

*Information on the import VAT collection
in the Member States*

Based on a study carried out by Deloitte and
Copenhagen Economics

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1. Data collection phase

1.1 Qualitative data on import VAT legislation (collection and payment)

Quick summary of Chapter 2.1 and recommendation:

The **qualitative part of the data collection phase** focuses on the transposition of the articles 201, 211 and 260 of the EU VAT Directive into the national VAT legislations of the Member States.

With respect to the liability to pay the import VAT (article 201 of the EU VAT Directive) it can be concluded that in the EU:

- the owner of the goods can be held liable (in all 27 MS)
- a direct customs representative can be held liable (in 18 MS)
- an indirect customs representative can be held liable (in 24 MS)
- other persons can be held liable (in 27 MS)

With respect to the different payment regimes (immediate payment, deferred payment and postponed accounting via the VAT return - articles 211 and 260 of the EU VAT Directive) it can be concluded that:

- Immediate payment is possible in all 27 MS;
- For the deferred payment option, a distinction can be made between 1) a specific/derogatory/additional delay for VAT purposes only (different from the customs deferral period) after importation (available in 5 MS), 2) a deferred payment delay which is similar to the delay for customs purposes (available in 21 MS) and 3) a specific delay for customs purposes only (differing from the VAT deferral period or in case no deferral for VAT is possible (available in 6 MS)). Furthermore it can be concluded that the conditions and possibilities/formalities to apply a deferred payment regime are different between Member States. The analysis of the legislation relating to deferred payment is included in summary table E
- Postponed accounting via the VAT return is possible in 16 MS and is only possible for taxable persons. It can be concluded that each Member State lays down the detailed rules for the payment, the requirements related to the registered traders and those in respect of the imported goods, and whether or not it can be considered as the main rule (in 3 MS). The analysis of the legislation relating to postponed accounting via the VAT return is included in a summary table D

Based on the outcome of the data collection, it can be concluded that traders need to cope with different import VAT rules depending on the Member State of importation. There is no uniformity between the Member States with regards to the liability and different payment regimes applied.

In order to ease the burden on importers in the EU, it could therefore be considered – in the framework of centralised clearance - to further harmonize the different payment regimes (and their respective formalities and conditions to fulfil). Also the rules with respect to import VAT liability could be reconsidered and further harmonized in the EU.

Our VAT experts have gathered the relevant information on the legislation of each Member State on import VAT payment and collection.

Synopsis of the methodology used to perform the qualitative data gathering

The qualitative part of this data collection phase focuses on the transposition of the articles 201, 211 and 260 of the EU VAT Directive into the national VAT legislations of the Member States. Below we will also provide a general overview of the customs rules in this respect.

Article 201 of Directive 2006/112/EC – the liability of the import VAT

According to this article, “on importation, VAT shall be payable by any person or persons designated or recognised as liable by Member State of importation”.

Article 211 of Directive 2006/112/EC – Postponed accounting via the VAT return and deferred payment

According to this article, “Member States shall lay down the detailed rules for payment in respect of the importation of goods.

In particular, Member States may provide that, in the case of the importation of goods by taxable persons or certain categories thereof, or by persons liable for payment of VAT or certain categories thereof, the VAT due by reason of the importation need not be paid at the time of importation, on condition that it is entered as such in the VAT return to be submitted in accordance with Article 250”.

Article 260 of Directive 2006/112/EC – Detailed rules for importation

“Member States shall lay down detailed rules for the submission of VAT returns in respect of the importation of goods”.

Member States determine the conditions under which the imported goods should be introduced into their territory. They prescribe the process to declare the importation of goods towards the Authorities.

Results of the qualitative data collection phase

The results of the data collection are gathered in the different enclosed excel documents named “EC TAXUD – Data collection Art 201_211_260 VAT Dir. Interim report” (See annex A).

The information in relation to the requested articles - 201, 211 and 260 of Directive 2006/112/EC - is presented separately in the different tabs of the spreadsheet.

Table A below provides a comprehensive overview of the main items listed in the tables:

Table A

Items	Comments
Transposition of the articles	Transposition of the articles 201/ 211/ 260 of the EU Directive in the local legislation
Cash payment (only for art. 211)	VAT on importation is paid to the customs authorities at the border where the goods enter into the European Union.
Postponed accounting via VAT return (only for art. 211)	Member States may allow that the VAT is paid subsequently in a periodic VAT declaration. This declaration will include both the VAT due and the deductible VAT (if any).
Deferred payment (only for art. 211)	A payment delay may be authorized.
National VAT legislation	Legal basis (VAT code, Royal/ministerial Decree, Circular letter,...) in which the articles 201/211/260 of the EU Directive have been transposed.
National article	Reference is made to the article of the national VAT legislation in which the articles 201/211/260 of the EU Directive have respectively been transposed.
National legal text	Free English translation.
Remarks	Remarks with respect to the import VAT treatment.

