



VAT alert Belgium

Recent changes in VAT legislation

The Belgian government recently approved a number of legislative changes to the country's VAT code. Some changes merely align the VAT rules with current administrative practices, but others amend the VAT rules.

Program law of 1 July 2016

The program law of 1 July 2016 ([Dutch](#) / [French](#)), published in the official gazette on 4 July 2016, makes the following changes to the VAT code:

- A new paragraph is added to the VAT code to provide that private individuals no longer are subject to VAT if they perform services (otherwise taxable in Belgium) to individuals through an official platform (i.e. one that has been registered with and recognized by the tax authorities), and the value received for such services does not exceed EUR 3,255 per year (now indexed at EUR 5,000). This measure is designed to take into account the increasing number of individuals that provide services to other individuals through apps and other digital platforms. The rule applies as from 1 July 2016.
- Under current law, the three-year statute of limitations period will be extended to seven years if the VAT authorities receive information from abroad, a legal claim or probative data demonstrating that taxable transactions were not declared, exemptions were wrongfully applied or VAT was incorrectly deducted. The program law adds a new measure to the VAT code to provide that this information need not be received

within the normal three-year statute of limitations period in order for the extended statute of limitations period to be triggered. Since the legislation does not include a specific effective date, the change is effective as from 14 July 2016 (the 10th day after publication of the legislation in the official gazette). Although the VAT authorities consider this change to be an interpretation of the VAT rules, the measure potentially may not be applied on a retroactive basis because the time frame for obtaining the information was not clear prior to the amendment.

- Electronically supplied gambling and money games no longer are exempt from VAT. Lotteries, however, remain exempt even if electronically supplied. The Belgian customer will be liable for the payment of Belgian VAT in cases where the foreign supplier is not VAT-registered, either in Belgium or in another EU member state, via the mini one-stop-shop (MOSS) system. This change is effective as from 1 August 2016.

Law of 27 June 2016

The supply of goods and services to achieve financial support is exempt from VAT in certain cases if related to care, social and cultural activities which are exempt from VAT as well code. The law of 27 June 2016 ([Dutch](#) / [French](#)), published in the official gazette on 7 July 2016, extends the scope to some exempt cultural activities.

The broadened exemption applies as from 17 July 2016 (the 10th day after publication of the legislation in the official gazette).

Law of 26 May 2-16

The law of 26 May 2016 ([Dutch](#) / [French](#)), published on 9 June 2016, creates opportunities for taxpayers by introducing more flexible exemption requirements for cost sharing associations. The new rules are effective as from 1 July 2016, with a transition period applying until 31 December 2016. The tax authorities are expected to issue a circular letter detailing the new rules within the next few weeks

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