

Global Indirect Tax News

Your reference for indirect tax and global trade matters

Welcome to the March 2018 edition of GITN, covering updates from the Americas, Asia Pacific and EMEA regions.

Features of this edition include a VAT update from the Gulf Cooperation Council, the implementation of the EU Voucher Directive into VAT law in the Netherlands, and the implementation of the Health Promotion Levy ('sugar tax') in South Africa.

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Americas

Colombia

Tax authorities issue modifications to customs regulations

The tax authorities have issued Decree 349 which adjusts the customs regulations to promote trade facilitation.

The new decree made extensive amendments to Decree 390 of 2016. It includes additions and modifications to definitions, general standards, guarantees, the system of electronic identification, the type and rate of exchange, monetary conversions, consolidated payment, and the authorization and qualification of importers, exporters and foreign trade operators, among other issues.

The objective of this new Decree is to simplify foreign trade operations, as well as the implementation of new customs regulation.

Some of the changes entered in force in March 2018. Articles that depend on the implementation of the customs electronic system should enter into force before 30 November 2019.

Tariff benefits for goods not produced in Colombia

The Government has renewed some tariff exemptions for certain goods not produced in Colombia.

The national Government renewed the tariff exemptions described in Decree 1353 of 2017, and included 407 new goods with tariff benefits. The changes and tariff subheadings are indicated in Decree 272 of 2018, for goods that do not have national production. These exemptions will be revised regularly and enter into force immediately.

Tariff benefits for goods used in hydrocarbon exploration remain valid

The Council of State reaffirmed tariff exemption benefits for goods used in hydrocarbon exploration.

The Court restated the exemption from tariff levies on importation of equipment, technical equipment, accessories, materials, and spare parts destined for oil exploration, described in Decree 255 of 1992, which remains in force. The recognition of this benefit is not subject to the fact that the import is covered by a specific tariff subheading.

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Asia Pacific

Australia

Guidance issued about GST on supplies of low value goods shipped to consumers in Australia

From 1 July 2018 GST will be payable on offshore supplies of low value goods that are purchased by consumers and delivered into Australia. Depending on how a transaction takes place, it could be the merchant, an online marketplace operator (EDP operator), or a redelivery service provider (redeliverer) who is liable to pay the GST to the Australian Taxation Office (ATO). Low value goods are goods with a customs value of AUD 1,000 or less.

On 7 March 2018, the ATO issued three GST public rulings to help merchants, EDP operators, and redeliverers understand the new rules and the circumstances in which they will be required to register for GST in Australia and have obligations to pay GST on offshore supplies of low value goods. The new rulings are:

- *LCR 2018/1: GST on low value imported goods.* This ruling provides a comprehensive explanation of the new rules and how the ATO intends to apply them.
- *LCR 2018/2: GST on supplies made through electronic distribution platforms.* This ruling explains how GST applies to supplies made through such platforms, including offshore supplies of low value goods. It explains the circumstances in which an EDP operator is the entity required to pay GST to the ATO on a supply, and how to determine which EDP operator is responsible where more than one is involved in facilitating a supply.
- *LCR 2018/3: When is a redeliverer responsible for GST on a supply of low value imported goods?* This ruling explains the scope of 'redeliverer' and clarifies when a redeliverer will be the entity responsible for paying GST on an offshore supply of low value goods for delivery into Australia. It also explains which redeliverer is responsible for GST when there are multiple redeliverers of such supplies.

In the lead up to 1 July 2018, businesses outside Australia that supply, or facilitate the supply and/or the delivery, of low value goods to Australian customers should be working out whether they expect to become liable to pay Australian GST and if so, applying for GST registration on a full or limited basis. Details about the range of operational implications that affected businesses should be actively addressing can be found in the [November 2017 edition of GITN](#).

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Malaysia

GST public ruling on supply of commercial residential premises

The Royal Malaysian Customs Department (RMCD) has issued Public Ruling No. 01/2018 – Supply of Commercial Residential Premise.

