

Every year, many companies decide to develop their corporate image & sales by participating to Trade Fairs & Exhibitions, by promoting their products abroad and even decide to establish representation offices abroad as a first step before expending organically. (Ref « Liaison Office » & « RFE Foreign Companies Representatives »)

These companies are then facing various kinds of VAT issues, such as :

- Is it possible to recover VAT paid abroad, even if my company is not established over there ?
- If YES, can I apply for it myself OR do I have to appoint a local VAT Agent ?
- If I do it myself what is the procedure to follow and what are the deadlines that the Law dictates ?

SPECIAL NOTE : VAT is usually invoiced at the local rate applicable in the country where the purchase is taking place. Business to Business transactions may be subject to specific regulations for VAT invoices depending upon the type of transactions and the sector of activity. Please contact us to check beforehand. As long as VAT refunds are concerned, Laws have been recently amended by the European Court and the Text of reference is called EU directive 2008/9/CE, dated 12.02.2008. In France it has been validated by national bodies and by the French VAT Office only through the New Finance Law 2010 Article 102 and put into practice since 01.01.2010.

PRE-REQUIREMENTS

1- Any company wishing to obtain the reimbursement of its vat spent abroad will have to provide a VAT Certificate proving its registration to VAT in its own country.

2- Any application for VAT refund will have to be filed by:

- **the 30th of June** of the following year for transactions taking place in the previous years **for companies established outside of the European Union.**
- **the 30th of Septembre** of the following year for transactions taking place in the previous years **for companies established in the European Union** (ex invoices dated 2013 - application filed before the 30.09.2014).

3-The corporate applicant will have to be able to justify that the invoice has been effectively paid during the year concerned.

DOCUMENTS TO BE SUPPLIED :

◆ Original invoices

Your purchase invoices will have to show :

- name of the supplier, its address and its VAT number.
- name of your company and address
- amount excluding vat and amount including vat in the local currency of the country.
- amount of vat and vat rate applicable.
- invoicing date.
- copies of other invoices if the main invoice relates to « re-invoicing »

- ◆ Copy of your VAT Certificate.
- ◆ Mandate to appoint your agent if you decide to subcontract

E-filing : Please note that since 01.01.2010, all applications for VAT refunds have to be made through your local Tax Office website. You will have to set up your company account beforehand to access the service and place a vat refund application.

Ex 1 : a British company wishing to get a refund of its French VAT will have to set up an access for its account with the Government Gateway through the Tax Office website **www.hmrc.gov.uk**.

Ex 2 : a French company wishing to obtain a refund for belgium vat or british vat will have to also set up an access for its company on the French Tax Office website being **www.impôts.gouv.fr**.

If you wish to appoint a VAT agent, you will have to grant an access to him through your own internet access OR validate his request on the same website if this agent is well recognised as an agent duly registered.(SEDI obtained this registration for years from Tax Offices mainly in France & in the UK).

This obligation to apply online for VAT refunds has shortened a lot the delays to obtain the reimbursements but it has increased a lot the difficulties for accessing these services for companies not being familiar to internet procedures or computerized procedures. Most of small companies are not used to file online their documents yet or to apply for administrative procedures.

Main types of expenditures agreed by the Tax Office

- 1 - Fuel
- 2 - Hiring of means of transport
- 3 - Other expenditure relating to means of transport
- 4 - Road Tolls and road user charge
- 5 - Travel expenses, such as taxi fares, public transport fares
- 6 - Accommodation
- 7 - Food, Drink and restaurants services
- 8 - Admission / Entrance fee to fairs & exhibitions
- 9 - Expenditure on luxuries, amusements and entertainments
- 10 - Others

VAT Rates in the EU (13.01.2014)

États membres	Sigles	Taux super réduit	Taux réduit	Taux normal	Taux parking
Belgique	BE	-	6 / 12	21	12
Bulgarie	BG	-	9	20	-
République tchèque	CZ	-	15	21	-
Danemark	DK	-	-	25	-
Allemagne	DE	-	7	19	-
Estonie	EE	-	9	20	-
Grèce	EL	-	6,5 / 13	23	-
Espagne	ES	4	10	21	-
France	FR	2,1	5,5 / 10	20	-
Croatie	HR	-	5 / 13	25	-
Irlande	IE	4,8	9 / 13,5	23	13,5
Italie	IT	4	10	22	-
Chypre	CY	-	5 / 9	19	-
Lettonie	LV	-	12	21	-
Lituanie	LT	-	5 / 9	21	-
Luxembourg	LU	3	6 / 12	15	12
Hongrie	HU	-	5 / 18	27	-
Malte	MT	-	5 / 7	18	-
Pays-Bas	NL	-	6	21	-
Autriche	AT	-	10	20	12
Pologne	PL	-	5 / 8	23	-
Portugal	PT	-	6 / 13	23	13
Roumanie	RO	-	5 / 9	24	-
Slovénie	SI	-	9,5	22	-
République slovaque	SK	-	10	20	-
Finlande	FI	-	10 / 14	24	-
Suède	SE	-	6 / 12	25	-
Royaume-Uni	UK	-	5	20	-