

**EU VAT Directive 2006/112/EC**  
**Quick reference card**  
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Article 1	TITLE I	SUBJECT MATTER AND SCOPE	What is VAT?		
Article 2			The 4 transactions subject to VAT	Shall	Supply of goods for consideration within territory of the MS I/C acquisition of goods for consideration within the territory of the MS Supply of services for consideration within the territory of the MS Import of goods (for free or not, by a taxable person or not)
Article 3			Transactions not subject to VAT - derogations from art.2	Shall	I/C acq Supply of goods exempted in MS of acquisition following art 148 and 151 I/C acquisition for flat VAT rate schemes or when VAT is non deductible - only if thresholds are met
Article 4			Transactions not subject to VAT - derogation for 2nd hand goods	Shall	I/C acquisition of goods on which the margin scheme applies, 2nd hand means of transport (art327), sold by public auction
Article 5	TITLE II	TERRITORIAL SCOPE	Territorial definitions		Third territories => part of the EU but directive is not applicable (art 6)
Article 6			Where the directive does not apply	Shall	Territories part of customs territory but no of the VAT => these are exports Territories not part of customs territory but no of the VAT => These are exports for both customs and VAT
Article 7			Where the directive applies	Shall	Supplies from Monaco and IoM are treated as supplies coming from FR or UK => local supplies
Article 8				Shall	
Article 9	TITLE III	TAXABLE PERSONS	Definition of taxable person		Any person, independently, economic activity
					Exploitation of tangible or intangible property Occasional sale of new car to another MS => taxable person
Article 10			Employee are not taxable persons		
Article 11			VAT group	May	After consulting VAT committee => financial, economic or organizational link, established in the MS, PE can join
Article 12			Occasional immovale property transactions	May	Possible taxable person for the supply of new buildings and supply of building land
Article 13			Governments	Shall	Not taxable persons, only if there would be distortions of competition Taxable person if activity listed in Annex 1
Article 14	TITLE IV	TAXABLE TRANSACTIONS	What is a supply of goods	Shall	the transfer of the right to dispose of tangible property as owner
	Chapter 1	Supply of Goods			If ownership trf normally at the end after installments, VAT is due at the start on the total price Trf of goods in a commissionaire agreement
Article 14a			E-Commerce - Facilitators	Shall	Facilitator is assumed to have received and supplied those goods himself
Article 15			Utilities are goods	Shall	Electricity, gas, heat, refrigeration are tangible property (goods)
Article 16			Self supply and free goods	Shall	Treated as supply of goods for <u>consideration</u> (only if VAT on the purchase of these goods is deductible) Samples/small gifts => not a supply of goods for consideration Goods offered as discount +> treated as free goods => VAT due
Article 17			Intra Community transfers	Shall	Move of goods by 1 taxable person to another MS = supply of goods for <u>consideration</u> , transport to be made by or on behalf of the woner. Except Supply of goods for installation . Definition of non trf of goods

Article 17a			Trf of own goods under call-off stock arrangements	Shall	Not be treated as a supply of goods for consideration
Article 18			Own usage of self produced	May	Supply of goods for <u>consideration</u> of self produced goods if VAT would not be wholly deductible if acquired from 3rd parties
Article 19			Trf of going concern	May	Not taxed - if total or partial trf of assets
Article 20	Chapter 2	Intra Community acquisition of goods	Conditions for I/C acquisition	Shall	<p>Importation is taxable event. IC acq only if cust is taxable person</p> <p>Right to dispose</p> <p>Transport by vendor or customer or for their account</p> <p>To a MS other than where the transport began.</p>
Article 21			Trf if goods cross border within a biz	Shall	Goods imported by non taxable person in MS and dispatched to other MS, goods are regarded as being dispatched from the MS of import. VAT on import is deductible if VAT is paid in arrival country. Cfr art 17 - art is legal basis to tax in country of arrival
Article 22			Armed forces	Shall	If no art 143 exemption, there is I/C acq of goods for consideration
Article 23			I/C acq mirrors supply of goods	Shall	If I/C acq, goods taxed in country of receipt
Article 24	Chapter 3	Supply of services	What is a supply of service	Shall	<p>1. Services if no supply of goods</p> <p>VAT applies if for consideration</p> <p>Within the territory</p> <p>By taxable persons acting as such</p> <p>2. Definition of telecommunication services</p>
Article 25			Special services that may be services	May	Non concurrence/non compete = services
Article 26			Private use is a service for consideration	Shall	E.g. Use of car = supply of service for consideration. Derogation possible
Article 27			Own use in partial exempt sectors	May	If VAT not fully deductible, self use of services is supply of services for consideration
Article 28			Deemed supply in chain services	Shall	Taxable person acting in his own name but on behalf of another person, shall be deemed to have services performed himself
Article 29			Business transfers	Shall	Same as art 19 but for services
Article 30	Chapter 4	Importation of goods	What is importation	Shall	Entry in the community if goods
Article 30a	Chapter 5	Provisions common to Chapter 3 and 4	Vouchers	Shall	Definition of voucher, single and multi purpose voucher
Article 30b				Shall	
<b>TITLE V PLACE OF TAXABLE TRANSACTIONS</b>					
	Chapter 1	Place of supply of goods			
Article 31	Section 1	Supply of goods without transport	No transport => goods location	Shall	PoS is where goods are located at the time of the supply
Article 32	Section 2	Supply of goods with transport	Transport => goods locations at start	Shall	PoS is where goods are located at the time the transport starts (even if done by 3rd party)
Article 33			Place of supply of distance sales	Shall	<p>If trp starts outside the EU, PoS by the importer is deemed the MS of the importation of the goods</p> <p>Trpt by supplier, IC supply =&gt; PoS where trpt ends</p> <p>PoS when goods are imported from third countries</p>
Article 34			Deleted		
Article 35			Exceptions for 2nd hand goods	Shall	Art 33 and 34 do not apply for 2nd hand goods
Article 36			Goods with assembly - place of installation	Shall	Installation to be done by or on behalf of the supplier. Service is deemed to be part of the goods value.
Article 36a			Chain supplies	Shall	Trpt allocated to the supply made to the intermediary operator
Article 36b				Shall	If art 14a is applicable, trpt to be allocated to the supply made by that taxable person

