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TAXATION / Value added tax / Administrative guidelines and comments / VAT Comment

VAT Comment - Specific Topics. The on-demand inventory scheme

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B OEKWERK VI: Specific topics

Chapter 16. Specific topics

Section 12 - The call-off stock scheme

Updated according to the state of the legislation applicable on 01.06.2020

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1. Legislative framework

A. Overview of provisions of the VAT Code

[Article 12b](#)
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B. Overview of provisions of royal decrees

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2. Terminology

A. Consignment stock

Consignment stock is the situation where a supplier transfers goods to another Member State where he is not established for the purpose of selling them there at a later stage and after their arrival in the Member State of destination.

B. Stock on demand

Call-off stock is a specific category within the general concept of consignment stock, which refers to the situation where the supplier already knows the identity of the customer to whom the goods are sent at a later stage and after arrival at the time of transporting the goods to another Member State. will be delivered in the Member State of destination.

In [notice 16/1994 of 04.07.1994](#) , the term consignment consignment was defined more narrowly than the term consignment stock now. The consignment consignments and transfers of inventories from Chapter 1, Section 1, Sections A and C of that notice are now part of the on-demand inventory category.

C. Consigning

In this comment, the consignant is the taxpayer who dispatches or transports goods to another Member State or has them shipped or transported for his account in the context of a dispatch of an on-demand stock.

D. Consignataris

In this comment, the consigner is the taxable person to whom goods which are dispatched or transported on demand from another Member State in connection with the dispatch of stock on demand will be delivered at a later stage and after their arrival in the Member State of destination.

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3. VAT treatment without simplification scheme

A. Shipment of a stock on demand from Belgium to another Member State

a. Situation

Goods are transported or dispatched from Belgium to another Member State by or on behalf of a taxable person (the consignee) acting as such and are intended for a customer (consignee) whose VAT number and identity are already known at the start of the shipment. The delivery of the goods to that customer takes place at a later date in the Member State of destination, for example when the customer takes them out of stock for his own production or when he has found a buyer for it.

The power to dispose of the goods as owner only transfers from the consignee to the consignee at a later date in the Member State of arrival of the goods, when the goods are already in the Member State of destination. In other words, the delivery of the goods by the consignant to the consignee occurs at a later time (for example, at the time when the consigner in turn finds a buyer for the goods or at the time when the consigner takes the goods out of stock demand as he needs them in his production process).

b. Consequences according to normal rules

In principle, the initial shipment of the goods by the consignant from Belgium to the other Member State is equated with a delivery of goods for consideration (see Article 12a , first paragraph, of the VAT Code) in Belgium, with all associated obligations. .

The arrival of the goods in the Member State of destination is in principle equated with an intra-Community acquisition of goods (see Article 21 of Directive 2006/112 / EC, above). If the consignant does not have a VAT identification number in that Member State, he is obliged under the normal rules to identify himself for VAT purposes.

The subsequent 'domestic' delivery of the goods by the consignant to the consignee takes place in that Member State. That supply is subject to the VAT regulations of that Member State.

B. Shipment of an on-demand stock from another Member State to Belgium

a. Situation

Goods are transported or dispatched from another Member State to Belgium by or on behalf of a taxable person (the consignant) acting as such and are intended for a customer (consignee) whose VAT number and identity are already known at the start of the shipment.

The delivery of the goods to that customer takes place at a later time in Belgium, for example when the customer takes them out of stock for his own production or when he has found a buyer for it.

The power to dispose of the goods as owner only transfers from the consignant to the consignee at a later date, when the goods are already in Belgium. In other words, the delivery of the goods by the consignant to the consignee occurs at a later time (for example, at the time when the consigner in turn finds a buyer for the goods or at the time when the consigner takes the goods out of stock. on demand as he needs them in his production process).

b. Consequences according to normal rules

The consignment's initial dispatch of the goods from another Member State to Belgium is in principle equated to a supply of goods for consideration (see Article 17 (1) of Directive 2006/112 / EC, aforementioned) in the Member State of commencement of carriage and is subject to the VAT rules of that Member State.

In principle, the arrival of the goods in Belgium is equated with an intra-Community acquisition of goods (see Article 25c , § 1, of the VAT Code), with all associated obligations, such as the obligation on the part of the consignant to to identify himself for VAT purposes in Belgium if he does not have a Belgian VAT identification number.

The later 'domestic' delivery of the goods by the consignant to the consignee takes place in Belgium (Article 14 of the VAT Code) with all associated obligations.

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4. Special arrangement regarding on-demand stock

Where the normal rules of the transitional VAT regime apply, the consignant is required to identify himself for VAT purposes in the Member State of arrival of the goods.

Many Member States have applied their own simplification scheme in the past to avoid this. The lack of harmonization of those different schemes created many practical difficulties for companies.

Therefore, a single harmonized simplification scheme for call-off stocks applicable in all Member States under the same conditions has now been introduced through an adjustment to the VAT Directive.

The special arrangement for on-demand stock is not a compulsory arrangement. The consignant can choose to:

- apply the special scheme on demand on demand, by meeting the conditions of application (see below) for that scheme
- apply the ordinary rules as defined under Title 3 above.

A. The stock on call is sent or transported from Belgium to another Member State

a. Basic conditions for the application of the on-demand inventory scheme

The on-demand inventory scheme only applies if the following basic conditions have been met (see Article 12b, § 2 of the VAT Code; compare Article 17a (2) of Directive 2006/112 / EC).

i. Hoedanigheid van de consignant

The consignant is a taxable person who has not established his business or has no permanent establishment in the Member State to which the goods are dispatched or transported.

The fact that the consignant is established in the Member State of arrival is sufficient in itself to fall outside the on-call stock regime. The fact that that establishment (seat of economic activity or permanent establishment) (1) intervenes or does not intervene in the supply-on-demand transaction is irrelevant.

(1) *It is the competence of the Member State of arrival of the goods to determine whether or not there is a permanent establishment.*

The fact that the consignant has been identified for VAT purposes in the Member State of arrival (direct identification or identification with the recognition of a liable representative) does not in itself constitute an objection to the application of the stock-on-demand scheme as long as he is not established there (and therefore has no permanent establishment).

The following categories of taxable persons are eligible:

- taxpayers who are required to file monthly or quarterly VAT returns
- taxable persons covered by the special scheme for agricultural entrepreneurs (Article 57 of the VAT Code).

Do not qualify, taxpayers under the special scheme for small enterprises in Article 56 *bis* of the VAT Code.

The fact that the consignant is not established within the community does not in itself constitute an objection to the application of the stock-on-demand scheme. It is noted, however, that when the goods are imported into Belgium followed by a transport under the on-demand inventory procedure, the import exemption of Article 40, § 1, 1 °, d) of the VAT Code (Regulation 42) does not applies to. The consignant may choose not to apply the on-demand inventory scheme in order not to lose the exemption of Article 40, § 1, 1 °, d) of the VAT Code when the goods are imported.

ii. Capacity of the Consignee

The consignee is a taxable person identified for VAT purposes in the Member State to which the goods are dispatched or transported.

There is no explicit requirement for the consignee to be established in the Member State of arrival.

It must be a taxable person who is obliged in the Member State of destination of the goods to subject his intra-Community acquisitions of goods to VAT.

The scheme does not apply if the consignee is a non-taxable legal person, even if he has a VAT identification number because he has to subject his intra-Community acquisitions of goods in that Member State to VAT.

It is also possible that the consignor in the Member State of arrival acts as a stockbroker, acting in accordance with stockbrokerage fiction as the purchaser of the goods he takes from stock and subsequently deemed to supply those goods to his customers.

iii. Dispatch or transport of the goods to another Member State by or on behalf of the consignant

The goods are sent or transported from Belgium to another Member State.

There is no explicit requirement that the goods be sent or transported to the consigner's facility. For example, the goods can be sent or transported to a warehouse keeper who is not the consignee.

The consignant may keep the goods in his own warehouse (or with a third bonded warehouse operator acting on behalf of the consignant) in the Member State of arrival, provided that all other conditions are met. In particular, it is noted that:

- that storage place may not form a permanent establishment in the Member State of arrival
- point iv must be fulfilled.

The dispatch or transport of the goods must be carried out by the consignant or by a third party for his account.

iv. Destination of the goods at the time of dispatch or transport

At the time when the shipment or transport of the goods starts:

- they are intended to be the subject of supplies at a later stage and after arrival to the consignee who will be entitled to dispose of these goods as owner under an existing agreement (2)
- the following information is known to the consignant:
 - the identity of the consignee
 - the consigner's VAT identification number assigned to him by the Member State of arrival.

(2) *Neither the VAT Directive nor the VAT Code determine the type of agreement that must exist between the consignant and the consignee. It can be reasonably assumed that the condition relating to the existing agreement is fulfilled, if there is an agreement between the two parties according to which the consignee can take specific goods out of stock for a certain price (thereby acquiring ownership of those goods).*

Taking into account the effect of the on-demand inventory scheme, deliveries of goods under the profit margin scheme (Article 58, § 4 of the VAT Code) are excluded from this scheme.

The consigner (the subsequent purchaser) must therefore already be known at the start of the dispatch or transport of the goods. The goods must therefore be identified and intended for a specific consignee.

In itself it cannot be excluded that the consignant dispatches or transports goods for several consignees.

v. Entry of consignment or transport in the register of consignees and in the VAT declaration of intra-Community transactions

The consignant records the transport of the goods in:

- the register of consignees (see section C, subsection a)
- Part 2 of the VAT declaration of intra-Community transactions relating to the period in which dispatch commences, by providing the consignee's VAT identification number assigned to him by the Member State of arrival (see section C, subsection c (i)).

