

E-COMMERCE AND VAT

1. E Are the three One Stop Shop special schemes (EU OSS, non EU OSS και IOSS), which are in place since 01.07.2021, compulsory or optional?

A They are optional.

2. E Which transactions are covered by the One Stop Shop schemes?

A The special schemes concern B2C (Business to Consumer) transactions where B is a taxable person in the European Union (EU) or outside the EU (depending on the scheme) and C is always a non-taxable person within the EU (individual – final consumer). For reasons of simplicity, whenever there is a reference to an “individual”, the reader should understand that we refer to a non-taxable person/final consumer.

3. E Which businesses can register for the non-EU scheme?

A Businesses which are not established in the EU who supply services to consumers within the EU.

4. E Which supplies of services or goods are carried out through the non-EU scheme?

A The non-EU scheme includes all B2C supplies of services to individuals, but not the supply of goods.

5. E In which Member – State (M-S) can taxable persons, not established in the EU, register for the non-EU scheme?

A They can register in the Member-State of their choice.

6. E Which supplies of services or goods fall in the category of the EU scheme?

A The EU scheme concerns the following:

- I. The intra-community B2C supply of services by a taxable person established in the EU to individuals located in a M-S where the taxable person has no establishment.
- II. The intra-community B2C supply of goods by a taxable person established or non-established in the EU to individuals located in the EU, as well as the intra-community supplies of goods, when the transaction is concluded through an electronic interface (platform) that is considered as a deemed supplier, that is when the initial supplier is established outside the EU.
- III. Domestic B2C supplies of goods that are concluded via the use of an electronic

interface (platform), in the case that the initial supplier is not established in the EU and consequently, this platform is considered as a deemed supplier.

The following supplies of goods are not covered by the EU scheme:

- ✓ supplies of goods related to the restrictions of distance sales (industrial tobacco, electronically heated products of tobacco, electronic cigarettes, etc) and
- ✓ supplies of goods subject to excise duties or consumption taxes provided the arrival of the shipment or transport of goods to the customer takes place in the interior of the country.

7. E In which Member – State, will a taxable person established in the EU register for the EU scheme?

A He will have to register in the M-S where he is established. If the business is established outside the EU, in the M-S of the business's fixed establishment.

8. E Does the threshold of distance sales of goods (€35.000/€100.000) continue to apply or not;

A No, it was replaced by an EU-uniform threshold that has been set to EUR 10.000 below which the supplies of TBE services and intra-Community distance sales of goods may remain subject to VAT in the M-S where the supplier is established. For transactions above the EUR 10.000 threshold, it is compulsory to impose VAT according to the M/S of consumption, which can either be declared and paid by registering in the OSS scheme or by registering in each M/S of consumption, according to their national procedures (which means that the taxable person must apply for VAT tax number in each MS of consumption).

9. E Which is the date that businesses must start taking into account the value of transactions taking place, in order to consider if the €10.000 threshold is met?

A For intra-community sales of goods calculations related with reaching the threshold commence on 1/7/2021. For TBE services the starting date is the 1/1/2021 and in addition it must be verified whether the threshold was exceeded (for TBE services) in the year 2020 or not. If a company carries out both TBE services and intra-community distance sales of goods, the threshold is counted by considering the sum of both categories of transactions.

For example, if a company provides TBE services in France and Italy, of value EUR 9.000 in 2020, EUR 6.000 in 2021, and has performed distance sales of goods of value EUR 4.100 to Italy and Germany during the period 1.7.2021 – 1.9.2021, on 1/9/2021 it has exceeded the threshold (EUR 6.000+EUR 4.100=EUR 10.100).

10. E Is the EUR10.000 threshold calculated separately for each M/S or cumulatively?

A No, the threshold of EUR 10.000 is not counted separately for each M-S but cumulatively within the EU. For example, for distance sales of goods of EUR 5.000 in France and supply

of TBE services in Austria of EUR5.100, the threshold has been exceeded.

11. E What is the tax period for both EU and non-EU schemes? When is the VAT return submitted?

A The tax period is the calendar quarter for both schemes (EU and non-EU). The VAT return is submitted by the end of the month following each tax period. For example, the VAT return for EU OSS or non-EU OSS for the first quarter of 2022 must be submitted by 30/4/2022.

12. E What is the tax period for the import scheme (IOSS);

A The tax period for the import scheme is one calendar month and the VAT return is submitted by the end of the month following each tax period. For example for the tax period of January 2022, the return must be submitted by 28/2/2022.

13. E How will the corrections of past tax periods be illustrated on tax returns for each one of the special schemes?

A Unlike MOSS where all amendments were illustrated on the return of each tax period, in OSS and IOSS, any corrections to figures of previously submitted VAT returns, are submitted in the subsequent VAT returns filling in the appropriate field.

14. E Does the exemption for imported goods with a value up to EUR 22 still apply?

A No, this exemption has been abolished. All imported goods are subject to VAT.

15. E How is importation of small consignments up to EUR 150 treated?

A For importation of goods in consignments of an intrinsic value not exceeding EUR 150, two new schemes of paying VAT are introduced:

1. The **Import One Stop Shop** special scheme (IOSS), where the person liable to pay the VAT is the supplier of the goods or the electronic interface or the intermediary that acts on behalf of the supplier and the tax due is collected through the One Stop Shop.
2. **Special arrangements** apply for the submission of the VAT return and the payment of the tax due when the person liable to pay for VAT is the recipient of the consignment (parcel) and VAT is declared and paid on behalf of the recipient to the local customs authorities by the person who presents the goods to the local customs office (in principle businesses of international postal operators, express couriers or the Hellenic Post (ELTA)).

Regardless of the method chosen to pay VAT (IOSS or the Special Arrangements), it is **compulsory to complete all the customs import formalities**.

Regarding goods which are subject to EU harmonized excise duties or national excise

tax (coffee products) the existing customs import formalities need to be completed for declaration and payment of customs duties and excise duty. In those cases VAT is declared and paid to the customs authorities together with custom duties and excise duties and the aforementioned special schemes do not apply.

For tobacco products, heated products of tobacco, electronic cigarettes and replacement containers, in our country there is a ban for distance sales to individuals.

16. E How is the importation of consignments with value over EUR 150 treated?

A In this case the normal customs procedures for importation of goods are applied. For consignments with intrinsic value over €150, imported goods are subject to both VAT and custom duties.

17. E Which are the cases that no VAT is claimed at the time of importation at the Customs Office?

A When VAT is already paid as part of the price of the good to the supplier/electronic interface and at the time of importation of the goods the specific type H7 customs declaration is submitted to the local customs office, with reference to the IOSS VAT number of the supplier. After verifying the validity of this number, the customs authorities will grant a VAT exemption to the importer, whereas the equivalent VAT is declared and paid via the IOSS platform by the supplier.

18. E Which businesses can register in the import scheme IOSS;

A Any taxable person that carries out distance sales of goods (B2C or B2B without right of deduction) imported from third countries in consignments of a value up to EUR150. After registering, the company receives a unique VAT number valid within the EU (VAT IOSS identification number).

In case the company has no establishment in the EU, it is compulsory to appoint an intermediary in order to use the IOSS scheme. The intermediary is registered in IOSS and receives a unique identification number with the prefix IN. Afterwards, the intermediary receives a VAT IOSS identification number with the prefix IM for each taxable person on behalf of whom he acts as an intermediary.
