

# VAT2015 DECODED

## Frequently asked questions

### What services will be impacted by the proposed changes?

Telecommunications, broadcasting and electronically supplied services.

### When will these proposed changes come into effect?

1 January 2015.

### Will the changes impact B2C or B2B supplies, or both?

The changes will apply to B2C supplies only - supplies made to private consumers (non-taxable persons/private individuals) which are established, have their permanent address or usually reside in the EU.

### Does this imply that these changes will impact solely EU-based suppliers?

The changes will impact both EU-based and non EU-based suppliers of telecommunications, broadcasting and e-services to private consumers within the EU.

### How will it affect operators?

Operators will need to determine where their customers are established or usually reside and to charge and account for VAT at the applicable rate in that EU Member State.

### Will operators have to register for VAT in all EU Member States?

Operators can either register for VAT in each EU Member State in which they have customers **or** they can opt to register for VAT in only one EU Member State (Mini One Stop Shop Scheme) and account for VAT across the EU via a single electronic declaration.

### How will operators determine where their customers are established or reside?

The EU Commission has published draft rules and guidance on the manner in which a customer's location is to be identified.

### Where can I find the rules and guidance?

#### EU legislation:

- Council Directive 2006/112/EC, as amended by Directive 2008/8 (amendments to come into effect on 1 January 2015);
- Council Implementing Regulation (EU) No 282/2011 of 15 March 2011 laying down implementing measures for Directive 2006/112/EC on the common system of value added tax, as amended;
- Proposal for a Council Regulation amending Implementing Regulation (EU) No 282/2011 as regards the place of supply of services.

#### Maltese legislation:

Malta VAT Act, Chapter 406 of the Laws of Malta, as amended by Legal Notices 132 and 133 of 2009 (amendments to come into effect on 1 January 2015).



# Contacts

## **Sarah Aquilina**

Senior Manager - Indirect Tax

Tel: +356 23 432 731

saquilina@deloitte.com.mt

---

## **Deloitte Services Limited**

Deloitte Place

Mriehel Bypass

Mriehel BKR 3000

Malta

Tel: +356 2343 2000

Fax: +356 2131 8196

**[www.deloitte.com/mt](http://www.deloitte.com/mt)**

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see [www.deloitte.com/about](http://www.deloitte.com/about) for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms.

Deloitte Malta refers to a civil partnership constituted between limited liability companies, and its affiliated operating entities; Deloitte Services Limited and Deloitte Audit Limited. The latter is authorised to provide audit services in Malta in terms of the Accountancy Profession Act. A list of the corporate partners, as well as the principals authorised to sign reports on behalf of the firm, is available at [www.deloitte.com/mt/about](http://www.deloitte.com/mt/about).

Deloitte provides audit, tax, consulting, and financial advisory services to public and private clients spanning multiple industries. With a globally connected network of member firms in more than 150 countries, Deloitte brings world-class capabilities and high-quality service to clients, delivering the insights they need to address their most complex business challenges. Deloitte has in the region of 200,000 professionals, all committed to becoming the standard of excellence.

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited, its member firms, or their related entities (collectively, the "Deloitte Network") is, by means of this publication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser. No entity in the Deloitte Network shall be responsible for any loss whatsoever sustained by any person who relies on this communication.