The consigner must also keep a register (see section C, subsection b), but the completion or improvement of this register is not a basic condition for the application of the stock call-off scheme.

b. Functioning of the on-demand stock arrangements

If the conditions of subsection a above are met, the following regulation applies:

- the transfer by the consignant of the goods (which are part of his business assets) from Belgium to the other Member State is not equated with a supply for consideration (see Article 12b , § 1, of the VAT Code).

In parallel, the destination of the goods in the Member State of arrival will not be assimilated to intra-Community acquisition for consideration (see Article 23 of Directive 2006/112 / EC, above).

- at the time when the power to dispose of the property as owner transfers from the consignee to the consignee (time of delivery) in the Member State of arrival, the consignant is deemed to be an exempt intra-Community supply of goods within the meaning of Article in Belgium. 39 bis , first paragraph, 1 ° , of the VAT Code to be performed (see article 12 in order to , § 3 of the VAT Code).

Despite the fact that the goods were not shipped or transported outside Belgium in this Member State to another Member State (the goods were previously transported or shipped by or on behalf of the consignant separate from this delivery), the basic condition regarding the transport is therefore deemed to have been completed. The consignant must of course be able to prove this previous transport.

Moreover, the on-demand stocking scheme can only apply if the consignee is a taxable person acting as such who has communicated to the consignee his identity and his valid VAT identification number of the Member State of destination before the start of the transport or dispatch. The consignant must of course be able to demonstrate this.

The statutory presumption of Article 12 *in* § 3 of the VAT Code does not extend to the ground condition of the exemption in Article 39 *bis* , paragraph two, of the VAT Code. The exemption can therefore be withdrawn if the intra-Community supply by the consignant is not included in the VAT statement of the intra-Community transactions in accordance with the provisions of Article 53e of the VAT Code and Royal Decree 50, aforementioned.

Of course, all obligations arising from the application of the exemption in Article 39 *bis* are respected, paragraph 1, of the VAT Code. In addition, the invoice must contain the statements imposed by Article 5 of Royal Decree No 1, aforementioned.

At the same time, the consigner will be deemed to carry out an intra-Community acquisition of goods subject to VAT in the Member State to which the goods were dispatched or transported (Article 17a (3) (b) of Directive 2006/112 / EC).

Example:

A taxable person-monthly submitter A established in Belgium, sends goods (date of commencement of transport 31.03.2020) from his establishment in Belgium to an establishment of a taxable person-resident B. based in Belgium located in Member State 1, A is not established in Member State 1 (and there is therefore no permanent establishment).

B has previously communicated his identity and valid VAT identification number of Member State 1 to A.

Shipment is made under an existing agreement under the on-demand inventory arrangement between A and B whereby B will acquire ownership of the goods as it is withdrawn from stock for use in its production.

A records the dispatch of the goods in its register of consignees and includes B's VAT identification number in Part 2 of the VAT declaration of the intra-Community transactions of March 2020.

The goods arrive on 01.04.2020. B records the arrival of the goods on his register of consignees.

On 20.05.2020 B withdraws a good from stock to use in its production. At that point, power is transferred to dispose of that property as an owner.

At that point A is considered an intra-Community supply of goods to be carried in Belgium which is exempt under Article 39 *bis* , paragraph 1 ° of the VAT Code.

The invoice related to that delivery will be issued on 25.05.2020.

This is the time of claimability.

A records the act in:

- box 46 of the May 2020 VAT return
- under code 'L' in the VAT declaration of the intra-Community transactions of May 2020.

A records the delivery in his register of consignees.

At the same time, B is deemed to be making an intra-Community acquisition in Member State 1 (see Article 17a (3) (b) of Directive 2006/112 / EC, above). B must record the acquisition of the goods in question in his register of registrars.

c. Period within which the delivery must take place

i. General

The delivery of the goods (in this case the transfer of the power to dispose of the goods as an owner) between consignant and consignee must take place within 12 months after the arrival (3) of the goods in the Member State to which they were sent or transported (see Article 12b , § 4 of the VAT Code).

(3) By 'arrival' is meant the arrival of the goods in the warehouse where they are stored.

For bulk goods, reasoning must follow the FIFO principle (first in first out).

ii. Calculation of 12-month period

No special rules have been laid down for the calculation of the 12-month period. Therefore, the rules of Council Regulation (EEC, Euratom) No 1182/71 of 03.06.1971 laying down the rules applicable to time limits, dates and time limits and expiry dates apply.
Consequently, the 12-month period starts at the first hour of the first day of the period and ends at the end of the last hour of the same date (of the following year).

The 'first day of the period' is the day following the day on which the goods arrived.

iii. Effects

If the delivery does not take place within this period, the consignant is deemed to have carried out a shipment within the meaning of Article 12a (1) of the VAT Code from Belgium to the Member State of arrival.

This transfer, which in the Member State of departure is assimilated to an intra-Community supply for consideration, is deemed to take place the day after the expiry of the 12-month period (this is the time of the chargeable event).

In this regard, reference is made to 'Book I: Tax liability and taxable transactions - Chapter 2: Supplies of goods, Section 7, Title 9, Section C'.

Of course, this transfer only takes place insofar as no transfer has taken place within the 12-month period due to violations of (one of) the conditions of the on-demand inventory scheme (see subsection f).

The simultaneous destination of those goods in the Member State of arrival is in turn assimilated to an intra-Community acquisition for consideration (see Article 21 of Directive 2006/112 / EC, above).

iv. Examples

Example 1:

A taxpayer-monthly filer A resident in Belgium, on 14.03.2020, sends 100 machine parts from its establishment in Belgium to the establishment in Member State 1 of a resident taxpayer B. A is not established in Member State 1 (and has no permanent establishment) .

B communicates in advance its identity and VAT identification number allocated by Member State 1 to A.

Shipment is made under an existing agreement under the on-demand inventory arrangement between A and B, whereby B will acquire ownership of the goods when it withdraws the goods from stock. A records the consignment in his register of consignees and in part 2 of his VAT return for intra-Community transactions relating to the period in which dispatch commences.

The goods arrive at the B warehouse in Member State 1 on 15.03.2020. B states this in his register of registrars. The 12-month period starts on 16.03.2020 (the day following the day in which the arrival took place).

The 12-month period ends at the end of 16.03.2021 (24:00).

30 machine parts are not supplied by A to B within the 12-month period. On 17.03.2021 (the day after the expiry of the 12-month period), A is expected to carry out a shipment of these goods from Belgium to Member State 1 (see Articles 12b, § 4 and 12a, first paragraph, of the VAT. - Code).

Under A, the destination of those goods in Member State 1 is treated as an intra-Community acquisition for consideration (see Articles 17a (4) and 21 of Directive 2006/112 / EC). A is obliged to identify himself for VAT purposes in Member State 1 if he does not yet have a VAT identification number. Taking into account the duration for obtaining a VAT identification number, it is recommended that A submits a request in time to obtain a VAT identification number if it appears that the 12-month period will be exceeded.

The chargeable event occurred on 17.03.2021. On 22.03.2021 A draws up the transfer document and a copy thereof as referred to in Article 2 of Royal Decree No. 1, aforementioned. The due date of the shipment takes place on 22.03.2021.

The transmission can the exemption in Article 39 bis, paragraph 4, of the VAT Code enjoy if all conditions are met, and must then be absorbed by A in box 46 of the VAT declaration of March 2021 and in Part 1 of the VAT declaration of the intra-Community transactions of March 2021, under code 'L'.

Example 2:

Oil sent by consignant A from Belgium to Member State 1 has been placed under the call-off stock arrangement in a storage tank in Member State 1 for two consignees B and C (it is assumed that all conditions for the call-off-call scheme are fulfilled). The table below shows how to calculate the 12-month period .

date	Intended for B	Intended for C.	Call by B	Call by C	Volume storage tank	12 m
10.01.20	5.000 l				5.000 l	
15.03.20		3.000 l			8.000 l	
16.05.20			3.000 l		5.000 l	
18.08.20				2.000 l	3.000 l	
11.01.21 (24:00)					3.000 l	End B
16.03.21 (24:00)					3.000 l	End C

On-demand stock for B: the 12-month period starts on 11.01.2020 and ends on 11.01.2021 at 24:00. From then on, A must in principle be identified for VAT purposes in Member State 1. Taking into account the duration of obtaining a VAT identification number, it is recommended that A submits a request in time to obtain a VAT identification number when shows that the 12-month period will be exceeded.

On 12.01.2020, A is deemed to have carried out a shipment within the meaning of Article 12a, first paragraph, of the VAT Code for the remaining 2,000 l intended for B.

On-demand stock for C: the 12-month period starts on 16.03.2020 and ends on 16.03.2021 at 24:00. Normally, A already has a VAT number because of the exceeding of the 12-month period for B. On 17.03.2020, A is deemed to have carried out a shipment within the meaning of Article 12a, first paragraph, of the VAT Code. for the remaining 1,000 l intended for C.

d. Return of the goods

No consignment within the meaning of Article 12bis, first paragraph, of the VAT Code is deemed to have been carried out by the consignant if the power to dispose of the goods as owner has not been transferred and the goods are returned within the 12-month period. to Belgium (see Article 12b, § 5 of the VAT Code).

However, this only applies on condition that the consignant records the return in the consignment register (see section C, subsection a).

Provided the above conditions are fulfilled, the return may also relate to part of the on-demand inventory contract between the consignee and the consignee. It is therefore possible that the consignant and the consignee retain the call-off stock agreement for goods other than the goods being returned.