1.1.1 The liability for import VAT (Article 201 of the EU VAT Directive)

The article 201 of the VAT Directive stipulates that VAT is due on the importation by the person(s) designated or recognized as liable by the Member State of importation. Hence Member states are free to decide who is liable to pay the VAT due on importation into their countries.

In case of an import, it is relevant to know who is liable to pay the import VAT. The owner of the imported goods is generally the person who is liable to pay the import VAT. However it is also possible to use a third party who is then authorized to act on behalf of the owner, this can happen via direct or indirect representation depending on whose behalf the goods are imported. Besides the direct/indirect representation it is also possible that the import VAT is paid by another person, such as the vendor, the supplier, or whoever is liable for paying the customs duties.

The “Liability for import VAT” refers to the article 201 of the EU Directive and to the persons liable to pay the import VAT.

The analysis of the legislation relating to the person liable to pay import VAT is included in a summary table (table B), providing per Member State whether the following persons may be considered as importers for VAT purposes:

- **the direct customs representative** (acts in the name and on behalf of another person);
- **the indirect customs representative** (acts in its own name but on behalf of another person);
- **the owner of the goods**; or
- **other persons** who may consider to be liable to pay the import VAT.

Table B – Liability for import VAT (Article 201 of the EU VAT Directive)

Member States	Direct customs representative	Indirect customs representative	The owner of the goods	Other persons*
Austria	X	X	X	X
Belgium	X	X	X	X
Bulgaria	X	X	X	X
Cyprus	X	X	X	X
Czech Republic			X	X
Denmark			X	X
Estonia	X	X	X	X
Finland	X	X	X	X
France	X	X	X	X
Germany		X	X	X
Greece			X	
Hungary	X	X	X	X
Ireland	X	X	X	X
Italy	X	X	X	X
Latvia	X	X	X	X
Lithuania	X	X	X	X
Luxembourg		X	X	X
Malta	X	X	X	X
Netherlands	X	X	X	X
Poland	X	X	X	X
Portugal		X	X	
Romania			X	X
Slovakia	X	X	X	X
Slovenia	X	X	X	X
Spain		X	X	X
Sweden	X	X	X	X
United Kingdom		X	X	X

** More in depth explanation in the synopsis below of the Member States*

1.1.2 General overview of the possible VAT payment and collection regimes (Article 211 of the EU VAT Directive)

In table C below a general overview of the possible VAT payment and collection regimes per Member State is outlined.

Three major import VAT payment and collection regimes available within the European Union are listed in this table:

1. Immediate payment (see column 1):

- prefinancing of import VAT;
- import VAT to be paid upon importation;
- import VAT can be deducted later via the taxpayer's periodic VAT return;

2. Postponed accounting via the VAT return (see column 2):

- no prefinancing of import VAT;
- VAT paid and deducted at the same time via the taxpayer's periodic VAT return;

3. Deferred payment

3.1 Deferred payment for VAT and customs duties in a similar delay (see column 3):

- prefinancing of import VAT;
- import VAT and customs duties to be paid in a similar delay;
- import VAT can be deducted via the taxpayer's periodic VAT return. Depending on the periodicity of the VAT return import VAT will be deducted after or before it is paid.

3.2 Specific deferred payment for VAT purposes only (see column 4):

- prefinancing of import VAT;
- import VAT to be paid within a specific/derogatory/additional delay for VAT purposes only (different from the customs deferral period) after importation;
- import VAT can be deducted via the taxpayer's periodic VAT return. Depending on the periodicity of the VAT return import VAT will be deducted after or before it is paid.

3.3 Specific deferred payment for customs duties only (see column 5):

- customs duties to be paid within a specific delay for customs purposes only (differing from the VAT deferral period or in case no deferral for VAT is possible) after importation.

The deduction rules related to the import VAT vary in different Member States. Some Member States allow the deduction before the actual payment is transferred. Moreover, some Member States restrict the right of deduction to the importers that are not actual owners of the goods.

