



MOSS&OSS in VAT&DST

ACTL-IBFD-Conference

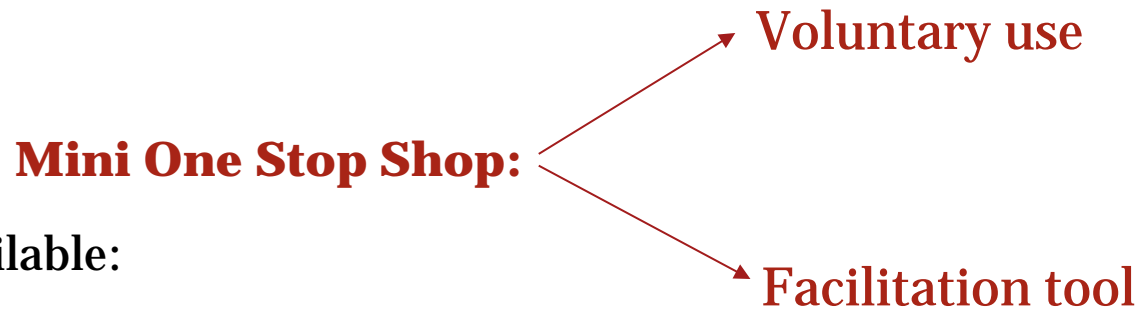
Taxing the digital economy:

The EU proposals and other insights

Amsterdam

Friday 29 June 2018

What is MOSS



Schemes available:

– **Union MOSS:**

EU-Businesses or non-EU business with EU permanent establishment

– **Non-Union MOSS:**

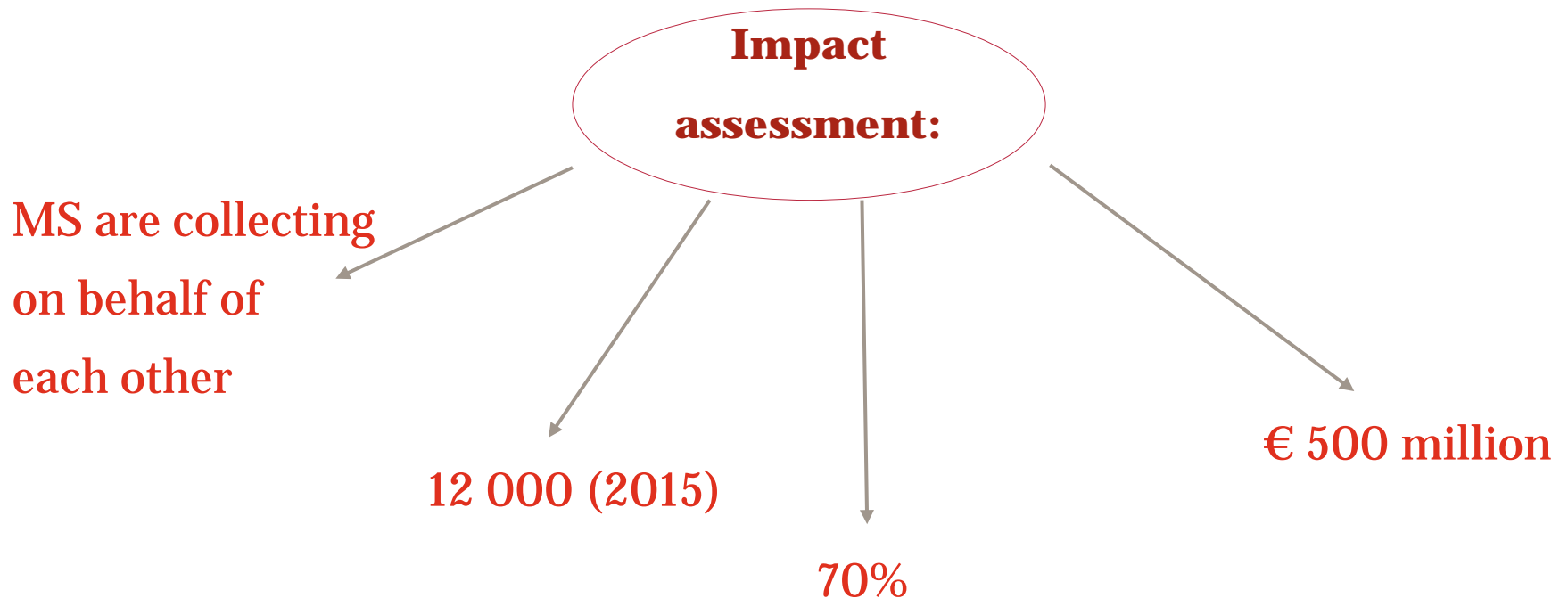
non-EU Businesses without VAT registration

