

Value added tax (VAT): rules of invoicing

2009/0009(CNS) - 13/07/2010 - Final act

PURPOSE: to adopt simplified rules VAT invoicing.

LEGISLATIVE ACT: Council Directive 2010/45/EU amending Directive 2006/112/EC on the common system of value added tax as regards the rules on invoicing.

CONTENT: the Council adopted a directive aimed at simplifying value-added tax (VAT) invoicing requirements, in particular as regards electronic invoicing.

The new directive sets out to ensure the acceptance by tax authorities of e-invoices under the same conditions as for paper invoices, and to remove legal obstacles to the transmission and storage of e-invoices.

The new Directive also comprises measures to help tax authorities ensure that tax is paid so as to better tackle VAT fraud. These include:

- clarifying the rules concerning the chargeability of VAT on intra-Community supplies of goods and on intra-Community acquisitions of goods in order to ensure the uniformity of the information submitted in recapitulative statements and the timeliness of the exchange of information by means of those statements;
- allowing Member States the option of allowing VAT to be accounted using a cash accounting scheme which allows the supplier to pay VAT to the competent authority when he receives payment for a supply and which establishes his right of deduction when he pays for a supply;
- providing legal certainty for businesses regarding their invoicing obligations, it should be clearly stated which Member State's invoicing rules apply;
- imposing a harmonised time limit for the issue of an invoice with respect to certain cross-border supplies with a view to improving the functioning of the internal market;
- allowing taxable persons to issue a simplified invoice in any of the following cases: (a) where the amount of the invoice is not higher than EUR 100 or the equivalent in national currency; (b) where the invoice issued is a document or message treated as an invoice;
- clarifying that, where a taxable person stores online invoices which he has issued or received, the Member State in which the tax is due, in addition to the Member State in which the taxable person is established, should have the right to access those invoices for control purposes.

By 31 December 2016 at the latest, the Commission shall present to the European Parliament and the Council an overall assessment report, based on an independent economic study, on the impact of the invoicing rules applicable from 1 January 2013 and notably on the extent to which they have effectively led to a decrease in administrative burdens for businesses, accompanied where necessary by an appropriate proposal to amend the relevant rules.

ENTRY INTO FORCE: 11/08/2010.

TRANSPOSITION: 31/12/2012.

APPLICATION: 01/01/2013.