Article 37	Section 3	Supply of goods on board ships, aircraft or trains	Place of taxation is last entry in community	Shall	Paaenger trpt not business within community => PoS is point of departure. If stop outside EU . PoS is last entry in community
Article 38	Section 4	Supply of goods through distribution systems	Gas & electricity for resale - where buying trader is established	Shall	Supply of gas & eleceticity to taxable dealer
Article 39			Gas & electricity for consumption - where consumption is \	Shall	If art 38 is not applicable => PoS is the place where customer effectively uses and consumes the goods. If not consumed, it is customer's location.
Chapter 2		Place of an intra Community acquisition of goods			
Article 40			Basic rule - where transport ends	Shall	Need for transport by suppl, cust or on their account
Article 41				Shall	PoS can be the MS which issued the VAT no of the acquirer if you cannot prove that VAT has been paid in country of "end of transport".
Article 42			Simplification for triangulation	Shall	Art 40 applicable if (1) IC acq and subsequent supply to a person laible to pay VAT following art 197 (R/C) and (2) recapitulative statement (art 265)
Chapter 3		Place of supply of services			
Article 43	Section 1: Definitions		Definition taxable person for supply of services	Shall	Taxable person also doing non taxable activities is regarded as taxable person for all its activities. Non taxable lega person identified for VAT purposes is a taxable person.
Article 44	Section 2: general rules		Main article B2B	Shall	PoS = where customer is established. If cust has FE = place of FE.
Article 45			Main article B2C	Shall	PoS = where supplier is established. If supplier has FE = place is FE
Article 46	Section 3: Derogations				
	Subsection 1: Supply of services by intermediaries	B2C		Shall	PoS= where the underlying transaction is supplied
Article 47	Subsection 2: Supply of services connected with immovable property			Shall	Location of the immovable property
Article 48	Subsection 3: Supply of transport		Passenger transport	Shall	Pos= where transport takes place poportionate the distance covered
Article 49			Non I/C of goods to non taxable persons	Shall	Pos= where transport takes place poportionate the distance covered
Article 50			I/C of goods to non taxable persons	Shall	Pos= place of departure
Article 51			Defintions	Shall	I/C transport of goods - Place of departure/arrival
Article 52					No application of VAT on I/C of goods to non taxable persons of over waters that are not part of the community
Article 53	Subsection 4: Supply of cultural, artistic, sporting, scientific, educational, entertainment and similar services, ancillary transport services and valuations of and work on movable property		General rule for "admission to"	Shall	To taxable person PoS=where the event takes place
Article 54				Shall	To non-taxable person PoS= where those activities takes place/physically carried out
Article 55	Subsection 5: Supply of restaurant and catering services				PoS=where services are physically carried out
Article 56	Subsection 6: Hiring of means of transport	B2B and B2C		Shall	ST hiring (<30d. 90d for vessels) tpt = where the means of trpt is put at disposal of customer (LT hiring follows art 44)
Article 57	Subsection 7: Supply of resto and catering services for consumption on board of ships, aircraft, trains			Shall	Point of departure of the passenger transport operation
Article 58	Subsection 8: Supply of electronic	Till 2014		Shall	By taxable person outside the community B2C = customer's location

