



News - Mar-2020

31-03-2020 - **Greece** - COVID-19 pandemic: Reduction of VAT rate on certain products

In order to mitigate the impact of Covid-19, the Greek Tax Authorities reduced the VAT rate from 24% to 6% for products needed to protect against the virus (eg. hygienic masks, gloves, antiseptic solutions, etc.).

This measure applies until 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.

31-03-2020 - **Cyprus** - COVID-19 pandemic: reduction of VAT rates and suspension of obligation of VAT payment

Several measures were announced by the Cypriot government in order to support companies affected by the Covid-19 crisis. Among them, a temporary reduction of the standard VAT rate from 19% to 17%, for a period of 2 months and of the reduced VAT rate from 9% to 7%, for a period of 3.5 months.

In addition, it has also been announced that companies, which fulfil certain conditions, may benefit from a temporary suspension of 2 months of the obligation of payment of the VAT liability.

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31-03-2020 - **Isle of Man** - COVID-19 pandemic: VAT measures

In order to mitigate the impact of Covid-19 the Tax Administration clarified that,

despite the filling of the VAT returns being required, the VAT payments due between 23 March and 30 June 2020 may be deferred, without the application of interest.

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31-03-2020 - **Belgium** - COVID-19 pandemic – measures implemented

Following recent information released by the Belgian tax authorities, the deadlines for the submission of the VAT declarations and respective payment of the VAT due for February, March and for the first quarter of 2020 have been extended.

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31-03-2020 - **Luxembourg** - COVID-19 pandemic: tax measures

The Luxembourg government has recently announced several measures in order to mitigate the effects of the COVID-19 pandemic, such as:

- In the case of late filing of VAT returns, no penalty will be applied and
- As from the week of 16 March 2020, the excess of input VAT will be immediately refunded (only input VAT below 10 000 EUR).

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31-03-2020 - **Germany** - Reverse charge on transfers of gas and electricity certificates

The Ministry of Finance have recently clarified that, with effect from 1 January 2020, transfers of gas and electricity certificates are within the scope of the application of the reverse charge mechanism foreseen in section 13b of the VAT Act.

31-03-2020 - **Norway** - COVID-19 pandemic: Reduction of reduced VAT rate

In order to mitigate of the impact of Covid-19, a reduction of the reduced VAT rate

from 12% to 8% has been announced.

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31-03-2020 - **Bulgaria** - COVID-19 pandemic - No extension of the VAT obligation's deadlines

The National Revenue Agency has recently clarified that, despite Covid-19 impact, the deadlines for submission of VAT returns as well as the payment of VAT due will not be extended.

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31-03-2020 - **Isle of Man** - VAT cash accounting scheme

On 19 March 2020, the Tax Authorities clarified that the VAT cash accounting scheme allows taxable persons to account for VAT on sales based on payments received instead of the invoices issued. On the other hand, the input VAT incurred on purchases can only be reclaimed once the customer has paid it to the supplier.

30-03-2020 - **Belgium** - COVID-19 pandemic: VAT refund request

In order to mitigate the effects of the Covid-19 crisis, the Belgium Tax Authorities announced that the deadlines for the submission of the VAT returns and of the EC Sales List for March and April 2020 will be respectively postponed until 7 May and 5 June 2020. In addition, the deadline for the payment of the VAT concerning these periods will be also postponed until 20 July 2020.

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30-03-2020 - **Norway** - Mandatory registration

As from 1 April 2020, businesses and marketplaces that sell low value goods imported into Norway, i.e. goods with value below 3 000 NOK, to consumers in

Norway must now register for Norwegian VAT. In this context, a simplified registration regime, known as VEOC (VAT On E-Commerce), has been set up for non-resident suppliers and online marketplaces, selling such low value goods.

30-03-2020 - **Portugal** - COVID-19 pandemic – measures implemented

In order to mitigate the effects of the Covid-19 crisis, the Portuguese Tax Authorities clarified that companies, under certain conditions, can pay the VAT due on their monthly or quarterly VAT returns immediately or in a fractioned way in 3 or 6 monthly instalments without interest.

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30-03-2020 - **Croatia** - COVID-19 pandemic – VAT deferral

The Croatian Tax Authorities clarified that a deferral of the VAT payment can be requested by taxpayers that, among other conditions, are affected by the Covid-19 crisis and that had revenues until 7.5 million HRK, excluding VAT, in the previous year.

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30-03-2020 - **Norway** - COVID-19 pandemic – Decrease of reduced VAT rate

In the context of the Covid-19 crises, it has been announced the decrease of the reduced VAT rate from 12% to 6%, applicable from 1 April 2020 to 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.

