

Circular 2020 / C / 65 on the temporarily reduced VAT rate for mouth masks and hydroalcoholic gels in the context of the fight against Coronavirus COVID-19

This circular deals with the temporary introduction of the VAT rate of 6% on the supply, intra-Community acquisition and import of mouth masks and hydroalcoholic gels in the context of the fight against the Corona virus COVID-19. This tariff reduction was introduced by Royal Decree of 05.05.2020 amending Royal Decree No. 20 of 20.07.1970 (Belgian Official Gazette of 07.05.2020).

temporarily reduced VAT rate; mouth masks and hydroalcoholic gels; combating the Coronavirus COVID-19

FPS Finance, 08.05.2020

General Administration of Taxation - Value Added Tax

1. Legal provision

In order to promote the general supply of goods necessary for compliance with the measures in the fight against the COVID-19 pandemic, the article 1ter was established by Royal Decree of 05.05.2020 (Belgian Official Journal of 07.05.2020). of Royal Decree 20 of 20.07.1970 on VAT rates restored and the supplies, intra-Community acquisitions and imports of the following protective equipment, necessary to prevent the spread of COVID-19, are temporarily subject to the reduced rate of 6% : 1 ° the mouth masks referred to under CN codes 4818 90 10 00, 4818 90 90 00, 6307 90 98 10, 6307

90 98 91, 6307 90 98 99 and 9020 00 00 80

The hydroalcoholic gels.

2. Intended goods

The protective equipment referred to in the Royal Decree mouth masks to be:

- masks made of paper, paper pulp, cellulose wadding or cellulose fibers, for household, hygienic or clinical use (CN codes 4818 90 10 00 and 4818 90 90 00)
- made-up masks, whether or not of bound textile fleece (CN codes 6307 90 98 10, 6307 90 98 91 and 6307 90 98 99).

Both reusable masks and disposable masks are envisaged. These are in particular surgical (medical) mouth and nose masks, masks of the type FFP (Filtering Facepiece Particles) and more generally masks which, although not necessarily complying with European regulations and standards, are made from the aforementioned materials and covering the mouth and nose.

Are also envisaged mouth masks classified under CN code 9020 00 00 80, being ' *Other respirators and respirators, other than protective masks without mechanical parts or replaceable filters*. These are normally technical masks used in industry.

By analogy with what applies to customs legislation, the application of the reduced VAT rate does not require the masks to comply with national or international quality standards or rules. Protective visors are not intended by this measure. Nor are scarves and bandanas to cover the mouth and nose. **The protective equipment referred to in the Royal Decree hydroalcoholic gels hand alcohol gels are for human hygiene.**

In this context, the administration also allows hand alcohol without the gel component (e.g. liquid offered in the form of an atomizer). The percentage of ethanol is not important.

However, other disinfectants are not intended.

3. Applicable rate or exemption

The deliveries, intra-Community acquisitions and imports of those referred to in point 2 protective equipment is subject to the reduced VAT rate of 6%.

This temporary measure applies regardless of the capacity of the seller (e.g. wholesaler, pharmacies, retail, online trade) and regardless of the quality of the buyer (primary care staff, care institutions, private persons and any other natural or legal person). The Administration accepts that the supply, intra-Community acquisition and import of filters, intended to be placed in the mouth masks referred to in Article 1ter, also benefit from the reduced VAT rate.

It should be noted that, in principle, only supplies, intra-Community acquisitions and imports of the aforementioned goods are eligible for the reduced rate of 6% in the context of the fight against COVID-19. To the extent that these goods would not all be used in the context of this **health crisis, we must *a posteriori* however no some regularization of the tariff advantage will be applied for those goods that would not actually** be deployed in the context of the fight against this pandemic.

In addition, it is noted that in case of import of mouth masks and hydroalcoholic gels, under the temporary measure as stated in circular no. 2020 / C / 54 of 17.04.2020 **the full exemption from VAT prevails**. From 01.08.2020, ie after expiry of the aforementioned temporary measure, and until 31.12.2020, imports of the oral masks and hydroalcoholic gels based on the aforementioned Article 1ter can benefit from the reduced VAT rate of 6%.

4. Entry into force

The reduced VAT rate of 6% applies to the supplies, intra-Community acquisitions or imports of the aforementioned goods for which the tax becomes due from 04.05.2020 up to and including 31.12.2020.

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