Table C – VAT payment and collection regimes

Member States	IMMEDIATE PAYMENTS	POSTPONED ACCOUNTING VIA VAT RETURN	DEFERRED PAYMENT FOR VAT AND CUSTOMS (SIMILAR DELAY)	SPECIFIC DEFERRED PAYMENT FOR VAT PURPOSES ONLY	DEFERRED PAYMENT FOR CUSTOMS ONLY
Austria	X	X	X		
Belgium	X	X		X	X
Bulgaria	X	X	X		
Cyprus	X		X		
Czech Republic	X	X			X
Denmark	X	X	X		
Estonia	X	X	X		
Finland	X		X		
France*	X		X	X	
Germany	X		X		
Greece	X	X	X		
Hungary	X	X			X
Ireland	X		X		
Italy*	X		X	X	
Latvia	X	X	X		
Lithuania	X	X	X		
Luxembourg	X	X			X
Malta	X	X	X		
Netherlands	X	X			X
Poland	X	X	X		
Portugal	X			X	X
Romania	X	X	X		
Slovakia	X		X		
Slovenia	X	X	X		
Spain*	X		X	X	
Sweden	X		X		
United Kingdom	X		X		

* Similar deferred payment for customs duties and VAT **and** additional/derogatory delay for import VAT applicable in these Member States.

1.1.3 Overview of the postponed accounting via the VAT return (Article 211 of the EU VAT Directive)

The “Postponed accounting via the VAT return” refers to the article 211 of the EU Directive and the possibility for a taxpayer to pay the import VAT via the periodic VAT return.

The principle of postponed accounting implies that VAT on import is paid through the periodic VAT return of the taxpayer liable to pay the VAT. This declaration includes both the VAT due and the deductible VAT (if any).

Each Member State lays down the detailed rules for this payment. The requirements related to the registered traders and those in respect of the imported goods are concluded accordingly.

The analysis of the legislation relating to postponed accounting via the VAT return is included below in a summary table, outlining the requested information on:

- Whether postponed accounting is used as a main rule for registered traders,
- What are the requirements for registered traders,
- What are the requirements in respect of imported goods,
- Whether in such a case there is or not a full customs declaration including VAT related data.

This possibility of the postponed accounting via the VAT return is only reserved for taxable persons.

Regarding the non-taxable persons - and in certain situations for taxable persons as well (e.g. in the case of illegal imports)-, import VAT is assessed and collected when the goods are entering into the Member State of importation.

In table D below the summary table of the postponed accounting and specific requirements per Member States is outlined.

Table D - Summary table of the postponed accounting via VAT return and specific requirements (Article 211 of the EU VAT Directive)

Member States	Postponed accounting via the VAT return possible? (Yes/No)	Main rule for registered traders? (Yes/No)	Requirements regarding the registered traders	Requirements regarding the type of goods	Full customs declaration (CD) including VAT needed? (Yes/No)
Austria	Yes	No	The person liable for the import VAT should be registered for VAT purposes in Austria.	The goods must be imported for his business purposes.	Yes, the import VAT debtor declares in the customs declaration that he wants to make use of the postponed accounting's regulation.
Belgium	Yes	No	Only taxable persons filing periodic VAT returns may apply this regime. An application must be filed with the VAT authorities to request a specific authorization (a so-called ET 14.000 license). In order to benefit from postponed accounting importers are required to pay a security to the authorities corresponding to 1/24 of the VAT payable on importation calculated over a period of 12 calendar months.	No requirements	Yes, indications for VAT purposes in the customs declaration. Box 47 CD: Calculation of taxes (VAT import, Customs duties, Excises duties). Box 48 CD: ET 14.000 if applicable.
Bulgaria	Yes	No	The importer must: - be registered for VAT purposes at the time of the import, - have no outstanding debts regarding tax and social security.	The imported goods must be associated with investment projects. A special authorization from the Ministry of Finance is needed. The conditions for authorization are detailed and include e.g. an investment of more than BGN 10 million (approximately EUR 5.11 million) for a period not longer than two years and the creation of at least 50 new jobs.	Yes, indications for VAT purposes in the customs declaration. The customs authorities will make a VAT assessment and the VAT amount to be paid will be included.
Cyprus	No	N/A - no postponed accounting	N/A	N/A	N/A
Czech Republic	Yes	Yes	Where goods were released to a VAT payer under a decision of the customs office, the VAT payer shall declare VAT in his tax return for the taxable period in which the goods were released into free circulation, inward processing under the drawback system or temporary use respectively. There are exceptions for VAT payers, though, such as illegal import of goods, breach of the conditions set up by the Customs Authorities in case of the particular customs regime etc. In this case the VAT is assessed by the Customs Authorities.	No requirements	Yes, the import VAT debtor declares in the customs declaration that he meets the conditions of the postponed accounting's regulation, i.e. that he is a VAT payer.

