



New Norwegian VAT registration requirement

With effect 1 April 2020, foreign suppliers of B2C low value goods must register for VAT and charge and collect local Norwegian VAT on their sales to Norwegian consumers .

Low value imported goods

With effect 1 April 2020, foreign suppliers of low value goods must register for VAT in Norway and charge and collect local VAT on their B2C sales into Norway.

The new rules apply to all non-resident businesses and marketplaces that sell low value goods – goods with value below NOK 3,000 (approx. £235 per item) – to consumers in Norway.

Registration

Affected businesses can choose to register either in the Norwegian VAT Register (a standard VAT registration), or through the special simplified scheme for low value goods. The simplified scheme (VOEC) has fewer administrative burdens than the VAT Register does.

Please note that the simplified scheme cannot be used for:

- goods with a value at or above NOK 3,000;
- foodstuffs
- restricted goods; and
- goods subject to excise duties,

These goods will be subject to Import VAT, excise duties and customs duties at the border. For the above items, if the foreign supplier wants to deliver duty paid, it will need to register for VAT in the Norwegian VAT register and will be able to reverse charge the Import VAT through its VAT return before charging local VAT on sales.

Charging local VAT

The standard rate of VAT in Norway is 25%. Please note that the NOK 3,000 low value goods threshold to use the simplified VOEC scheme applies per individual item and not per invoice or transaction. The threshold applies to the value of the item at "point of sale" and any additional costs and fees, for example shipping and insurance costs are excluded from the threshold but still need to be included in the taxable base subject to VAT.

Marking parcel with OEC identification number

In order to ensure that the goods are identified as low value imported goods with pre-paid VAT and cleared through customs, the foreign supplier must ensure that the consignments to Norwegian consumers are marked with a VOEC identification number and relevant information about the parcel and its contents.

The relevant information consists of:

- the supplier's registration number (VOEC-number)
- the contents of the parcel - including value, description and quantity of goods.

There is specific guidance available relating to how the information should be presented when shipped by postal service or by other carriers (couriers, freight forwarders etc.)

How we can help

Grant Thornton's international indirect tax team can assist with registration and compliance in relation to this new requirement. Please contact us if you'd like to discuss.

Contact us



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