



FAQs – For Import One Stop Shop (IOSS VAT solution)

Contents

1	General	3
2	Onboarding	6
3	Tax Questions	8
4	Parcel Carriers	11
5	Marketplaces	12

1 General

General questions about the service and what it involves

Frequently Asked Questions	Answer
1.1 What happens if I do not use IOSS?	If you do not use IOSS, the local parcel carrier will collect the VAT due from the customer before delivering the goods. This may result in additional costs such as clearance or handling charges. As an alternative to IOSS, and for goods above 150EUR, you could use a delivered duty paid (DDP) service.
1.2 What is included in the service from Deloitte?	The service from Deloitte includes: <ol style="list-style-type: none">1. Registration – Deloitte will support you to register for IOSS, enabling you to send parcels to customers across Europe under your own tax registration2. Preparing VAT returns – Deloitte will prepare monthly returns based on the data you provide3. Submitting VAT returns – an intermediary will submit VAT returns for you4. Support – Deloitte will provide email support to answer your questions
1.3 What is the price and payment plan for the service?	Our charges for the Deloitte IOSS service will be £2,000 per year (billed monthly, starting with the first filing) plus a one-off £300 registration charge in year one. Our charges may be subject to change with respect to the amount provided above depending on the complexity of the service required. Our charges include the charge to the intermediary and excludes any VAT due as declared in the IOSS VAT return to the VAT intermediary.
1.4 Is a deposit required for the Deloitte IOSS service?	A deposit is not required. For the Deloitte IOSS service, you will need to pay a one-off registration fee of £300 (excl. VAT) and an annual filing fee of £2,000 paid (excl. VAT) on a monthly basis via direct debit.
1.5 Why would I want my own IOSS registration as opposed to a pay per parcel option?	<p>You may want your own IOSS registration as opposed to a pay per parcel option if you want to send higher volumes of parcels (i.e. above 1,000 per year) with a reduced cost per parcel. In the Deloitte IOSS option, we register you for IOSS, enabling you to send parcels to customers across Europe under your own IOSS registration. Using the sales and tax data you provide to us we will prepare and file the necessary VAT returns on your behalf. If your systems do not allow you to calculate the correct amount of tax due at the correct rate based on the customer location, then you may wish to consider a pay per parcel option.</p> <p>In the pay per parcel option, a company acts as the deemed reseller allowing you to use its IOSS number to send parcels to customers across Europe. You will have a price per parcel to pay that will enable you to avoid having to register and file for IOSS.</p>

Frequently Asked Questions	Answer
1.6 When will I get my IOSS number?	On the assumption you have provided all the information in a timely manner, and dependent on the tax authorities' processing times, we expect this to take 2 weeks from the time the registration application is submitted.
1.7 When can I start using my IOSS number?	Once it has been issued you can start using your IOSS number.
1.8 Are there any pre-requisites to using the Deloitte IOSS service?	In order to use Deloitte's IOSS service you will be required to charge the correct rate of VAT on goods sold to consumers in the EU. The VAT rate depends on the goods type and the country you are selling to. This means having an accounting system that is able to charge the correct VAT rate applicable on the goods you are selling into the EU and collecting this tax at the point of sale.
1.9 What are my responsibilities?	You will be responsible for providing us with the requested data required for us to process your VAT registration and filing requirements by the deadlines communicated to you and be responsible for completing all relevant actions.
1.10 Who can use the service from Deloitte?	Our service is currently available for sole proprietors and limited companies. If you are structured differently, we may still be able to support you through our standard professional services practice. For more information on this, please contact iossservices@deloitte.co.uk .
1.11 Can businesses in Jersey or Guernsey use the Deloitte service?	Yes, our service is available for businesses in Jersey and Guernsey.
1.12 Can IOSS be used for B2B sales?	No, IOSS can only be used for B2C sales. Please note, you should obtain your customer's VAT number as evidence that they are a business customer (and therefore outside of the IOSS).
1.13 Will the new regulation affect B2B sales?	We note that the July 2021 EU VAT changes relating to IOSS and its introduction covers B2C transactions up to the value of €150 only.
1.14 Do you offer only the registration service and not the return?	We only offer a package solution, which includes the registration service for a one-off fee of £300 (excl. VAT), and the filing service for £2,000 per annum (excl. VAT).
1.15 Do you offer registration for both IOSS and OSS?	We only currently offer registration and filing services for IOSS, but we are working towards having an equivalent offering for OSS.

