



The VAT Package

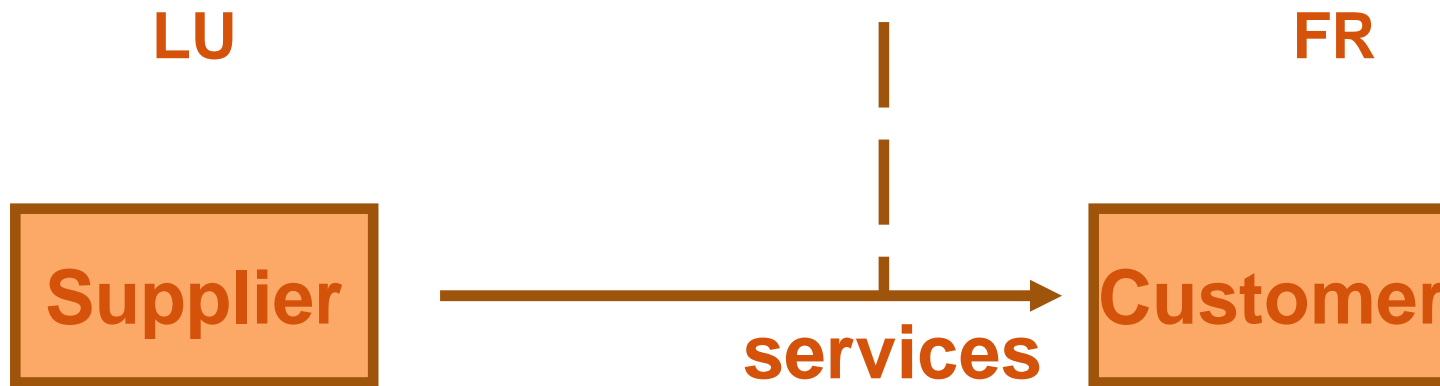
3 steps to a VATty New Year

The VAT Package in 3 steps

Step 1: Know your Customer



Customer is a end-consumer

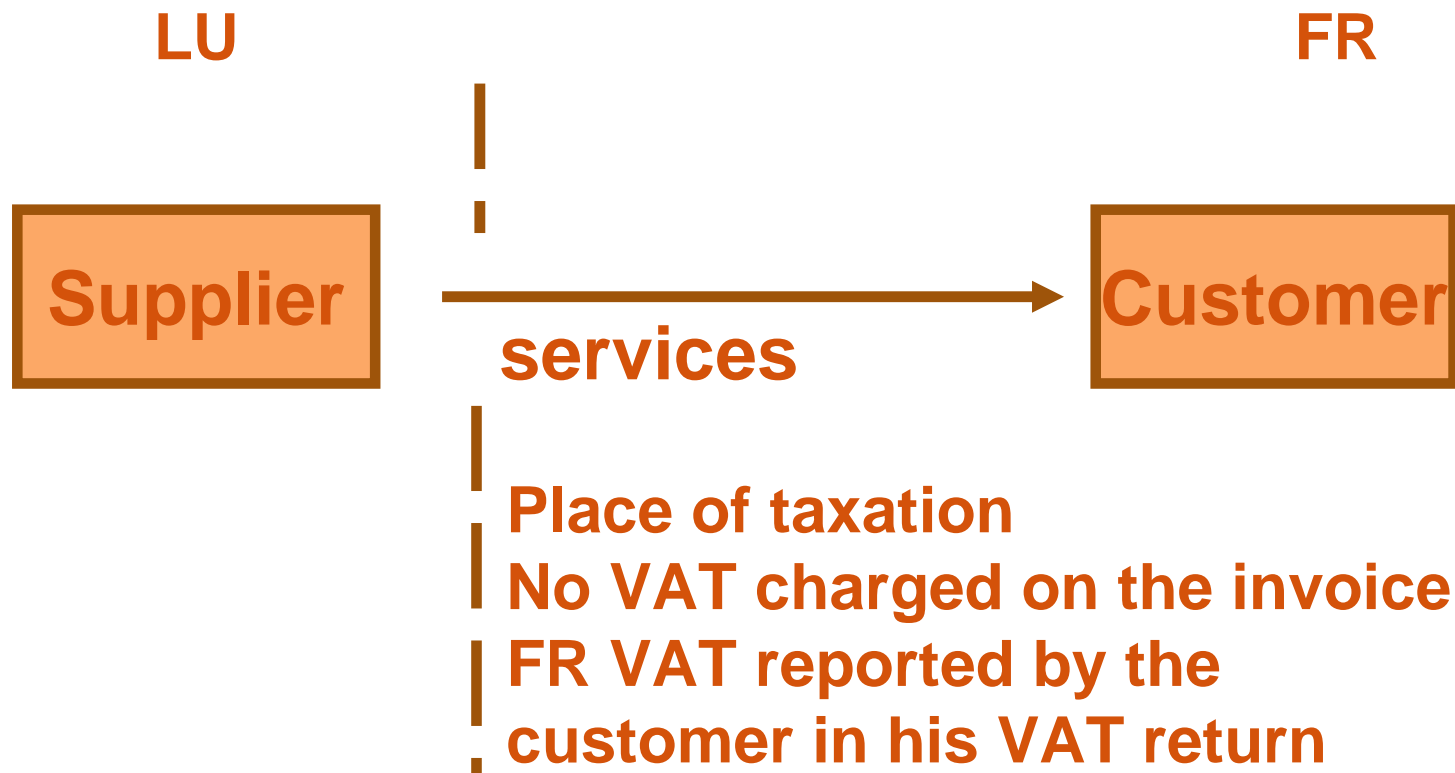


Place of taxation

LU VAT charged on the invoice

Number of exceptions!

Customer is a business



Number of exceptions!

The VAT Package in 3 steps

Step 1: Know your Customer

What should you do?

The VAT Package in 3 steps

Step 1: Know your customer

Issues :

1.VAT incorrectly applied must be paid to the State BUT is not recoverable for the customer

2.VAT is due if no or incorrect VAT number mentioned

3.Issuing and requesting credit notes is time-consuming

The VAT Package in 3 steps

Step 1 Know your customer

Actions :