30-03-2020 - **Poland** - Covid-19 pandemic: zero VAT rate

As a result of Covid-19 crisis, until the end of August 2020, domestic supplies of goods that are used to mitigate the pandemic will, temporarily, be subject to the zero rate.

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23-03-2020 - **Belgium** - COVID-19 pandemic: support measures

Companies experiencing financial difficulties as a result of the spread of the coronavirus may request support measures from FPS Finance, such as the stagger the payment of VAT or remission of fines for non-payment. Nevertheless, the deadline for filing VAT returns remains unchanged.

23-03-2020 - **United Kingdom** - COVID-19 pandemic: several tax measures

HMRC will decide on several measures, on a case-by-case basis at the request of the company concerned, which cannot pay its taxes due to the coronavirus. The measures for instance can include the suspension of recovery procedures, the cancellation of penalties and interest in case of administrative difficulties in paying HMRC immediately.

23-03-2020 - **Ireland** - COVID-19 pandemic: tax measure to assist SMEs

The Irish tax authorities have announced tax measures, such as the suspension of the application of interest for late payment, to assist SMEs (companies with a turnover of less than EUR 3 million, which is not managed by either the Large Enterprise Division (LCD) or the Medium Enterprise Division (MED) of the Irish tax authorities) with cash-flow difficulties due to Covid-19.

23-03-2020 - **Germany** - COVID-19 pandemic: deferral of VAT payment tax measure

The German tax authorities have published a form which allows taxpayers directly and significantly affected by the coronavirus crisis to request a deferral of VAT payment for up to 3 month, in principle without payment of interest on arrears. Nevertheless, the deadline for filing VAT returns remains unchanged.

23-03-2020 - **Austria** - COVID-19 pandemic: deferral of VAT payment tax measure

The Austrian government has granted a postponement of the payment of VAT under

certain conditions.

23-03-2020 - **Netherlands** - COVID-19 pandemic: deferral of VAT payment

In order to request the postponement of the payment of VAT due for the 1st quarter of 2020, the Dutch tax authorities require that companies, under certain conditions, write an official letter explaining the reasons for this request.

23-03-2020 - **Greece** - COVID-19 pandemic: deferral of VAT payment

The Greek tax authorities grant businesses, which are in certain specific sectors, the possibility to defer the payment of VAT for the 1st quarter of 2020 until the end of August 2020.

Nevertheless, the deadline for filing VAT returns remains unchanged.

16-03-2020 - **Italy** - Clarifications about the electronic storage and transmission of data

Since 1 January 2020, qualifying retailers are compiled to electronically store and transmit data about their daily considerations to the Italian Tax Authorities.

The Italian Tax Authorities have now released Circular no. 3 of 21 February 2020 in order to provided further explanations on this obligation, namely detailing:

- the supplies falling outside the scope;
- the content and characteristics of the commercial document which replaces the receipts;
- the adopted method in the case of a supply for which the consideration is not paid at the time of issuance of commercial document;
- the available tax credit for new cash registers; and
- applicable penalties.

02-03-2020 - **Denmark** - Deadline for remittance of VAT for the periods March, April and May

In order to reduce the financial impact of coronavirus, the Ministry of Taxation announced that the deadline for remittance of VAT for the periods March, April and May of 2020 is postponed by 30 days.

02-03-2020 - **Estonia** - VAT quick fixes

The transposition of the EU Directive 2018/1910 on harmonization and simplification of VAT for cross-border trade to the Value Added Tax Law became applicable on 1 January 2020 and foresees, among others, the following measures:

- Chain transactions: in a scenario in which the same goods are disposed several consecutive times and such goods are transported by the taxable reseller from one EU Member State to another, from the first transferor of goods directly to the last acquirer in the chain of transactions, only the transfer of goods to such reseller shall be treated as an intra-Community supply of goods. If the reseller has notified the transferor of the goods of their registration number in the Member state from where the goods were dispatched, only the transfer of goods by such reseller shall be deemed to be the intra-Community supply of goods in the chain of transactions. On the other side, the intra-Community acquisition of goods shall occur for the acquirer of the goods in the Member State to which the goods are transported.
- Transfer of goods, under a call-off stock arrangement, to another Member state: the intra-Community supply shall be reported at the time of the transfer of the right to dispose of the goods. In addition, if the call-off stock that is transported from Estonia to another EU Member State is not disposed within 12 months, the intra community supply shall be reported in the following day after these 12 months.
- VAT number on intra-Community supplies: the supply is zero-rated if the acquirer of the goods has a valid VAT number and the supply is duly reported in the respective EC Sales list.