



VAT in trade with the
Member States

61 Questions About Intra- Community Transactions

This brochure is addressed to taxable persons intending to trade with other taxable persons in the Member States from 1 May 2004 on

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The brochure does not provide legal interpretation.

We offer you the first brochure in the series „VAT In Intra-Community Transactions”. It is addressed mainly to VAT-registered traders that intend to exchange goods with taxable persons in other Member States after Poland’s accession to the European Union.

This brochure was based on experiences gathered in the Member States, so it offers you answers to questions that were most frequently asked by local taxpayers. Considering that detailed Polish regulations were still unavailable at the time when the brochure was being produced, it provides general solutions.

In 2004 we plan to publish yet another brochure, this time one addressing your questions and doubts and developed on the basis of specific Polish legal solutions in the area of VAT-taxability of the intra-Community transactions.

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General information

With Poland's accession to the European Union the customs and tax borders between Poland and the Member States will be abolished.

VAT on goods traded between VAT-taxable persons in the Member States is not collected on the border as a tax chargeable on inward goods. Instead, the place of taxation is the buyer's country (in the seller's country the applicable VAT rate is 0%). Such goods do not require the Single Administrative Document (SAD), either.

In respect of intra-Community trade expressions such as "import" and "export" have been replaced with new terms, i.e. "intra-Community acquisition" and "intra-Community supply". The terms will be used by Polish VAT-taxable businesses trading with taxable persons established in other Member States to denote a sale (supply) of goods to trading partners in the EU and a purchase (acquisition) of goods from taxable persons registered for VAT in other Member States.

In successive sections of the brochure you will find information on the rules governing the accounting for VAT on intra-Community transactions (application of a zero rate, submission of the quarterly recapitulative statement, etc.).

1. What is the Single Market?

The Single Market is a term that has been in use since January 1993 to denote trading activities between the Member States. Alternatively, it is called the Common Market. The Single Market aims to ensure a free movement of goods, persons, services and capital.

2. What is a free movement of goods about?

A free movement of goods means their unobstructed exchange between the Member States, as a result of abolition of border controls, adjustment and mutual recognition of standards of goods and tax rules. The free movement of goods requires the Member States to harmonise taxes, customs duties and to apply uniform standards.

3. Which EU legal acts regulate VAT-taxability of intra-Community transactions?

- The Sixth Council Directive no. 77/388 of 17 May 1977 concerning harmonisation of the Member States' laws regulating turnover taxes – a common system of the value added tax: uniform tax base as amended (provisions of the Directive require their transposition to the national law – the Polish value added tax);
- The Council Regulation no. 218/92 of January 1992 concerning administrative co-operation in the area of indirect

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taxation (VAT) (the Regulation's provisions are directly applicable to the taxpayers, as well as tax administrations).

At present, the European Union has been continuing its work on a new regulation to replace provisions of the Council Regulation no. 218/92, that will probably become effective on 1 January 2004.

4. What is the VAT territory of the EC Single Market?

The territory of the Single Market comprises areas of the 15 Member States. The table below presents the Member States plus their territories included in or exempted from VAT-taxability (as of 2003).

Member State	Including...	Excluding...
Austria		
Belgium		
Denmark		
Finland		Aaland Islands
France	Monaco	Martinique, French Guyana, Guadeloupe, Réunion, St. Pierre and Miquelon
Germany		Heligoland, the Buesingen territory
Greece		Mount Athos , also known as Agion Poros
Ireland		

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Italy		Livigno, Campione d'Italia, Italian part of the Lugano Lake
Luxembourg		
the Netherlands		
Portugal	Azores Islands	Madeira
Spain	Balearic islands	Canary Islands, Ceuta, Melilla
Sweden		
UK	The Isle of Man	Channel Islands, Gibraltar

5. Are Andorra and San Marino part of the European Union in respect of VAT purposes?

No, Andorra and San Marino are not parts of the European Union in the meaning of VAT laws operated within the European Union.

6. Does the geographical area of the European Union correspond to its territory delineated for VAT-taxability purposes?

No, in terms of VAT-taxability the territory of the European Union is somewhat different from its geographical area. This results from provisions of the Sixth Directive that exempt taxability of some EU territories, while others are included (see question 4).