Table D - Summary table of the postponed accounting via VAT return and specific requirements (Article 211 of the EU VAT Directive)

Member States	Postponed accounting via the VAT return possible? (Yes/No)	Main rule for registered traders? (Yes/No)	Requirements regarding the registered traders	Requirements regarding the type of goods	Full customs declaration (CD) including VAT needed? (Yes/No)
Denmark	Yes	Yes	The person liable to pay import VAT has to be registered for VAT in order to postpone the accounting to the VAT return	No requirements	Yes, the import VAT is stated on the import specification from the Danish tax authorities. The import VAT is calculated automatically. The VAT registered trader shall not state that he wants to postpone the accounting
Estonia	Yes	No	The taxable person must: - be registered for at least 12 consecutive months before the submission of such a customs declaration, - have submitted, within this same period, tax returns only by electronic means, - by the time of submission of a customs declaration, have submitted his tax returns on time, - have not incurred any tax arrears within the 12 months preceding the submission of the first customs declaration or at the time of submitting the following customs declarations. If the taxable person does not meet the specified conditions, he must provide a security to the tax authority upon the request of the latter.	At least 50 percent of the total supply must consist out of taxable supplies at a 0 percent rate during the 12 months preceding the submission of the taxable person's customs declaration.	Yes, indications for VAT purposes in the customs declaration.
Finland	No	N/A - no postponed accounting	N/A	N/A	N/A
France	No	N/A - no postponed accounting	N/A	N/A	N/A
Germany	No	N/A - no postponed accounting	N/A	N/A	N/A
Greece	Yes	No	Certain industry sectors could apply for the special deferral regime, such as industrial enterprises, extractive industries, quarries, hospitality enterprises, agricultural enterprises.	These industrial enterprises could have the benefit of the postponed accounting for the VAT payment on purchase of new investment goods (e.g. machinery).	Yes, indications for VAT purposes in the customs declaration.

Table D - Summary table of the postponed accounting via VAT return and specific requirements (Article 211 of the EU VAT Directive)

Member States	Postponed accounting via the VAT return possible? (Yes/No)	Main rule for registered traders? (Yes/No)	Requirements regarding the registered traders	Requirements regarding the type of goods	Full customs declaration (CD) including VAT needed? (Yes/No)
Hungary	Yes	No	<p>With a specific authorization, import VAT can be declared via the VAT return. To obtain this authorization, the applicant has to:</p> <ul style="list-style-type: none"> - be a taxpayer registered in Hungary, - be a person reliable for customs purposes who can prove that the considerations realized from exempt export and IC supplies performed in the previous year reached at least 67% of the net value of the local supplies which must represent at least EUR 36 Million or at least EUR 72 Million, - be a taxpayer possessing an AEO certificate or a specific authorization issued by the Customs Authority for simplified customs clearance procedures. 	No requirements	Yes, indication of the possession of the authorization is necessary in the customs declaration.
Ireland	No	N/A - no postponed accounting	N/A	N/A	N/A
Italy	No	N/A - no postponed accounting	N/A	N/A	N/A
Latvia	Yes	No	<p>The VAT taxable person must submit an application for a license to the State Revenue Service. In order to receive this license, the taxpayer has to:</p> <ol style="list-style-type: none"> 1) register an economic activity in Latvia; 2) be a registered client of the Electronic Declaration System of the State Revenue Service; 3) have no tax debts for the previous taxation periods on the day of submitting the license or pay the tax debts within five days after submitting the license; 4) have taxpayer's employees, who have the right of signature, do not have convictions for criminal offences of economic nature; and 5) provide with informative declarations or additional information within the term specified by the State Revenue Service, which is necessary for determination of the tax amount to be paid into the State budget or for determination of overpayment of the tax. 	No requirements	Yes, import VAT has to be indicated in the customs declaration

Table D - Summary table of the postponed accounting via VAT return and specific requirements (Article 211 of the EU VAT Directive)

Member States	Postponed accounting via the VAT return possible? (Yes/No)	Main rule for registered traders? (Yes/No)	Requirements regarding the registered traders	Requirements regarding the type of goods	Full customs declaration (CD) including VAT needed? (Yes/No)
Lithuania	Yes	No	The VAT taxpayer has to submit the request to the State Tax Inspectorate, asking the State Tax Inspectorate to take over the control over the payment of import VAT.	The goods need to be fuel oil, petroleum or other petroleum raw material, nuclear fuel, liquid or natural gas, or goods that the VAT taxpayer intends to use in his economic activities as long term assets for the purpose of carrying out his economic activity (including goods that a VAT payer engaged in leasing operations (financial leasing) intends to transfer to other persons under the contracts of financial lease). Furthermore, the value of these goods needs to be not less than LTL 100 000 (approx. EUR 28 962).	Yes, import VAT has to be indicated in the customs declaration.
Luxembourg	Yes	Yes	The person liable to pay import VAT has to be identified for VAT purposes in Luxembourg.	No requirements	Yes, import VAT has to be indicated in the customs declaration.
Malta	Yes	No	Specific authorization has to be obtained by the taxpayer from the VAT authorities. Such authorization may be granted subject to conditions, including the granting of a security (e.g. a bank guarantee).	In principle no requirements, however in practice this applies to one-off importations of capital equipment.	Original authorization issued by the tax authorities must be presented. Customs declaration makes reference to a VAT deferral certificate and states that the VAT paid is 0.