1.Obtain VAT numbers

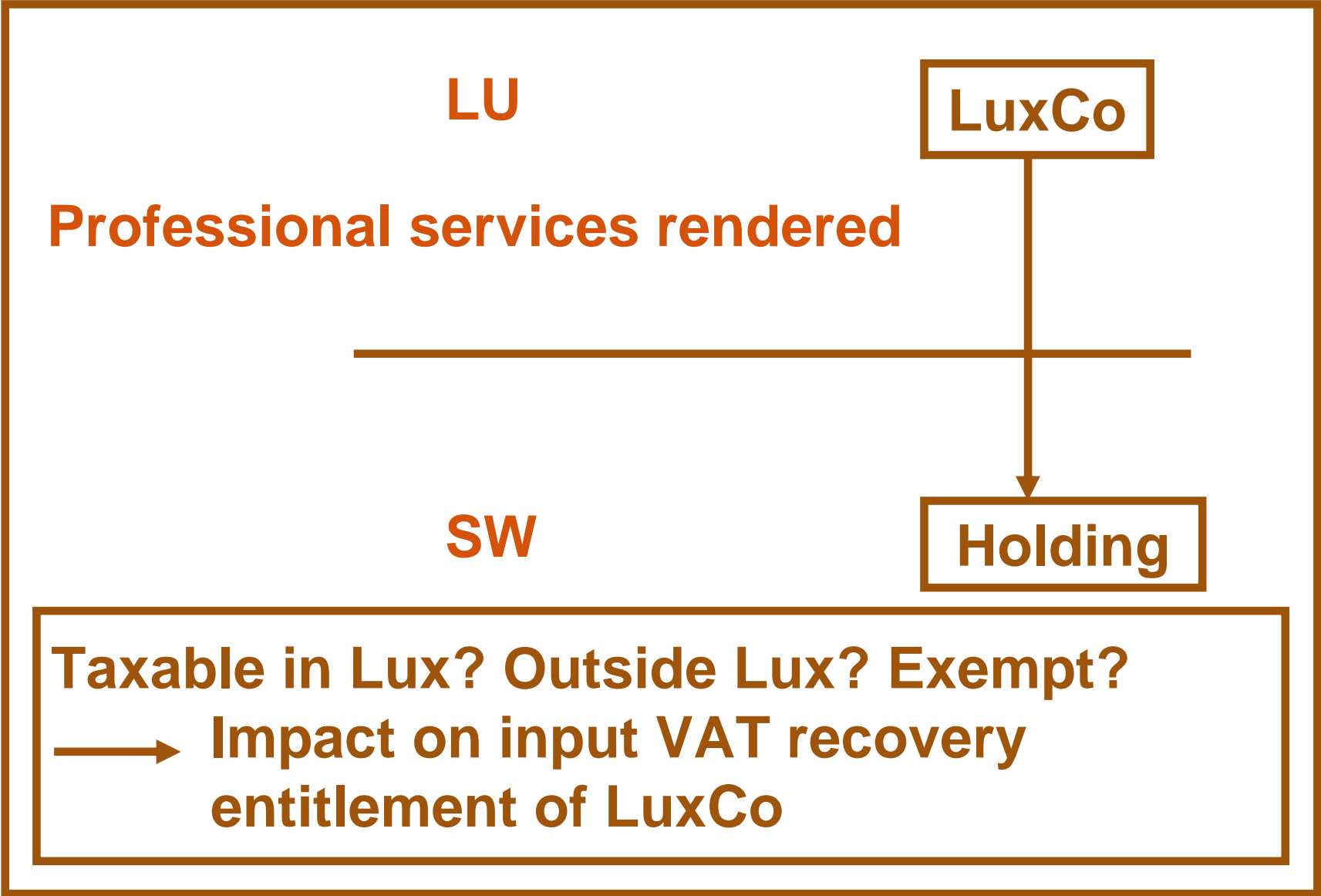
2.Verify the VAT numbers

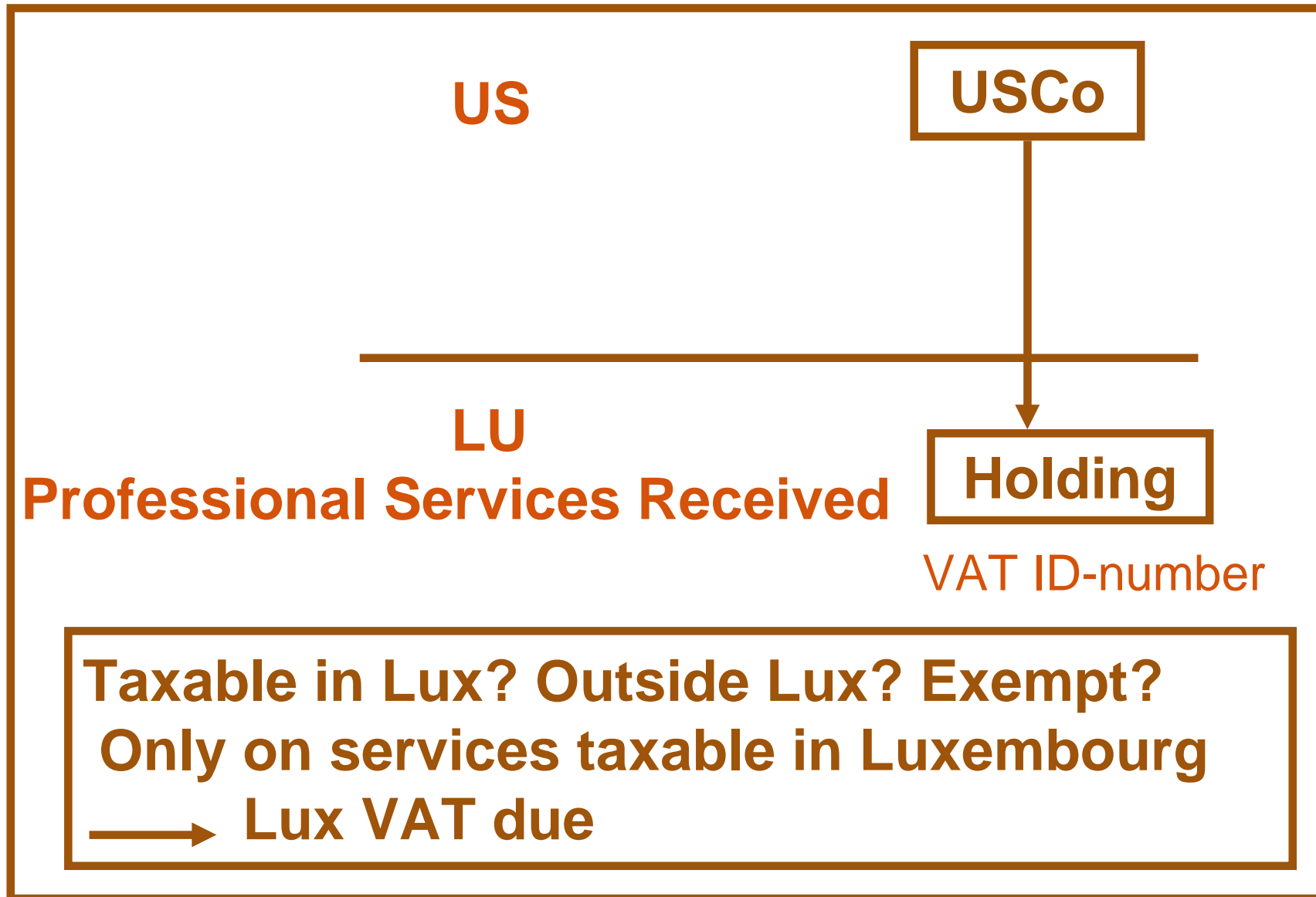
3.Inform billing and procurement

The VAT Package in 3 steps

**Step 2: Know the VAT qualification
of your Services**







The VAT Package in 3 steps

Step 2: Know your Services

What should you do?