7. Why is it important for a Polish VAT-taxable person to know which territories are included in, or excluded from, the EU Single Market?

This information is important for a Polish taxpayer, because:

- goods supplied to or dispatched from Poland to any country of the European Union, or EU-included territories, are not treated as imports/exports for VAT-taxability purposes; and
- goods supplied to or dispatched from Poland to any territory excluded from the EU area are treated as imports/exports for VAT-taxability purposes.

8. Will goods supplied to Poland from other Member States, following Poland's accession to the European Union, be imports?

No, after Poland has acceded to the European Union goods supplied to Poland from other Member States will not be "imports"; instead, they will be called "intra-Community acquisitions". The term "imports" will only apply to goods supplied to Poland from the non-EU countries.

9. Will goods supplied from Poland to other Member States, after our accession to the European Union, be exports?

No, after Poland has acceded to the European Union goods supplied from Poland to other Member States will not be "exports"; instead, they will be called "intra-Community-supplies". The term "exports" will only apply to goods supplied from Poland to the non-EU countries.

10. Will it be required, after Poland has acceded to the EU, to account for VAT on goods supplied to Poland from other Member States on the border?

No, with Poland's accession to the European Union VAT on intra-Community acquisitions will not be collected on the border. The tax liability will be accounted for in VAT returns.

11. Will it be required, after Poland has acceded to the European Union, to complete the SAD form for intra-Community supplies and acquisitions?

No, after Poland has acceded to the European Union the SAD will not apply to intra-Community supplies and acquisitions. The functions it performs for taxability and statistics will be taken over by the quarterly recapitulative statement (VAT) and INTRASTAT return (statistics), respectively.

12. Are there separate procedures for the acquisitions of goods by natural persons or non-taxable persons?

see "Yes, such separate procedures concern:

- Supplies of new means of transport (vessels, aircraft and motorised land vehicles) to Polish non-taxable persons, e.g. natural persons – the definition of "new means of transport" will be laid down in the VAT act;
- Distance selling (a VAT-taxable person in one Member State sells and supplies goods by himself or on his own account to a non-taxable person in another Member State – such a person can be a private individual, a public agency, a charity

organisation, or a business unregistered for VAT purposes. Examples of distance sale include mail orders or orders placed via the Internet (for more information Distance Selling”).

13. What are the special regulations in respect of new means of transport?

Special regulations relating to new means of transport make such goods taxable always in the country to which they are supplied (the place of supply), also when the buyer is a non-taxable natural person (a final consumer).

When:

- you are a natural, non-business person, or other non-VAT person in Poland, and
- you effect a purchase of a new means of transport in another Member State, and
- the above new means of transport is supplied to Poland,

then you are liable to pay VAT in Poland (exceptions from the said rule will be laid down in the VAT act).

14. What is the foreign language equivalent of VAT in each Member States and the Candidate Countries?

The table below presents VAT equivalents in the official languages of the Member States and countries applying for EU membership:

Member State	Equivalent of VAT
Austria	Mehrwertsteuer (MWSt) Umsatzsteuer (USt)
Belgium	Belasting over de Toegevoegde Waarde (BTW) Taxe sur la Valuer Ajoutée (TVA)
Denmark	Mervärdiafgift (MOMS)
Finland	Arvonlisävero (ALV)
France	Taxe sur la Valuer Ajoutée (TVA)
Germany	Mehrwertsteuer (MWSt) Umsatzsteuer (USt)
Greece	Arithmos Forologikou Mitroou (FPA)
Ireland	Value Added Tax
Italy	Imposta sul valore Aggiunto (IVA)
Luxembourg	Taxe sur la Valeur Ajoutée (TVA)
Netherlands	Omzetbelasting (OB) Belasting over de Toegeroegde Waarde (BTW)
Portugal	Imposto sobre o Valor Acrescentado (IVA)
Spain	Impuesto Sobre el Valor Añadido (IVA)
Sweden	Mervärdeskatt (MOMS)
UK	Value Added Tax