		services to non-taxable persons			
		Subsection 8: Supply of telecommunications, broadcasting and electronic services to non-taxable persons	As of 2015	Shall	B2C place of establishment customer
Article 59		Subsection 9: Supply of services to non-taxable persons outside the community		Shall	B2C place of establishment customer
Article 59a		Subsection 10: Prevention of double taxation or non-taxation	U&E	May	Cust outside EU, U&E in EU : B2B U&E in MS where services are physically carried out (only for art 44 45 56 and 59)
Article 59b			Deleted - Till 2014	Shall	Exception for telecom serv etc tot non-taxable persons established in a MS
Article 59c				Shall	Cases in which 1rt.33 and 58 does not apply
	Chapter 4	Place of importation of goods			
Article 60			General rule	Shall	Territory where goods are located when they enter in the Community
Article 61			Deviations	Shall	Goods not in free circulation, in cases of art. 156 (customs regime). Temporary import arrangement, external transit arrangements, art 276 /277 => place of importation is MS where goods cease to be covered
<b>TITLE VI CHARGEABLE EVENT AND CHARGEABILITY OF VAT</b>					
Article 62	Chapter 1	General provisions	Definitions	Shall	Chargeable event => when legal conditions for VAT to become chargeable are fulfilled, when authorities can claim VAT
Article 63	Chapter 2	Supply of goods or services	When supplied	Shall	When goods/services are supplied (right to dispose of goods or serv are completed)
Article 64			Continuous supplies	Shall	Successive statements of accounts/successive payments => supply of goods/serv completed on the expiry of the periods to which statements/payments relate
				May	AS being completed at least at intervals of one year
Article 65			Upon receipt of payment	Shall	VAT due upon receipt of payment and on the amount received
Article 66			Other rules are allowed	May	Other rules possible but no later than the time invoice is issued, payment is received or when no invoice is issued/late issued => within specified period from date of chargeable event
Article 66a			Goods received and supplied under art. 14a	Shall	When payment has been accepted
Article 67			I/C supplies & trfs (goods only)	Shall	VAT due on the 15th of the next month
Article 68	Chapter 3	Intra Community acquisition of goods	Same as supply	Shall	Except: VAT due if invoice is issued before When I/C acq of goods is made
Article 69			Mirror of art 67	Shall	VAT due on the 15th of the next month Except: VAT due if invoice is issued before
Article 70	Chapter 4	Importation of goods	At import	Shall	
Article 71			At end of customs procedures	Shall	Except : VAT is due with the Customs duty
<b>TITLE VII TAXABLE AMOUNT</b>					
Article 72	Chapter 1	Definition	Open market price, not less than cost	Shall	At arm's length price
Article 73	Chapter 2	Supply of goods or services	Base rule- the value of the full consideration	Shall	E.g. taxable basis includes subsidies

Article 73a			Multi-purpose voucher	Shall	Consideration paid for that voucher
Article 74			Self supply for private use or free goods	Shall	Tax Price is purchase price of goods (the price you would pay at the time of disposal) or if not available the cost price
Article 75			Free usage of goods/serv (should be on company's BS)	Shall	Tax amount is full cost to the taxable person
Article 76			Transfers	Shall	Tax Price is purchase price of goods (the price you would pay at the time of disposal) or if not available the cost price
Article 77			Deemed self supply	Shall	Open market value
Article 78			Includes incidentals	Shall	Includes taxes (no VAT), duties, levies and charges. Incidental expenses as commission, packing, transport and insurance costs.
				May	Incidental expenses => incl, expenses covered by separate agreement
Article 79			Discounts, rebates and reimbursements	Shall	Tax amount excludes (1) discount early payment, (2) price discounts at the time of the supply and (3) repayment of expenditure (taxable person is not able to deduct the VAT)
Article 80			Application of open market value with related parties (incl. employees)	May	Consideration < FMV Cust has no full right for deductionm Supplier has no full right of deduction and supply is exempted
Article 81			Antiques	N/A	
Article 82			Gold	May	Selling of gold is VAT exempted w/o right to deduct. Cust has to pay VAT, no VAT on the invoice
Article 83	Chapter 3	Intra Community acquisition of goods	Same as chapter 2	Shall	
Article 84			Taxes, duties, levies and charges except VAT	Shall	To be included in tax base
Article 85	Chapter 4	Importation of goods	Tax basis = customs value	Shall	
Article 86			Additions to tax base	Shall	Inc. taxes, duties, levies and charges except VAT and incidental expenses
Article 87			Discounts and rebates deducted	Shall	
Article 88			Re-import of temporarily exported goods	Shall	Only VAT on the repair/contract work if re-imported by the same person
Article 89			Special rules for art		
Article 90	Chapter 5	Miscellaneous provisions	Cancellation & non-payments	Shall	Cancellation, full or partial non-payment, price reduced => tax amount reduced following conditions defined by the MS.
Article 91			Exchange rates	Shall	(1) based on community provisions for the calc of the customs value, (2) at the time VAT becomes chargeable based on repres exch market
Article 92			Returnable packaging	May	Can be incl/excl in taxable basis
<b>TITLE VIII RATES</b>					
Article 93	Chapter 1	Application of rates	Time of the rate	Shall	Rate applicable at the time of the chargeable event
Article 94			N/A		
Article 95			Change in rates	May	MS may adjust in case of prepayments to rate applic when goods are supplied / MS may use transitional measures
	Chapter 2	Structure and level of rates			
Article 96	Section 1	Standard rate	1 standard rate	Shall	1 rate for goods and services
Article 97			Minimum standard rate		min 15%
Article 98	Section 2	Reduced rate	Limited scope	May	1 or 2 reduced rates, only for G/S as per Annex III
Article 99			Minimum reduced rates	Shall	min 5%
Article 100-1-1			N/A		