Table D - Summary table of the postponed accounting via VAT return and specific requirements (Article 211 of the EU VAT Directive)

Member States	Postponed accounting via the VAT return possible? (Yes/No)	Main rule for registered traders? (Yes/No)	Requirements regarding the registered traders	Requirements regarding the type of goods	Full customs declaration (CD) including VAT needed? (Yes/No)
Netherlands	Yes	No (except for certain goods)	<p>With a specific authorization (Article 23 license), the importer can pay the import VAT via the VAT return of the period in which the import took place. This license is granted for an open-ended period but can be withdrawn in case of abuse. For non Dutch businesses, when this license is requested, a fiscal representative with a general or limited license must be appointed, including in the case of an EU organization.</p> <p>Further requirements:</p> <ul style="list-style-type: none"> - If established in NL, then the importer has to import goods regularly; - if established outside NL and the importer does not import goods regularly, then a fiscal representative is required; - for the import declaration, the importer has to provide documentation proving that (i) the goods are intended for the importer and (ii) article 23 is applicable. - the importer has to mention these imports separately in its administration. This implies that the importer possess at least the following documentation: purchase invoices, a clear description of the goods, the invoice amount, the amount of duties paid, additional costs, customs value, import documents and import date. 	<p>For certain goods (raw materials), postponed accounting is compulsory. This is also applicable for the provisioning of means of transport.</p>	<p>Yes, import VAT indicated in the customs declaration</p>

Table D - Summary table of the postponed accounting via VAT return and specific requirements (Article 211 of the EU VAT Directive)

Member States	Postponed accounting via the VAT return possible? (Yes/No)	Main rule for registered traders? (Yes/No)	Requirements regarding the registered traders	Requirements regarding the type of goods	Full customs declaration (CD) including VAT needed? (Yes/No)
Poland	Yes	No	<p>The following documents (issued not earlier than 6 months before the import) have to be presented by the taxpayer to the head of the customs office:</p> <ul style="list-style-type: none"> - certificates confirming that the company is not in arrears with the payment of social security premiums and with the payment of respective taxes constituting the State budget income; - confirmation of having been registered as an active VAT payer. The taxpayer need also to present a security to the customs authorities and notify to the head of the customs office and the head of the tax office in writing of his intention to settle the VAT under the postponed accounting scheme. Foreign companies can only apply for this system under specific circumstances. 	No requirements	Yes, as a rule, taxable persons are obliged to calculate the amount of tax with reference to the current rates and enter it in the customs declaration.
Portugal	No	N/A - no postponed accounting	N/A	N/A	N/A
Romania	Yes	No	<p>Until 31 December 2012 inclusive, a deferment certificate must be obtained by the taxpayer. The deferment certificate may be obtained if the following conditions are fulfilled:</p> <ul style="list-style-type: none"> -The taxable person has performed in the past 12 months imports of at least RON 100 million (i.e. approx. EUR 23 million); - The taxable person does not have fiscal debts (e.g. VAT payable, corporate income tax, social security debts); - The taxable person does not have debts in customs; - The taxable person has been registered for VAT purposes for at least one calendar year prior to submitting the request for the issuance of the VAT deferment certificate in customs; - The taxable person is not insolvent / involved in a re-organization procedure/ under judicial liquidation and is not declared as inactive taxpayer. 	No requirements	Yes (however, the box containing the payment method will make a reference to the deferment certificate - no actual payment will be indicated)

Table D - Summary table of the postponed accounting via VAT return and specific requirements (Article 211 of the EU VAT Directive)

Member States	Postponed accounting via the VAT return possible? (Yes/No)	Main rule for registered traders? (Yes/No)	Requirements regarding the registered traders	Requirements regarding the type of goods	Full customs declaration (CD) including VAT needed? (Yes/No)
Slovakia	No	N/A - no postponed accounting	N/A	N/A	N/A
Slovenia	Yes	No	No requirements	This option is possible only for specific cases. The customs document for the goods located in Slovenia was filed in another Member State upon receiving permission from the tax authorities.	Yes
Spain	No	N/A - no postponed accounting	N/A	N/A	N/A
Sweden	No	N/A - no postponed accounting	N/A	N/A	N/A
United Kingdom	No	N/A - no postponed accounting	N/A	N/A	N/A

1.1.4 Overview of the deferred payment for VAT purposes (Article 211 of EU VAT Directive)

The “Deferred payment of import VAT” regime refers to the article 211 of the EU Directive and to the possibility to delay the payment of the VAT on importation.