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Candidate Country	Equivalent of VAT
Cyprus	Φόρος Προστιθέμενης Αξίας (ΦΠΑ)
Czech Republic	Daň z přidané hodnoty (DPH)
Estonia	Käibemaks
Hungary	Általános Forgalmi Adó (ÁFA)
Lithuania	Pridetines vertes mokestis (PVM)
Latvia	Pievienotās vērtības nodoklis
Malta	Value Added Tax
Poland	Podatek od towarów i usług
Slovakia	Daň z přidanej hodnoty (DPH)
Slovenia	Davek na dodano vrednost (DDV)

Supplies of goods to registered VAT-taxable persons in other Member States (following Poland's accession to the European Union) – application of the 0% VAT rate

15. Will a taxpayer registered for VAT purposes in Poland be entitled, following Poland's accession to the European Union, to apply a 0% VAT rate on supplies of goods effected to registered taxable persons in other Member States?

Yes, a VAT-taxable person will be entitled to apply a zero VAT rate on supplies of goods to registered taxable persons in other Member States, provided the below conditions are met:

Condition	Description
1	A taxpayer will obtain and identify on the VAT invoice a correct VAT identification number of the trading partner, with a two-letter country code.
2	Goods will be dispatched or transported from the territory of Poland to the place of supply in another Member State.
3	The taxpayer will preserve a proof, specified by the VAT laws, confirming that goods have been transferred from Poland.

16. What should be the course of action, when conditions laid down in question 15 have not been met?

If any one requirement provided in question 15 has not been met, then tax has to be accounted for in Poland, according to a Polish rate

applicable to such goods. No VAT is charged on goods that are zero-rated in Poland or exempted from the tax.

17. What documents confirm that goods have been really shipped from Poland?

A list of such documents will be laid down in the Polish VAT act. Relevant examples are transport documentation from the carrier, a copy of the invoice, commercial correspondence.

18. Does a Polish VAT-taxable person supplying goods to a non-EU country, but for taxable person established in one of the Member States, report an intra-Community supply?

No, as the goods are not transferred to the territory of another Member State. In this case, the outward movement of goods effected by a taxable person (identified in the SAD as the exporter) under a sale transaction (supply) will be treated as export (goods are transferred outside the EU territory).

19. Is a Polish VAT-taxable person selling goods in Poland, but to a VAT-taxable person from another Member State, liable to account for VAT on such a transaction, when the goods have not left the territory of Poland?

Yes. When goods do not leave the territory of Poland, then the Polish trader accounts for VAT on such a transaction in Poland, even if the buyer is a VAT-taxable person from another Member State, as the sale is deemed domestic.

20. Which VAT rate is applicable in Poland to intra-Community acquisition of goods?

In respect of the intra-Community acquisition of goods the applicable VAT rate is that applied to the domestic sale of such goods. The chargeable rate of tax will depend on the tax rate in force at the tax point.

21. Being a VAT-taxable person registered in Poland, do I have to pay VAT on acquisition of goods from a VAT-taxable person in another Member State, if the acquired goods are zero-rated in the supplier's country?

Yes. In the case of intra-Community acquisition of goods, the applicable VAT rate is that charged on the sale of such goods in Poland (regardless of what VAT rate is in force in the supplier's country).

22. How can I enquire about the VAT identification number of my trading partner in the European Union?

When deciding to sell goods to a trading partner in the European Union, you will probably seek information about his business. It is strongly recommended you ask your partner to provide you with their VAT identification number, as one prerequisite to a zero-rated supply of goods is knowledge of the partner's valid VAT number. The number has to be entered to the trade register and correspondence relevant to a transaction needs to be preserved.

23. How can I validate the VAT identification number of my EU trading partner?

When in doubt whether a VAT number communicated by a trading partner is correct, you should start by checking whether the number's structure corresponds to the format given in questions 28 or 29, and subsequently approach the Ministry of Finance (i.e. its dedicated organizational unit, whose contact details will be posted on the website www.mf.gov.pl), or the Tax Office in whose jurisdiction you are established. Taxpayers may also opt for the European Commission's website:

http://www.europa.eu.int/comm/taxation_customs/vies/en/vieshome.htm

where, after keying in the VAT identification number of any EU trading partner, information is displayed about that the validity of that trader's number at the given moment. This service is available in all EU languages, and starting 1 May 2004 also its Polish language version will be open.