Article 102-106	Section 3	Particular provisions	N/A		
Article 107-108	Chapter 3	Temporary provisions for particular labour intensive services	N/A		
Article 109-120	Chapter 4	Special provisions applying until the adoption of definitive arrangements			
Article 121			Rate for toll	May	MS which considered before 1993 toll as goods, can apply VAT rate of the goods of service
Article 122			N/A		
Article 123-130	Chapter 5	Temporary provisions	N/A		
<b>TITLE IX EXEMPTIONS</b>					
Article 131	Chapter 1	General provisions			Even if transaction is exempt, there are admin requirements to be met to benefit from the exemption
Article 132	Chapter 2	Exemptions for certain activities in the public interest	Public, health, non-profit, education (see page 54-55 for the list)	Shall	Lobbying: if membership is paid and only to cover costs => exempted
Article 133			Conditions to apply for art 132	May	
Article 134			Avoidance of abuse of art 123	Shall not	
Article 135	Chapter 3	Exemptions for other activities	Financial services	Shall	Incl. insurance, credit mgt, investment funds (pension funds), stamps, betting, lotteries, first use of building/land. Leasing/letting of immovable property (construction of building which is rented out is not deductible) Excl from exemption: Hotel, parking, letting of machinery and equipment, hire of safes
Article 136			Further supply of goods with no VAT recovery	Shall	If <u>goods</u> are purchased w/o right of deduction, no need to charge VAT. Supply of admin serv if not pooled is subject to VAT
Article 136a			Deemed supplies by intermediaries (Art. 14a(2))	Shall	Exemption of supply of goods to a taxable person is deemed to have received and supplied goods in accordance with Article 14a(2), Member States shall exempt the supply of those goods to that taxable person.
Article 137			Option to tax	May	For financial services, some MS allow that it is not VAT exempted, supply of building land before first occupation, leasing/letting immovable property
	Chapter 4	Exemptions for intra Community transactions			
Article 138	Section 1	Exemptions related to the supply of goods	Zero rated intra Community supplies	Shall	Trpt to destination in the EU, by or on behalf of the vendor or the person acquiring the goods, for another taxable person or for a non-taxable legal person. MS of customer is different. Sale of new means of transport to <u>anybody</u> in another MS. Excise duties subject to VAT even if threshold Trf of goods : Transport!!!!
Article 139			Limitations for application of 138	Shall	Small cies/if IC acq are not subject to VAT/margin scheme/second hand means of trpt
Article 140	Section 2	Exemptions for intra Community acquisitions of goods	No reverse charge	Shall	If supply of goods would anyway be exempt if local. Import of goods in the EU other than the country where the transport ends.
Article 141			Exemption for middle man in triangulation	Shall	IC Acq of goods is acq has full reimbursement of VAT B is not established in country of arrival and give VAT no of another MS. B acquires goods for subsequent supply to C. Trpt of goods from country in which B is not using his VAT no. C has VAT no in country of arrival. C is liable to pay VAT.

Article 142	Section 3	Exemptions for certain transport services	Azora & Madeira		
Article 143	Chapter 5	Exemptions on importation		Shall	Import of goods of which the transaction is also not taxed if locally. Re-importation of goods by the person who exported them - where goods are exempted from import duties. Importation of gold by central banks. Import of gas /electricity through natural gas distribution/vessels. Incl in the basis for import
Article 144			Auxiliary services to import	Shall	
Article 145			Transition rule	Shall/may	
Article 146	Chapter 6	Exemptions on exportation	Exempted exports goods&services	Shall	Supply of goods outside the EU , transport by the vendor Supply of goods by a customer, transport by cust,, cust not located in ctry of dispatch Supplies of goods to approved bodies as charities who export the goods Supply of services to movable goods exported thereafter Supply of serv incl trpt related to the export of goods
Article 147			Goods in travellers luggage	Shall	Traveler estab outside EU, trpt out of EU within 3 months after supply, min 175EUR incl VAT
Article 148	Chapter 7	Exemptions related to international transport	Supplies to sea vessels and crafts	Shall	
Article 149			Madeira/Azores	May	For Portugal to M/A
Article 150			Scope limitations to art 148		
Article 151	Chapter 8	Exemptions relating to certain transactions treated as exports	Supplies To diplomats, Organization, NATO, armies		
Article 152			Supplies of gold to banks	Shall	
Article 153	Chapter 9	Exemptions for the supply of services by intermediaries	Intermediaries involved in Exempt transactions	Shall	Services by intermediaries involved in export, int'l trpt, diplomatoc, army, ...
Article 154	Chapter 10	Exemptions for transactions relating to international trade		Shall	
	Section 1	Customs warehouses, warehouses other than customs warehouses and similar arrangements		Shall	VAT is due when excise duty is due. If no excise duty, MS can decide
Article 155				May	Arrangements are possible for suspension, not exemptions – They will vary by MS.
Article 156				May	May exempt supply GOING TO Customs arrangements/temp storage/free whse
Article 157				May	May exempt some VAT (Non Customs) warehouse
Article 158				May	MS may provide for other whse than cust whses
Article 159				May	some specific services to VAT warehouses can be zero rated
Article 160			Exemption for Goods in VAT warehouses	May	Goods are already in Customs or VAT warehouse or equivalent, and remain there. This enables trading of goods from one VAT warehouse to another one.
Article 161				May	Sale of goods not yet released in the EU
Article 162				Shall	Whse: non discrimination bs local
Article 163				Shall	No double taxation between acquisition and importation
Article 164	Section 2	Transactions exempted with a view to export and in the framework of	Goods & services for export business	May	I/C acq and import is exempted if reexported, also possible for services (contract work)