Frequently Asked Questions	Answer
1.16 I have an EORI number. Do I need an IOSS number? Can I get one faster?	The EORI number is not connected to the IOSS number and having one will not speed up the IOSS registration process.
1.17 Which country will you register me/my company with, and can we choose?	We will register you for IOSS in Ireland, as this is the jurisdiction where this can be completed the fastest. Please contact ioSSservices@deloitte.co.uk if you would like to know further details.
1.18 How do I withdraw services/cancel my application?	To withdraw services or cancel your application, please contact ioSSservices@deloitte.co.uk 30 days before the effective date of termination.
1.19 Which languages do you offer support services in?	We currently offer support services in English only, but we are monitoring demand for other languages on an ongoing basis.
1.20 If I have further questions about the Deloitte IOSS service, who can I contact?	If you have any questions about how the Deloitte IOSS service will work for you, please email us at ioSSservices@deloitte.co.uk . If you have any specific queries or require advice, please let us know and we will find a specialist that will be able to help.

2 Onboarding

Deloitte is required to undertake 'Know Your Customer' (KYC) and identity checks on potential customers in order to make sure it is permitted to provide its services. Once you register for IOSS you will be required to go through onboarding and these FAQs cover off this step

Frequently Asked Questions	Answer
2.1 What is the process of signing up for the Deloitte IOSS service?	To sign up for the Deloitte IOSS service, you should provide your details through the Deloitte IOSS webpage http://www.deloitte.co.uk/ioss . From here, you will be onboarded as a customer, and registered for IOSS.
2.2 Which details should I provide?	For sign-up, details required include name, email, country of establishment, and whether you are an existing Deloitte customer. For registration of your IOSS number, details needed include contact information, business information (e.g. address, national tax reference, what products you sell, where you source, store and sell, and financial information such as your assets, revenue, profit/loss and company bank account details), and details of VAT registration history. If your business is a company, we will also ask for information on your key decision makers and shareholders.
2.3 Will I receive a receipt as a proof of registration for IOSS?	Yes, you will receive a receipt as a proof of registration for IOSS.
2.4 Who will need to provide identification?	If you operate as a sole trader or sole proprietor (i.e. your business is in your own name) only you will need to provide an identity document. If you operate as a company (i.e. a separate legal entity), we will need to validate the identities of various people such as shareholders and senior decision makers in order to onboard you to our services. You will be asked for their contact details when you submit your application and they will be contacted directly to complete the identity process.
2.5 What forms of ID are needed to onboard me as a customer of Deloitte?	To onboard you as a new customer, we will need to check one of the following identification documents: passport, national identity card or driving licence.
2.6 What are the rules for expiration and validity of documents?	Personal identification documents should be valid and should not expire in the next 3 months. Articles of Association, Excerpt Trade Register, and Proof of Taxable Activities should not be older than 1 year.

