

## 06-2020

08/06/2020 **Italy** - Clarifications provided regarding the refund of excess of input VAT for Non-Residents

The recently issued Ruling Answer No. 160/2020 provides clarifications on the procedure for the refund of excess of input VAT available to non-resident taxable persons. Such ruling foresees that non-resident taxable persons are not entitled to ask for a refund of excess input VAT through the procedure established by article 30(2)(e) of the Italian VAT Law, insofar as such procedure is only accessible to non-resident taxable persons registered in Italy through direct VAT identification or appointment of a VAT representative, however without a fixed establishment in Italy.

08/06/2020 **Bulgaria** - COVID-19 Crisis: Reduced VAT Rate

In order to mitigate the impacts of the Covid-19 crisis, the Bulgarian Tax Authorities announced that the 9% VAT rate applies from 1 July 2020 until 31 December 2021 to electronic books, paper books, restaurant and catering services (with the exception of alcoholic beverages), food products and diapers for babies. Since measures concerning Covid-19 are rapidly changing, this article is for information purposes only. Any companies intending to act upon this article should first contact us for specific advice concerning these elements.

08/06/2020 **Isle of Man** - VAT Domestic Reverse Charge to Construction Services

As a consequence of the Covid-19 pandemic, the Treasury announced that the introduction of the VAT domestic reverse charge on construction services has been postponed to 1 March 2021. Since measures concerning Covid-19 are rapidly changing, this article is for information purposes only. Any companies intending to act upon this article should first contact us for specific advice concerning these elements.

08/06/2020 **Poland** - VAT Domestic Reverse Charge to Construction Services

As a consequence of the Covid-19 pandemic, the Treasury announced that the introduction of the VAT domestic reverse charge on construction services has been

postponed to 1 March 2021.

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#### 08/06/2020 **Italy** - Clarifications issued regarding intra-Community Supplies of Goods

In the frame of the quick fixes, which were recently introduced into the European VAT system, the Italian tax authorities issued Circular No. 12/E providing clarifications on the required documentation to prove intra-Community supplies of goods.

In this context, the Italian tax authorities also emphasized that tax authorities of each EU Member States have the right to contest the documentation provided by the taxable person where there are elements demonstrating that the transport never took place or that the information provided is inaccurate, incorrect or even false.

#### 08/06/2020 **Belgium** - COVID-19 Crisis: Reduced VAT Rate on restaurant and catering services

In order to mitigate the impacts of the Covid-19 crisis, the Belgium Tax Authorities announced that the 6% VAT rate applies from 8 June 2020 until 31 December 2020 to restaurant and catering services, with the exception of the supply of beers and other beverages with an alcoholic strength by volume exceeding 0.5% and 1.2%, respectively.

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#### 08/06/2020 **United Kingdom** - VAT Domestic Reverse Charge to Construction Services

UK announced that the introduction of the VAT domestic reverse charge on construction services has been postponed to 1 March 2021.

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information purposes only. Any companies intending to act upon this article should first contact us for specific advice concerning these elements.

05/06/2020 - European Court of Justice, “C.F. (Contrôle fiscal)”, Case C-430/19- Principle of respect for rights of defence

The ECJ has ruled that the EU law principle of respecting the right to defense must be interpreted as meaning that an administrative decision which imposes additional VAT liabilities must be cancelled, in case it is verified that the taxpayer did not have the possibility to access the information included in his administrative file and if it is concluded that in case this irregularity did not take place, the result would have been different.

05/06/2020 **Netherlands** - COVID-19 crisis: Reduced VAT Rate on sterile cotton swabs

The Dutch Tax Authorities have recently clarified that the supplies of sterile cotton swabs to be used for medical purposes is subject to the 9% VAT rate. Since measures concerning Covid-19 are rapidly changing, this article is for information purposes only. Any companies intending to act upon this article should first contact us for specific advice concerning these elements.

05/06/2020 **Greece** - Clarifications provided regarding the VAT Treatment of Educational Services

The Independent Authority for Public Revenue has recently clarified that educational services which are provided in person or remotely are deemed to have the place of supply in Greece when the recipient is subject to VAT in Greece. In addition, it has been also clarified that seminars that are held in Greece also have their place of supply in Greece.

05/06/2020 **Belgium** - Supply of Goods for vital needs

The recently gazette Royal Decree No. 59, foresees that the supplies, for charitable purposes, of goods that may improve the quality of life of people living in poverty, such as basic hygiene products or basic medical products for household use will

not be treated as supply of goods for consideration.

05/06/2020 **Netherlands** - COVID-19 crisis: Extension of applicability of tax measures

In order to mitigate the economic effects of the Covid-19 pandemic the Dutch government announced that the applicability of the following measures will be extended until 1 October 2020:

- The emergency payment deferral regime. In this context, among other requirements, it is necessary that the entrepreneur declare that no dividends or bonuses will be paid out, nor any share buy-backs will take place;
- The VAT exemption on supplies of personnel to care for and nurse persons in qualifying institutions;
- The temporary suspension of mortgage payments; and
- The reduction of the interest and collection interest to 0.01%.

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05/06/2020 - European Court of Justice, “World Comm Trading Gfz”, Case C-684/18 – Adjustments to VAT initially deducted

The ECJ has ruled that the article 185 of the VAT Directive should be interpreted as meaning that:

- When national tax authorities consider that the VAT deduction performed initially, exceeds the one that the taxpayer is entitled, then the tax authorities must impose the adjustment of the respective VAT initially deducted; and that
- Even in those cases in which the supplier of the taxpayer mentioned above has ceased its activities in the respective Member State, and the supplier, cannot ask for a partial reimbursement of the paid VAT, the adjustment of the VAT initially deducted is also imposed.

05/06/2020 **Greece** - Clarifications provided regarding obligations for e-commerce platforms

The tax authorities have recently issued Circular No. 13/E, providing clarifications regarding the reporting obligations for e-commerce platforms, which are taxable

persons that facilitate, through the use of an electronic interface distance sales of imported goods or distance sales of goods within the European Union.

05/06/2020 **Germany** - COVID-19 crisis: Standard and reduced VAT rate

In order to mitigate the effects of the Covid-19 crisis several measures are planned to come into force in Germany, such as the reduction of the standard and reduced VAT rate to 16% and to 5%, respectively, between 1 July and 31 December 2020. Since measures concerning Covid-19 are rapidly changing, this article is for information purposes only. Any companies intending to act upon this article should first contact us for specific advice concerning these elements.