



RSM InterTax Tax Insights February 2019

Proof of VAT exempt intra-Community supply of goods

RSM BELGIUM INFORMS YOU

In order to mitigate the discussions regarding the required proof (of transport) of VAT exempt intra-Community supplies of goods, uniform requirements throughout the EU will be effective as from 1 January 2020.

To date, the Belgian VAT legislation requires that the seller must always be in the possession of all documents, demonstrating that the goods have actually been transported (outside Belgium). These documents are, among others, contracts, order forms, transport documents and proof of payment. Since 2016, the Belgian VAT Authorities also accept a “destination document” as proof of dispatch of the goods from one EU Member State to another.

As from 1 January 2020, the following distinction must be made:

1. Supplier arranges for transport

If the goods have been transported by or on behalf of the supplier, he can prove the application of the VAT exemption on the intra-Community supply of goods if he has at least:


- Two items of non-contradictory evidence of list a) (see below) issued by two parties independent of each other, **OR**
- Any single item of list b) (see below) in combination with any single item of non-contradictory evidence of list a) confirming the transport or dispatch, issued by two parties independent of each other.

2. Purchaser arranges for transport

If the goods have been transported by or on behalf of the purchaser, proof of the correct application of the VAT exemption on the intra-Community supply of goods must consist of:

- A written statement of the customer stating that the goods have been transported or dispatched by the customer or a third party on the customer's behalf and that statement refers to the Member State of destination (“destination document”) **AND**
- The following documents:
 - two items of non-contradictory evidence of list a) issued by two parties independent of each other, **OR**
 - Any single item of list b) in combination with any single item of non-contradictory evidence of list a) confirming the transport or dispatch, issued by two parties independent of each other.

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3. **The following documents are accepted as pieces of evidence**

List a :

Documents relating to the transport or dispatch of the goods, such as a duly signed CMR document or note, a bill of lading, an airfreight invoice, an invoice from the carrier of the goods.

List b :

- An insurance policy regarding the transport or dispatch of the goods or bank documents proving payment of the transport or dispatch of the goods;
- Official documents issued by a public authority, such as a notary, confirming the arrival of the goods in the Member State of destination;
- A receipt issued by a warehouse keeper in the Member State of destination confirming the storage of goods in that Member State.

4. **Remark: VAT identification number purchaser**

In addition to the proof of transport, suppliers must also verify that the VAT identification number provided by the client, is valid and belongs indeed to the customer (check via : http://ec.europa.eu/taxation_customs/vies/vatResponse.html).

5. **Sanctions**

If, in case of a VAT audit, insufficient proof regarding the transport (or regarding the VAT identification number of the purchaser) is available, VAT will be due on the transaction (standard rate 21 %), increased with fines (10 % of the VAT due) and late payment interest (9.6 % per year of the VAT due).

6. **Conclusion**

Non-compliance with the above requirements can have considerable financial consequences (cash out). We recommend reviewing the current procedures in place, in order to obtain the required proof, and anticipate the upcoming changes in the next months.

If you would like to receive additional information in this respect or if you would like our assistance regarding a review of the proof of intra-Community supply of goods, the tax team of RSM Belgium is at your disposal.

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