24. What information about my EU trading partner can I validate through the Polish tax administration?

The tax administration will assist Polish VAT-taxable persons in validating the following:

- VAT identification number of their EU trading partners,
- the address and name of their EU trading partners.

The tax administration does not provide a direct access to names and addresses of EU VAT-taxable persons (the administration can only confirm, or not, data requested by a Polish taxpayer).

25. What is the VIES system?

The VIES is an IT system enabling the Member States to exchange information about intra-Community transactions and VAT-taxable persons.

In addition, this system provides a tax administration with a direct access to databases with VAT identification numbers kept by other Member States. Thereby, a taxpayer in one Member State can validate the VAT number of his trading partner through the national tax administration.

26. Which number will be my identification number in intra-Community trade, after Poland has acceded to the European Union?

Following Poland's accession to the European Union, for the intra-Community trade in goods a Polish VAT-taxable person should use a taxpayer's identification number (NIP), additionally prefixed by a country code, according to the below format:

PL 9999999999

Country code + NIP

It should be remembered that a Tax Office with relevant jurisdiction should be notified about the first intended intra-Community transaction (supply or acquisition).

27. Where should an identification number be indicated in respect of intra-Community supplies/acquisitions?

An identification number should be stated:

- on invoices relative to intra-Community transactions,
- on VAT returns,
- on quarterly recapitulative statements,
- in certain registers (the register of goods, the register of contractors, etc.).

Identification number for VAT purposes

28. What do the VAT registration numbers in the other Member States look like?

Member State	Country code	VAT number format	No. of characters	Comments
Austria	AT	U99999999	9	U always at the front
Belgium	BE	999999999	9	Only digits
Denmark	DK	99999999	8	Only digits
Finland	FI	99999999	8	Only digits
France	FR	999999999999 or X99999999999 or 9X9999999999 or XX9999999999	11	A digit or a letter may take the first and second positions. All letters are allowed except I and O
Germany	DE	999999999	9	Only digits
Greece	EL	999999999	9	Only digits
Ireland	IE	9999999X or 9X999999X	8	Ending with a letter
Italy	IT	999999999999	11	Only digits
Luxembourg	LU	99999999	8	Only digits
the Netherlands	NL	9999999999B99	12	A three-character ending contains the letter B plus two digits in the range 01-99.
Portugal	PT	9999999999	9	Only digits
Spain	ES	X999999999 or 999999999X or X99999999X	9	One letter in the first position, in the last position, or both
Sweden	SE	9999999999999	12	Only digits
UK	GB	9999999999 or 99999999999999 or GD999 or HA999	5,9 or 12	The five-character number may contain letters GD (government department or HA (health authority))

Identification number for VAT purposes

29. What do the VAT registration numbers in the other Candidate Countries look like?

Candidate Country	Country code	VAT no. format	No. of characters	Comments
Cyprus	CY	99999999X	9	Letter at the end.
Czech Republic	CZ	99999999 or 9999999999 or 999999999999	8, 9 or 10	Only digits
Estonia	EE	999999999	9	Only digits
Hungary	HU	99999999	8	Only digits
Lithuania	LT	999999999 or 9999999999999	9 or 12	Only digits
Latvia	LV	999999999999	11	Only digits
Malta	MT	99999999	8	Only digits
Poland	PL	9999999999	10	Only digits
Slovakia	SK	999999999 or 999999999999	9 or 10	Only digits
Slovenia	SI	999999999	8	Only digits

30. What are the country codes for the Member States?

Member State	Country code	Member State	Country code
Austria	AT	Italy	IT
Belgium	BE	Luxembourg	LU
Denmark	DK	Netherlands	NL
Finland	FI	Portugal	PT
France	FR	Spain	ES
Germany	DE	Sweden	SE
Greece	EL	UK	GB
Ireland	IE		

31. What are the country codes for the Candidate Countries?

Candidate Country	Country code	Candidate Country	Country code
Cyprus	CY	Latvia	LV
Czech Republic	CZ	Malta	MT
Estonia	EE	Poland	PL
Hungary	HU	Slovakia	SK
Lithuania	LT	Slovenia	SI

32. How should a trading partner's VAT number be presented?

When presenting a trading partner's number only the characters should be given, that is digits, letters (in the Irish number characters such as "+" and "*" are also permitted).

