

## ARE YOU AN ONLINE RETAILER SELLING DIRECTLY TO CUSTOMERS ACROSS OTHER EU MEMBER STATES?

The VAT obligations are simple, once the retailer reaches the sales threshold for the country of their customers they must VAT register there.

Distance sales thresholds are either €35,000, €100,000 or the local currency equivalent.

### CASE STUDY



### UK OR GERMAN VAT?

- German distance sales threshold = €100,000
- Under the threshold = UK VAT
- Over the threshold = German VAT registration obligation & German VAT charged

If a retailer reaches the distance sales threshold, and does not register for VAT, penalties will apply. This can be back dated by 10 years. Not only will the retailer be paying the unpaid VAT, they will also be liable for interest and penalties on the unpaid VAT.

### CHALLENGES

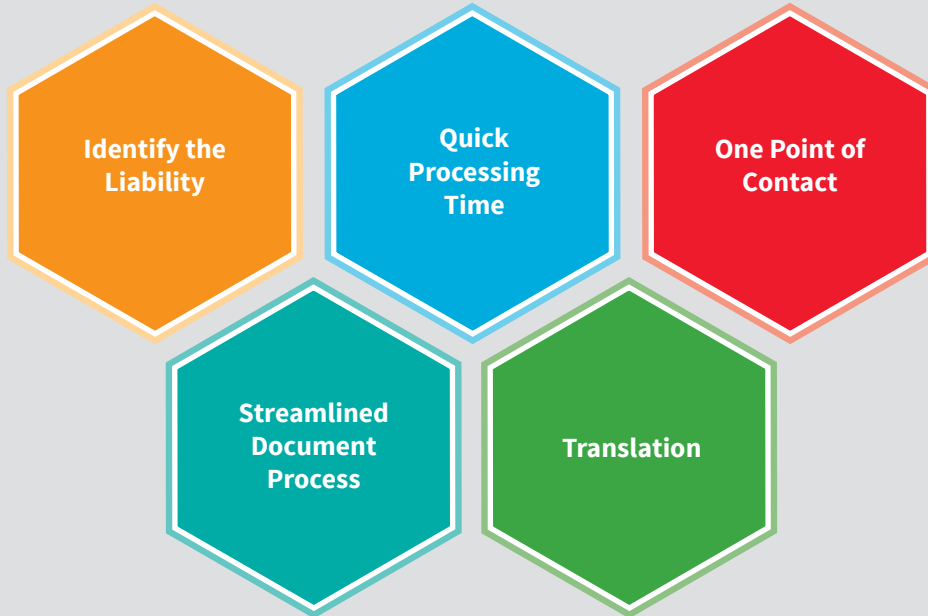
Once the sales thresholds are reached in the various EU countries, online retailers are required to register for VAT in the local country. Online companies may not have the in-house knowledge or the capabilities to manage foreign VAT compliance, as well as their current local VAT liabilities.



### ! REMEMBER: You are distance selling if:

- You are in another EU country
- You sell goods to customers, who aren't VAT-registered – B2C is KEY!!!
- You deliver the goods to another EU country or arrange for the delivery of goods.

## THE TAXBACK INTERNATIONAL VAT REGISTRATION PROCESS INCLUDES:



### BENEFITS

- Local VAT knowledge across all EU countries
- One point of contact, across all registrations
- Local Languages – 17 different languages spoken in house, and we can arrange official translations at a low cost
- Local Domicile which is required in certain countries like Spain
- Full online, real time reporting
- Wholly owned process



### WHY SHOULD RETAILERS USE TAXBACK INTERNATIONAL?

Our distance sales VAT Compliance solution provides a wholly owned one-stop-shop for foreign VAT compliance. We provide our clients with a dedicated Key Account Manager, and access to an online client platform, which allows them to track VAT return filing dates, and VAT liability payment deadlines.

#### TO START RECLAIMING YOUR VAT TODAY CONTACT US ON:

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