		trade between the Member States			
Article 165				May	MS may set max amount for transactions per art 164
Article 166	Section 3	Provisions common to Sections 1 and 2		Shall	
<b>Article 167</b>	<b>TITLE X</b>	<b>DEDUCTIONS</b>			
	Chapter 1	Origin and scope of right of deduction	Times of deduction mirrors chargeability	Shall	
Article 167a			Deduction in case of cash accounting	May	In case a MS implements this article, a threshold shall be applicable
Article 168			What VAT is deductible	Shall	Business purpose needed for deduction
Article 168a				Shall	If bldg with mixed use, VAT is only deductible for biz part
Article 169			Exempt activities with the right to deduct	Shall	Right to deduct VAT on non local transaction if deduction would be possible if local
Article 170			Non establ. cies right to deduct	Shall	Refund 8th and 13th directive
Article 171				Shall	
Article 171a				May	
Article 172			Occasional supply of news mean of transport	Shall	Non taxable pers selling car can deduct VAT of the purchase (but no more VAT than VAT on the sale)
Article 173	Chapter 2	Proportional deduction	Mixed taxpayer only get mixed deduction	Shall/May	(May is for the MS taking measures)
Article 174			Calculation of the proportion	Shall	Nominator = turnover deductible VAY, Denominator = Total turnover
					Excl. self supplies of capital goods, incidental real estate and financial transactions
Article 175				Shall	Deductible proportion, calc. annually as a % and rounded up
Article 176	Chapter 3	Restrictions on the right of deduction	Non deductible VAT	Shall	Determined by the Council. If not strictly business not deduct as luxuries, amusement, entertainment
Article 177				May	MS may exclude capital/other goods from the syst of deductions for economical reasons
Article 178	Chapter 4	Rules governing exercise of the right of deduction	Conditions to deduct	Must	100% correct invoice needed, import doc in case of import
Article 179			Normal way to deduct	Shall	Deductible VAT is offset with VAT due
Article 180			MS may authorize deviations	May	Deviations possible from art 178/179
Article 181			I/C acq goods w/o invoice	May	Deuction possible if no invoice (only I/C acq of goods)
Article 182				Shall	MS to determine conditions art 180/181
Article 183			MS option to refund or carry over	May	
Article 184	Chapter 5	Adjustment of deductions	Original deduction to adjust	Shall	Higher/lower than entitled
Article 185			Discounts, stolen/damaged goods	Shall	Adjustment needed after VAT return in case purchases are cancelled or price deduction
Article 186				Shall	Rules to apply art 184 and 185
Article 187			Adj for fixed assets spread	Shall	If full deduction direct deduction. I partial deduction adjustment needed spread over 5Y, also in case status taxpayer changes
					Unless sold with VAT, stolen or destroyed, VAT shall be adjusted in first 5Y
Article 188			Reale of assets on which adjustment was made	Shall	VAT to be adjust as of year of sale: full deduction
Article 189			Application defined by MS	May	
Article 190			Services may be regarded as Cap assets	May	E.g. software
Article 191				May	Simplification
Article 192				May	MS may take measure of tax status changes
	<b>TITLE XI</b>	<b>OBLIGATIONS OF TAXABLE PERSONS AND CERTAIN NON TAXABLE PERSONS</b>			