Dots, dashes or spaces are not allowed.

33. Can my EU trading partner check the validity of my identification number?

Yes. A EU trading partner can check the validity of a Polish taxpayer's VAT number (and its name and address) by contacting his tax administration (see question 23).

34. Are my company's name and its address as important as the identification number?

Yes. Both the address and firm's name are very important for your trading partner to be able to validate your identification number. Should any discrepancies be found, your trading partner will be informed by the tax administration that you are not registered as a VAT-taxable person in Poland.

Because of this, it is crucial to keep your data at the Tax Office updated and to use the same firm's name and address, as those submitted to the Tax Office on a NIP application form.

35. Do I have to use the country code "PL" in domestic transactions?

No. The country code "PL" is only used for transactions carried out with VAT-taxable persons in other Member States.

36. Do I have to use the country code "PL" in transactions with non-EU countries?

No. The country code "PL" is only used for transactions carried out with VAT-taxable persons in the Member States.

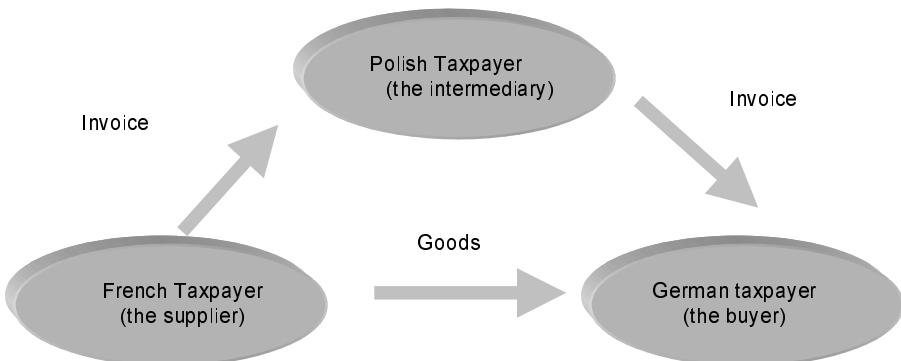
37. What is a triangular transaction?

The term “triangular transaction” is used to define a chain supply of goods involving three traders, when instead of a physical movement of goods between traders, goods are supplied directly from the first to the last trader in the chain.

38. What does a triangular transaction look like in practice in respect of intra-Community trade?

Triangular transactions can be found also in intra-Community trade, when the participating traders are taxpayers in various Member States.

The diagram below illustrates a triangular transaction in the context of intra-Community trade. A Polish trader takes an order from Germany and carries it out by ordering goods directly from a French supplier (the goods are dispatched directly from the trader in France to the German business).



39. When is a taxpayer deemed to be involved in a triangular transaction?

A taxpayer is deemed to be involved in a triangular transaction, when acting as:

- the first supplier of goods (the French supplier in question 38);

or

- the intermediary in a supply of goods (i.e. the Polish taxpayer in question 38);

or

- the ultimate recipient (the German taxpayer in question 38).

40. What is the simplified procedure applying to triangular transactions?

The simplified procedure allows an intermediary in the chain of triangular deals to avoid the liability for VAT registration in the Member State to which the goods are supplied. Besides, a trader using the simplified procedure does not report an intra-Community acquisition of goods in the country where he is registered for VAT purposes, or in the country to which the goods are supplied. Instead, the supply is accounted for by the ultimate recipient. The invoice that the intermediary issues for an intra-Community triangular transaction must bear the information that this is the simplified procedure and the tax will be accounted for by the ultimate recipient.

Triangular transactions

41. When is the simplified procedure applicable?

Condition	Description
1	The intermediary is registered for VAT purposes in one of the Member States.
2	The intermediary is neither registered nor liable to register in the Member State the goods are supplied to.
3	The buyer of the goods is VAT-registered in the Member State, the goods are supplied to.

42. Can the simplified procedure used to account for a triangular transaction be applied to a taxpayer from outside the EU?

No. The simplified procedure used to account for a triangular transaction is only and exclusively applicable, when the involved parties are traders registered in the Member States.