B2C B2B

TBE Services

What MOSS does

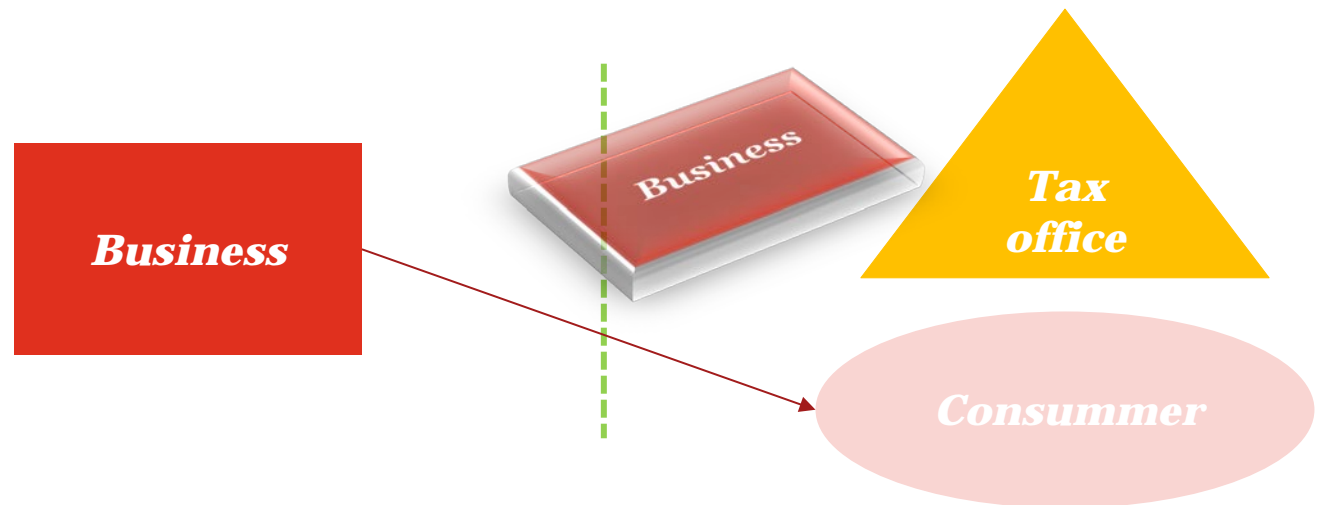
MOSS facilitates compliance and thus aims at encouraging cross border trade, at levelling the playing field EU/non-EU provider and at countering fraud



Limits of MOSS

Online sales of goods and services (other than TBE services)

- Companies making sales taxed at destination to customers in other MS have to **register** for VAT in **all those EU countries**