Chapter 1		Obligation to pay			
Section 1		Persons liable for payment of VAT to the tax authorities			
Article 192a		Impact FE	Shall	If FE does not intervene, taxable person is deemed as non established	
Article 193		Supplier is liable to pay VAT	Shall		
Article 194		If supplier is not established, may be the customer	May	If suppl is Not established in the MS VAT is due	
Article 195		Gas & electricity	Shall	Cust (having VAT no) is liable if supplier is not establ in the MS	
Article 196		Supplier non establ in that MS supplying services of art 44.	Shall	VAT due by the tax person or non-tax person identified for VAT purposes (VAT due by cust - no VAT on the invoice)	
Article 197		Triangulation simplification	Shall	VAT payable to th eperson to whom the goods are supplied under art 141 (Vat due by C)	
		Derogation	May	Simplification not applic if B is VAT registered via Tax representation (!! ) in country of arrival (VAT regist is not enough)	
Article 198		Gold			
Article 199		Cust liable if payment would be unsure	May	Supply of construction wrok incl repair, cleaning, ... + staff engaged. To fight fraud in case of immovable property, used material - also for supply of immovable property	
Article 199a		VAT liability shifted to customer	May	Only applicable till June 30, 2022	
Article 199b		Quick Reaction Mechanism	May		
Article 199c		Generalized reverse-charge mechanism	May	Only applicable till June 30, 2022	
Article 200		IC Acq of goods: acquiror liable	Shall		
Article 201		Imports; person designated	Shall	VAT liable by person of whom VAT no is on the import document	
Article 202		VAT warehouse regime	Shall	VAT payable by any person who causes goods to cease	
Article 203		If VAT is shown, VAT is due	Shall		
Article 204		Non EU taxable person	May	If VAT is due by non tax person not establ in that MS, MS may allow to appoint a tax representative	
Article 205		Where liability shifts, MS may consider joint responsibility	May		
Section 2		Payment arrangements			
Article 206		Liabie must be paid by the time defined	Shall	Pay net amount when paying VAT return. MS <u>may</u> have diiferent date or require interim payments	
Article 207			Shall	Measures for art 194 to 197 and 1999 to 204 and 205 (joint liability)	
Article 208		Investment gold			
Article 209			Shall	MS have to establ admini so that non taxable persons can pay their dues	
Article 210			Shall	cfr new means of transport and IC goods subject to excise duty	
Article 211		R/C VAT for import	May	Basis for potential deferall of import VAT	
Article 212			May	No payment of VAT if insignificant	
Chapter 2		Identification			
Article 213		Obligation to inform	Shall	Inform MS when you start activity	
Article 214		VAT registration numbers	Shall	Every taxable person for supplies on which VAT is deductible, every TP or non-taxable legal person making I/C acq of goods, every TP who receives serv if VAT is due by receipient fol. Art 196, every TP that supplies serv in another MS in which VAT is due following art 196	
Article 215		VAT identification number has prefix	Shall		
Article 216		MS have to build a database	Shall	To check the validity of the VAT number	
Chapter 3		Invoicing			

Article 217	Section 1	Definition	Definition "electronic means"	Shall	Provision to web portal is OK
Article 218	Section 2	Concept of invoice	Paper or e-invoices are acceptable	Shall	
Article 219			Amending invoice	Shall	Any document amending invoice is an invoice
Article 219a			Invoicing rules	Shall	Follow place of supply rules
Article 220	Section 3	Issue of invoices	Obligation to issue invoice by TP	Shall	Supply of goods services to TP or NTLP
					Supply of goods art 33 distance sale
					Supply of goods art 138 IC supplies
					Payment of account
Article 220a			Simplified invoices	Shall	For invoices lower than 100EUR
Article 221			Other situation: Issue invoice	May	Any other transaction than art 220
					No need for invoice if made within territory and exempt
Article 222			Time limit to issue an invoice	Nay	
Article 223			Summary invoices	May	
Article 224			Self billing	Nay	Cust can draw if with TP, prior agreement and acceptance procedure exists
Article 225			Specific conditions	May	If cust is located in country w/o mutual assistance
Article 226	Section 4	Content of invoices	Default compulsory content	Shall	
Article 226a			Invoices issued by non-established where VAT is due	May	Omit some details
Article 226b			Simplified invoices	Shall	Minimum requirements
Article 227			VAT number	May	VAT number only needed in case cust is liable to pay VAT, this art may require VAT no in other cases
Article 228			Content	May	Can be less, not more
Article 229			Deleted		
Article 230			VAT to be in LC	May	Inv may be drawn up in other curr
Article 231			Deleted		
Article 232	Section 5	Sending invoices by electronic means	E-invoice only with recipient acceptance	May	
Article 233			E-inv authenticity guarantee	Shall	Authenticity of the origin and integrity are guaranteed via electr signature or EDI
Article 234			Deleted		
Article 235			Unless outside EU	May	More requirements if no agreement for mutual assistance
Article 236			Invoices by batch	May	Common details only mentioned once if same suppl/recipient
Article 237				Shall	Comm needto issue rept by 12/31/2008 on cond elec inv
Article 238	Section 6	Simplification measures	Simplified invoices	May	If amount is minor or business practice
Article 239			If no VAT regist no exists	Shall	Use of local reference no
Article 240			Requirements tax reference no	May	
	Chapter 4	Accounting			
Article 241	Section 1	Definition	Definition	Shall	storage of an inv by electronic means
Article 242	Section 2	General obligations	Sufficiency of accounting to check	Shall	Link between VAT and P/L, purchase and sales ledger, exch. Rates
Article 242a			Taxable person facilitating transaction	Shall	Keep records
Article 243			Registers of "non transfers"	Shall	Registers of "non transfers out"/"non transfers in"
Article 244	Section 3	Specific obligations relating to the storage of all invoices	Need to store all invoices	Shall	

