

Upcoming changes in 2021 (or later) in European Union / Norway / Switzerland / UK

Update December 27, 2020

Disclaimer: List may not be complete yet and will be further completed

Excluded in this overview:

- Implementation in the EU Member States of the EU E-Commerce VAT Directive per July 1, 2021. The overview can be found [HERE](#)
- Implementation of the VAT relief on Vaccines and Test Kits. This is a EU regulation which has to be implemented in the EU Member States effective Jan 1, 2021 till Dec 31, 2022
- Brexit related regulations, notices, guidances, etc For all Brexit news, click [HERE](#)

Country	Status	Measures	Link
European Union	Approved	COVID-19: VAT Relief on Vaccines and Test Kits for EU hospitals, medical practitioners and individuals	Link
Austria	Draft	<ul style="list-style-type: none"> • Temporary application of a reduced VAT rate of 5% in the gastronomy, culture and publishing sectors shall be prolonged to last until 31 December 2021 • Introduction of a VAT exemption for COVID-19 in vitro diagnostics and COVID-19 vaccines until the end of 2022 • Reduced Vat rate of 10% to repair services (including repair and modification) relating to bicycles, shoes, leather goods and clothing as from 1 January 2021 	Link
Belgium	Draft	VAT 6% VAT on demolition and reconstruction of private residences and increase in excise duties on tobacco products	Link
Bulgaria	Approved	Decrease of the VAT rate from 20 to 9% for (1) Restaurant and catering services, which consist of supply of cooked and uncooked food, except for services, which consist of supply of spirits. (2) Supply of books on physical carriers or by electronic means (including textbooks, training aids, drawing books, etc.), but excluding editions with advertising content and editions where the content is mostly musical or audio-visual and (3) diapers for babies. Measure applicable till Dec 31, 2021	Link Link Link Link
Croatia	Draft	Postponed accounting for importation via the VAT return, threshold to apply VAT cash accounting method increased	Link
Cyprus			

Czech Republic	Proposal	<p>Reduced VAT rate for women's menstrual aids</p> <p>COVID-19: Deferral of VAT payments and waiver of interest for impacted taxpayers</p> <p>Restrictions on the application of VAT on real estate rental from 1 January 2021</p>	Link Link Link
Denmark			
Estonia			
Finland			
France	Draft	<p>(1) Implementation of a French VAT Group (Article 45 of the Draft Finance Bill for 2021) – entry into force as of January 1st, 2022 for an effective application on January 1st, 2023</p> <p>(2) Postponement of the implementation of the E-commerce Package (Article 10 of the Draft Finance Bill) – measures applicable as of July 1st, 2021</p> <p>(3) Clarification of the VAT rules applicable to complex transaction (Article 9 of the Draft Finance Bill) – measures applicable as of January 1st, 2021</p> <p>(4) Other VAT and indirect tax measures</p> <p>Proposals for the implementation of compulsory electronic invoicing as of Jan 1, 2023</p> <p>Creation of a VAT group regime as of Jan 1, 2023</p>	Link Link Link
Germany		<p>As of Jan 1, 2021, return to the VAT rates applicable before reducing the VAT rates per July 1, 2020</p> <p>Updated preliminary VAT return form for 2021</p>	Link Link
Greece		<p>New Extension for Lower VAT rate for Islands till June 30, 2021</p> <p>Greece Extends Reduced VAT Rate for PPEs, extension payment of VAT liabilities expiring in Nov 2020 until 30 April 2021</p>	Link Link
Hungary		<p>Temporary reintroduction of a preferential 5% VAT rate (reduced from the standard rate of 27%) on certain newly constructed residential properties as from 1 January 2021 through 31 December 2022.</p> <p>VAT rate on takeaway meals temporarily reduced to 5%, applicable between November 14, 2020 and applies to early February 2021</p>	Link Link Link