The Public Ruling, issued on 11 January 2018 by RMCD, is aimed at providing clarity in determining whether 'commercial residential buildings or premises' built on commercial land are to be treated as residential (exempt supply) or commercial property (taxable supply).

For further information on the ruling and Deloitte Malaysia's comment, see [GST Chat: February 2018](#).

GST guides

The following RMCD GST guides have been updated.

- Accounting Software Enhancement Towards GST Compliance, updated as at 5 February and 8 March 2018.
- Guide on Warehousing Scheme, updated as at 11 December 2017.

For further information and Deloitte Malaysia's comment, see [GST Chat: February 2018](#).

New customs and excise duties (exemption) orders

Customs Duties (Exemption) Order 2017 [P.U. (A) 445/2017]

The Order has replaced the Customs Duties (Exemption) Order [P.U. (A) 371/2013], with effect from 3 January 2018.

The amendments, *inter alia*, include:

- The usage of the 10-digit HS tariff code system instead of the previous 9-digit system
- Addition of new items for duty exemption and removal of certain items.

Excise Duties (Exemption) Order 2017 [P.U. (A) 444/2017]

The Order, which will be effective from 3 January 2018, serves to replace the Excise Duties (Exemption) Order [P.U. (A) 379/2013].

The amendments, *inter alia*, include the addition of new conditions for excise duty exemption on alcohol and tobacco products.

Comment

Given the above amendments, it is crucial for businesses currently utilizing the above Orders for import/excise duty exemption to reassess if the existing items being imported still qualify for exemption. In addition, businesses can check if it would be possible to utilize the above exemptions for imports where duties were previously paid.

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EMEA

Gulf Cooperation Council

VAT update

Large businesses in the Kingdom of Saudi Arabia and United Arab Emirates that have been assigned a monthly VAT return filing period, had to gear up to submit their first VAT return to the tax authorities on 28 February 2018. Certain small- and medium-sized businesses in the UAE, that were also initially assigned a monthly VAT return filing period, but were reassigned to a quarterly period instead earlier this year, will be filing their first VAT return by the 28th of the month after the end of their assigned VAT return period.

KSA

The General Authority of Zakat and Tax (GAZT) continues to issue guidelines for different sectors on how to apply the VAT laws in practice. The English versions for the KSA VAT guidelines on [Transitional VAT Rules](#), [Investment Metals](#), [Transportation](#) and [VAT Grouping](#) are now available on the GAZT website.

The guide on the transitional VAT rules covers the applicability of grandfathering provisions, including the zero-rating of qualifying contracts entered into before 30 May 2017. It also explains the transitional treatment on intra-GCC supplies until the electronic service system is set-up and provides guidance on applying for rulings with GAZT.

The investment metals guide confirms when zero-rating will apply to supplies of gold, silver and platinum.

The guideline on transportation covers the place of supply of transportation services, as well as providing more detail on the definitions and application of both passenger and freight transport. It discusses qualifying means of transport, along with input VAT deduction and transitional rules for the transportation sector.

The VAT grouping guideline provides additional detail on tax grouping, covering areas such as the eligibility conditions for setting up a tax group, the implications of being in a tax group, how to amend a group, and the situations in which GAZT has the power to set aside a tax group.

Additionally, the KSA also released the VAT return guidelines that set out detailed instructions for preparing and filing a VAT return through the GAZT web portal.

In another important development, GAZT has called upon non-resident entities carrying out economic activities in KSA to register for VAT and appoint a tax representative. GAZT has further stated that the tax representative should provide information about itself and the non-resident businesses represented at the time of VAT registration. GAZT will be working with the Ministry of Commerce & Investment and other government entities to publish the list of accredited resident firms authorized to act as tax representatives or agents on behalf of non-resident entities. This list has not yet been published as it is believed that a number of potential such tax agents are in discussions regarding the obligations that would be placed upon them.