Article 245			Place of storage	May	Choice of place of storage if requested delivered w/o delay. MS may require domestic storage for paper inv only
Article 246			Deleted		
Article 247			MS to define storage period	Shall	And storage in original form as sent
Article 248			MS	May	ask non taxable persons to keep invoices
Article 248a	Section 4	Right of access to invoices stored by electronic means in another Member State	MS may require translation of invoices in their official language	May	
Article 249			Right to access and download	Shall	For electr invoices, auth. Can access the electronic storage
Article 250	Chapter 5	Returns	Obligation & form	Shall	Tax due/deductions/basis of assessment/exempt transactions
Article 251			Other info to be reported	Shall	Zero rated ICS, distance sales, goods with assembly, ICA, transfers, triangulation
Article 252			Submission deadline	Shall	Max 2 mo after tax period i.e 1, 2 or 3 months
Article 253			Accession for Sweden	May	
Article 254			Measures	Shall	New means of trpt In case from TP to non TP: necessary measures
Article 255				Shall	Gold/investment gold
Article 256				Shall	Art 194 to 197, 204
Article 257				Shall	Non TP liable to pay VAT
Article 258				Shall	ICA New means of trpt/prod subject to excise duty
Article 259				Shall	New means of trpt
Article 260				Shall	Importation of goods
Article 261			Annual recap: format defined by MS	May	Annual recap, may in electr format
Article 262	Chapter 6	Recapitulative statements	EC sales & acquisition list	Shall	Zero rated IC supplies. Triangulation, services (art 196)
Article 263			Timing	Shall	Mandatory on quarterly basis, MAY on a monthly basis
Article 264			Minimum info EU sales list	Shall	VAT no suppl and cust, total value
Article 265			Minimum info EU acq list	Shall	For triangulation: VAT no of MS if acq, VAT no end trpt, value
Article 266			Right to ask more	May	
Article 267			Other	Shall	art 194 and 204
Article 268				Shall	art 21 and 22: submit statements
Article 269				May	Council may authorize special measures
Article 270			Simplified rules small cie	May	Annual recap statements - threshold in art
Article 271			Less frequent for mid cie	May	If Q vat return, Q listings
Article 272	Chapter 7	Miscellaneous provisions	Release from obligations	May	for certain categories of TP
Article 273			Right to ask more	May	
	Chapter 8	Obligations relating to certain importations and exportations			
Article 274	Section 1	Importation		Shall	importation of goods for free circulation
Article 275				Shall	Same as for community customs provisions
Article 276				Shall	Community transit procedure
Article 277				Shall	Temporary importation agreement
Article 278	Section 2	Exportation		Shall	exportation of goods for free circulation
Article 279				Shall	Same as for community customs provisions
Article 280			Temporary exports	Shall	Only the work gets taxed
TITLE XII SPECIAL SCHEMES					

	Chapter 1	Special scheme for small enterprises			
Article 281	Section 1	Simplified procedures for charging and collection	MS may take simpl measures	May	After approval of VAT committee
Article 282	Section 2	Exemptions or graduated relief		Shall	For both goods and services
Article 283			Not applicable for	Shall	Occasional transactions (art 12), new means of trpt, supplies by TP not establi in MS VAT is due
Article 284					
Article 285			MS	May	Exempt if below 5000EUR
Article 286			Exemptions for small undertakings	May	Threshold in 1977: MS may raise
Article 287			Same for new MS	May	Threshold mentioned in this art.
Article 288			How turnover is calc	Shall	Taxable transactions, exempted trans, able of real estate and financial and insurance serv
Article 289			If exempted	Shall	No VAT charged, no VAT recovered
Article 290			Small undertakings	May	opt for normal VAT regime
Article 291					
Article 292					
Article 293	Section 3	Reporting and overview			Commission to prepare report for the Council every 4 Y
Article 294					Council decides on application of syst
Article 295-305	Chapter 2	Common flat rate scheme for farmers	In essence, farmers do not charge VAT on their supplies, cannot recover the VAT on their purchases. When they sell for 100, the Customer will pay actually 100 + reduced rate VAT (the extra payment being recoverable for the buyer), the farmer will be allowed to keep the money as a compensation for the unrecoverable VAT he paid. Farmers are taxable persons. Below the threshold they can qualify as minor undertakings, but with special farmers regime on top.		
Article 306-310	Chapter 3	Special regime for travel agents	Travel agents buying services from hotels & airlines and sell packages for the travelers. The VAT on the incoming invoices relating to the travel itself is non recoverable, and no VAT is charged to clients on that. On general expenses, the travel agent can claim back the VAT, and they have to charge VAT on their margin. (so actually, there is a split of the underlying items that are sold, which are pass through without VAT recovery/charge, and the added value which is normal business. The issue is that the interpretation of what is pass through and what is not, and how to make the calculations. Legislations vary in each country. UK is particularly broad and with the "toms" system, the customer will lose VAT recovery on all underlying expenses. In this case, all invoices should rather be billed to the Customers directly and separately the travel agent will charge its fee. VAT is due even if travel abroad.		
Article 310			This special scheme shall not apply to travel agents where they act solely as intermediaries VAT is not deductible if for direct benefit for the traveler, but it is deductible if business		
	Chapter 4	Special arrangements for second hand goods, works of art, collectors' items and antiques			
Article 311	Section 1	Definitions			
Article 312	Section 2	Special arrangements for taxable dealers			
Article 313-325	Subsection 1	Margin Scheme	This is also a margin scheme, but with VAT never deductible. If taxable person buys a car from a private person at 10,000 and resells it at 12400 (all in), VAT should be calculated on the margin. In the above, if VAT is 20%, then the 12400 is 10,000 basic, 2000 Margin, 400 VAT (400 is 20% of 2000) charged. The VAT of 400 is not recoverable by the buyer. The buyer could decide to take it out of this scheme and just accept that 12400 include a full 20% VAT. In this case this is normal VAT recoverable by the buyer. If as a normal taxable person you buy a car from a private person (i.e. without VAT) and then sell it further once it became a business asset, you should fully subject the sale to VAT, as this is not your specific business, so you can't get the special regime. If you give it for		

