

## **07-2020**

### 31/07/2020 **Italy** - Rules for Goods Supplied Through Distribution Systems

The Italian Tax Authorities have recently released clarifications about the place of supply rules with respect to goods supplied through distribution systems in Ruling Answer No. 193/2020.

Particularly, the Tax Authorities provided a clear distinction of the concepts "used" and "consumed" that are mentioned in the Italian VAT Law.

### 31/07/2020 **Belgium** - COVID-19 crisis: Import VAT Exemption

Import VAT exemption on medical supplies used to combat the COVID-19 pandemic will be extended until 31 October 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.

### 31/07/2020 **Italy** - Split Payment Mechanism extended

The authorization for Italy to apply the split payment mechanism has been extended until 30 June 2023.

### 31/07/2020 **Denmark** - Flat-Rate Scheme for Private Use of Business Cars

Denmark was authorized by the Council of the European Union to continue to apply until 31 December 2023 a flat-rate scheme for private use of business cars.

### 31/07/2020 - COVID-19 crisis: Relief of Customs Duties and Import VAT extended

The period of derogation of customs duties and import VAT on medical and personal protective equipment has been extended until 31 October 2020.

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### 24/07/2020 **Hungary** - Reduced VAT Rate

The Hungarian Government introduced a 5% VAT rate on the sale of new residential property in “rust areas” with an area not larger than 150 square meters.

#### 24/07/2020 **Greece** - COVID-19 Pandemic: Filing Deadline for Sales Lists

The filing deadline of 2019 Sales lists has been extended until 6 July 2020.

Corrections to any derogations may also be filed until 28 July 2020.

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#### 24/07/2020 **Poland** - SLIM VAT- simplification and modernization of VAT

Poland has introduced a simple, local and modern (“SLIM”) VAT initiative. From this VAT initiative, we highlight the following measures:

- Simplification of the correction of invoices;
- Zero rating advance payments on exports under certain conditions;
- Harmonization of exchange rates on VAT transactions with corporate income tax rules
- Increase of VAT-free gift allowance; and
- Increase of the statutes of limitation in order to deduct input VAT on purchases.

#### 24/07/2020 **Greece** - Electronic Invoicing

Incentives have been introduced by the Greek Government in order to appeal companies for the usage of electronic invoices, namely:

- Full deduction of the expenses incurred with the production, transmission and electronic archiving of electronic invoices for the first year;
- Reduction to 2 years for the tax administration to issue an administrative act; and
- Faster processing in the tax repayments.

Companies must inform the Tax Authority that they will apply electronic invoicing in order to benefit from these incentives.

#### 17/07/2020 **Latvia** - COVID-19 crisis: Refund of excess input VAT

In the frame of the support measures implemented by Latvia to combat the crisis

originated with the Covid-19 pandemic, it has been announced that until 31 December 2020, the tax authorities will refund the confirmed excess of input VAT to taxpayers in the next 30 days following the submission of the respective VAT return. 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.

#### 17/07/2020 **Isle of Man** - VAT Deferral for Businesses

On 9 July 2020 Treasury announced the end of the VAT deferral measure and, therefore, VAT returns from May onwards and respective VAT payments shall be submitted and paid within the normal deadlines.

#### 17/07/2020 **Belgium** - COVID-19 crisis: Advance payment obligation waived

In order to mitigate the effects of the Covid-19 pandemic, the Belgium parliament adopted Bill No. 55K139000, in which is foreseen, among other measures, that the advance payment that would be due on December 2020, by taxable persons filling quarterly VAT returns before 1 October 2020 and filling monthly VAT returns, is not required this year.

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#### 17/07/2020 **Isle of Man** - COVID-19 crisis: Reduced VAT Rate

In order to mitigate the effects of the Covid-19 pandemic, it has been announced by the government that, as from 15 July 2020, the 5% VAT rate is applied to hospitality industry, holiday accommodation and admission charges to attractions. In this context, on 9 July 2020, the Treasury issued a guidance providing additional information on this temporary reduced VAT rate.

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#### 10/07/2020 **Isle of Man** - COVID-19 Crisis: Personal Protective Equipment

Treasure has recently clarified that the application of the zero VAT rate for personal protective equipment has been extended until 31 October 2020.

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#### 10/07/2020 **Greece** - COVID-19 Crisis: VAT incurred with construction

As from as 1 July 2020 the VAT incurred with the construction of buildings, structures and main hotel accommodations will be payable by the investors themselves when certain conditions are met, such as, the investors shall be taxable persons, the costs should serve the requirements of the company, the VAT should amount to at least 3 000 EUR, etc.

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#### 10/07/2020 **United Kingdom** - COVID-19 crisis: Temporary reduction of reduced rate on certain supplies

In order to mitigate the economic effects of the Covid-19 pandemic, the government announced a temporary reduction of the reduced VAT rate to 5%, on the supplies related with hospitality, hotel and holiday accommodation and admissions to certain attractions.

The temporary reduced rate will apply to supplies that are made between 15 July 2020 and 12 January 2021.

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#### 10/07/2020 **Norway** - Zero VAT Rating on Newspaper E-Editions

The zero VAT rate became applicable, as from 1 July 2020, to newspapers e-editions, which also includes digital versions that incorporates news, analysis, text and images.

#### 10/07/2020 **Austria** - COVID-19 Crisis: VAT Rate Reduction

In order to mitigate the economic effects of the Covid-19 pandemic, the reduced VAT rate of 5% applies, from 1 July until 31 December 2020, to gastronomy, culture and publishing sectors.

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#### 03/07/2020 **Italy** - COVID-19 crisis: Deadline for VAT Payment

In order to mitigate the effects of the Covid-19 pandemic the Italian Tax Authorities extended, for certain taxpayers, the deadline for payment of the VAT due on 30 June 2020 to 20 July 2020. In this context, a 0.4% interest will apply to the payments done between 21 July and 20 August 2020.

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#### 03/07/2020 **Hungary** - COVID-19 crisis: Online Invoice Reporting System

Hungary extended, as from 1 July 2020, the obligation to comply with the Online Invoice Reporting System to all invoices issued between domestic business partners, regardless of the VAT amount of the invoice.

In this extent, the invoices issued manually must be reported to the National Tax and Customs Administration, within 4 days or, in case the respective VAT amount being higher than 500 000 HUF, within 1 day. On the other hand, the invoices issued using an accounting software must be electronically reported in real time.

Due to the Covid-19 pandemic, it is foreseen a transitional period, applicable between 1 July and 30 September 2020, in which the Hungarian tax authorities will not apply any sanctions for the failure to comply with the reporting obligations mentioned above.

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