



## **VAT Quick fixes will be effective from 1 January 2020**

**Submission Date - 28/01/2019**

With the aim of simplifying and unifying VAT rules to ease the future introduction of a definitive VAT system, the Council reached an agreement on the amended regulations to be adopted on 1 January 2020, namely:

1. **Call-off-stock:** a simplification rule will apply, allowing the supplier to report an intra community supply and the customer an intra community acquisition. However, certain requirements will have to be fulfilled.
2. **VAT ID number:** a valid VAT identification number will be a required element for the exemption on intra community supplies. In addition, the correct reporting of this transaction on the VAT return will also be a requirement for the exemption to apply.

3. **Chain transactions:** chain transactions consist in successive supplies of goods, where only one cross-border transport movement occurs. In this context, in case the transport is performed by the intermediary operator in the chain, a presumption will be introduced to ascribe the transport and consequently the intracommunity supply, to the first transaction, unless the intermediary operator communicates to the first taxable person the VAT number of the state in which the transport begins. In this case, the transport will be ascribed to the second supply.
4. **Proof on IC supply:** a common framework will be established regarding the supporting documents to prove the VAT exemption of an intra community supply of goods. The proof should consist of two independent documents, such as a signed CMR in combination with an insurance policy for the respective supply of goods.

We remain at your disposal if you wish further information or analysis.