UAE

Following the implementation of VAT in the UAE, the Federal Tax Authority (FTA) continues to release guidance notes on the application of tax laws for specific sectors. In an important procedural change, it was announced that the VAT payable on the sale of commercial property in UAE will now be directly payable by the buyer to the FTA instead of being charged by the seller to the buyer.

Additionally, the FTA also released guidelines on how to prepare and submit the VAT return on the FTA web portal, and the payment options available to businesses to discharge their VAT liability. Currently the options include making payments through credit card, which is expected to have a fee of around 2%-3% of the VAT amount, or through an eDirham account, which is a government system that is used to make payments for government services in UAE. It is expected that more payment options will be made available to taxpayers in the coming months.

Bahrain

In other news from across the GCC, Bahrain has now confirmed that it will be implementing VAT by the end of 2018. The Finance Minister of Bahrain, Sheikh Ahmed bin Mohammed al-Khalifa, stated in an investment conference recently that Bahrain would go ahead with the implementation of VAT by the end of 2018 – despite earlier political opposition to the new tax. The Minister however did not give any firm date by when it would come into effect. A news source had published last month that Bahrain would be implementing VAT in early October 2018. However, there has been no official press release by the Bahraini Government in this regard.

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France

VAT refund claim for EU nonresident businesses

When considering a VAT refund claim submitted according to Directive 2008/9/ EU, the French Tax Authority (FTA) may request additional information by electronic means (by way of email) and allow a one month period to reply.

If the claimant does not respond, the VAT refund claim is rejected. Often the claimant will state that they had not received the electronic request.

According to the Administrative Court of Montreuil (*Sea Chefs Cruise Services GmbH* n°1602615), following an opinion of the French Administrative Supreme Court (*Conseil d'Etat*) dated 18 October 2017 (CE avis 8e-3e ch. 18-10-2017 n°412016 and 412053), the proof of reception of the FTA's request derives from the email follow up issued by the FTA server reporting the electronic address of the recipient of the email.

Therefore, it is crucial to be vigilant as regards the electronic address provided to the FTA when filing a VAT refund in France, and to take all necessary steps to ensure the reception of an email from the FTA.

In addition, the Administrative Court of Montreuil decided to request a preliminary ruling from the Court of Justice of the European Union (the French Administrative Supreme Court having also confirmed in the abovementioned opinion that the question was serious and could lead to a preliminary ruling) in order to determine if it is possible to provide before the Administrative Court information that was requested by the FTA when reviewing a VAT refund claim submitted according to Directive 2008/9/ EU and which was not provided by the claimant before the FTA's deadline, the FTA having on this basis rejected the VAT refund claim.

Application of C3S tax to cross-border transfers of own goods

The Supreme Court requested a preliminary ruling from the CJEU in order to answer the following query: Is the application of the C3S [*La Contribution Sociale de Solidarité des Sociétés*] tax to transfers of own goods between France and another Member State contrary to the free circulation of goods' principle, since this measure leads to the application of a charge having an effect equivalent to customs duties only to transfers of goods between France and another Member State (the tax is not applicable to transfers of own goods in France), which is contrary to Articles 28 and 30 of the Treaty on the Functioning of the European Union (TFEU)?

The Advocate General answered positively. Therefore, impacted businesses should determine if they should make claims in this respect, for conservative purposes, in the context of the statute of limitations (depending on the amount at stake).

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Germany

TOMS applies B2B and cannot be calculated globally

The Court of Justice of the European Union has found that Germany's operation of the tour operators' margin scheme (TOMS) is incompatible with the EU Principal VAT Directive.

In the first place, Germany maintained that TOMS should not apply to B2B supplies (despite infraction proceedings in 2013, including *EC v Spain*, which held that business customers were within the scope of TOMS). The CJEU noted the four arguments that Germany advanced in support of excluding B2B supplies, but observed that none were likely to cause it to depart from *EC v Spain*, and proceeded to examine and dismiss each of them.

