

PROCEDURE FOR COMPLETION OF REPORT ON INTRA-COMMUNITY SUPPLY

According to § 28 of the Value-Added Tax Act (hereinafter the VAT Act), a taxable person shall submit a report on intra-Community supply, if:

- 1) it has effected intra-Community supply of goods during a taxable period or it has transferred goods as a reseller in a triangular transaction during a taxable period;
- 2) it has provided to a taxable person or taxable person with limited liability of another Member State a service specified in 10 (4) 9) of the VAT Act, the place of supply of which is not Estonia and which is subject to taxation except the taxation with 0 per cent taxation rate, in the Member State of the recipient of the service.

The report shall be submitted by the twentieth day of the month following each calendar month.

If there is no abovementioned supply of goods or services, then the report will not be submitted.

In the report the amounts are given in full euros.

The information about the VAT payer shall be given in the header, incl the registry code of the undertaking (in the event of a sole proprietor in the absence of a registry code the personal identification code is given).

The information about the intra-Community supply of goods is in § 7 of the VAT Act. In general, the intra-Community supply is in question, if goods are transferred to a taxable person or taxable person with limited liability of another Member State together with the transport of the goods from Estonia to the other Member State. .

Place of supply of services is specified in § 10 of the VAT Act. The services, subject to taxation, provided to a taxable person or taxable person with limited liability registered in another Member State and specified in clause 10 (4) 9) of the VAT Act, except the taxation with 0 per cent taxation rate, in the Member State of the recipient of the service, shall be stated in the report.

According to subsection 2 (8) of the VAT Act, a triangular transaction means a transaction for the transfer of goods, which involves taxable persons from three different Member States and meets all of the following criteria:

- 1) a taxable person established in Member State A (the transferor in the triangular transaction) transfers a good to a taxable person established in Member State B (the reseller in the triangular transaction) which then in turn transfers it on to a taxable person established in Member State C (the acquirer in the triangular transaction);
- 2) the goods in question are transported directly from Member State A to Member State C to the acquirer in the triangular transaction;
- 3) the reseller in the triangular transaction is not registered in Member State C as a taxable person or a taxable person with limited liability.

If the invoice concerning goods or services is cancelled or a credit invoice is submitted, the corresponding amendments concerning the taxable period during which the credit invoice was submitted shall be indicated in the report on intra-Community supply Form VD (subsection 28 (3) of the VAT Act), reducing the taxable value of the corresponding transaction. If the transaction value is negative, it shall be indicated with the minus sign in the report. In other cases the data shall be amended in the report on the amendment of intra-Community supply (Form VDP).

Period of declaration (calendar month/year) in format MM/YYYY. Arabic numerals are used to denote calendar months (1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12).

Column 1 The code of the country of location of the purchaser of goods/services is indicated as a country code, according to the ISO standard.

| | | | | | | |
|---------------|-------------------|-------------------|--------------|----------------|----------------|--------------|
| AT – Austria | CZ–Czech Republic | ES – Spain | HR–Croatia | LT – Lithuania | NL–Netherlands | SE – Sweden |
| BE – Belgium | DE – Germany | FI – Finland | HU – Hungary | LU–Luxembourg | PL – Poland | SI– Slovenia |
| BG – Bulgaria | DK – Denmark | FR – France | IE – Ireland | LV – Latvia | PT–Portugal | SK–Slovakia |
| CY – Cyprus | EL – Greece | GB–United Kingdom | IT – Italy | MT – Malta | RO – Romania | |

Column 2 Value added tax identification number of the purchaser – The supplies are indicated by purchasers in the report. Both the sale of goods and services are declared in total in one row by purchasers, i.e not a single VAT identification number shall recur in the column. The VAT identification number shall be input without punctuation marks and space characters (country code is indicated in column 1).

Structures and formats of VAT identification numbers

| Member State | Structure | Member State | Structure |
|----------------|---------------------------------------|--------------|---------------------------|
| Austria | U99999999 | Ireland | 9S99999L |
| Belgium | 0999999999 | Italy | 9999999999 |
| Bulgaria | 999999999 or 9999999999 | Lithuania | 999999999 or 999999999999 |
| Cyprus | 99999999L | Luxembourg | 99999999 |
| Czech Republic | 99999999 or 9999999999 or 99999999999 | Latvia | 99999999999 |
| Germany | 999999999 | Malta | 99999999 |
| Denmark | 99999999 | Netherlands | 999999999B99 |
| Greece | 999999999 | Poland | 9999999999 |
| Spain | X9999999X | Portugal | 999999999 |
| Finland | 99999999 | Romania | 999999999 |
| France | XX999999999 | Sweden | 999999999999 |
| United Kingdom | 999999999 or 999999999999 or 99999 | Slovenia | 99999999 |
| Croatia | 99999999999 | Slovakia | 9999999999 |
| Hungary | 99999999 | | |

Notes: 9: number; X: letter or number; S: letter or number; L: letter; U: Austrian No starts with the letter „U“.

The Estonian Tax and Customs Board recommends to check the VAT identification number on the homepage of the Estonian Tax and Customs Board, in the e-Tax Board, from the address: vatnumber@emta.ee before the invoicing.

Column 3 The data are declared by purchasers in total, separated for goods and services and indicated in one row. Box 3.1.1 "intra-Community supply of goods" of the value added tax return (Form KMD) of the corresponding calendar month equals, in general, to the total amount in column 3 "the taxable value of the goods" of Form VD. The difference may occur in selling goods to persons not registered as VAT payers in special cases arising from the VAT Act (for example, sale of new means of transport) and in the event of the performance of transactions by a customs agency acting as a representative for another person on the reasons specified in subsection 17 (2¹) of the VAT Act, if the intra-Community supply is created.

Column 4 The transferor in the triangular transaction shall declare the intra-Community supply in box 3.1.1. of Form KMD and in column 3 of Form VD. The reseller in the triangular transaction shall declare in column 4 of Form VD. Resale in the triangular transaction is not an intra-Community supply and the transaction is not declared in Form KMD.

Column 5 The service mentioned in clause 10 (4) 9) of the VAT Act which was provided to a taxable person or a taxable person with limited liability registered in another Member State and which is subject to taxation in the Member State of the recipient of the service, shall be declared. The taxable value of services in column 5 equals, in general, to the difference between boxes 3.1 and 3.1.1 of Form KMD.

Additional rows If there are more entries to be declared than rows in the report, then a continuation sheet shall be used.