



RSM InterTax Tax Insights August 2018

The Minister of Finance announces leniency for VAT fines

RSM Belgium informs you

According to the Minister of Finance, VAT fines are often too stringent not only in terms of the amounts, but also because the nature of the offence is not (always) taken into consideration. Hence, the Minister has instructed his administration to develop a new policy to deal with this problem.

The new policy is based on the principle that the taxpayer acts in good faith.

The fine imposed will be waived in full upon the company's request if the following conditions apply:

1. it is a first offence of this nature in reference period of 4 years;
2. the offence was committed in good faith. Good faith is presumed. Bad faith must be systematically demonstrated by the administration;
3. the offence committed has no impact on the amount of VAT due.

In practice, this means that, for example, the VAT fine regarding an amount inserted in the incorrect box of the VAT return, with no impact on the amount of VAT due, or the late submission of a VAT listing, or issuing an invoice that does not meet the formal requirements, will be waived upon request of the company.

If the taxpayer acts in good faith, the VAT administration and the Special Tax Inspectorate must apply these guidelines for all requests regarding fines imposed as from 1 January 2018.

If you would like additional information on this matter or VAT assistance with the request for a waiver of VAT fines, incurred as from 1 January 2018, the tax team of RSM Belgium is at your disposal (intertax@rsmbelgium.be).

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