



MAKSU- JA TOLLIAMET

# Calculation and refund of VAT

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# Refund of VAT paid in a foreign country

## Legislation

**Value Added Tax Act** (hereinafter VAT Act) § 35

**Council Directive 2008/9/EÜ** (EU Member States)

**Thirteenth Council directive (86/560/EEC)** (non-EU states)

Last updated on 08.01.2025

## VAT paid in another Member State

The activity of economic operators is often not limited to transactions carried out in the country of location, but the necessary goods/services are often acquired from other countries, and VAT is generally paid in those countries. If these acquisitions are made for the purposes of business and taxable supply, it is possible to apply for refund of the VAT paid in another Member State.

The procedure for applying for VAT refunds from other Member States is based on the VAT refund directive 2008/9/EC.

**According to subsection 5 of § 34 of the VAT Act** the tax authority of another Member State shall refund to a taxable person the VAT paid in another Member State upon import or acquisition of goods or receipt of services used for the purposes of taxable supply in Estonia. The application for refund of VAT must be submitted electronically to the Estonian tax authority no later than by 30 September of the calendar year following the refund period.

Applications for refund between Member States are submitted electronically via the tax authority of the country where the economic operator is located, which in turn sends the application to the tax authority of the country of refund. Compliance with the formal requirements of the application are verified automatically by means of the electronic system of the Member State in which the applicant is located. The substantive part of the application is verified and the decision on the refund of the amount of VAT is taken by the tax authority of the Member State of refund. An Estonian economic operator who has the right to apply for a refund of VAT on costs incurred in another Member State fills in an application form in the e-services environment e-MTA and it reaches the tax authority of the country of refund by electronic means. You can submit a claim for refund in the e-services environment **e-MTA: Accounting – Applications for refund and rewriting – EU value added tax refund applications**.

An application for the refund of VAT must be submitted to the Estonian Tax and Customs Board no later than by **30 September of the calendar year following the period of refund**.

The period of refund is the period for which the application is submitted. The period of refund may not exceed a calendar year or be less than three months long. For a period of less than three months, an application may be submitted only if the period covers the remainder of the calendar year (e.g. if the application covers the two-month period from November to December).

The application does not need to be accompanied by proof that the economic operator is registered for VAT purposes in the country of location. Such verification will be carried out by the tax authority before the application is forwarded to the Member State of refund.

The minimum rate of refund from another Member State is 50 euros per calendar year and 400 euros if the refund period is shorter than a calendar year (or equivalent amounts expressed in national currency).

The Member State of refund may require the submission of an application for refund together with scanned copies of invoices if the taxable amount in the invoice is equivalent to at least 1000 euros (250 euros in the case of fuel) expressed in national currency. Before submitting a refund application, applicants are advised to review the requirements of the Member State of refund. It is necessary to indicate in the application the proportion to be taken into account in the event of a partial deduction of input VAT if the applicant cannot deduct all input VAT in the country of location. If this proportion changes by the end of the refund period, the person applying for the refund of VAT is obliged to adjust the amount of VAT to be refunded.

Deadlines shall be laid down for the decision to be taken, for the provision of additional information to the Member State of refund and for the transfer of the amount of tax to be refunded after the decision has been taken. The Member State of refund has the obligation to take a decision within 4 to 8 months of receipt of the application. If there is no need for additional information, the decision on refund will be taken within 4 months. If additional information is requested, the decision will be taken within 6 months of receipt of the application. If the tax authority needs further additional information, the deadline for refund may be extended to a maximum of 8 months. If the tax authority decides to satisfy the request for refund of VAT, the VAT will be refunded within 10 working days of notification of the decision to satisfy the request. The tax authority is obliged to pay interest if the deadline for refund is not met. Interest will not be paid if the applicant has not provided the requested additional information within the time limit set.

Economic operators may use authorised representatives to submit applications. In order to submit applications from Estonia abroad, authorised representatives also use e-MTA, for the use of which the representative must have a corresponding contract. The formal requirements may vary from one Member State to another.

It should be borne in mind that Member States have the right to impose certain restrictions on refunding

VAT, which makes it useful to examine the requirements of the country of refund before submitting an application. As a general rule, the applicant is only entitled to a refund of VAT on goods and services to which the taxable person of the country of refund is entitled to. For example, in the Estonian VAT Act, the restrictions on VAT refunding are laid down in § 31.

## Additional information

[European Union VAT refund system VAT Refund Contact Points](#)

Last updated on 08.01.2025

## Additional information

### European Union VAT refund system

- ✂ EU web site: [VAT refunds for EU businesses](#)
- ✂ [Instructions on the use of the cross-border VAT refund system \(in Estonian\) | 530.01 KB | pdf](#)
- ✂ [Regulation No 66 of the Minister for Finance of 18 December 2009](#) “The procedure for the refund of value added tax to foreign taxable persons, the format of applications for such refunds of value added tax and the procedure for the refund of value added tax to persons who export goods as humanitarian aid”
- ✂ [Classification codes for acquired goods and services \(in Estonian\) | 106 KB | xls](#)
- ✂ The most convenient way to search for a code for classifying economic activities is the search system of the Estonian classification of economic activities (EMTAK 2025). EMTAK is the Estonian national version of NACE (rev. 2). The first four levels conform to the NACE structure and the fifth level is the national level. Search the system for a code that best describes your activity and enter the first four digits. [EMTAK economic activities](#)

## ADDING INVOICES AND IMPORT DECLARATIONS USING XML FILES

Check out the page **[“Technical information of services”](#)**.

Last updated on 08.01.2025