

VAT EXEMPTION FOR TRANSPORT SERVICES DIRECTLY RELATED TO EXPORTS

Belgium aligns with the opinion of the Court of Justice (ECJ, C-288/16) and restricts the scope of the exemption applicable to export-related transport services.

Initially scheduled for 01.01.2022 and then for 01.04.2022, the entry into force of the new Belgian position is now scheduled for 01.09.2022. The implementation of the new rules has a lot of practical issues raised by the transport sector. The Belgian VAT authorities will start a dialogue with all parties involved to look for solutions.

Thus, as of 01.09.2022, the VAT exemption applicable to transport services directly linked to exports can only be applied in the relationship between the carrier (service provider) and the exporter or recipient of the goods. The exemption can therefore no longer be invoked in the case of subcontracting.

However, until this date, the exemption continues to apply to cases of subcontracting.

As a reminder, the following persons can be considered as consignee or exporter:

- the seller or the buyer of the goods to be exported
- the owner, the tenant or the borrower of the goods to be exported
- the toll manufacturer who exports goods under an outward processing procedure or the person who re-exports them under an inward processing procedure
- the person re-exporting goods initially imported (temporarily)

If you have any questions regarding this topic, don't hesitate to contact our RSM Belgium | Tax team (tax@rsmbelgium.be).

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