



EU VAT on e-commerce: new rules from July 1, 2021

Is your business established outside the EU? And do you sell through your own website or a platform to private individuals in EU countries? So, take into account the new EU VAT rules for e-commerce from July 1, 2021. The following are the most important changes that might apply to you.



No longer VAT exemption for imports worth up to and including € 22

All goods sold directly from outside the EU to private individuals in the EU are now subject to VAT. The VAT rate of your customer's EU country applies. This new rule creates a more equal competitive position between businesses within and outside the EU.



Platforms' role in VAT on goods

Do you sell goods through a platform directly to private individuals in the EU? In that case, the platform will handle the VAT consequences of those sales, if any, if the goods are:

- not yet imported into the EU, with a maximum value of € 150
- already located in the EU. In that case, the upper limit of € 150 does not apply.



One Stop Shop for VAT return on goods and services

The EU VAT Directive on e-commerce offers schemes that can reduce your administrative burden. Participation is voluntary.

The schemes allow you to submit the VAT return on your sales to private individuals for all EU countries in a single periodic VAT notification. You may use the schemes after registering with the One Stop Shop of an EU tax authority. This tax authority sends your VAT return and payment to the tax authorities of the EU countries in which you sell. They will then process your VAT return.



The Netherlands as a One Stop Shop country

If you wish to register with the Dutch Tax and Customs Administration's One Stop Shop, you may do so under the main conditions that:

- your head office is not established in the EU; and
- you do not have a permanent establishment in the EU.





You may register within the One Stop Shop for the:

Import scheme

Do you supply goods, with a maximum value of € 150, directly from outside the EU to private individuals within the EU? By using the Import scheme, you can arrange the payable VAT on this turnover for the entire EU in a single VAT notification per month. You can then import the goods without paying import VAT.

However, it is obligatory to register for the Import scheme and fulfill your monthly VAT notification in the (import) One Stop Shop (iOSS) through an intermediary. If you appoint an intermediary that is established in the Netherlands, your company will be registered for the Import scheme with the Dutch Tax and Customs Administration's (import) One Stop Shop.

Union scheme

If you sell goods that already have been imported into the EU? By using the Union scheme, you can arrange the payable VAT on sales throughout the EU in one single VAT notification per quarter.

You may directly register for the Union scheme with the Dutch Tax and Customs Administration's One Stop Shop, only if goods are transported, amongst others, from the Netherlands.

Non-Union scheme

Do you supply services to private individuals and are these services subject to VAT in a EU member state? With the non-Union scheme you can arrange the VAT return on sales throughout the entire EU in one single VAT notification per quarter.

You may directly register for the non-Union scheme with the Dutch Tax and Customs Administration's One Stop Shop.

What do you need to do?

- Determine the effects of the new EU VAT rules on your business as of July 1, 2021.
- Determine whether you can and wish to use the (import) One Stop Shop.
- Decide in which EU country you wish or need to register.
- Register with the relevant tax authority directly. Or, in the case of the Import scheme: appoint an intermediary in the EU country of your choice to register your company.
- If you decide to register with the Dutch Tax and Customs Administration's One Stop Shop, you will find the [registration form for foreign companies](#) here. Start your registration in time. The registration and admittance process will take some weeks.
- Adjust your business operation to comply with the new EU VAT rules as of July 1, 2021.

Read more about the new rules and registering for the schemes on belastingdienst.nl/vat-e-commerce. Or ask your accountant for more information.