Frequently Asked Questions	Answer
2.7 What is the purpose of proving my identity?	Proof of identity is needed for compliance with the legal and regulatory requirements.
2.8 How can I use the platform?	You can use the platform to provide us with the data and documents we require to provide your services. We are further developing our platform to provide more functionality for tracking and managing your VAT compliance.
2.9 What is an AOA?	The Articles of Association is a document that specifies the regulations for a company's operations and defines the company's purpose. The document lays out how tasks are to be accomplished within the organisation, including the process for appointing directors and the handling of financial records.
2.10 What is an ETR?	ETR stands for Excerpt of the Trade Register. This is an excerpt of the commercial register from the country where the company is established. In an Excerpt Trade Register, you can find information concerning the business owner (e.g. name, date of birth and address), and the company itself (e.g. the management, addresses and registered activities).
2.11 What is a POA, and is it mandatory?	A power of attorney is a legal document that allows someone else to act on your behalf. A POA generally is “durable,” meaning it continues to be effective even if the person creating it becomes incapacitated. It is mandatory.
2.12 What is proof of taxable activities?	An invoice or proof of taxable activities is a commercial document issued by a seller to a buyer, relating to a sale transaction and indicating the products, quantities, and agreed prices for products or services the seller had provided the buyer.

3 Tax Questions

Questions regarding tax and the process for registration and filing

Frequently Asked Questions	Answer
3.1 How do I register for IOSS, and what do I do with my IOSS number?	Deloitte will register you in a single EU country enabling you to get an IOSS number. You need to include the IOSS number with all parcels you send to the EU allowing your customers to receive goods without paying for VAT on receipt.
3.2 How do I file for IOSS?	Deloitte will request your monthly transaction data at the end of every month. Included in this data must be the VAT you charged at the point of sale to EU consumers. Deloitte will calculate from the data you have provided the amount of VAT due in each EU country you sold to, and from this a single IOSS VAT return will be generated.
3.3 Does your service integrate with Shopify or my website's checkout?	Deloitte's IOSS Service does not integrate with Shopify or your website's checkout. You will need to fill out Deloitte's template with your monthly transaction data. Please contact Shopify for further details on exporting your transaction data from Shopify to a spreadsheet.
3.4 Does Deloitte validate the data I send you, or is that my responsibility?	The client is responsible for errors in filings which have been prepared on the basis of that information as if they had approved and signed the filings personally.
3.5 What is the deadline for the IOSS return?	You need to submit an IOSS return each month to the tax authority in the registration country. The return deadline is the end of the month after the reporting period.
3.6 What is the payment deadline?	The deadline for these payments is the end of the month following the reporting month, the same as the return deadline.
3.7 How is VAT paid under Deloitte's IOSS service?	As you are established outside the EU, you are registered through a VAT intermediary. You should make a monthly payment of VAT due as declared in the IOSS VAT return to the VAT intermediary at least a few working days prior to the payment deadline as instructed. The VAT intermediary will make the payment to the tax authority in the Member State of registration on your behalf.

Frequently Asked Questions	Answer
3.8 Do I need an intermediary?	As a non-EU seller, you will need an intermediary if you wish to use IOSS. Deloitte will set you up with a third party in order to ensure you have an intermediary for the IOSS.
3.9 Can I appoint my own intermediary to use IOSS?	Our service is set up so that you will need to use the intermediary that we identify.
3.10 I am from Northern Ireland (NI). Why is IOSS not relevant for me?	When an eCommerce seller in NI sells goods to consumers in the EU, NI is treated as being within the EU and as such the seller is not importing into the EU. The relevant scheme therefore for VAT accounting will be the 'One Stop Shop' (OSS) scheme. HM Revenue & Customs recently confirmed that they are now accepting registration applications from businesses in NI that need to register for OSS. More details can be found at this link .
3.11 From when are the rules changing?	The rules will take effect from 1 July 2021.
3.12 What does the EUR 150 limit refer to?	Only goods shipped in a single package with a total price of up to EUR 150 would qualify for the IOSS. IOSS also excludes goods subject to excise duties (of any value). The EUR 150 refers to the price of the goods themselves when sold to the EU. This excludes insurance and transport costs, unless these are already included in the price, and excludes any other taxes and charges.
3.13 What exchange rate should I use for customers paying in a non-euro currency?	You should use the current exchange rate at the time of supply. This will allow you to determine whether goods sold qualify for IOSS. Additionally, you should consider listing the price in EUR on any documentation you issue in relation to the sale.
3.15 What is value added tax (VAT)?	VAT in the EU is a general, broadly based consumption tax assessed on the value added to goods and services. It applies to most goods and services that are bought and sold for use or consumption in the EU. Imports of goods into the EU are taxed to keep the system fair for EU producers so that they can compete on equal terms in the EU market with suppliers situated outside the EU.
3.16 What rate of VAT will apply to my sales?	This will depend on the type of goods sold and the country in which the customer is based. In the EU the standard VAT rate currently ranges between 17% and 27%. However, a reduced rate may also be applicable for certain goods, which could range from 3% to 18% in the EU. You should seek specific advice from an accountant on the VAT rate applicable to your sales if you are unsure of the correct rate to apply.