Following the return, the consignant includes the following information in part 2 of the VAT declaration of intra-Community transactions relating to the period during which the return starts (4):

- the consignant's Belgian VAT identification number
- the VAT identification number of the consignee for whom the goods were previously intended.

(4) However, this obligation is not a basic condition for the application of Article 12ter, § 5 of the VAT Code.
In the case of multiple returns of parts of the stock in respect of the same consignee within the same declaration period for the VAT declaration, the information referred to in the previous paragraph shall be provided only once.

Example:

A taxable person-filer A resident in Belgium sends goods from his establishment in Belgium to the establishment in Member State 1 of a taxable person-resident B. A who is established in Member State 1 is not established in Member State 1 (and has no permanent establishment).

B communicates its identity and VAT identification number of Member State 1 in advance to A.

The shipment takes place under an existing agreement under the on-demand stock arrangement between A and B, whereby B will acquire ownership of the goods when it finds a buyer for it.

A records the dispatch of the goods in its register of consignees and includes B's VAT identification number in Part 2 of the VAT declaration of intra-Community transactions relating to the period in which dispatch commences.

The goods arrive on 01.03.2020. The 12-month period starts on 02.03.2020.

On 17.09.2020 A has the goods transported back to its establishment in Belgium without the right to dispose of the goods having been transferred. He records this return in his register of consignees and in part 2 of the VAT declaration of intra-Community transactions.

B must also state the removal of the goods from his establishment in his consignment register.

Although the goods are ultimately not delivered to B, but are returned to Belgium, A is not deemed to have carried out a shipment within the meaning of Article 12a (1) of the VAT Code from Belgium to Member State 1.

In the context of the return of the goods to Belgium, A is also not deemed to have effected a destination of the goods in Belgium which is assimilated to an intra-Community acquisition for consideration within the meaning of Article 25c, § 1, of the VAT Code.

e. Replacement of the consignee

If the consignee is replaced by another taxable person within the 12-month period (see subsection c), there is no transfer within the meaning of Article 12a, first paragraph, of the VAT Code at the time of the replacement (see Article 12b, § 6 of the VAT Code), insofar as:

- all other conditions of the plan (see subsection a) are fulfilled. Within the specific situation of the replacement, this means, among other things, that:
 - at the time when the call-off stock agreement with the initial consignee ends:
 - * the on-demand supply agreement with the replacement must be effective
 - * the identity and VAT identification number of the replacement must be known to the consignant
 - the consignant includes the following information in Part 2 of the VAT declaration of intra-Community transactions relating to the period of replacement (5):
 - * VAT identification number of the initial consigner
 - * VAT identification number of the replacement (the new consignee)

(5) This also applies if the initial dispatch to the consignee took place in the same declaration period of part 2 of the VAT declaration as the return.
For successive replacements, the VAT declaration must state for each replacement:

- the consignant enters the replacement in the consignee register (see section C, subsection a) (6).
- the VAT identification number of the replaced consignee
- the VAT identification number of the replacement (new consignee).

(6) The initial consigner and the replacement must also fulfill their obligations with regard to the register of consignees, but this is not a basic condition for the replacement.

Otherwise, the stock on demand scheme will stop and Article 12b, § 7 of the VAT Code will apply (see subsection f).

At the time of replacement, the initial 12-month period referred to in subsection c will continue to run. So no new 12-month period starts.

Provided the above conditions are met, the replacement may also cover part of the on-demand inventory agreement between the consignee and the initial consignee. It is therefore possible that the consignant and the initial consigner retain the call-off stock agreement for goods other than those for which the initial consignee was replaced by another consignee.

In principle, it is also possible that the replacement of the original consignee will in turn also be replaced by yet another consignee (under the conditions set above). This replacement must then also be indicated in part 2 of the VAT declaration of the intra-Community transactions (7).

(7) For successive replacements, the VAT declaration must state for each replacement:

- the VAT identification number of the replaced consignee
- the VAT identification number of the replacement (new consignee).

It is emphasized that when the consignee is replaced, the goods must remain in the same Member State (of arrival) for later delivery there to the new consignee (who must also fulfill the conditions).

Under this replacement, the goods may, if necessary, remain stored in the same place or be transported to another place within the same Member State (to which the goods were initially dispatched).

Goods shipped under call-off stock arrangements from Belgium to Member State 1 may not be sent or transported to another Member State 2 under the replacement of the consignee while retaining the call-off stock arrangement for first dispatch . In that case, the initial shipment from Belgium to Member State 1 will be converted into a shipment (see Article 12b , § 7, third paragraph, of the VAT Code and subsection f, point iii). Dispatch from Member State 1 to Member State 2 can in turn be made using the on-demand inventory scheme, provided that all conditions are met.

Example:

A taxable person-filer A resident in Belgium sends goods from his establishment in Belgium to the establishment in Member State 1 of a taxable person-resident B. A who is established in Member State 1 is not established in Member State 1 (and has no permanent establishment).

B communicates in advance its identity and VAT identification number of Member State 1 to A.

Shipment is made under an existing agreement under the on-demand inventory arrangement between A and B whereby B will acquire ownership of the goods as it is withdrawn from stock for use in its production.

A records the dispatch of the goods in its register of consignees and includes B's VAT identification number in Part 2 of the VAT declaration of intra-Community transactions relating to the period in which dispatch commences.

The goods arrive on 04.05.2020, which B states in his consignment register. The 12-month period starts on 05.05.2020. On 06.08.2020, B is replaced by the taxable person-filer C established in Member State 1 and the stock is shipped on behalf of A from B to the establishment of C in Member State 1. The agreement between A and C takes effect when the agreement between A and B expires. C will acquire ownership of the goods as he extracts them from the stock to use them for his production. At the time of replacement, the identity and VAT number of C is known to A.

A mentions the replacement in the register of consignees and also includes this change in part 2 of the Belgian VAT declaration of the intra-Community transactions relating to the period in which the replacement took place.

With regard to the goods to which the replacement relates, A is not deemed to have carried out a transfer within the meaning of Article 12a , first paragraph of the VAT Code from Belgium to Member State 1.

f. Consequences if one of the conditions under subsection a and subsection e are no longer fulfilled

i. General rule (Article 12ter, § 7, first paragraph, of the VAT Code)

If one of the conditions under subsection a or subsection e is no longer fulfilled within the period of 12 months (see subsection c), the goods in question in Belgium are deemed to be the subject of a shipment within the meaning of Article 12a , first paragraph, of the VAT Code at the time when the relevant condition is no longer fulfilled.

At the same time, in the Member State where they are currently located (to which they were initially dispatched or transported), those goods are deemed to be the subject of a destination treated as an intra-Community acquisition for consideration within the meaning of Article 21 of Directive 2006/112 / EC, the aforementioned.

In this regard, reference is made to 'Book I: Tax liability and taxable transactions - Chapter 2: Supplies of goods, Section 7, Title 9, Section C'.

In the specific situations below where one of the conditions is no longer fulfilled within the period of 12 months, Article 12b , § 7, second paragraph and further, of the VAT Code determines when the conditions are no longer deemed to have been fulfilled. .

ii. Delivery to another person (Article 12ter, § 7, second paragraph, of the VAT Code)

When the goods are delivered to a person other than the Consignee or his replacement (see subsection e), the conditions under subsection a or subsection e are deemed to be no longer fulfilled immediately before such delivery.

Immediately before delivery means the same day as the day on which delivery takes place between the consignant and the other person.

- This may, for example, be the following types of deliveries to a person other than the consignee or his replacement:
- a local delivery where the goods do not leave the Member State (to which they were dispatched or transported under the stock call-off procedure)
 - an intra-community delivery
 - an export in the context of a delivery
 - a distance sale
 - ...

Example:

A taxable person-petitioner A resident in Belgium sends goods from his establishment in Belgium to Member State 1. The goods are destined for taxable person petitioner B who is established in Member State 1. A is not established in Member State 1 (and has no permanent establishment).

B communicates its identity and VAT identification number of Member State 1 in advance to A.

Shipment is made under an existing agreement under the on-demand inventory arrangement between A and B whereby B will acquire ownership of the goods as it is withdrawn from stock for use in its production.

A records the dispatch of the goods in its register of consignees and includes B's VAT identification number in Part 2 of the VAT declaration of intra-Community transactions relating to the period in which dispatch commences.

The goods arrive on 11.03.2020, which B states in his consignment register. The 12-month period starts on 12.03.2020.

On 12.04.2020, A delivers part of the goods to C in Member State 2 and transports the goods to C. For the other goods, the agreement between A and B is maintained. There is no question of a replacement in accordance with the conditions of Article 12b, § 6 of the VAT Code.

As regards the part of goods delivered to C, on 12.04.2020 the conditions for the on-demand inventory scheme are no longer met. On that day, A is deemed to carry out a shipment of that part of goods within Belgium within the meaning of Article 12a, first paragraph, of the VAT Code. He will issue a transfer document on 13.04.2020.

He shall include the amount of the movement in Schedule 46 of the April (or the second quarter of) 2020 VAT return and he shall include the movement under code 'L' in Part 1 of the VAT return of the intra-Community transactions of April (or the second quarter of) 2020. In Member State 1, A is deemed to effect a destination which is assimilated to an intra-Community acquisition for consideration (Article 21 of Directive 2006/112 / EC, aforementioned).

iii. Shipment or transport of the goods to another country (Article 12ter, § 7, third paragraph, of the VAT Code)

When the goods are dispatched or transported to a country other than Belgium, the conditions under subsection a or subsection e are deemed to be no longer fulfilled immediately before the start of such dispatch or transport.

Immediately before delivery refers to the same day as the day on which the dispatch or transport commences.