		From 1 January 2021, reporting obligations will also include invoices issued for domestic B2C transactions in addition to invoices relating to intra-community supplies and exports. In case of self-billing, the customer has the reporting obligation.	
Ireland	Approved	<p>VAT rate reduction for hospitality from 13.5 to 9% and tourism sector from 1 November 2020 through to December 2021 and flat-rate addition for farmers</p> <p>Introduction of a fiscal representative for non-EU VAT registered businesses with poor tax compliance record</p> <p>Postponed VAT accounting for imports as of Jan 1, 2021</p>	Link Link Link
Italy		<p>Cross-Border E-invoicing may be implemented as of 2022. Esterometro will be no longer applicable</p> <p>Introduction of Plastic Tax as of July 1, 2021</p>	Link Link Link
Latvia			
Lithuania		Change to VAT refund process effective 1 January 2021	Link
Luxembourg	Draft	Threshold for small enterprises increased to €35,000	Link
Malta		Amendment VAT Thresholds for Small Undertakings	Link
Netherlands	Approved	0% VAT on masks, vaccines and test kits till April 1, 2020	Link
Poland	<p>Approved (almost)</p> <p>Draft</p> <p>WIP</p>	<p>Implementation of SLIM package as of Jan 1, 2021</p> <p>VAT grouping in Poland (most likely) as early as 2021? – Draft law available in the VAT Committee document?</p> <p>E-Invoicing & Real Time Reporting</p>	Link Link Link
Portugal	Proposal	<p>Portuguese Government has postponed the mandatory ATCUD code (or Validation-Sequential number code) on invoices including electronic XML invoices to 1 January 2022.</p> <p>QR code regulation starts from 1 January 2021. All the invoices issued from that date must contain a two dimensional bar code (QR Code). This code will include almost all the invoice information that must be reported. Electronic invoicing to public entities mandate (b2g e-invoicing) will be parallel to this</p>	Link

	Approved	<p>regulation. It is important that QR code must appear on all the invoices issued for public procurement. Taxpayers' ERP/accounting systems must be technically ready for all of these changes in 5 weeks.</p> <p>Extension of VAT Exemption for Goods Necessary to Combat COVID-19 till April 30, 2021</p>	Link
Romania		<p>Budget 2021 will not be endorsed before elections in Dec 2020</p> <p>The reduced rate of 5% of VAT will be applied on the tax base for the delivery of homes that have a usable area of maximum 120 sqm, excluding annexes, and whose value does not exceed the equivalent amount of 140,000 euros, provides a bill promulgated by the head of state. The ceiling provided so far in the Fiscal Code is 450,000 lei, excluding VAT, and the new ceiling would be applied from January 1, 2021.</p>	Link Link
Slovakia		Possibility to correct the tax base and related VAT for uncollectible receivables as of Jan 1, 2021	Link
Slovenia	Approved	VAT Payment Deferral option and Import VAT relief (as of Nov 28, 2020)	Link
Spain		<p>VAT rate on sweetened drinks from 10 to 21 percent. Implementation of Digital, Financial Transaction and a Plastic Tax.</p> <p>Changes to effective use and enjoyment rules for services to Canary Islands, Ceuta, and Melilla</p> <p>Extension of the SII Scope from 2021 – new fields for sales of goods in consignment</p>	Link Link Link
Sweden	Proposal	Reverse charge for value added tax (VAT) regarding mobile phones, integrated circuits, game consoles, tablets, and laptops; this reverse tax liability would apply only when the total tax base for sales of such goods exceeds SEK 100,000 (proposed effective date of 1 April 2021)	Link
United Kingdom		<p>UK to implement domestic reverse charge on construction services as of 1 March 2021</p> <p>End of the UK MTD soft-landing period in April 2021</p>	Link Link
Switzerland		Electronic VAT Return Filling From January 2021	Link

Norway		<p>(1) Changes on the determination of tax point for VAT purposes for the construction and shipbuilding industry as from January 1th 2020, (2) Covid-19 measure - reduced VAT rate, (3) Transition rule in connection with the abolishment of the NOK 350 threshold</p> <p>Norway SAF-T digital filing replaces VAT return 2022</p>	<p>Link</p> <p>Link</p>
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