The VAT Package in 3 steps

Step 2 Know your service

Issues :

1. Risk of double taxation

2. VAT is due if no or incorrect exemption is applied

3. Impact on entitlement to recover input VAT incurred on expenses

The VAT Package in 3 steps

Step 2 Know your services

Actions :

1. Verify the VAT qualification of the service

2. Verify the VAT treatment

3. Update your VAT coding and decision tables

The VAT Package in 3 steps

Step 3 : Know the new Reporting requirements



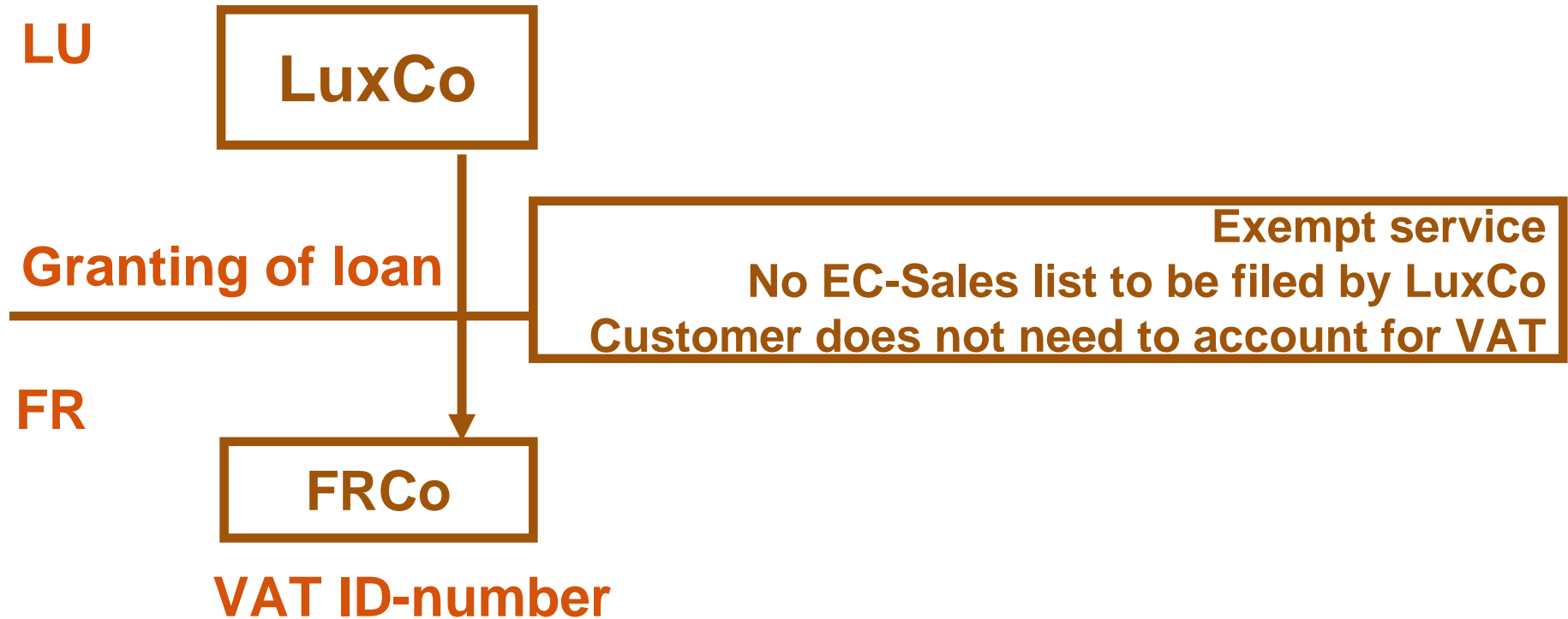
New Reporting obligations

- **Intra-Community Services Listing (ISL) for services rendered to VAT registered clients in other EU countries, subject to reverse charge**
- **Monthly / quarterly reporting of VAT identification number of clients and value of services rendered**
- **No reporting of services exempt in the country of the beneficiary**