In the framework of this concept, a clear distinction shall be made between the specific rules for deferred payment of VAT and the deferred payment of customs duties. In some cases a similar delay/deferment exists for VAT and customs. In this respect reference is also made to TABLE C.

As a starting point, a description of the customs rules as defined in the articles 222 to 232 of the Customs Code and their equivalent in the Modernised Customs Code is summarized here below.

Prerequisite: Time limits and procedures for payment of customs duties

Import duties, upon release for free circulation, have to be paid in cash or by any other means having a similar discharging effect in accordance with the provisions of the Community Customs Code (hereafter: CCC) that are in force at the moment of declaration of the goods.

However, EU legislation also provides the possibility for payment through the adjustment of a credit balance, provided certain conditions are met (article 223 CCC/equivalent in the Modernised Customs Code or MCC is article 73 MCC).

The payment by the debtor (or a third party) must be executed within the period described and shall in principle be limited to **ten days** further to the communication to the debtor of the amount of duties owed (article 222 CCC - article 72 MCC). An extension of that period can be granted if the person concerned received the communication too late or if the amount of duty to be paid results from action for post-clearance recovery.

Nevertheless, customs authorities can, in case the amount payable by a person relates to goods declared for a customs procedure entailing the obligation to pay, and at that person’s request, grant **deferred payment** of that amount.

One of the conditions that need to be met in view of the granting of deferred payment is the provision of security by the person requesting the deferment. Important to notice in this respect, is that apart from the security condition, the authorities granting the deferment may also charge incidental expenses for the opening of files or for services rendered (article 225 CCC - article 56 and following MCC).

In principle, payment of duties can be deferred for a period of **30 days** (article 227 CCC – art. 75 MCC). In most cases however, the deferment period will be reduced by a certain number of days, depending on the procedure used by the customs authorities to enter the amount of duties in the accounts, i.e. separately or globally (as outlined in article 226 CCC – art. 74 MCC).

In case the entry into the accounts of the duties is done globally, the CCC also foresees, in view of **simplification**, a possibility for Member States to provide that the amount of duty of which payment has been deferred, has to be paid on:

- the Friday of the fourth week following the calendar week (in case the period considered is one calendar week) , or
- by the sixteenth day of the month following the calendar month (in case the period considered is one calendar month).

Next to deferred payment, customs authorities could allow the debtor of the amount of duties other payment facilities. Nonetheless, those facilities are also conditional on security being provided. In addition, the payment facilities may trigger credit interest charged over the amount of duty to be paid (please note in this regard that the amount of the credit interest has to be calculated in a manner equivalent to the amount that would be charged for this purpose on the national financial market of the currency in which the amount is payable). The authorities may refrain from claiming this credit interest, due to the financial situation of the debtor (i.e. in case claiming the interest would create serious economic or social difficulties (article 229 CCC – art. 77 MCC).

Deferred payment for VAT purposes

Below it is analysed whether the Member States apply specific/derogatory/ additional rules for import VAT, on the basis of Article 211 of the VAT directive.

This specific delay to pay import VAT is based on the VAT legislation and is put in comparison to the timeframe for paying customs duties.

The following definitions are used in the summary table of the deferred payment for VAT and customs purposes (see Table E):

Definitions	
Delay of payment for customs duties	As from the filling of the customs declaration, what is the delay allowed by the Customs offices for paying the customs duties? And what are the conditions for this delay (if any)?
Delay of payment for import VAT	As from the filing of the customs declaration, what is the delay allowed by the VAT Authorities for paying the import VAT? The latter can be the same as for customs duties.
Specific/derogatory/additional rules for delay of payment – VAT purposes	A specific, derogatory, additional delay (compared to the time allowed to pay the customs duties) is granted for paying VAT on imported goods.
Is the specific delay of payment open to any importer or limited to certain cases (such as simplified procedures)	Yes (conditional) or No (unconditional)
Conditions to apply the delay of payment for VAT purposes	What are the additional/derogatory conditions to be met by the VAT taxpayer to apply a deferred payment of VAT?
Requirements relating to the Guarantee/Security for VAT (or customs) purposes	Are there any specific requirements relating to the guarantee or security?
Other requirements for VAT purposes	What are the other requirements to be authorized to apply for delay in VAT payment?