free to an employee, then there will be no VAT, because you have no self supply since you never had VAT, so it should not be re-instated (art 18.1)

Article 326-332	Subsection 2	Transitional arrangements for second hand means of transport	
Article 333-341	Section 3	Special arrangements for sales by public auction	
Article 342	Section 4	Measures to prevent distortion of competition and fraud	
Article 344-356	Chapter 5	Special scheme for investment gold	Sales of Investment Gold is exempt. When I produce it though, I face VAT, which I would not be able to recover as I have an exempt turnover. This article allows to say "VAT due by Customer artxxx". This says I have opted for VAT, not for exempt, so I can recover my input VAT. The customer (bank) is then charging Reverse charge, but is allowed to fully recover immediately based on specific regulations. The key here is to allow recovery of costs from transforming commercial Gold (subject to VAT) and related costs into Investment gold.
	Chapter 6	Special scheme for non established taxable persons supplying electronic services to non taxable persons	From Jan 1, 2015 - Special scheme for telecommunications, broadcasting or electronic services supplied by taxable persons not established within the Community Applies till 2014
Article 357	Section 1	General provisions	Definitions
Article 358			Definitions
Article 358a	Section 2	Special scheme for services supplied by taxable persons not established within the EU	Definitions Shall
Article 359			Only for suppliers non EU to non taxable persons in EU
Article 360			Selection of the state of declaration: MS of identification
Article 361			Info to be provided
Article 362			Supplier receives 1 VAT no
Article 363			Deregistration in case of ....
Article 364			Quarterly VAT return
Article 365			The Supplier will submit only 1 return covering the VAT due in all MS for its supplies to Private persons
Article 366			Currency simplification
Article 367			Payment by the 20th
Article 368			Deductions via 13th directive
Article 369			Record keeping
Article 369a-k	Section 3	Special scheme for telecommunications, broadcasting or electronic services supplied by taxable persons established within the Community but not in the Member State of consumption	
Article 369l-x	Section 4	Special scheme for distance sales of goods imported from third countries	
Article 369y-zb	Chapter 7	Special arrangements for declaration and apyment of import VAT	

Article 369zc-	Chapter 8	Exchange values	
<b>TITLE XIII DEROGATIONS</b>			
	Chapter 1	Derogations applying until the adoption of definitive arrangements	
Article 370-374	Section 1	Derogations for States which were members of the Community on 1 January 1978	
Article 375-390c	Section 2	Derogations for States which acceded to the Community after 1 January 1978	
Article 391-393	Section 3	Provisions common to Sections 1 and 2	
	Chapter 2	Derogations subject to authorisation	
Article 394	Section 1	Simplification measures and measures to prevent tax evasion or avoidance	
Article 395			Council may authorize measures to simplify or combat fraud
Article 396	Section 2	International agreements	
<b>TITLE XIV MISCELLANEOUS</b>			
Article 397	Chapter 1	Implementing measures	Next to the Directive, the EU publishes regulations, explaining the rules, with the objective to align interpretation. One of the regulations for example was on professional education, saying all of it should be Vat exempt. It should normally be applied everywhere even though in many cases, there is delay in implementation
Article 398	Chapter 2	VAT Committee	Advisory Committee with representatives of MS and the Commission
Article 399-400	Chapter 3	Conversion rates	
Article 401	Chapter 4	Other taxes, duties and charges	Other turnover taxes are forbidden
<b>TITLE XV FINAL PROVISIONS</b>			
Article 402	Chapter 1	Transitional arrangements for the taxation of trade between Member States	
Article 405-410	Chapter 2	Transitional measures applicable in the context of accession to the European Union	
Article 410a-b	Chapter 2a	Transitional measures for the application of new legislation	
Article 411	Chapter 3	Transposition and entry into force	Any references made to the old directives are still valid, and especially all court cases references to specific articles of the old directive are still valid. One can also argue based on this that if the invoices mentions are on the old directive, they are still valid as well (but rather adjust your invoices texts)