This does not refer to the situation in which the consignant:

- supplies to the consignee (under the stock on demand scheme)
- delivers to another person
- send back to Belgium

but they are sending or transporting to another country (another Member State, a third country or third territory), for example, to store them there up to and later sell.

When the goods are dispatched to another country in the context of a supply of goods to a person other than the consignee or his replacement, subsection f, point ii applies.

If the initial shipment under the stock call-off procedure has been converted to a shipment in the Member State of dispatch (Belgium) and a destination which is assimilated to an intra-Community acquisition for consideration in the Member State of arrival (Member State 2) because the goods are being dispatched to another Member State (Member State 3), the dispatch from Member State 2 to Member State 3 may in turn be the subject of the on-demand inventory procedure if all conditions are met.

If, subsequently, the power to dispose of the property as owner is not transferred to the consignee in Member State 3 and the goods are returned within the 12-month period, a transfer from Member State 2 to Member State 3 can only be avoided when the goods return to the Member State from which they were sent, being Member State 2. If the goods are 'returned' to Belgium, a transfer takes place from Member State 2 to Member State 3 (termination of stock on call arrangement) and from Member State 3 to Belgium.

Example:

A taxable person-petitioner A resident in Belgium sends goods from his establishment in Belgium to Member State 1. The goods are destined for taxable person petitioner B who is established in Member State 1. A is not established in Member State 1 (and has no permanent establishment).

B communicates its identity and VAT identification number of Member State 1 in advance to A.

Shipment is made under an existing agreement under the on-demand inventory arrangement between A and B whereby B will acquire ownership of the goods as it is withdrawn from stock for use in its production.

A records the dispatch of the goods in its register of consignees and includes B's VAT identification number in Part 2 of the VAT declaration of intra-Community transactions relating to the period in which dispatch commences.

The goods arrive on 11.03.2020, which B states in his consignment register. The 12-month period starts on 12.03.2020.

On 12.04.2020, A transports part of the goods to the warehouse in Member State 2 for storage and the agreement between A and B for those goods ends. For other goods, the agreement between A and B is retained.

With regard to the part of goods transported to Member State 2, the conditions for on-demand stock arrangements were no longer met on 12.04.2020 (date of commencement of transport). On that day, A is deemed to carry out a transfer of that part of the goods in Belgium within the meaning of Article 12a, first paragraph, of the VAT Code. He will issue a transfer document on 13.04.2020.

He shall include the amount of the movement in Schedule 46 of the April (or the second quarter of) 2020 VAT return and he shall include the movement under code 'L' in Part 1 of the VAT return of the intra-Community transactions of April (or the second quarter of) 2020. In Member State 1, A is deemed to effect a destination which is assimilated to an intra-Community acquisition for consideration (Article 21 of Directive 2006/112 / EC, aforementioned).

iv. Destruction, loss or theft of the goods (Article 12ter, § 7, fourth paragraph, of the VAT Code)

In the event of destruction, loss or theft of the goods, the conditions for the on-demand inventory scheme (see subsection a and subsection e) are deemed no longer fulfilled on the date on which the goods actually disappear or are destroyed.

If it is impossible to determine this date, the date on which it was established that the goods had been destroyed or disappeared shall apply.

The VAT Committee agrees with almost unanimous agreement (including Belgium) that minor losses of goods under the on-demand inventory procedure resulting from the nature of the goods, from unforeseeable circumstances or from an instruction or authorization from the competent authorities are not a reason a shipment within the meaning of Article 17 of Directive 2006/112 / EC, the aforementioned.

The VAT Committee agrees with a large majority (including Belgium) that for the on-demand inventory scheme, 'small losses' mean losses of up to 5% of the value or quantity of the total inventory on the date after arrival in the storage space, that the goods have been effectively removed or destroyed, or if it is impossible to determine that date, the date on which it is determined that the goods have been destroyed or missing.

The consignant must inform himself of the Member State of arrival of the goods or the above-mentioned guideline of the VAT Committee applies there.

When applying Article 12b, § 7, fourth paragraph, of the VAT Code, the Belgian administration will take into account the VAT treatment by the tax authorities in the Member State of arrival of the goods (which the consignant must of course be able to substantiate.).

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B. The stock on demand is sent or transported from another Member State to Belgium

a. Basic conditions for the application of the on-demand inventory scheme

The on-demand supply scheme only applies if the following basic conditions are met (see Articles 12b, § 2 and 25c, § 1, second paragraph, of the VAT Code; compare Article 17a (2) of the Directive 2006/112 / EC).

i. Hoedanigheid van de consignant

The consignant is a taxpayer who has not established his seat of economic activity or has no permanent establishment in Belgium.

The fact that the consignant is established or has a permanent establishment in Belgium is sufficient in itself to fall outside the on-demand inventory scheme, regardless of whether or not that permanent establishment intervenes in the on-demand inventory operation.

In this context, permanent establishment means the permanent establishment within the meaning of Articles 50, 51 and 55 of the VAT Code, but not the establishment that is only a permanent establishment within the meaning of Article 11 (1) [of the Implementing Regulation \(EU\) No 282/2011 of 15.03.2011 laying down measures for the implementation of Directive 2006/112 / EC](#) .

The fact that the consignant has been identified for VAT purposes in Belgium (direct identification or identification with recognition of a liable representative) does not in itself constitute an objection to the application of the stock-on-demand scheme as long as he is not established here (and therefore also has no permanent establishment).

Not eligible are taxable persons subject to the special scheme for small enterprises provided for in Articles 282 to 292 of Directive 2006/112 / EC, referred to above.

The fact that the consignant is not established within the community does not in itself constitute an objection to the application of the stock-on-demand scheme.

ii. Capacity of the Consignee

The consigner is a taxable person who is identified for VAT purposes in Belgium.

It is not explicitly required that the consigner is established in Belgium.

The scheme does not apply if the consignee is a non-taxable legal person, even if he has a VAT identification number because he has to subject his intra-Community acquisitions of goods in Belgium to VAT.

The following categories of taxpayers are eligible:

1. Taxable persons who are required to file monthly or quarterly VAT returns.
2. Taxable persons who are not entitled to a deduction because they benefit from a special arrangement whereby they do not have to file periodic VAT returns as referred to in Article 53, § 1, first paragraph, 2 ° of the VAT Code, such as:
 - the special scheme for recuperation materials and products from [Note 88/1970 of 15 December 1970](#)

- the special scheme for laundry, dyeing, dry cleaning or stopping companies of [letter no. 28/1975 of 19.11.1975](#)
- the special scheme for skippers operating no more than 5 boats under [registration number 109/1970 dated 31.12.1970](#).

3. Taxpayers covered by the special scheme for small enterprises (Article 56 *bis* of the VAT Code), which are held all their intra-Community acquisitions subject to VAT.

4. Taxable persons covered by the special scheme for agricultural enterprises are subject to Article 57 of the VAT Code, which are obliged to subject all intra-Community acquisitions to VAT.

5. Taxable persons who only carry out transactions which are exempted by Article 44 of the VAT Code for which they are not entitled to deduct VAT and who are identified for VAT purposes and who are obliged to subject all their intra-Community acquisitions to VAT.

Categories 3, 4 and 5 are members of the group of four. When these categories have a VAT identification number, but are not required to subject all their intra-Community acquisitions of goods to VAT because they:

- have not exceeded their intra-Community acquisitions threshold of EUR 11,200 during the current or previous calendar year
- have not yet opted to subject all their intra-Community acquisitions to VAT

and still want to communicate their VAT identification number to the consignor under the system of stock on demand, which means that they opt for their intra-Community acquisitions of goods subject to VAT (exercise of the option in Article 25 *to* § 1, second paragraph, 2 °, second paragraph, of the VAT Code).

They must advance the selection statement in Article 4, § 2 of the [Royal Decree no. 10 of 29.12.1992 regarding the exercise terms of the decisions referred to in Articles 15, § 5, paragraph, and 25 *to*, § 1, second paragraph, 2 °, second paragraph, of the Code of value added tax, declarations of commencement, alteration, cessation of activity and prior notifications regarding value added tax](#), submit them to the control center under which they report. This choice takes effect on the date of submission of the declaration of choice and is valid until 31 December of the second year following that date.

If not previously submitted to the selection statement and yet communicate their VAT identification number to the consignor under the system of stock on demand, the statutory presumption of Article 25 *in* § 1, subsection 2 °, fourth paragraph, of the VAT Code applies and they are therefore deemed to have opted at that time to subject all their intra-Community acquisitions of goods to VAT.

Finally, it should be noted that it is also possible for the consignee to act in Belgium as a stockbroker within the meaning of Article 13 of the VAT Code, who, in accordance with the stockbrokers fiction, acts as the buyer of the goods that he takes out of stock and is subsequently deemed to be deliver the goods to its customers.

iii. Shipment or transport of the goods from another Member State to Belgium by or on behalf of the consignant

The goods are sent or transported from another Member State to Belgium.

There is no explicit requirement that the goods be sent or transported to the consigner's facility. For example, the goods can be sent or transported to a warehouse keeper who is not the consignee.

The consignant can keep the goods in his own warehouse (or with a third warehouse keeper who acts on behalf of the consignant) in Belgium, provided all other conditions are met. In particular, it is noted that:

- that storage location may not form a permanent establishment within the meaning of Articles 50, 51 and 55 of the VAT Code
- subsection a, point iv must be satisfied.