Secondly, Germany uses a global accounting approach to TOMS. The CJEU, again drawing on *EC v Spain*, confirmed that margins should be calculated by reference to individual supplies to customers. The Principal VAT Directive sets out where global accounting can be used (secondhand goods, works of art, etc.) but does not expressly allow it for TOMS. It would therefore appear that Germany will have to change its rules, which could lead to significant changes to the amount of VAT accounted for under TOMS.

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Hungary

Available information and documentation on real-time invoice data obligation

There are just over three months left for taxpayers to comply with the legal requirements for real-time invoice data provision, which enters into force in Hungary on 1 July 2018.

To support the preparation for the requirements, the tax authorities publish information and documentation regarding the real-time invoice data provision obligation, on an ongoing basis. The latest updates are available on the website of the tax authorities, including in English:

<https://onlineszamla-test.nav.gov.hu/home>.

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Ireland

Amended guidance on Customs warehousing

On 26 February 2018, Irish Revenue issued eBrief No. 030/18 on Customs Warehousing, which updates their Guidance Manual (see [Guidance Manual on Customs Warehousing](#)) to reflect the changes in the new Union Customs Code (UCC).

The changes are reflected in sections 1.2 and 2.4 of the Guidance Manual and relate to the inclusion of new warehouse types, the mandatory requirement for a comprehensive guarantee, and the new calculation of the reference amount for same.

As a result, there are now three main warehousing categories, i.e. public type I, public type II, and private, which all require a Comprehensive Guarantee Authorisation before a customs warehouse authorisation can be issued. Please refer to the Guidance Manual for a detailed explanation on the warehousing types and sample calculations of the reference amount for a warehousing guarantee.

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Italy

VAT exemption for fuel/lubricants

By way of Resolution letter n° 6/E/2018, the tax authorities have provided some significant guidelines regarding the VAT exemption for fuel/lubricants, in particular:

- To apply the zero-rated VAT regime, a vessel's owner must prove through official documentation that the vessel has carried out in the previous calendar year more than 70% of its voyages on the high seas (beyond 12 nautical miles);
- Where a vessel owner is not able to provide the official documentation, the owner can provide the supplier with a signed declaration attesting that the ship is predominantly intended for the navigation on the high seas.

VAT warehouse guarantee requirement

In Resolution letter n° 5/E/2018, the tax authorities have provided some significant clarifications regarding exoneration from the bank guarantee requirement for the withdrawal of goods from VAT warehouses. In particular, according to the tax authorities, the exoneration applies for the following 'reliable' subjects:

- Subjects withdrawing goods, who have originally undertaken Customs clearance of the goods (via the introduction into the VAT warehouse); or
- Subjects withdrawing goods, who are Authorized Economic Operators (AEO) or are in any case exonerated according to Art 90 of the Italian Customs Code.

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Customs Decisions System

In light of the EU Customs Decisions System, the Customs Agency issued note No 28911 of 9 March 2018, simplifying the content of the guarantees to be furnished for releasing goods into free circulation benefiting from a deferral of payment and thus using a debt account (i.e., less data is required in the guarantee in relation to operators authorized to use the debt account).

New excise duties provisions

The Ministry of Finance issued a Decree on 13 February 2018 detailing the implementing procedures of Italian Budget Law 2018, no. 205 of 27 December 2017 in relation to the release for consumption of fuel from a fiscal warehouse and the extraction of fuel from a warehouse of a registered consignee, which are allowed only after the payment of the VAT through an F24 Form, with no possibility of offsetting.

In particular, the new provisions only apply to certain products destined to be used as fuel for cars and similar vehicles under NC 27101245, 27101249, 27101943, 27102011.