BUT changes are coming: Directive 2017/2455

- Simplification & extension of the MOSS regime
- OSS

Changes in 2019

***Optional for
EU businesses***

***threshold
€10,000***

***Non-EU
businesses
VAT
registered in
a Member
State***

***One piece of
evidence to
identify
customer's
location***

***threshold
€100,000***

Changes in 2021

***Other B2C
cross- border
services
taxed at
destination***

***OSS VAT
return***

- ***More time***
- ***Correction
facilitated***

***Distance
sales of goods
+
Imports
< €150***

intermediary


***No refund
(yet)***

Potential changes in 2022

***Commission Proposal
25 May 2018***

***Intra-Union OSS:
DEDUCTION***

***Intra-Union OSS:
to taxable
persons***

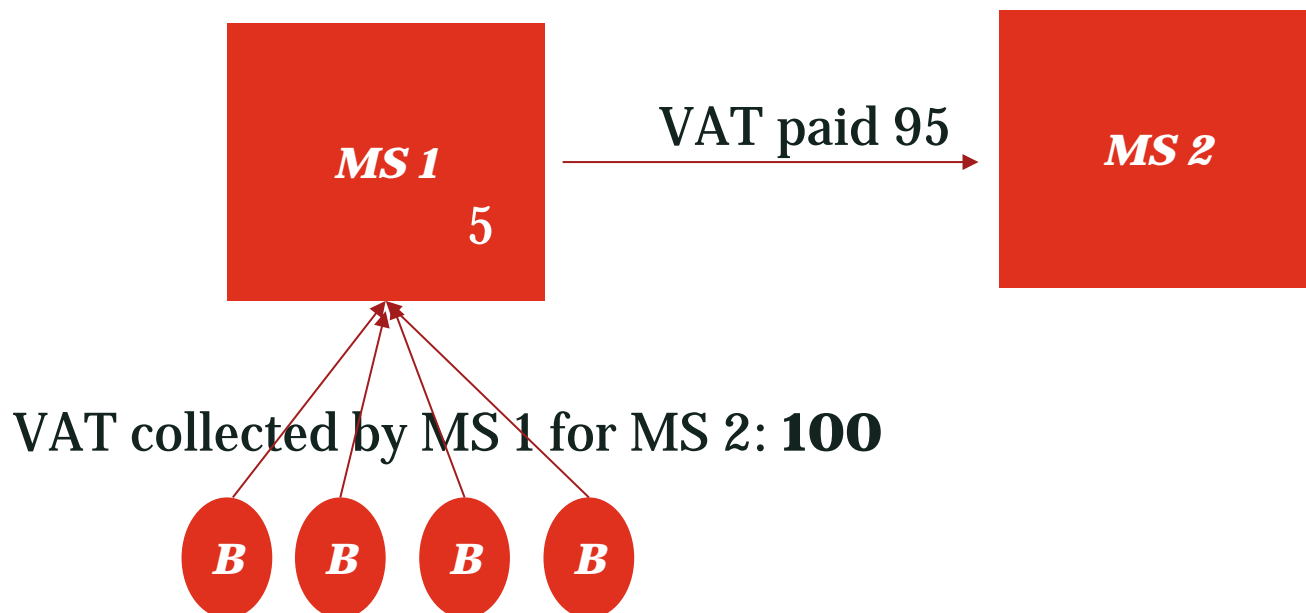


***Non-EU OSS:
to taxable
persons***



NEVER

Collection fee for the MS of identification on the amount of VAT collected on behalf of another MS



Digital service tax (DST) and OSS

- **Digital portal:** special DST OSS/same mechanism as VAT-OSS
- **Who:** all taxpayers (thresholds worldwide revenue + EU taxable revenue) but consolidated groups can nominate one company to deal with compliance and payment
- **MSI:** MS where liable for DST (only relative choice)
- **MSI responsibilities:** identifying the taxpayer, collecting the tax and allocating it to other MS as appropriate, based on allocation keys
- **MST:** IP address of the user(s)
- **What:** revenues resulting from certain digital services where users contribute significantly to the value creation
- **How:** self-assessment of user(s) value creation, yearly return/payment
- **Refund:** if errors (~~deduction~~)
- **Collection fee:** no



Thank you

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