The dispatch or transport of the goods must be carried out by the consignant or by a third party for his account.

iv. Destination of the goods at the time of dispatch or transport

At the time when the shipment or transport of the goods to Belgium starts:

- they are intended to be the subject of supplies at a later stage and upon arrival to the consignee who will be entitled to dispose of these goods as owner under an existing agreement (8)
- the following information is known to the consignant:
 - the identity of the consignee
 - the Belgian VAT identification number of the consignee.

(8) Neither the VAT Directive nor the VAT Code determine the type of agreement that must exist between the consignant and the consignee. It can be reasonably assumed that where there is an agreement between the two parties that allows the consignee to take specific goods from the stock at a price paid (thereby acquiring ownership of those goods), the condition relating to the existing agreement has been fulfilled.

Taking into account the effect of the on-demand inventory scheme, deliveries of goods under the profit margin scheme are excluded from this scheme.

The consigner (the subsequent purchaser) must therefore already be known at the start of the dispatch or transport of the goods. The goods must therefore be identified and intended for a specific consignee.

In itself it cannot be excluded that the consignant dispatches or transports goods for several consignees.

v. Entry of consignment or transport in the register of consignees and in the VAT declaration of intra-Community transactions

The consignant records the transport of the goods in:

- the register of consignees (see section C, subsection a)
- the VAT declaration of the intra-Community transactions in the Member State of departure by providing the Belgian VAT identification number of the consignee.

The consigner must also keep a register (see section C, subsection b), but the completion or improvement of this register is not a prerequisite for the on-demand inventory scheme. However, failure to comply with this obligation is punishable by a fine.

b. Functioning of the on-demand stock arrangements

If the conditions of point subsection a are met, the following regulation applies:

- The destination of the goods in Belgium (initial shipment of the goods to Belgium) by the consignant is not equated with an intra-Community acquisition for consideration (see Articles 25c , § 1, second paragraph and 12b , § 3, of the VAT. - Code).

Likewise, the transfer by the consignant of the goods (which form part of his business assets) from the other Member State to Belgium is not treated as a supply for consideration in that Member State (see Article 17a (1) of Directive 2006/112 / EC, aforementioned).

- At the time when the power to dispose of the property as owner in Belgium transfers from the consignee to the consignee (time of delivery), the consignant is deemed to be an exempt intra-Community supply within the meaning of Article 138 (1) of the Directive 2006/112 / EC, said to be carried out in the Member State from which the goods were previously transported or dispatched by him or on his behalf under the call-off stock arrangements.

In parallel, the consigner is expected to carry out intra-Community acquisitions of goods in Belgium (see Article 25a , § 3, of the VAT Code). With all its consequences and obligations.

Example:

A taxable person-petitioner A established in Member State 1 sends goods (commencing transport on 31.03.2020) from his establishment in Member State 1 to the establishment in Belgium of a taxable person-resident B. A resident in Belgium, and is not established in Belgium (and has no permanent establishment).

B has previously communicated its identity and its valid Belgian VAT identification number to A.

Shipment is made under an existing agreement under the on-demand inventory arrangement between A and B whereby B will acquire ownership of the goods as it is withdrawn from stock for use in its production.

A records the dispatch of the goods in its register of consignees and includes B's Belgian VAT identification number in its VAT statement of intra-Community transactions in Member State 1.

The goods arrive on 01.04.2020. B records the arrival of the goods in his register of consignees.

On 20.05.2020 B withdraws a good from stock to use in its production. At that point, power is transferred to dispose of the property as an owner.

At that time, A is deemed to make an intra-Community supply of goods in Member State 1 which is exempted in accordance with Article 138 (1) of Directive 2006/112 / EC, mentioned above, and complies with the resulting declaration obligations.

The invoice related to that delivery will be issued on 25.05.2020.

A records the delivery in his register of consignees.

At the same time B is regarded as an intra-Community acquisition within the meaning of Article 25 *bis* , § 3 of the VAT Code in Belgium to perform in accordance with Article 25 *to* is the VAT, § 1, first paragraph, of the VAT Code subject. The due date arises on 25.05.2020.

B submitting monthly returns must include the operation in grids 81 and 86, the VAT due in grid 55 and the deductible VAT in grid 59 of its periodic VAT return for the month of May, to be submitted no later than 20.06.2020. He must record the acquisition in his register of registrars.

c. Period within which the delivery must take place

i. General

The delivery of the goods (in this case the transfer of the power to dispose of the goods as an owner) between consignant and consignee must take place within 12 months after the goods arrive in Belgium (9).

(9) By 'arrival' is meant the arrival of the goods in the warehouse where they are stored.

For bulk goods, reasoning must follow the FIFO principle (first in first out).

ii. Calculation of the 12-month term

See section A, subsection c, point ii.

iii. Effects

If the delivery does not take place within this period, the consignant is considered to have carried out a shipment from the Member State of departure of the goods to Belgium.

In the Member State of departure, the shipment is assimilated to an intra-Community supply for consideration (see Article 17 of Directive 2006/112 / EC, aforementioned) and is deemed to take place on the day following the expiry of the 12-month period (this is the time of the chargeable event).

Of course, this transfer only takes place insofar as no transfer has taken place within the 12-month period due to violations of (one of) the conditions of the on-demand inventory scheme (see subsection f).

The simultaneous destination of those goods in Belgium is in turn equated with an intra-Community acquisition for consideration (see Article 25c , § 1, of the VAT Code).

iv. Examples

Example 1:

A taxable person-filer A established in Member State 1 on 10.05.2020 sends 100 espresso machines from its establishment in Member State 1 to the branch in Brussels of a taxable person-resident B. A resident in Belgium, not established in Belgium (and not having a permanent establishment)).

B communicates its identity and Belgian VAT identification number in advance to A.

The shipment takes place under an existing agreement under the on-demand stock arrangement between A and B, whereby B will acquire ownership of the goods when it finds a buyer for it. A includes the consignment in his register of consignees and in his VAT declaration for intra-Community transactions.

The goods arrive at the B warehouse in Belgium on 11.05.2020. B states this in his register of registrars. The 12-month period starts on 12.05.2020 (the day following the day of the arrival of the goods).

The 12-month period ends on 12.05.2021 (24:00).

30 machines are not supplied by A to B within the 12-month period. On 13.05.2021 (the day after the expiry of the 12-month period), A is expected to carry out a shipment of these goods from Member State 1 to Belgium (see Article 17 of Directive 2006/112 / EC, cited above, compare Article 12 *bis* of the VAT Code).

Under A, the destination of those goods in Belgium is assimilated to an intra-Community acquisition for consideration (see Article 25c , § 1, of the VAT Code).

The chargeable event occurred on 13.05.2021. On 20.05.2021, he will issue the transfer document drawn up in accordance with the legal provisions in force in Member State 1, or, failing this, a waiting document, in accordance with the legal provisions in force in Belgium. The VAT on the destination will therefore become due on 20.05.2021.

A is obliged to identify himself in Belgium for VAT purposes (see Article 50, § 1, first paragraph, 3 °, of the VAT Code), to include this destination in his Belgian periodic VAT declaration and via that declaration. pay the VAT due (which he can deduct if necessary in the same declaration). Taking into account the duration for obtaining a VAT identification number, it is recommended that A submits a request in time to obtain a VAT identification number if it appears that the 12-month period will be exceeded.

Example 2:

Oil sent by consignant A from Member State 1 to Belgium has been placed under the on-demand stock arrangement in a storage tank in Belgium for two consignees B and C (it is assumed that all conditions for the on-demand inventory arrangement are met). The table below shows how to calculate the 12-month period .

date	Intended for B	Intended for C.	Call by B	Call by C	Volume storage tank	12 m
10.01.20	5.000 l				5.000 l	
15.03.20		3.000 l			8.000 l	
16.05.20			3.000 l		5.000 l	
18.08.20				2.000 l	3.000 l	
11.01.21 (24:00)					3.000 l	End B
16.03.21 (24:00)					3.000 l	End C

On-demand stock for B: the 12-month period starts on 11.01.2020 and ends on 11.01.2021 at 24:00. In principle, A must from then on be identified for VAT purposes in Belgium (Taking into account the duration for obtaining a VAT identification number, it is recommended that A submits a request in time to obtain a VAT identification number if it appears that the 12-month period will be exceeded).

On 12.01.2020, for the remaining 2,000 l (intended for B), A is deemed to have effected a destination that is equated in Belgium with intra-Community acquisition for consideration (Article 25c , § 1, of the VAT Code).

On-demand stock for C: the 12-month period starts on 16.03.2020 and ends on 16.03.2021 at 24:00. Normally, A already has a Belgian VAT identification number because of the exceeding of the 12-month period for B. On 17.03.2020, A for the remaining 1000 l (intended for C) is considered to have carried out a destination that is assimilated in Belgium. with an intra-Community acquisition for consideration (Article 25c , § 1, of the VAT Code).

d. Return of the goods

No destination of goods takes place in Belgium within the meaning of Article 25c , § 1 of the VAT Code (in combination with Article 12b , § 5 of the VAT Code), if the authority to transfer as owner the goods are not transferred and the goods are returned within the 12-month period (see subsection c) to the Member State from which they were transported or dispatched.

However, this only applies on condition that the consignant records the return in the consignment register in his Member State (subsection a).

The consignee must record the return of the goods in the consigantary register (see section C, subsection b). However, this obligation is not a condition for the combined application of Articles 25c , § 1, second paragraph, and 12b , § 5 of the VAT Code.

Provided the above conditions are fulfilled, the return may also relate to part of the on-demand inventory contract between the consignee and the consignee. It is therefore possible that the consignant and the consignee retain the call-off stock agreement for the other goods that are not returned.