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Malta

Malta authorized to apply higher VAT registration threshold for small businesses

On 24 February 2018, European Council Implementing Decision (EU) 2018/279 was published in the Official Journal of the European Union, authorizing Malta to establish a higher VAT registration threshold for certain small businesses.

With effect from 1 January 2018 and until 31 December 2020, Malta will be permitted to exempt from VAT taxable persons whose economic activity principally consists of the supply of services (other than services with a relatively low added value) insofar as their annual turnover does not exceed EUR 20,000 per annum. Nonetheless, such taxable persons remain eligible to opt to register for VAT and follow the regular VAT arrangements. Previously, on the basis of Article 287 of the EU Principal VAT Directive, Malta allowed VAT exemption for such taxable persons to the extent that their annual turnover did not exceed a threshold of EUR 14,000.

This measure should have a positive effect for small businesses falling within its scope of application, as it will considerably reduce the costs associated with VAT compliance obligations, as well as for the VAT authorities, the administrative burden of which should also be reduced.

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Netherlands

Legislative proposal to implement EU Voucher Directive into VAT Act adopted by Senate and Parliament

On 6 March 2018, the Senate adopted the legislative proposal to implement the EU Voucher Directive into the VAT Act without any further debate. The Parliament had already adopted the proposal. As a result, the new rules for vouchers will enter into force as of 1 January 2019.

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Poland

On demand SAF-T files

As noted in previous editions of this newsletter, as of 1 July 2018, each VAT payer will be obliged to provide the tax authorities upon their demand (for example, for audit/explanatory proceedings purposes) all of the books (or their parts) in the form of JPK files. The obligation encompasses the following areas: accounting books (JPK_KR, for smaller Polish-based entities in the form of JPK_PKPIR, JPK_EWP), bank account operations (JPK_WB), arrivals/dispatches in warehouses (JPK_MAG), sales invoices (JPK_FA).

The taxpayer will have a minimum of three days (the deadline may be extended on request of the taxpayer) to gather and provide to the tax authorities the respective data on a flashdrive, memory card, CD/DVD, or other media storage. Additionally, a provision of the Tax Ordinance provides for a fine of up to PLN 2,800 for a person who unreasonably refuses to deliver files on the tax authorities' request. This is the next step of the tax authorities' digitalization, intended to help the fight against tax frauds.

For foreign-based entities, it is expected that the tax authorities will be able to request the sales invoice SAF-T file (JPK_FA) – the remaining potential SAF-T file (concerning bank accounts and warehouse) would depend on a case-by-case basis. Thus, it is recommended that entities verify whether they are ready to comply with this requirement.

Mandatory e-filing of VAT returns

By way of reminder, as of 1 January 2018, all Polish VAT-related returns must be submitted only in electronic form. The tax authorities no longer accept returns submitted on paper (even if submitted within the deadline). In such cases the returns are deemed to be not submitted at all and thus the risk of financial penalties for late filing arises. Thus, if taxpayers have not yet addressed the issue of Polish e-filing, it is recommended procedures are implemented as soon as possible.

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South Africa

Health Promotion Levy on sugary beverages

The Health Promotion Levy (HPL) on sugar-sweetened beverages (SSBs), or 'sugar tax' comes into effect on 1 April 2018. The HPL will be collected on a Duty at Source (DAS) basis for products manufactured, and is payable immediately on entry for home consumption of products imported at a rate of 2.1 cent per gram of the sugar content that exceeds 4 grams per 100ml.

The first 4 grams per 100ml are exempted from the levy.

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Spain

SII (Immediate Information Supply)

Further to the update in the [February 2018 edition of GITN](#) regarding the SII legislation, on 22 February 2018, Ministerial Order HFP/187/2018 was published in the Official State Gazette concerning specifications for SII which will come into force on 1 July 2018.

