



RSM InterTax Tax Insights February 2019

Brexit: VAT actions to be taken before 29 March 2019

RSM BELGIUM INFORMS YOU

Most likely, the UK will leave the EU without a deal on 29 March 2019, at 11pm GMT.

Although there is still a lot of uncertainty, we hereby provide you with some action points which should be taken **before** this date (in any event).

1. Apply for an EORI number

In order to be able to import/export goods from and to non-EU countries, each entity needs to have an EORI-number. If you are not yet in the possession of an EORI-number (or if this number has been provided for by the UK), and you might be trading with the UK in the near future, an EORI-number should be requested.

2. Claim your UK VAT refund

If you've paid UK VAT in 2018 or 2019, you should claim UK input VAT via the EU VAT refund electronic portal (INTERVAT - application VATRefund). Do this before 29 March 2019.

If claims are submitted after 29 March, you will have to apply the more burdensome so-called 13th Directive Refund Claims (according to the UK rules).

3. Analyse and update your ERP-systems

Review the flow of goods and invoices you have with the UK (both inbound and outbound). Not only invoice templates should be updated, but also the correct reporting of transactions from and to the UK (VAT returns, European Sales listings and Intrastat returns) should be ensured.

The reference on invoices regarding supplies of goods to the UK changes from 'VAT exempt intracommunity supply - article 39bis of the Belgian VAT Code' into "VAT exempt export supply - article 39, §1 of the Belgian VAT Code".

More important, B2B supplies of goods and services do no longer have to be reported in box 44 or 46 of the Belgian VAT return, but in box 47, and should no longer be reported in the European Sales listing nor in the Intrastat return.

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4. Update your customs procedures

Purchases of goods from the UK will now require import VAT to be paid to the customs authorities, unless an import deferral licence is already in place, which avoids considerable pre-financing of import VAT.

If you are not familiar with customs procedures, please get in touch with a customs agent to assist you with the necessary customs formalities.

5. How can RSM Belgium assist you?

RSM can offer assistance with aforementioned general actions, but can also help you detecting some specific measurements which might be required for your particular business.

In addition, we will provide you with updates as soon as new developments and guidelines from the tax authorities are available.

If you would like to receive additional information on this matter or VAT assistance, the tax team of RSM Belgium is at your disposal.

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