



A look across the border

1 Introduction of new reporting requirements for payment service providers

As of 01.01.2024, the Benelux countries and Austria will implement EU Directive 2020/284 on combating cross-border VAT fraud. If a payment service provider renders more than 25 cross-border payments to the same payee in a quarter, the payment service provider will be obliged to report the underlying payment data to the tax authorities. In Croatia and Estonia, draft laws transposing the directive are already available.

2 Cyprus

Cyprus intends to introduce a new reduced VAT rate of 3%. Among other things, the VAT rate shall apply to the supply of books and magazines, whether in physical or electronic form, and also to orthopedic devices.

3 Czech Republic

Within the framework of the announced tax reform, which shall come into force as of 01.01.2024, the Czech government has published a draft law according to which there will, in the future, only be one reduced VAT rate of 12%, instead of the previously applicable reduced VAT rates of 10% and 15%.

4 Estonia

Estonia intends to increase the standard VAT rate from 20% to 22% as of 01.01.2025.



Ronny Langer
Certified Tax Consultant,
Dipl.-FW (FH)

+49 (0) 89 217 50 12-50
ronny.langer@kmlz.de

5 Ireland

As of 01.05.2023, Ireland introduced a zero VAT rate for the supply and installation of solar panels on exclusively privately used real estate for residential purposes. The zero VAT rate only applies if both the supply and the installation are performed by the same taxable person. The sole supply of solar modules will continue to be subject to the regular VAT rate of 23%.

6 Netherlands

As of 01.01.2023, the Netherlands abolished the fixed thresholds concerning the obligation to submit Intrastat declarations. Previously, these thresholds were EUR 5 million for EU acquisitions to the Netherlands and EUR 1 million for EU shipments from the Netherlands. In future, the Dutch statistics authority, CBS, will determine reporting obligations according to flexible parameters based on companies' VAT returns and inform them when they are required to submit a return. The change has no effect on existing reporting obligations for Intrastat. If a reporting obligation existed prior to 01.01.2023, the company must continue to submit Intrastat reports.

7 Poland

Poland has passed a package of reforms aimed at, among other things, simplifying correction rules and invoicing obligations. For example, in the case of intra-Community acquisitions, if the recipient of a supply receives an invoice from the supplier late, the input VAT can be deducted in the same tax period in which the output tax arose. In addition, the imposition of penalties on taxpayers who voluntarily adjust their VAT returns and pay additional VAT has been eased. Moreover, invoices for down payments no longer have to be issued if the down payment was received in the same tax period in which the VAT from the actual performance arises.

8 Serbia

As of 01.01.2023, Serbia introduced the obligation to issue e-invoices in the B2B area (see KMLZ VAT Newsletter 08 | 2022). This e-invoicing obligation applies, in principle, to all companies registered for VAT in Serbia. However, there are exceptions, for example, for the supply of electricity and related supplies of services. In the course of the introduction of e-invoices, changes have also been to the legislation governing invoicing obligations. Among other things, the obligation to issue invoices for down payments was introduced, even if the supply, for which the down payment was paid, is made in the same reporting period. In addition, in the case of e-invoices, the date of performance of a supply must be indicated on the invoice, even if this is the same as the invoice date.

9 Sweden

The Swedish Tax Agency has issued a new opinion on the question of the existence of a fixed establishment for taxable persons moving goods to a consignment warehouse in Sweden. Accordingly, the Swedish Tax Agency is of the opinion that a warehouse owned or rented by a taxable person constitutes a fixed establishment of the taxable person if it operates the warehouse using own personnel and technical resources. Warehouses owned or rented by the taxable person, where it hires personnel or contracts another company to operate the warehouse on its behalf, also constitute a fixed establishment of the taxable person.