The Order includes, *inter alia*, modifications to the specifications for the bookkeeping of VAT books via the tax authorities' online platform. The most significant changes are as follows:

- A number of technical amendments are included at XML file generation level, also creating new tags;
- Minor clarifications in relation to invoice/document codes to be registered in the VAT books (i.e. customs operations, travelers' regime, certain invoices, payment methods, exemption causes, etc.);
- A special tag is created to identify invoice registers in respect of which taxpayers face certain submission difficulties;
- Technical changes are included to facilitate the reporting of cadastral references;
- Clarifications are provided in relation to relevant information with tax implications to be provided in the case of the leasing of business premises and operations carried out, *inter alia*, by travel agencies and insurance entities;
- New schemes have been created for consulting invoices informed by customers and suppliers.

Whilst certain of the changes relate to specific issues that are solely formal and technical, and which may not apply for most entities, the changes will have an impact on the configuration of XML files at a technical level, and accordingly the current XML structure may not be valid from 1 July 2018.

Hence, it will be necessary to adapt information systems to the new configuration to comply with the SII from 1 July 2018, by including version 1.1 which will take effect from that date.

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Switzerland

Extension of criteria for VAT refund claims by foreign-based entities

Until 31 December 2017, to claim a VAT refund for a foreign-based entity, the claimant had to:

1. Be resident or domiciled abroad;
2. Not be registered for Swiss VAT;
3. Not be supplying any goods or services on Swiss territory, with the exception of VAT exempt with credit transports under Article 23, par. 2, 5 to 7 of the Swiss VAT Law and services located in Switzerland but subject to the reverse charge mechanism (self-assessment of the Swiss VAT by the Swiss client); and
4. Prove entrepreneurial status in the home country.

With the introduction of the revised Swiss VAT Law and VAT Ordinance on 1 January 2018, the list of domestic supplies exceptions has been extended. As from this date, the right to lodge a Swiss VAT refund claim remains even if the foreign business supplies goods within Swiss territory, provided that:

1. It does not waive its relief from Swiss VAT registration; and
2. Its supplies within the Swiss territory consist, according to Article 10 par. 2 let. b of the Swiss VAT Law, exclusively of:
 - VAT exempt with credit operations referred to in Article 23 of the Swiss VAT Law (for example, exports of goods, cross-border transport of goods or related services, maintenance of qualifying aircraft, etc.);
 - Services located in Switzerland based on the beneficiary principle of Article 8 par. 1 of the Swiss VAT Law (services subject to the reverse charge mechanism, except for B2C e-services for which a VAT registration is mandatory);
 - Supplies of gas transported by cables, gas transported via the natural gas distribution network, or heating produced remotely to taxpayers on Swiss territory.

The right to claim reimbursement also remains where the taxable person distributes, free of cost, pamphlets or advertising items in relation with its own products, or executes, as warrantor, warranty operations on its own products.

The administrative guidelines regarding Swiss VAT refund claims have not been updated yet to reflect this change.

Following the extension of the accepted domestic supplies, foreign-based businesses should re-examine whether they may be entitled to claim the reimbursement of Swiss VAT and even consider a VAT deregistration where applicable.

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Ukraine

Changes in packaging material phytosanitary control

From 2 February 2018, new rules apply to the phytosanitary control of goods transported on wooden pallets or in wooden or paper packaging material (Resolution of the Cabinet of Ministers of Ukraine No. 44 dated 31 January 2018 "On amending Resolutions of the Cabinet of Ministers of Ukraine No. 1031 dated 05 October 2011 and No. 364 dated 25 May 2016").

According to the rules, wooden packaging materials of imported and exported goods will be randomly sampled for phytosanitary control based on a risk-oriented approach. In particular, if the goods exported from Ukraine are not subject to phytosanitary control or if the importing country does not require such goods to be accompanied with phytosanitary documents at the time of exportation or re-exportation from Ukraine, the verification of compliance of the wooden packaging material's marking with the requirements of the International Standard for Phytosanitary Measures No. 15 is not obligatory.