Example:

A taxpayer-petitioner A established in Member State 1 sends goods from his establishment in Member State 1 to the establishment in Brussels of a taxpayer-petitioner B. A established in Belgium, not established in Belgium (and not having a permanent establishment).

B communicates its identity and Belgian VAT identification number in advance to A.

The shipment takes place under an existing agreement under the on-demand stock arrangement between A and B, whereby B will acquire ownership of the goods when it finds a buyer for it.

The goods arrive on 01.03.2020. The 12-month period starts on 02.03.2020.

On 17.09.2020, A has the goods transported back to its establishment in Member State 1 without the right to dispose of the goods having been transferred. He shall include that return in his register of consignees and in his VAT declaration of the intra-Community transactions in that Member State.

B must also state the removal of the goods from the warehouse in his consignment register.

Although the goods are not ultimately delivered to B, but are returned to Member State 1, A is not considered to have carried out a shipment within the meaning of Article 17 of Directive 2006/112 / EC, the aforementioned, of the goods from Member State 1 to Belgium. Consequently, no destination of the goods takes place in Belgium within the meaning of Article 25c , § 1 of the VAT Code.

Naturally, A is also not deemed to be carrying out a shipment within the meaning of Article 12a (1) of the VAT Code from Belgium to Member State 1 in the context of the return of the goods.

e. Replacement of the consignee

If the consignor is replaced by another taxable person within the 12-month period (see subsection c), there is no destination of goods within Belgium within the meaning of Article 25c , § 1, of the VAT Code at the time of the replacement, insofar as:

- all other conditions of the plan (see subsection a) are fulfilled. Within the specific situation of the replacement, this means, among other things, that:
 - at the time when the call-off stock agreement with the initial consignee ends:
 - * the on-demand supply agreement with the replacement must be effective
 - * the identity and VAT identification number of the replacement must be known to the consignant
 - the consignant will have to include the VAT identification number of the replacement in the VAT declaration of intra-Community transactions in accordance with the rules applicable in the Member State from which the goods were initially transported
- the consignant enters the replacement in the register referred to in Article 54bis (1) of Implementing Regulation (EU) No 282/2011, aforementioned (10).

(10) The initial consigner and the replacement must also fulfill their obligations with regard to the register of consignees, but this is not a basic condition for the replacement.

Otherwise, the stock-on-demand scheme will cease and the goods in question will be the subject of a destination of goods in Belgium within the meaning of Article 25c , § 1, of the VAT Code (in combination with Article 12b , § 7 , of the VAT Code applicable, see section A, subsection f).

At the time of replacement, the initial 12-month period referred to in subsection c will continue to run. So no new 12-month period starts.

Provided the above conditions are met, the replacement may also cover part of the on-demand inventory agreement between the consignee and the initial consignee. It is therefore possible that the consignant and the initial consigner retain the call-off stock agreement for goods other than those for which the initial consignee was replaced by another consignee.

In principle, it is also possible that the replacement of the original consignee will in turn be replaced by yet another consignee (under the conditions set above).

It is emphasized that when the consignee is replaced, the goods must remain in Belgium and be delivered there later to the new consigner (who must also meet the conditions).

As part of this replacement, the goods may, if necessary, remain stored in the same place or be transported to another place within Belgium.

Goods shipped from Belgium 1 to Member State under the call-off stock scheme may not subsequently be sent or transported to another Member State 2 under the replacement of the consignee, while retaining the call-off-call-stock scheme for the first shipment. In that case, the initial shipment from Member State 1 to Belgium will be converted into a shipment that gives rise to a destination in Belgium that is assimilated to an intra-Community acquisition for consideration (see Articles 25c , § 1, and 12b , § 7, third paragraph, of the VAT Code and subsectionf (iii). Shipment from Belgium to Member State 2 can in turn be made using the on-demand inventory scheme, provided that all conditions are met.

Example:

A taxable person-petitioner A established in Member State 1 sends goods from his establishment in Member State 1 to the Antwerp establishment of a taxable person-petitioner B. A resident in Belgium, who is not established in Belgium and does not have a permanent establishment.

Shipment is made under an existing agreement under the on-demand inventory arrangement between A and B whereby B will acquire ownership of the goods as it is withdrawn from stock for use in its production.

A shall enter the consignment in his register of consignees and in his VAT declaration of the intra-Community transactions in accordance with the rules of Member State 1.

The goods arrive on 04.05.2020, which B states in his consignment register. The 12-month period starts on 05.05.2020. On 06.08.2020, B is replaced by the taxpayer-filer C established in Belgium and the stock is shipped on behalf of A from B to C's location in Mechelen. The agreement between A and C takes effect when the agreement between A and B expires.

C will acquire ownership of the goods as it extracts them from the stock for use in its production. At the time of replacement, the identity and VAT number of C is known to A.

A mentions the replacement in the register of consignees and includes the change in the VAT declaration of the intra-Community transactions which he has to submit in Member State 1.

As regards the goods to which the replacement relates, A is not considered to have carried out a shipment within the meaning of Article 17 of Directive 2006/112 / EC from the Member State 1 to Belgium. In Belgium, these goods are therefore not the subject of a destination of goods within the meaning of Article 25c , § 1, of the VAT Code.

In this case, B will have to report the removal of the goods on the instructions of A in his register of registrars.

f. Consequences when one of the conditions under subsection a and subsection e are no longer fulfilled

i. General rule (Articles 25quater, § 1, second paragraph, and 12ter, § 7, first paragraph, of the VAT Code)

If one of the conditions under subsection a or subsection e is no longer fulfilled within the 12-month period (see subsection c), the goods in question are considered to be the subject of a shipment in the Member State from which they were dispatched. meaning of Article 17 of Directive 2006/112 / EC, the aforementioned, at the time when the relevant condition is no longer fulfilled.

At the same time, those goods in Belgium are deemed to be the subject of a destination that is assimilated to an intra-Community acquisition for consideration within the meaning of Article 25c , § 1, second paragraph, of the VAT Code.

The following specific situations where one of the conditions within the 12-month period is no longer fulfilled, determine articles 25 quater , § 1, second paragraph in conjunction with Article 12 to § 7, paragraph and further, of the VAT Code on the time when the conditions are no longer deemed to have been fulfilled.

ii. Delivery to another person (Articles 25quater, § 1, second paragraph, and 12ter, § 7, second paragraph, of the VAT Code)

When the goods are delivered to a person other than the Consignee or his replacement (see subsection e), the conditions under subsection a or subsection e are deemed to be no longer fulfilled immediately before such delivery.

Immediately before delivery means the same day as the day on which delivery takes place between the consignant and the other person.

This may, for example, be the following types of deliveries to a person other than the consignee or his replacement:

- a local delivery where the goods do not leave the Member State (to which they were dispatched or transported under the stock call-off procedure)
- an intra-community delivery
- an export in the context of a delivery
- a distance sale.

Example:

A taxable person-filer A established in Member State 1 sends goods from his establishment in Member State 1 to Belgium. The goods are destined for taxable person-filer B who is established in Belgium. A is not established in Belgium (and has no permanent establishment).

B communicates its identity and its Belgian VAT identification number in advance to A.

Shipment is made under an existing agreement under the on-demand inventory arrangement between A and B whereby B will acquire ownership of the goods as it is withdrawn from stock for use in its production.

A records the dispatch of the goods in its register of consignees and includes B's VAT identification number in the VAT declaration of intra-Community transactions in accordance with the rules applicable in Member State 1.

The goods arrive on 11.03.2020, which B states in his consignment register. The 12-month period starts on 12.03.2020.

On 12.04.2020, A delivers part of the goods to C in Member State 2 and transports the goods to C. For the other goods, the agreement between A and B is maintained. There is no question of a replacement under the conditions of Article 17a (6) of Directive 2006/112 / EC, mentioned above (compare Article 12b , § 6 of the VAT Code).

As regards the part of goods delivered to C, on 12.04.2020 the conditions for the on-demand inventory scheme are no longer met. On that day, A is deemed to carry out a shipment within Member State 1 within the meaning of Article 17 of Directive 2006/112 / EC, referred to above (compare 12a , first paragraph, of the VAT Code). In Belgium, A is deemed to carry out a destination on the same day as equivalent to an intra-Community acquisition for consideration (Article 25c , § 1, of the VAT Code).

A is obliged to identify himself in Belgium for VAT purposes (see Article 50, § 1, first paragraph, 3 °, of the VAT Code), to include this destination in grids 81 and 86 of his Belgian periodic VAT declaration and pay the VAT due via that declaration by including it in schedule 55 (which he can deduct, if necessary, in schedule 59 of the same return).

iii. Dispatch or transport of the goods to another country (Articles 25quater, § 1, second paragraph, and 12ter, § 7, third paragraph, of the VAT Code)

When the goods are dispatched or transported to a country other than the Member State from which they were originally moved, the conditions under subsection a or subsection e are deemed to be no longer fulfilled immediately before the start of such dispatch or transport.

Immediately before delivery refers to the same day as the day on which the dispatch or transport commences.

This refers to the situation where the consignant does not deliver the goods to the consignee (under the on-demand inventory scheme), does not deliver to another person (see subsection f, point ii) and does not return them to the Member State of from which they were initially shipped (see subsection d), but send or transport them to another country (another Member State, third country or third territory), for example to store them there and sell them later.

When the goods are dispatched to another country in the context of a supply of goods to a person other than the consignee or his replacement, the situation referred to in subsection f (ii) applies.

If the first consignment or the first transport under the stock call-off procedure was converted into a shipment in the Member State of dispatch (Member State 1) and a destination which is assimilated to an intra-Community acquisition for consideration in Belgium because the goods are dispatched to a In another Member State (Member State 3), dispatch from Belgium to Member State 3 may in turn be the subject of the on-demand inventory procedure if all conditions are met.