Frequently Asked Questions	Answer
3.17 Will my IOSS returns be audited?	The EU Commission have not prescribed how IOSS returns will be audited but it is expected that tax authorities will undertake some audits. If an audit is carried out on the returns we have filed for you and you have further questions, you can contact us on ecommercevat@deloitte.co.uk .
3.18 My IOSS number is currently being generated by the tax authorities. In the meantime, how do I account for VAT on exports?	Until you have an IOSS number you will not be able to use the IOSS scheme. Where IOSS is not used, VAT due will be collected from the customer (deliver duty unpaid) or you (deliver duty paid) by the postal operator or parcel carrier before they will deliver the goods. The customer may also incur a handling fee. Alternatively, you could consider using Taxamo's Assure offering, on an interim basis - this can be found here: Taxamo Assure . This offers another way to ship parcels with the VAT already paid under IOSS so the customer can receive the goods without incurring unexpected costs.
3.19 Where can I learn more about IOSS?	The EU has published information regarding IOSS here . The UK Government has published information regarding the 1 July rule changes here .

4 Parcel Carriers

Questions regarding parcel carriers and the process for sending parcels with IOSS

Frequently Asked Questions	Answer
4.1 Do parcels sent using IOSS incur a handling charge?	No. Parcels sent using IOSS should not incur a handling charge.
4.2 I pay for my postage via a franking meter. Can I use IOSS?	No – international postage is only available through franking meters for items of personal correspondence. These do not require the provision of customs data. IOSS is for the sale of goods which is not personal correspondence and so cannot be paid for through a franking meter as the necessary customs data and IOSS number cannot be provided.
4.3 How do I use IOSS to send parcels with a specific parcel carrier?	<p>Please contact your parcel carrier for guidance on how to use IOSS to send parcels. The following are some links for specific parcel carriers:</p> <ul style="list-style-type: none">• Royal Mail Group• Whistl• ParcelHub• DPD• Landmark Global

5 Marketplaces

Questions regarding IOSS when selling through an online marketplace

Frequently Asked Questions	Answer
5.1 How can I use IOSS if I am selling via an online marketplace?	Deloitte's IOSS service has been designed for those businesses selling direct from their own e-commerce sites to customers in the EU. If you're selling via an online marketplace instead, there are different rules for you to consider. Please contact your online marketplace for further information.



This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms or their related entities (collectively, the “Deloitte organization”) is, by means of this communication, 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 representations, warranties or undertakings (express or implied) are given as to the accuracy or completeness of the information in this communication, and none of DTTL, its member firms, related entities, employees or agents shall be liable or responsible for any loss or damage whatsoever arising directly or indirectly in connection with any person relying on this communication. DTTL and each of its member firms, and their related entities, are legally separate and independent entities.

Deloitte is a leading global provider of audit and assurance, consulting, financial advisory, risk advisory, tax and related services. Our global network of member firms and related entities in more than 150 countries and territories (collectively, the “Deloitte organization”) serves four out of five Fortune Global 500® companies. Learn how Deloitte’s approximately 312,000 people make an impact that matters at www.deloitte.com.