



RSM Europe

VAT Group

VAT News, October 2010

Extension of deadline for the submission of EU VAT refunds claims

The VAT Group is a Pan-European working group of VAT specialists from RSM member firms across Europe. The VAT Group strives to understand the client's business objectives and deliver tailor made solutions. The high quality of communication, thanks to frequent cross border conference calls and meetings, is a key feature and builds a strong working relationship, brings fresh perspectives and the early identification of emerging issues.

The European VAT group works closely together with dedicated teams of tax professionals of member firms of RSM International based in major global business centres such as North America and Asia Pacific to provide seamless service wherever the client's businesses are located.

As from 1 January 2010 ("VAT package 2010") the regime to recover incurred VAT from other EU member states has been changed. Businesses that are registered for VAT-purposes and would like to submit a VAT refund claim in another EU country now have to electronically submit a request through an online portal in its own member state.

The online (portal) system has replaced the previous system which required businesses to complete separate paper reclaims for each country where they incurred foreign EU VAT. The new regime has allowed businesses to file one return to their own tax authority through the local portal and the tax authority then passes on the claim(s) to each appropriate country.

Based on the VAT Directive, businesses needed to submit their EU VAT claims no later than 30 September of the calendar year following the refund period of the EU member state of residence.

Since this is the first year, it has become apparent that the online portals for VAT refund claims in a number of member states have not been functioning properly and as a result many companies across the EU were in danger of not being able to submit their refund claims before 1 October.

Therefore, the Commission had proposed to **extend the deadline for 2009 claims** under the EU VAT refund procedure to **31 March 2011** instead of 30 September 2010.

Recently it became clear that EU member states have unanimously supported the proposal to extend the deadline for the submission of 2009 cross border EU VAT refund claims and therefore businesses can submit their 2009 VAT refund claims no later than 31 March 2011.

For more detailed information, please do not hesitate to contact your local RSM Tax expert or a member of the RSM Tax Centre of Excellence.

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