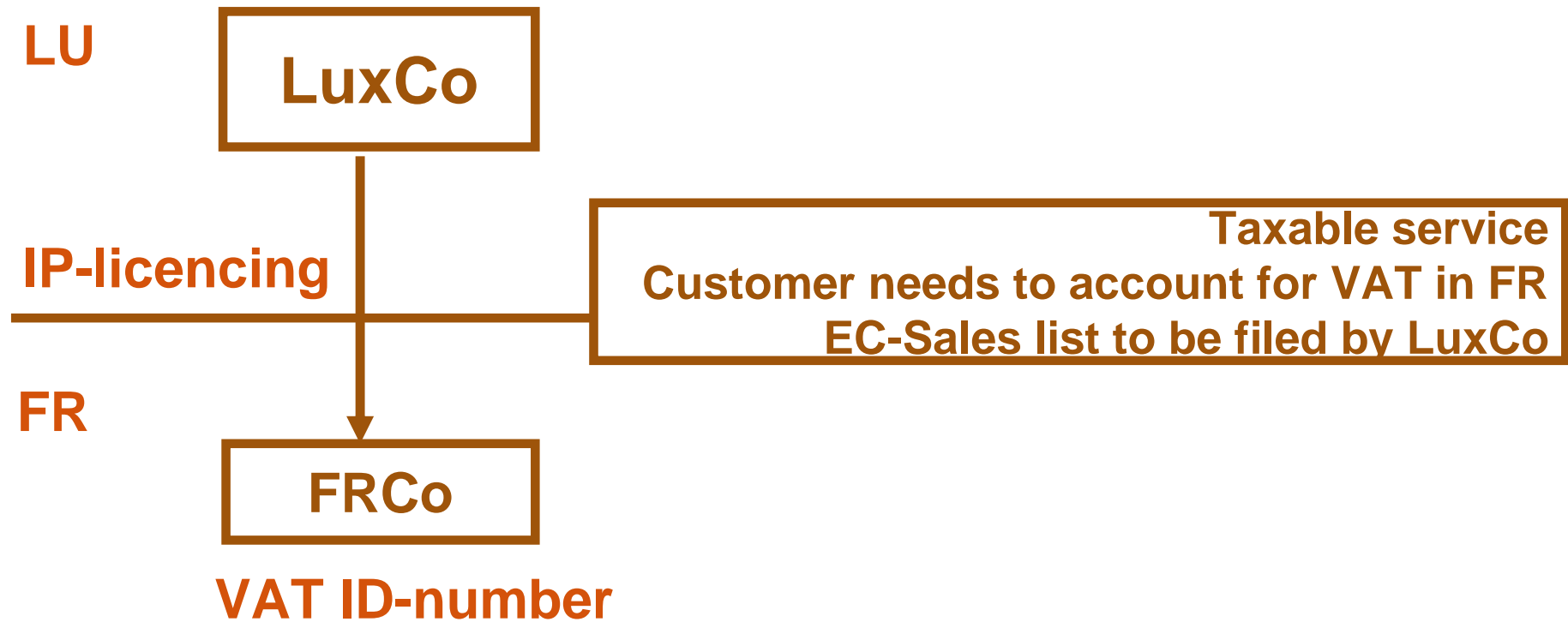
New Reporting obligations

- **European Sales Listing (ESL) for goods supplied to VAT registered clients in other EU countries, to be filed electronically if exceeding 100.000 € per quarter**
- **Electronic filing of the ESL triggers the obligation to file electronically VAT returns**

Intra-Community Services listing



Intra-Community Services listing



The VAT Package in 3 steps

Step 3: Know the new Reporting requirements

What should you do?

The VAT Package in 3 steps

Step 3 Know the new Reporting requirements

Issues :

- 1. Mismatches turnover in your VAT return with your listing**
- 2. Mismatches VAT turnover in your customer's VAT return with your listing**
- 3. Mismatches VAT on purchases in your VAT return with your supplier's listing**

The VAT Package in 3 steps

Step 3 Know the new Reporting requirements

Actions :

- 1. Agree the VAT qualification of the service rendered with your customer**
- 2. Agree the VAT qualification of the service received with your supplier**
- 3. Learn about the new VAT return and listing**

How can we help?

- **VIP**
(VAT package Implementation Program)
- **Training: PwC ACADEMY**
- **www.pwc.lu**

Questions

Anne Murrath

e-mail:

anne.murrath@lu.pwc.com

phone: +352 49 48 48 5714

