bormann-Bakker, Suzanne den Breems and Han Kogels

EU Top-level seminar EU VAT: *Recent Developments and Outlook*

- **A three-day seminar (in English)**
- 25 top international indirect tax specialists from tax advisory services, legal practice, the judiciary, government bodies, tax authorities and academia will discuss the VAT implications of a wide range of topical issues, including the measures recently implemented or soon to be implemented across the EU. We guarantee in-depth. Interactive sessions bridging theory and practice and an excellent opportunity for international networking
- The fee covers all seminar materials, lunches on the campus, a dinner at a wonderful and acclaimed restaurant, and a walking dinner during a boat trip on the river Maas in the port of Rotterdam

- *Our provisional agenda:*
- **Day One**
 - Update European Commission on future of VAT
 - Green policy options under current and future VAT rules
- **Day Two**
 - Customs reform and its impact on VAT
 - Enforcing VAT and customs rules via platforms
 - Single VAT Registration and its implementation
 - Expert Panel Session: Digital reporting obligations supported by e-invoicing - experiences
- **Day Three**
 - Functioning of the CJEU (ECJ and Court)
 - The Court of Justice and VAT: recent judgments, opinions and pending cases.



Overview of the Dutch Post Master Indirecte Belastingen

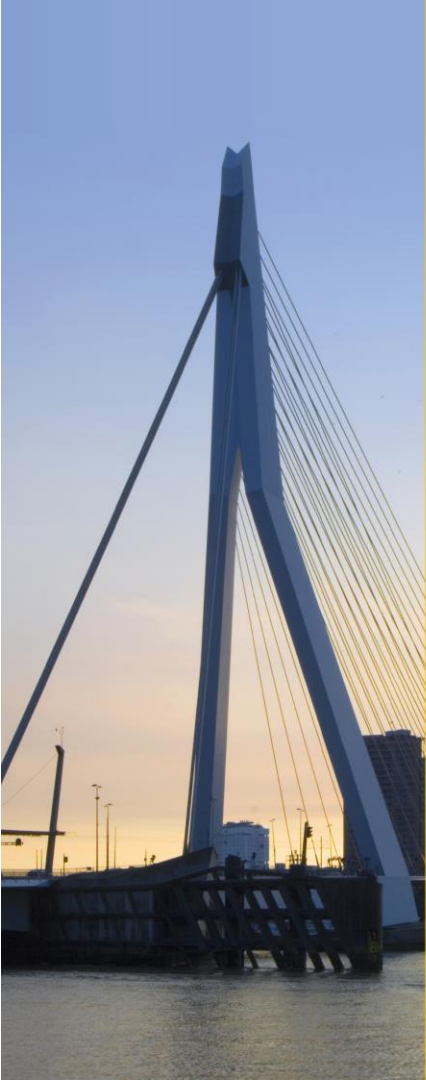
- Twelve weeks of training in VAT on Tuesday from the second week of September to the first week of December
- In Dutch
- Suitable for:
 - Tax professional in the tax consultancy practice, the business world, academia, the judiciary, other legal professions, ministries or the Tax Authorities
 - 2-9 years experience in VAT
- Paper and defence to obtain certificate

Topics of the Dutch program (in Dutch)

1. Algemene beginselen van EU-recht/ misbruik van recht en fraude
2. Belastingplicht/publiekrechtelijke lichamen
3. Concernproblematiek I en II
4. Maatstaf van heffing/Btw-aspecten van vouchers
5. Aftrek van voorbelasting I en II
6. Intracommunautaire goederenhandel/Plaats van dienst en vaste inrichting
7. Douanerechten, heffingen bij invoer/onroerend goed
8. Vrijstellingen: medisch, onderwijs, sociaal-cultureel I en II
9. Financiële vrijstellingen I en II
10. Internationale en nationale ontwikkelingen in het fiscale toezicht I en II
11. Wetgevingsproces/Btw en technologie
12. Controle en boete, fraude en strafrecht/Btw ondernemingsstrategieën in Europa