At the same time, such verification is still obligatory if the exported goods are subject to customs inspection. During the customs inspection, the customs officials will check the packaging material for the marking required. If there is no marking or the marking is non-compliant, the customs official will request a state phytosanitary inspector to complete phytosanitary formalities and decide on whether or not to allow the goods to be exported.

If the importing country notifies non-compliance of wooden packaging material with phytosanitary measures applicable in such importing country, all subsequent supplies of goods from the exporting company concerned will be checked by phytosanitary inspectors within one year, without exceptions.

For goods imported into Ukraine, phytosanitary officials will inspect 10%, 25%, 50%, or 100% of cargoes liable for checks, depending on the risk rate of the exporting country, as determined based on the quantity of cargoes having arrived from the country concerned and being identified as non-compliant with Ukrainian phytosanitary requirements, as well as on the information regarding the spread of harmful organisms in the exporting country.

Currency restrictions eased

The National Bank of Ukraine continues to gradually ease the administrative restrictions on the transfer of foreign currency abroad (Resolution of the National Bank of Ukraine No. 19 dated 1 March 2018 "On amending certain regulatory legal acts of the National Bank of Ukraine"). From 3 March 2018, Ukrainian companies may, *inter alia*:

- Pay dividends on shares and participatory interest to foreign investors in foreign currency in the amount of up to USD 7,000,000 per month irrespective of the period for which such dividends accrue. Dividends that had accrued for all previous years, up to and including 2017, may be paid.
- Repay loans before maturity date within a monthly limit of USD 2,000,000 under loan agreements serviced by one authorized bank.

The National Bank of Ukraine also extended the list of transactions that are no longer subject to the obligatory sale of 50% of currency receipts. This requirement no longer applies to funds raised by a resident company in the form of foreign loans in order to refinance its existing debt to non-residents or authorized banks under other loans.

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United Kingdom

Spring Statement

The Chancellor of the Exchequer has presented the Spring Statement to Parliament, which included the publication of the following indirect tax consultations and calls for evidence.

VAT registration threshold

The Government issued a call for evidence on the VAT registration threshold. It looks at how the current threshold (of £85,000, which has been frozen until 31 March 2020) may impact business growth, the burdens created by the comparatively high registration threshold and why businesses manage their turnover so they do not need to register, and potential policy solutions. The deadline for responses is 5 June 2018. See [VAT registration threshold: Call for evidence](#).

Alternative method of VAT collection – split payment

Following the previous call for evidence, the Government has published a consultation on the viability of adopting a technology-based split-payment mechanism which extracts VAT in real time and deposits it with the tax authorities. This, in conjunction with the previously announced measures in respect of online sales, is aimed at reducing the non-compliance associated with certain businesses not paying the correct amount of UK VAT on sales to UK consumers. This consultation considers the options available, as well issues such as which party is best-placed to effect the split, what level of information is known by each in the transaction chain, how much VAT should be split-out at source, and how such a mechanism could be developed and implemented. The closing date for comments is 29 June 2018. See [Alternative method of VAT collection – split payment: Consultation document](#).

Single-use plastic waste

A call for evidence explores how changes to the tax system or charges could be used to reduce the amount of single-use plastic waste. The Government is looking to understand the effectiveness of economic incentives to reduce such waste and encourage innovation, which will inform the policy process. The deadline for responses is 18 May 2018. See [Tackling the plastic problem: Using the tax system or charges to address single-use plastic waste](#).

VAT and APD in Northern Ireland

A call for evidence considers how VAT and Air Passenger Duty (APD) impact the tourism industry in Northern Ireland. The Government is looking to understand how changes to VAT and APD could affect the cost of a holiday in Northern Ireland and the difference this could make to the tourism industry. The deadline for responses is 5 June 2018. See [VAT, Air Passenger Duty and Tourism in Northern Ireland: Call for evidence](#).

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