43. Is there any special procedure applicable to transactions effected among a number of taxpayers from various Member States?

There are no procedures other than the simplified procedure applying to triangular transactions.

44. What is a distance sale?

A distance sale (also distance selling) takes place when a VAT-taxable person in one Member State dispatches or transports goods by himself or on his own account to a non-taxable person in another Member State (for instance a non-business natural person).

45. How should VAT be handled for a distance sale between two Member States?

As a general rule, for a distance sale the place where the supply of goods is taxable is the Member State to which the goods are dispatched or transported. If, however, the supply of goods involved in a distance sale does not exceed an annual threshold set by the State to which the goods are supplied, then the place of taxation is the Member State where the goods are stored for dispatch or where transport commences.

In respect of the distance sale, when the value of such sales in any one Member State exceeds a threshold set by that State, then:

- VAT chargeable on all subsequent sales is accounted for in the Member State to which the goods are supplied;
- the trader that effects the supply is liable to register for VAT purposes in the Member State to which the goods are supplied.

The above solutions do not apply to products liable to the harmonized excise duty, such as mineral oils, spirits, alcoholic beverages and tobacco products, as well as new means of transport,

Distance Sale

that are invariably taxable in the Member State to which a supply or transport is intended (the State of destination).

46. What is each Candidate Country's threshold for distance sales?

Each candidate country lays down in its national legislation an annual threshold for the distance sales (relevant information will be posted on the website www.mf.gov.pl). The threshold for Poland will be provided in the VAT act.

47. What is each Member State's threshold for the distance sale?

Each Member State lays down its own threshold, denominated in the national currency.

Member State	Threshold	State	Threshold
Austria	100 000 EUR	Italy	35 000 EUR
Belgium	35 000 EUR	Luxembourg	100 000 EUR
Denmark	280 000 EUR	the Netherlands	100 000 EUR
Finland	35 000 EUR	Portugal	35 000 EUR
France	100 000 EUR	Spain	35 000 EUR
Germany	100 000 EUR	Sweden	320 000 SEK
Greece	35 000 EUR	UK	70 000 GBP
Ireland	35 000 EUR		

In order to check threshold's validity, it is recommended to contact tax administration in the Member State to which goods are supplied (list of tax administrations' addresses can be found in the brochure "Intra-Community Transactions And VAT – General Information"; see also the website www.mf.gov.pl).



48. Is it required to provide information on distance sales in the quarterly recapitulative statement?

No, because information about distance sales concerns supplies to non-taxable persons.

49. What is the tax base for intra-Community acquisition and intra-Community supply of goods?

In respect of intra-Community acquisition of goods and intra-Community supply of goods, the tax base will be decided, as a general principle, using the same information as that applying to domestic trade.

50. To which pieces of information should attention be given when issuing and accepting a VAT invoice relative to intra-Community trade in goods (after Poland's accession to the European Union)?

Regarding such invoices, a special attention should be paid to the presence of VAT identification numbers of both the buyer and seller (together with two-letter country codes – see questions 30 and 31).

Other pieces of information that the invoice has to identify will be laid down in the VAT Act.

51. Will a VAT-taxable person be required to complete other returns in respect of intra-Community trade?

Yes. A taxpayer will be obliged to submit:

- The quarterly recapitulative statement (other equivalent terms: the summary statement or the EC sales list) – requesting information about supplies effected to VAT-registered persons in other Member States and about acquisitions from VAT-registered persons in other Member States;

Requirements concerning settlement of IC supplies and acquisitions

- An INTRASTAT statistical form (see chapter “Statistical Requirements”).

52. What information should be identified in the quarterly recapitulative statement?

A quarterly recapitulative statement should include all pieces of information indicated below:

Information	Description
Country code	Two-letter country code identifying the trading partner's country
Trading partner's VAT number	VAT identification number in another Member State
Value of effected supplies (PLN)	Total value of goods and relative services supplied in a given period of time to each trading partner – one line is one partner
Value of effected acquisitions (PLN)	Total value of goods and relative services acquired in a given period of time from each trading partner – one line is one partner
Triangular supplies (only for the intermediary)	Triangular supplies have to be identified in the last column and added up for the quarter, separately for each trading partner – one line is one partner.
Triangular acquisition (only for the intermediary)	Triangular acquisitions have to be identified in the last column and added up for the quarter, separately for each trading partner – one line is one partner.