For more information

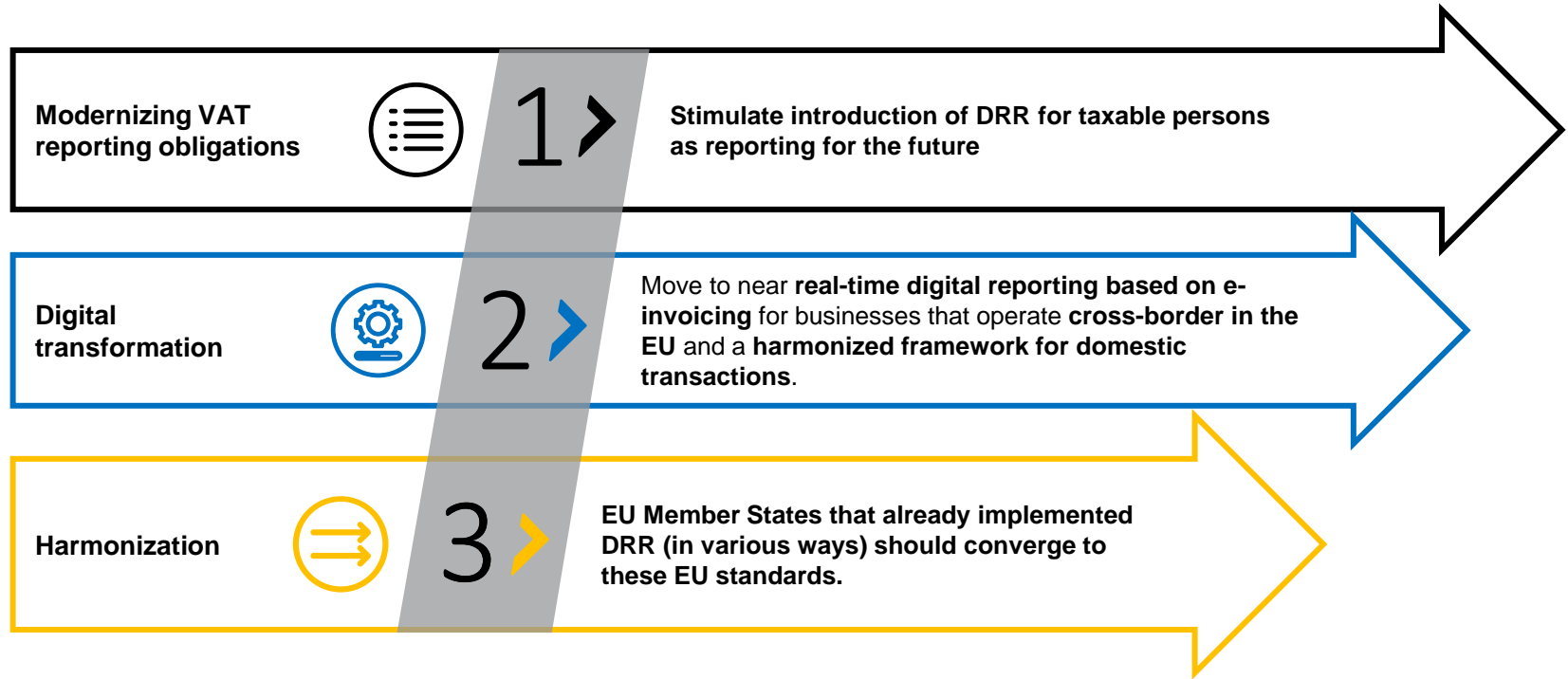
- Post Master EU VAT: [Post-Master EU VAT \(in English\) - EFS, Erasmus University Rotterdam](#)
- Post Master Indirecte Belastingen (dates for 2025 coming soon): [Post-Master Indirecte Belastingen - EFS, Erasmus University Rotterdam](#)
- Top Level Seminar EU VAT (program for 2025 coming soon): [Top Level Seminar 'EU VAT: Recent Developments and Outlook' \(in English\) - EFS, Erasmus University Rotterdam](#)



E-invoicing and digital reporting

Mr. drs. J. Gruson MA

Digital reporting requirements based on e-invoicing



E-invoicing is coming our way

Where we are today in the EU

- 'Paper' invoicing is the standard way of invoicing
- Issuance of other types of invoices (e-invoices) requires approval at the level of the customer
- E-invoicing is already mandatory for B2G invoicing
- Periodic VAT return filings (monthly or quarterly)

Exceptions

- Member States can request for derogation from European Commission for mandatory E-Invoicing
- Example: Italy implemented mandatory e-invoicing already in 2019.
- Germany (2025), Poland, France, Romania, Belgium (2026)

Challenges

- Lack of harmonization
- Data issues
- Need for 'first time right'

How will the future look like?

- Possibilities for countries to implement e-invoicing and e-reporting for domestic supplies – no harmonization
- E-invoicing will become the standard for cross-border supplies of goods as of 2030 (initial proposal 2028)
- Harmonization
- Real time reporting of invoice data to tax authorities (both supplier and customer)
- EU wide database to match sales and purchases ('Central VIES')

E-invoicing is coming our way

- E-invoicing and e-reporting mandates typically require standard formats and communication protocols to ensure interoperability between different systems.

