



You can claim back your VAT and pay it later

The company can claim back the VAT it paid in early 2020. In practice, the company makes a request for a payment arrangement and subsequently pays the refunded VAT back to the Tax Administration through the payment arrangement. The easiest way to request a payment arrangement is in OmaVero 26.5. onwards.

Taxes must be repaid later in the payment arrangement

By requesting a payment arrangement, you can reclaim the VAT paid by your business due in January, February, and March 2020. Please note that you will not be able to recover any late payment interest you paid at the beginning of the year. You will only receive a refund of the original VAT without interest on arrears.

If your VAT tax period is one year, you can request a refund of a quarter, or 25 percent, of your 2019 VAT.

However, a refund does not mean that your business should be able to keep refundable payments on a permanent basis. In the payment arrangement, your company undertakes to pay the VAT back to the Tax Administration later.

In addition, when you pay VAT back to the Tax Administration in accordance with the payment arrangement, you will have to pay 3% default interest. Interest on arrears shall accrue from the original due date of the VAT. Interest is included in the payment arrangement items.

Example 1 : A company has paid VAT in the first half of the year on the due dates 13.1., 12.2. and 12.3. a total of EUR 50 000. The company will apply for a VAT refund in May with a payment arrangement request. In June, the Tax Administration approves the payment arrangement request and returns 50,000 euros to the company. The first installment under the payment arrangement will then be in September. The installments include default interest of 3% from the original VAT due date.

To all 25.3. The payment arrangements requested from [Read more about the simplified payment arrangement](https://tietoa-verohallinnosta/uutishuone/korona/verohallinto-tukee-yrityksi%C3%A4-koronatilanteessa/voit-hakea-yrityksellesi-maksuj%C3%A4rjestely%C3%A4-helpotetu-in-ehdoin/) (/tietoa-verohallinnosta/uutishuone/korona/verohallinto-tukee-yrityksi%C3%A4-koronatilanteessa/voit-hakea-yrityksellesi-maksuj%C3%A4rjestely%C3%A4-helpotetu-in-ehdoin/). .

How do I apply for a VAT refund?

Refunds of VAT due and paid at the beginning of the year are applied for by making a request for a payment arrangement. The easiest way to make a request for a payment arrangement and a VAT refund is in OmaVero 26.5. onwards. VAT claims cannot be reclaimed in previous payment order requests.

In the payment request, select the option to request a VAT refund for the beginning of the year.

If you are unable to make a VAT refund request in OmaVero, you can make a request on 26.5. from the Tax Administration service number 029 497 028 (Payment arrangements and collection).

Have you previously applied for a facilitated payment arrangement?

If your business has previously applied for a facilitated payment arrangement and you now want to complete it with a VAT refund request, you must submit a new request for a payment arrangement no later than June 15, 2020. It replaces a previous payment request.

Indicate in the new refund request that you want the early year's VAT refunded to the company.

The new request will not delay the payment order, as payment order requests and VAT refund requests will only be processed once the amendment to the law enters into force, according to current information, in June.

The payment arrangement also affects the use of your tax refunds

If your payment request is approved, it will affect any tax refunds you receive from the date your request is approved until the end of the year. The tax authorities do not use tax refunds to pay the taxes included in the payment arrangement, but instead pay them to your business. However, tax refunds are still used to pay tax liabilities that are not included in the payment arrangement. In addition, tax refunds are still used to pay off any other debts in the foreclosure.

Tax refunds will not be used to pay the taxes included in the payment arrangement for which a payment arrangement request has been made as of March 25, 2020.

You can also request a cancellation of previous tax refunds

If any tax refunds you may have received in April, May, and June have been used to pay your taxes, you can request that these tax refunds be canceled. That's when you get tax refunds for your business. There is a separate section in the OmaVero payment arrangement request where you can request the cancellation of the use of tax refunds. You will receive back the refunds used between March 25th and June 15th, 2020. The June date is the date on which the change in the law on VAT refunds takes effect. The exact date may still change.

However, tax refunds are still used for tax liabilities that are not included in the payment arrangement. In addition, tax refunds are still used to pay off any other debts in the foreclosure.

Note.! If you choose to cancel the use of the tax refund, the taxes for which the refund was originally used will become unpaid again and accrue interest from the original due date. These unpaid taxes are automatically included in the payment arrangement and repaid as part of the payment arrangement.

Example 2 : A company matured on 23.4. an advance tax of EUR 1000, for which tax refunds of EUR 1000 were used.

In May, the company will make a request for a payment arrangement, in which the company will indicate that it wishes to cancel the use of the refund. In June, the Tax Administration approves the request, so the use of the tax refund 23.4. the withholding tax due shall be canceled. The company will receive a refund of EUR 1,000, but on 23.4. the arrears of tax due now become unpaid. The withholding tax is automatically included in the payment order and is reimbursed as part of the payment order. It has accrued default interest on 23 April. after.

You will be notified when your payment request is processed

Once your payment request has been processed, you'll be notified whether the request was approved. If you requested a VAT refund, your tax will be refunded to you approximately one week after the date of approval. If you requested the cancellation of tax refunds, the refunds will be paid according to the same schedule.

Please note that a payment arrangement request and the refund requests included in it can only be accepted if

- the company has no taxes on foreclosure
- the company has filed all tax returns as well as payroll returns to the income register and separate employer returns.

A previously expired payment arrangement may prevent you from receiving a new arrangement.

How long does it take to approve a payment request?



How do I know if my payment request has been approved or declined?



This page was last updated on May 20, 2020