Table E - Summary table of the deferred payment for VAT and customs purposes (Article 211 of the EU VAT directive)

Member States	Delay of payment of customs duties?	Conditions for this delay of payment of customs duties?	Delay of payment of import VAT?	Specific/ derogatory/ additional rules for deferred payment for VAT exist? Yes or No	Is the specific deferral open to any importer or limited to certain cases (such as simplified procedures): conditional vs. unconditional	Additional/ derogatory conditions to apply a deferred payment for VAT	Requirements relating Guarantee/Security (customs and/or VAT)	Remarks
Austria	Custom duties must be paid by the 15th day of the month following the month during which the import was performed	(1) A request should be filed with the customs authorities; (2) the applicant shall have a reliable accounting system; (3) the applicant shall have committed no customs offences within a specified period in the past	The rules on deferment of customs duties in general also apply for import VAT	No	N/A	N/A	A security must be provided	N/A
Belgium	As a general rule, the payment of customs duties may not exceed 10 days following the communication of the customs debt (= in principle the release of the goods). However, payment of the customs duties can be deferred for a period not exceeding 30 days. In that case, payment needs to occur: 1. on the Friday of the 4th week following the week during which the goods have been released or the duties have been entered into the accounts (in case of the use of a credit account, or a weekly aggregation granted in the framework of an economic customs regime or a simplified procedure); or 2. by the sixteenth day of the month following the calendar month during which the goods have been released (in case of a monthly aggregation granted in the framework of an economic customs regime or a simplified procedure).	(1) A written request should be filed with the customs authorities, (2) a security should be deposited according to the customs rules	The payment of the import VAT can be deferred until the next Thursday following the week during which the customs declaration has been filed	Yes	Conditional	(1) A written request should be filed with the customs authorities, (2) a sufficient security should be deposited according to the rules for import duties, (3) proceed the payments via bank transfer to the account of the Customs authorities or by secured cheques (for deposit only), (4) "Deferment" or "Deferred payment" needs to mentioned on the Customs declaration.	A sufficient security should be deposited according to the rules for import duties	N/A

Table E - Summary table of the deferred payment for VAT and customs purposes (Article 211 of the EU VAT directive)

Member States	Delay of payment of customs duties?	Conditions for this delay of payment of customs duties?	Delay of payment of import VAT?	Specific/ derogatory/ additional rules for deferred payment for VAT exist? Yes or No	Is the specific deferral open to any importer or limited to certain cases (such as simplified procedures): conditional vs. unconditional	Additional/ derogatory conditions to apply a deferred payment for VAT	Requirements relating Guarantee/Security (customs and/or VAT)	Remarks
Bulgaria	As a general rule the payment may not exceed 10 days as from submission of the customs declaration or receiving notification about the customs duties due sent by the customs authorities. Payment may be delayed with up to 30 days.	(1) By the authorities - when the liable person has been notified too late to be able to pay the customs duties; (2) By request of the liable person	The rules on deferment of customs duties in general also apply for import VAT.	No	N/A	N/A	N/A	N/A
Cyprus	As a general rule the payment of customs duties may not exceed one week following the filing of customs declaration. However the payment of the customs duties can be deferred until the 16th of the following month.	A prior approval by the Director of Customs and Excise is needed and a bank guarantee is required.	The rules on deferment of customs duties in general also apply for import VAT.	No	N/A	N/A	A bank guarantee should be provided	N/A
Czech Republic	Customs duties are payable on the date of the release of goods for a customs procedure. If secured, the duty is payable by 10 th day following its communication to the debtor.	The importers are required to secure the customs debt via a bank guarantee.	No	N/A	N/A	N/A	A security must be provided to the Czech Authorities	N/A
Denmark	The customs duties is deferred to the 16th of the month following the month of importation	Be registered as an importer and provide a security to the Danish tax authorities.	The rules on deferment of customs duties in general also apply for import VAT.	No	N/A	N/A	A security must be provided to the Danish Authorities	N/A
Estonia	The customs authorities may permit that the amount of customs duties in respect of which payment is deferred shall be paid no later than; 1) if the period is a calendar week, on the Friday of the four week following that calendar week; if the period is a calendar month, by the sixteenth day of the month following that calendar month.	A written application should be filed with the customs authorities and a security must be provided to the Estonian Authorities	The rules on deferment of customs duties in general also apply for import VAT.	No	N/A	N/A	A security must be provided to the Estonian Authorities	N/A

Table E - Summary table of the deferred payment for VAT and customs purposes (Article 211 of the EU VAT directive)