If, subsequently, the power to dispose of the goods as owner is not transferred to the new consignee in Member State 3 and the goods are returned within the 12-month period, a shipment in Belgium can only be avoided if the goods return to the Member State from which they were sent, being Belgium. If the goods are 'returned' to Member State 1, a transfer takes place from Belgium to Member State 3 (termination of stock on call arrangement) and from Member State 3 to Member State 1.

Example:

A taxable person-filer A established in Member State 1 sends goods from his establishment in Member State 1 to Belgium. The goods are destined for taxable person-filer B who is established in Belgium. A is not established in Belgium (and has no permanent establishment).

B communicates its identity and its Belgian VAT identification number in advance to A.

Shipment is made under an existing agreement between A and B whereby B will acquire ownership of the goods as it is withdrawn from stock for use in its production.

A records the dispatch of the goods in its register of consignees and includes B's VAT identification number in the VAT declaration of intra-Community transactions in accordance with the rules applicable in Member State 1.

The goods arrive on 11.03.2020, which B states in his consignment register. The 12-month period starts on 12.03.2020. On 12.04.2020, A transports part of the goods to a warehouse in Member State 2 for storage and the contract between A and B ends for those goods. For other goods, the agreement between A and B is retained.

With regard to the part of goods that is transported to Member State 2, the conditions for the on-demand inventory system are no longer met on 12.04.2020 (date of commencement of transport). On that day A is deemed to carry out a shipment within Member State 1 within the meaning of Article 17 of Directive 2006/112 / EC, referred to above. In Belgium, A is deemed to carry out a destination at the same time as equivalent to an intra-Community acquisition for consideration (Article 25c , § 1, of the VAT Code).

A is obliged to identify himself in Belgium for VAT purposes (see Article 50, § 1, first paragraph, 3 °, of the VAT Code), to include this destination in grids 81 and 86 of his Belgian periodic VAT declaration and pay the VAT due via that declaration by including it in schedule 55 (which he can deduct, if necessary, in schedule 59 of the same return).

A also carries out in Belgium a transfer of those goods to Member State 2 (Article 12a , first paragraph, of the VAT Code) with all the associated consequences.

iv. Destruction, loss or theft of the goods (Articles 25quater, § 1, second paragraph and 12ter, § 7, fourth paragraph, of the VAT Code)

In the event of destruction, loss or theft of the goods, the conditions for the on-demand inventory scheme (see subsection a and subsection e) are deemed to be no longer fulfilled on the date when the goods were actually removed or destroyed.

If it is impossible to determine this date, the date on which it was established that the goods had been destroyed or disappeared shall apply.

The consignant can exercise his right to deduct (within the conditions of Article 45 of the VAT Code) the VAT charged on the destination that is assimilated in Belgium to an intra-Community acquisition of goods, insofar as destruction, loss or theft is involved. the goods can be proven (11).

(11) This evidence is also important for the consignant to avoid applying the presumption of Article 64, § 1, of the VAT Code. It is further noted that the Consignee has a rebuttable legal presumption that consigned goods (including the dispatch of an on-demand stock) are considered to have been purchased by the Consignee if he cannot prove that he is keeping them whether it has been returned to the sender or the consignant (Article 65 of the VAT Code).

The VAT Committee agrees with almost unanimous agreement (including Belgium) that minor losses of goods under the on-demand inventory procedure resulting from the nature of the goods, from unforeseeable circumstances or from an instruction or authorization from the competent authorities are not a reason a shipment within the meaning of Article 17 of Directive 2006/112 / EC, the aforementioned.

The VAT Committee agrees with a large majority (including Belgium) that for the on-demand inventory scheme, 'small losses' mean losses of up to 5% of the value or quantity of the total inventory on the date after arrival in the storage space, that the goods have been effectively removed or destroyed, or if it is impossible to determine that date, the date on which it is determined that the goods have been destroyed or missing.

However, with a view to a workable application of this provision, the Belgian administration accepts that the consignant is not deemed to carry out a destination in Belgium that is assimilated to an intra-Community acquisition for consideration, in the event of (even complete) loss, destruction or theft of the goods under the following cumulative conditions:

- this will be entered in the register of the consignant (see section C, subsection a and section C, subsection b)
- the loss, destruction or theft of the goods can be proven to the satisfaction of the administration (12).

(12) This proof must relate to the existence of the special circumstances which caused the goods to disappear and the exact extent of the loss that resulted. Moreover, if the taxable person wishes to voluntarily destroy unsaleable goods, he must ensure that he has this destruction ascertained by the control services or that he otherwise obtains proof of it.

The aforementioned evidence can be provided, for example, by a report of theft to the police, an intervention report by the fire brigade, by the payment of compensation by an insurance company or by an official report drawn up by an official of the FPS Finance, noting that the goods lost by force majeure or by voluntary destruction.

However, the loss incurred during transport or processing and the normal loss occurring in some branches of trade (fresh fruits or vegetables, vegetables in general, flowers, normal evaporation of certain liquids, etc.) will always be accepted without any special supporting documents. must be presented.

For example, cannot serve as evidence:

- *mere allegations, without evidence being provided to the control officer (examples: lack of evidence of theft or destruction, or voluntary destruction of goods due to unsaleability)*
- *the declaration signed by the person concerned for the levying of direct taxes*
- *the details of accounts that are not sufficiently conclusive.*

The consignant is not obliged to apply this tolerance.

In this context, it is emphasized that the Member State of departure of the goods sovereignly applies the provisions on shipments and the stock call-off scheme (see Articles 17 and 17a of Directive 2006/112 / EC, above). This tolerance therefore only applies to the consequences of the arrival of the goods on Belgian territory and does not affect the rules imposed in the Member State of departure of the goods following the shipment.

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C. Obligations regarding the call-off stock scheme

a. The register of consignees

The consignant who dispatches goods from Belgium to another Member State under the on-call inventory scheme is obliged to keep a register enabling the administration to check the correct application of the scheme (Article 54a, § 1, third paragraph, of the VAT Code and Article 24a of Royal Decree No. 1, aforementioned).

This register shall contain the following information for each transaction (see Article 54 bis, paragraph 1, of the Implementing Regulation (EU) No 282/2011, cited above.)

- a. the Member State from which the goods were dispatched or transported and the date of dispatch or transport of the goods
- b. the consigner's VAT identification number issued by the Member State to which the goods are dispatched or transported

- c. the Member State to which the goods are dispatched or transported, the VAT identification number of the warehouse keeper, the address of the warehouse where the goods are stored on arrival and the date of arrival of the goods in the warehouse
- d. the value, description and quantity of the goods arrived in the warehouse
- e. the VAT identification number of the taxable person who replaces the consignee under the circumstances referred to in section A, subsection e.
- f. the taxable amount, the description and the quantity of the goods delivered and the date on which the goods are delivered, and the buyer's VAT identification number
- g. the taxable amount, the description and the quantity of the goods, the date on which one of the circumstances referred to under section A, subsection f, occurs and the respective ground in accordance with Article 12b, § 7 of the VAT Code
- h. the value, description and quantity of the returned goods and the date of return of the goods referred to in section A, subsection d.

Each member of a VAT unit keeps the register of consignees for the acts that concern him (see Article 24a, § 2, of the Royal Decree No. 1, aforementioned).

The entries in the register are made without any white space or gap. In case of improvements, the original registration must remain legible.

Article 29, first paragraph, of the Royal Decree no. 1, aforementioned, stipulates that before each use the register must be submitted in order to be endorsed and initialed at the control office of the value added tax under which the taxpayer falls. This obligation has been lifted in the field of accounting (see Article 2, § 1, of the Royal Decree of 25.01.2005 amending the Royal Decree of 12.09.1983 implementing the Law of 17.07.1975 on the accounting of companies. , the Royal Decree of 12.09.1983 determining the minimum classification of a general chart of accounts and the Royal Decree of 16.06.1994 determining the companies' contribution to the running costs of the Accounting Standards Commission).

The register can be kept computerized (see Article 29, second paragraph, of Royal Decree No. 1, aforementioned).

In accordance with Article 64, § 1, of the VAT Code, there is a rebuttable legal presumption that he acquires or produces those goods for sale, unless evidence to the contrary is deemed to have supplied the goods he has acquired or produced under conditions under which the tax becomes due. It is therefore in the consignant's interest to keep the consignee register accurate, as it is an important element to refute the presumption.

b. The register of registrars

The consignee to whom goods are delivered under call-off stock arrangements in Belgium keeps a register of these goods, which enables the administration to check the correct application of the arrangement (see Article 54a, § 1). the fourth paragraph of the VAT Code and Article 24 to the royal Decree no. 1 mentioned above).

This register shall contain the following information for each transaction (see Article 54 bis, paragraph 2 of the Implementing Regulation (EU) No 282/2011, cited above.)

- a. the consignant's VAT identification number
- b. the description and quantity of the goods intended for him
- c. the date of arrival in the warehouse of the goods intended for him
- d. the taxable amount, the description and the quantity of the goods supplied to him and the date on which the intra-Community acquisition of the goods (see section B, subsection b) was deemed to take place
- e. the description and the quantity of the goods and the date on which the goods are removed from the warehouse on the instructions of the consignant
- f. the description and the quantity of the goods destroyed or disappeared and the date of destruction, loss or theft of the goods previously entered in the warehouse or the date on which the destruction or disappearance of the goods was determined.

The information referred to in points c, e and f should not be included in the consignatarisregister where the goods under the system of stock on demand dispatched or transported to a warehouse keeper who is not the consignee (see article 54 bis, paragraph 2, second paragraph, of Implementing Regulation (EU) No 282/2011, aforementioned).