E-invoicing

- Process of issuing, transmitting, and receiving an invoice in an electronic format
- It does not mean receiving an invoice in PDF format (unstructured data)
- Operates as real-time
- E-invoicing can be implemented through:
 1. **Post-audit method**
 2. **Clearance method**

E-reporting


- The electronic exchange of tax relevant data with the tax authorities on an aggregate or transaction level
- Can include much broader information than invoice/financial data
- Operates as near real-time or periodic reporting
- E-reporting can be implemented through:
 1. An **international standard** from OECD (e.g., SAF-T) - PTC
 2. **Local reporting** in in any specified format (e.g., SII) - CTC

E-invoice to be standard from 1 July 2030

- **New definition e-invoice:** “invoice that has been issued, transmitted, and received in a structured electronic format which allows for its automatic and electronic processing”.
- Valid e-invoice **substantial condition** to be entitled to deduct or reclaim the VAT due or paid for transactions subject to a DRR obligation
- Format: structured (revised) **EN16931 standard**
 - Wider variety of formats possible for domestic transactions
 - Introduction of the notion of **‘Hybrid invoices’**
 - Summary invoices remain but subject to conditions.
- Additional invoice content requirements:
 - Sequential numbering of credit invoices
 - (Virtual) bank account number(s) of the supplier
- Rules on intra-EU/domestic DRR should not limit MS’ possibility to request information beyond the data included in DRR obligation from taxable persons for audit purposes (e.g., SAF-T).

INVOICE NO: UUZ5 Date: July 25, 2023

Enoch Jacobs
123-4567890
321-76543321
123 Street, City, US, 12345



Code	Description	Cost (\$)
123	Diagnosis	150
124	Drugs	350

Total: \$500

```
<?xml version="1.0" encoding="UTF-8" ?>
<invoice number="0025" date="July 25, 2023">
  <patient firstname="Enoch" familyname="Jacobs" SSN="123456789"
    <phone type="home" number="123-4567890"/>
    <phone number="321-76543321" type="work"/>
    <address type="home" line1="123 Street" city="City" state="US"
      ip="12345"/>
  </patient>
  <procedure code="123" name="Diagnosis" cost="150.00"/>
  <procedure code="124" name="Drugs" cost="350.00"/>
  <total>$500</total>
</invoice>
```

Digital reporting requirements - domestic

- **Optional:** at the discretion of Member State (MS)
- **Type of transactions:** domestic supplies of goods and services
- **Transactions in scope:** choice of MS, possibly all B2B (only domestic transactions between taxable persons located in Member State / B2C)

- **Date of entry into force Directive** (20th day after publication OJEU):
 - MS can introduce mandatory issuance of e-invoices (as well as other formats besides EN16931 standard)
 - Derogation request no longer needed to implement domestic B2B/B2C e-invoicing obligation.
 - Member States can decide that the acceptance by the established recipient of invoices issued according to the EU standard is not required in case of mandatory domestic e-invoicing.

- **1 July 2030:**
 - Reporting on transactional basis - real time transmission of data from e-invoice
 - MS shall allow for the transmission of data from e-invoices which comply with the EU standard. MS can deviate from the EU standard and use other data formats, as long as interoperability with the EU standard is ensured.
 - MS implementing a domestic DRR obligation can limit the scope of the obligation to certain categories of taxable persons or types of transactions. They can freely determine the data to be transmitted.

Digital reporting requirements – intra-EU

- **Mandatory**
- **Type of transactions:** intra-EU cross-border supplies and acquisitions
- **Transactions in scope:** B2B services / B2B supplies of goods / transactions subject to the domestic R/C for non-established supplier

- **Supplier**
 - Issuance of structured e-invoices within 10 days following tax point.
 - In case of summary invoices: no later than 10 days following the end of the calendar month to which the summary invoice refers.
 - Combined with transmission of transaction data of invoicing data in intra-EU DRR is:
 - Real time for the supplier: when the invoice is issued or should have been issued
 - Near-real time in case of self-billing: no later than 5 days as from the invoice is issued or should have been issued.

- **Customer**
 - Receipt of structured e-invoices and near-real time transmission of data after the chargeable event: no later than 5 days as from the invoice is received.
 - MS may opt out for the mandatory reporting for the receiver of the invoice if the measures adopted by MS in relation to the issuance of invoices and reporting provide enough guarantees that the supplier will provide the data to the tax administration whenever an invoice is issued. MS doing so, must notify the Commission.

Timeframe



Date of entry into force

Derogation request no longer needed to implement domestic B2B/B2C e-invoicing obligation.

Member States can decide that the acceptance by the established recipient of invoices issued according to the EU standard is not required in case of mandatory domestic e-invoicing.



1 July 2030

New domestic DRR obligations must be aligned with EU standard or other formats ensuring interoperability with EU standard.

E-invoice substantial condition right to deduct.

E-invoicing mandatory for all intra-EU transactions, combined with real time reporting

Setup of Central VIES for tax authorities

Current ESL abolished



31 March 2033

Interim evaluation report by Commission on functioning of DRR both on domestic and intra-EU level



1 July 2035

Member States with current derogation must converge with EU standards for their domestic transactions

Thank you for your attention