

Place of the provision of electronic services, telecom services and radio and television broadcasting services to persons who are not liable to VAT - MOSS

Are you established in the European Union and do you provide electronic services, telecom services and radio and television broadcasting services to consumers:

- in other Member States of the European Union,
- these consumers being:
 - either private persons who are not liable to VAT
 - or persons who are not liable to VAT and not identified for VAT purposes (for instance public bodies, municipalities, provinces, communities, regions, ...)?

In that case, the VAT rules concerning the place of provision of a service shall thoroughly change for you as from 1 January 2015. Belgian enterprises in this situation shall be able to fulfil their formalities via a mini service point system - the [Mini One Stop Shop \(MOSS\)](#).

What will change for you?

Currently, as a commercial service provider, you have to pay VAT in the country in which you are established.

However, as from 1 January 2015, the country of the consumer shall be applicable as the place of the VAT liability.

Who will be subject to the changes?

Examples of commercial service providers for whom these changes will have consequences will be:

- providers of electronic services such as software downloads, cloud computing and content services
- providers of telecom services such as phone and sms
- providers of broadcasting services such as radio and television

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1. Which services?

- **Electronic services:** services which are provided over the internet or an electronic network, and which, by their nature, are largely automated and require little human intervention, and which cannot be supplied without information technology. For instance: on line traffic information and weather reports, subscription to on line newspapers and periodicals, on line data storage, access to or downloading of software, use of search engines, on line games, ...
- **Telecom services:** services relating to the transmission, emission or reception of signals, words, images and sounds or information of any nature by wire, radio, optical or other electromagnetic systems, including the related transfer or assignment of the right to use capacity for such transmission, emission or reception. For instance: services concerning telephony, access to the internet, voicemail, ...
- **Radio and television broadcasting services:** services consisting of the supply of audio and audiovisual content, such as radio or television programs, which are offered to the general public by and under the editorial responsibility of a media service provider for simultaneous listening or viewing of programmes on the basis of a programme schedule.

2. How will the rules concerning the place of the provision of services change?

Up to and including 31 December 2014:

- If the service provider and customer are established in one of the Member States of the European Union: **the place of the provision of the service is the place where the service provider is established**
- if the provider is established in the European Union and the customer is established outside the European Union: **the place of the provision of the service is the place where the customer is established**
- if the provider is established outside the European Union and the customer is established in the European Union: **the place of the provision of the service is the place where the customer is established** (the mini service point system (VOES - VAT on e-services) already exists as far as electronic services are concerned).

As from 1 January 2015:

The place of the provision of electronic services, telecom services and radio and television broadcasting services to persons who are not liable to VAT shall be **the place where the customer is established, regardless of the place of establishment of the provider.**

Example: A Belgian enterprise provides an electronic service in the form of downloading a form to a private customer established in Germany. Up to and including 31 December 2014, this operation shall be subject to Belgian VAT. As from 1 January 2015, this operation shall be subject to German VAT.

Pay attention:

You need to choose one of the following options:

- EITHER registration in MOSS Belgium and declaration in Belgium of all taxable operations in other Member States in which you are not established. The taxable operations carried out in Belgium, shall be declared via your regular VAT return (Intervat).
- OR registration as person liable to VAT in each Member State in which a customer is established.

3. When?

- **1 October 2014:** opening of the registration module MOSS - possibility to register
- **1 January 2015:** amendment to the law applicable
- **April 2015:** first MOSS return (submission deadline 20 April 2015) and first MOSS payment

4. What are the advantages of MOSS?

The MOSS settlement offers you an administrative simplification. In this way, you will avoid having to register and submit returns in each Member State in which you have carried out the mentioned operations.

This implies that:

- you will need to register into the settlement once and
- you will only need to submit one return and carry out one payment by the quarter for all operations carried out for all Member States in which you are not established.

You will receive a quarterly statement of account of our administration for each change in your situation (payment receipt, non-submission reminder, payments to Member States, ...). You will be able to consult your current situation and the actions to be taken at any time by means of the statements of account.

5. How should a Belgian enterprise declare the foreign VAT on these services?

As from 1 January 2015, Belgian enterprises shall in principle submit a VAT return per Member State and pay the VAT due in each Member State in which they provide services. In order to avoid registration for VAT purposes in each EU country in which you provide services, it will be possible under certain circumstances to fulfil all your VAT obligations in your own Member State via MOSS.

MOSS offers the Belgian enterprise the possibility to fulfil all formalities for the services provided all at once and only in Belgium:

- the registration in the system electronically takes place in Belgium (Member State of establishment)
- one single electronic return including the turnover and the VAT due per Member State will be quarterly submitted in Belgium
- one single payment including the total amount of the VAT due in the different Member States concerned with reference to the return concerned will be made in Belgium. Subsequently, the amounts will be transferred to the tax administration of the other Member States concerned by the Belgian tax administration.

A similar system will be introduced in the other European Union Member States.

6. In which cases MOSS is not applicable?

You cannot use MOSS for services provided:

- to customers who are established outside the European Union (after 1 January 2015 the place of the provision of the service will remain the country in which the customer is established)
- to Belgian customers (to be entered in the regular periodical VAT return)
- in Member States in which you have a permanent establishment.

7. What if I provide these services to professional customers who are liable to VAT?

If you provide these services to customers who are liable to VAT in the European Union, the place of the operation will still be the Member State in which the customer is established, also after 1 January 2015. Therefore, the VAT is payable in this Member State.

If you provide these services to professional customers outside the European Union, the place of the operation will be the country in which the customer is established, also after 1 January 2015.

8. Questions?

- For general questions: [FPS Finance Contact Center](#)
- For specific questions concerning MOSS: moss@minfin.fed.be
- For technical questions concerning the application: info.intervat@minfin.fed.be

9. Related links

Regulation

- [Article 5 of Council Directive 2008/8/EC of 12 February 2008](#)
- [Commission Implementing Regulation \(EU\) No 815/2012 of 13 September 2012](#)
- [Council Regulation \(EU\) No 967/2012 of 9 October 2012](#)
- [Council Implementing Regulation \(EU\) No 1042/2013 of 7 October 2013](#)

Further documentation

- [Website of the European Commission](#)
- [MOSS Guide \(European Commission\)](#)
- [Overview of VAT rates and invoicing rules in EU countries \(European Commission\)](#)

MOSS

- [Access to MOSS \(Intervat\)](#)
- [How to register for MOSS in Belgium](#)