Each member of a VAT group keeps consignatarisregister for actions concerning him (Article 24 in § 2 of the Royal Decree no. 1 mentioned above).

The entries in the register are made without any white space or gap. In case of improvements, the original registration must remain legible.

Article 29, first paragraph, of the Royal Decree no. 1, aforementioned, stipulates that before each use the register must be submitted in order to be endorsed and initialed at the control office of the value added tax under which the taxpayer falls. This obligation has been lifted in the field of accounting (see Article 2, § 1, of the Royal Decree of 25.01.2005 amending the Royal Decree of 12.09.1983 implementing the Law of 17.07.1975 on the accounting of companies. , the Royal Decree of 12.09.1983 determining the minimum classification of a general chart of accounts and the Royal Decree of 16.06.1994 determining the companies' contribution to the running costs of the Accounting Standards Commission).

The register can be kept computerized (see Article 29, second paragraph, of Royal Decree No. 1, aforementioned).

In accordance with Article 65 of the VAT Code, there is a rebuttable legal presumption that goods on consignment are considered to have been purchased by the consignee if he cannot prove that he is keeping them or whether they have been returned to the consignor or consignant. In that situation, the consigner has an interest in keeping the consignee register accurate as it is an important element to refute the presumption.

c. Inclusion of dispatch in the VAT declaration of intra-Community transactions

i. Shipping consignment stock from Belgium to another Member State

The consignant includes the dispatch of goods under the on-demand inventory system from Belgium to another Member State in Part 2 of the VAT declaration of intra-Community transactions relating to the period in which dispatch commences (Article 53e, § 1, 4 °, of the VAT Code and Article 9 of Royal Decree No. 50, aforementioned).

The consignant does this by specifying the consignee's VAT identification number assigned to the latter by the Member State of arrival of the goods.

If he sends several stocks to the same consignee in the same Member State, within the same declaration period of Part 2 of the VAT declaration, the consigner's VAT identification number must be provided only once.

He must also notify any changes to the information submitted. This means changes to the consignee's VAT identification number, in particular:

- the (partial) replacement of the consignee in accordance with Article 12b, § 6 of the VAT Code (see section A, subsection e). The consignant includes the following information in part 2 of the VAT declaration of the intra-Community transactions relating to at the time of the replacement (13):
 - VAT identification number of the initial consigner
 - VAT identification number of the replacement (the new consignee)
- the (partial) return of the goods to Belgium in accordance with Article 12b, § 5 of the VAT Code. The consignant includes the following information in Part 2 of the VAT declaration of intra-Community transactions relating to the period during which the return starts (14):
 - the consignant's Belgian VAT identification number
 - the VAT identification number of the consignee for whom the goods were previously intended.

(13) This also applies if the initial dispatch to the consignee took place in the same declaration period of part 2 of the VAT declaration as that of the replacement.

(14) This also applies if the initial dispatch to the consignee took place in the same declaration period of part 2 of the VAT declaration as that of the return

These changes must be included in the VAT return for the period in which the shipment starts or in which the replacement takes place (in case the goods are not dispatched).

ii. Delivery of the good to the consignee when goods were sent from Belgium to another Member State

At the moment the supply of goods from the supply on demand is made by the consignor to the consignee, the consignor is considered an intra-Community supply for the purposes of Article 39 bis, paragraph 1 ° to provide the VAT Code (see section A, subsection b).

This supply must be included in part 1 of the VAT declaration of the period in which the time of payment due in respect of that supply occurred.

These actions are recorded with the code 'L'.

d. Preparing the document in Article 7 of Royal Decree No 1, aforementioned

The document referred to in Article 7 of Royal Decree No. 1, referred to above, which must be drawn up in the case of consignments on consignment, must not be drawn up by:

- the consignant when he has to complete the register of consignees (see subsection a and Article 24a of the Royal Decree No. 1, aforementioned)
- the consignee when the consignatarisregister (see subsection b and 24 to the Royal Decree no. 1 mentioned above) should supplement.

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D. Transitional arrangement

Before 01.01.2020, there was already an optional simplification scheme for consignments and transfers of stocks transported or dispatched to Belgium.

This regulation is discussed in detail in [Note 16/1994 of 04.07.1994](#) . Consignment shipments and shipments as referred to in that notice now fall under the category stock on demand.

Many Member States had their own simplification system on demand before 01.01.2020.

The new on-demand inventory scheme only applies to goods that are shipped or transported under this scheme from Belgium to another Member State or vice versa from 01.01.2020 (see article 11 of the law of 03.11.2019 amending the Code of the value added tax transposing Directive (EU) 2019/475 and Directive (EU) 2018/1910).

If the dispatch or transport of the goods from Belgium to another Member State or vice versa starts before 01.01.2020, the new on-demand stock arrangements may not apply, even if the arrival of the goods in the Member State of destination takes place after 01.01.2020 .2020.

a. The transport of the goods from Belgium to another Member State starts before 01.01.2020

If a simplification [scheme](#) applies in the Member State of arrival of the goods, this will be taken into account (see Chapter 4 of [Declaration No. 16/1994 of 04.07.1994](#)).

b. The transport of the goods from another Member State to Belgium commences before 01.01.2020

i. The simplification [scheme](#) of Chapter 3 of [Note 16/1994 of 04.07.1994](#) has not been applied

The transport or dispatch of goods in the context of a consignment consignment or transfer of stock (as referred to in [Declaration No. 16/1994 of 04.07.1994](#)) before 01.01.2020 from another Member State to Belgium has grounds for the consignant given until:

- a shipment by the consignant in the Member State from which the goods were dispatched or transported by or on his behalf
- a destination by the consignant in Belgium that is assimilated to an intra-Community acquisition for consideration.

As part of that shipment, the consignant had himself identified for VAT purposes in Belgium.

The new call-off stock regime does not apply to those goods.

When after 01.01.2020 the power to dispose of the property as owner is transferred by the consignant to the consignee, the consignant makes a local delivery in Belgium to the consignee (Article 14, § 1 of the VAT Code). Where appropriate, the VAT is transferred to the consignee in accordance with Article 51, § 2, first paragraph, 5 °, of the VAT Code.

ii. The simplification [scheme](#) of Chapter 3 of [Letter No. 16/1994 of 04.07.1994](#) has been applied

The transport or dispatch of goods in the context of a consignment consignment or transfer of stock (as referred to in [Declaration No. 16/1994 of 04.07.1994](#)) before 01.01.2020 from another Member State to Belgium has given rise to:

- a shipment by the consignant in the Member State from which the goods were dispatched or transported by or on his behalf (indicating the consigner's VAT number in the VAT statement of intra-Community transactions)
- a destination by the consignant in Belgium that is equated with an intra-Community acquisition for consideration, for which the consignee has been designated as the debtor of VAT and which the consigner has included as an incoming transaction in his periodic VAT return (schedule 86 and the amount due and deductible VAT in schedules 55 and 59 respectively).

The new on-demand inventory scheme does not apply to those goods.

If after 01.01.2020 the power to dispose of the property as owner is transferred by the consignant to the consignee, marginal [numbers](#) 47 to 51 of the [letter no 16/1994 of 04.07.1994 remain](#) applicable. In this respect it is noted that the transfer of taxation of Article 51, § 2, first paragraph, 5 °, of the VAT Code did not yet exist on the date of that notification. It goes without saying that such a shift of levy as a priority applies to the shift as referred to in paragraph 47 of that notice when the conditions of Article 51, § 2, first paragraph, 5 °, of the VAT Code are met.

Replacement of the registrar:

When a consigner established in another Member State who has sent goods to a consignee established in Belgium under the simplification [scheme](#) of [Note No 16/1994 of 04.07.1994](#) , wishes to send all or the remaining consignment goods consigned to another company established in Belgium Consignee, the Consignant must prepare an corrective document as referred to in [Decision No. ET 87.461 of 22.10.1996](#) to correct the document that established the original transfer of the consignment [goods](#) to the First Consignee.

The first consignee treats this document as a negative improvement of the destination assimilated to an intra-Community acquisition by including this document in the incoming invoice book of the separate accounts that he has to keep for each consignant (see [letter no 16/1994 of 04.07.1994](#) , marginal 42, 4 ° and 55). He then records the amount of this improvement in the grid 84 of his periodic VAT return.

A new document as required by point 42, 7 ° of the aforementioned [Note No 16/1994 of 04.07.1994](#) must be prepared and sent to the new Consignee.

The latter incorporates this document in the separate accounts that he has to keep for each consignant, applying the simplification measures for consignment consignments as described in [Note 16/1994 of 04.07.1994](#) .

In addition, the destination assimilated to an intra-Community acquisition of goods in Belgium is included by him in the grid 86 of his periodic VAT return (the price agreed between the consignee and the consignee) and in the grid 55 of this return (the VAT due). The new consignee exercises his right to deduct by including the deductible VAT in his head in Schedule 59 of his periodic VAT return.

Returning unsold goods to consignant:

The above procedure may also be used in the case of a return by the consignant of goods that have been sent to a consignee but return to him unsold.

Obviously, in such a case, there is only a need to prepare an improvement document (see [decision no. ET 87.461 of 22.10.1996](#)).

Sale to a third party by the consignant (excluding replacement):

Finally, it should also be noted that the direct sale by a consignant to a third of his stock on call-off goods sent by him does not fall within the scope of the simplification [scheme](#) of [registration no. 16/1994 of 04.07.1994](#) ([decision no. ET 87.461 from 22.10.1996](#)).

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