53. Is a taxpayer obliged to identify each transaction separately in the Quarterly Recapitulative Statement?

No, for each individual trading partner all supplies and all acquisitions have to be added up separately. Severally, all triangular transactions have to be identified, with triangular supplies and triangular acquisitions being added up individually.

54. When a trader effects supplies directly to his trading partner, as well as participates in a triangular transaction, is he required to state the total of all the supplies?

No. When such a situation arises triangular transactions should be reported separately, that is direct supplies to a given trading partner and triangular supplies (when the trader is the intermediary) should be added up individually. Acquisitions require the same approach.

55. Where should the quarterly recapitulative statement be submitted to?

The quarterly recapitulative statement should be submitted to the Tax Office with jurisdiction for a given taxpayer.

56. What are the deadlines for submitting the quarterly recapitulative statement?

The quarterly recapitulative statement should be submitted by the 25th day of the month following a calendar quarter, i.e.:

- quarter I (January – March) by 25 of April,
- quarter II (April – June) by 25 of July,
- quarter III (July – September) by 25 of October,
- quarter IV (October – December) by 25 of January of the next year.

57. When is the first quarterly recapitulative statement due?

Recapitulative statements concern calendar quarters, thus the first quarterly recapitulative statement (for May and June 2004) should be submitted by 25 July 2004.

58. How is trade in goods between EU Member States recorded?

Trade in goods between the Member States is captured by the system INTRASTAT, being a statistical system for keeping track of commercial activities effected between the Member States by means of a special statistical form – the INTRASTAT return.

59. How will I know I am obliged to submit INTRASTAT returns?

Each business involved in foreign trade should individually and continuously monitor, whether the amount of its EU transactions has not exceeded a special limit set by Poland (this limit will be communicated to the public). When the value of goods a business has acquired from or supplied to the EU goes beyond predetermined limits, then it becomes liable for submitting INTRASTAT returns. Should a business entity miss its reporting obligation, it will receive a reminder after a time.

60. Which information should be identified in the INTRASTAT return?

The scope of information asked by the INTRASTAT return is comparable with that required by the customs declaration SAD. This means that complete information about the traded goods should be given in the INTRASTAT return, such as amounts, values and the partnering countries.

61. Can the completion of the INTRASTAT return be commissioned to somebody else?

Basically, a business trading with the Member States bears the responsibility for providing statistical details. If, however, a business prefers not to complete INTRASTAT returns on its own, then this task can be commissioned to an appointed third party. A natural consequence is the need to share all documentation necessary for the correct completion of an INTRASTAT return. It is worth remembering, however, that the very appointment of a third party does not release the business from the ultimate responsibility, should the reporting requirement be neglected.

This brochure is an element of an informational campaign launched by the Ministry of Finance to acquaint Polish taxpayers with VAT aspects of the trade between the Member States.

Within the series of publications under the same title “VAT In Intra-Community Transactions”;

in 2003 the following titles will be released:

- “VAT Identification Number In Trade Between VAT-Taxable Persons In The Member States” (a leaflet);
- “Two VAT Identification Numbers In Germany – Different Uses” (a leaflet);
- “Intra-Community Transactions And VAT – General Information” (a brochure)
- “VAT Identification Number In Trade Between VAT-Taxable Persons In The Member States” (a poster);
- “VAT In Trade With The Member States”, (a poster).

The following publications have been scheduled for the year 2004:

- “Completion off VAT Return And Recapitulative Statement VAT-EU By Taxpayers Carrying Out Intra-Community Trade In Goods” (a leaflet);
- “Intra-Community Transactions And VAT” (developed on the basis of Polish experience) – a brochure;
- “Acquisition And Supply Of New Means Of Transport” (a poster).

All informational materials quoted can be found in Tax Offices across the country. Electronic versions enhanced by additional and updated information are available on the Ministry's of Finance website:

www.mf.gov.pl

All comments and suggestions concerning this brochure are welcome.

Ministry of Finance
Organization of Tax Administration Department
Świętokrzyska 12
Warsaw



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