Member States	Delay of payment of customs duties?	Conditions for this delay of payment of customs duties?	Delay of payment of import VAT?	Specific/ derogatory/ additional rules for deferred payment for VAT exist? Yes or No	Is the specific deferral open to any importer or limited to certain cases (such as simplified procedures): conditional vs. unconditional	Additional/ derogatory conditions to apply a deferred payment for VAT	Requirements relating Guarantee/Security (customs and/or VAT)	Remarks
Finland	<p>(1) Delay of 10 days for cash customers</p> <p>(2) Deferral of payment for registered credit customers: customs duties have to be paid on the Friday of the fourth week after the week of delivery of goods;</p> <p>(3) If the customer is granted a periodic customs clearance permit, payment is due within 4 weeks after the end of the period (week/month).</p>	<p>(1) Unconditional, but cash customers do not acquire possession of the goods until duties, taxes and other fees have been paid.</p> <p>(2) Registration application needs to be filed and a security needs to be deposited with the customs authorities.</p> <p>3) A separate periodic customs clearance permit application needs to be filed with the customs authorities. To receive the permit, the customer has to be accepted as registered credit customer.</p>	<p>The rules on deferment of customs duties in general also apply for import VAT.</p>	No	N/A	N/A	<p>A security needs to be deposited with the customs authorities.</p>	N/A

Table E - Summary table of the deferred payment for VAT and customs purposes (Article 211 of the EU VAT directive)

Member States	Delay of payment of customs duties?	Conditions for this delay of payment of customs duties?	Delay of payment of import VAT?	Specific/ derogatory/ additional rules for deferred payment for VAT exist? Yes or No	Is the specific deferral open to any importer or limited to certain cases (such as simplified procedures): conditional vs. unconditional	Additional/ derogatory conditions to apply a deferred payment for VAT	Requirements relating Guarantee/Security (customs and/or VAT)	Remarks
France	The duty deferred payment procedure known as "crédit d'enlèvement" allows deferment of the payment of the customs duties for a period of 30 days after the date of importation.	Applicable upon written request with supporting documentation and the setting up of a security cash deposit.	The "crédit d'enlèvement" procedure also applies for import VAT. However, France foresees an additional deferment for VAT with an arrangement to defer the payment of import VAT in a monthly installment on the 25th of the month following the importation. A deferred payment for import VAT can be settled amounting to 55 days.	Yes	Conditional	In the frame of the "crédit d'enlèvement" application, it is possible to apply for: (i) an import VAT security cash deposit exemption upon certain conditions; (ii) the payment of import VAT in a monthly installment on the 25th of the month following the importation operations (to be mentioned in the "soumission générale cautionnée pour dédouanement" form). The documentation so-called "soumission générale cautionnée pour le dédouanement" must be duly completed and signed by the guarantee and the guarantor.	The relevant security deposit computation document needs to be provided to French customs authorities.	N/A

Table E - Summary table of the deferred payment for VAT and customs purposes (Article 211 of the EU VAT directive)

Member States	Delay of payment of customs duties?	Conditions for this delay of payment of customs duties?	Delay of payment of import VAT?	Specific/ derogatory/ additional rules for deferred payment for VAT exist? Yes or No	Is the specific deferral open to any importer or limited to certain cases (such as simplified procedures): conditional vs. unconditional	Additional/ derogatory conditions to apply a deferred payment for VAT	Requirements relating Guarantee/Security (customs and/or VAT)	Remarks
Germany	The payment can be deferred to the 16th day of the month following the import.	<p>1) A written request should be filed with the customs authorities</p> <p>(2) a sufficient security should be deposited according to the rules for import duties,</p> <p>(3) In case the applicant is fully entitled to recover input VAT and that only import VAT but no customs duties are deferred, the customs authorities can resign from requesting a</p> <p>4) Every EU resident person / company (e.g. a freight forwarder) but also non EU resident persons /companies can apply for deferment in case they have a bank account in Germany (as deferment requires agreement to direct debit that is only possible with German bank accounts)</p> <p>(5) The deferment account can be used for own and foreign import VAT liabilities.</p>	The rules on deferment of customs duties in general also apply for import VAT	No	N/A	N/A	<p>(1) A sufficient security e.g. a bank guarantee covering the amount of import duties deferred should be deposited according to the rules for import duties.</p> <p>(2) In case the applicant is fully entitled to recover input VAT and that only import VAT but no customs duties are deferred, the customs authorities can resign from requesting a security</p> <p>(3) The deferment as such does not trigger any administrative fees levied by Customs but there will be yearly costs for the provision of the bank guarantee that depend on negotiations with the bank.</p> <p>(4) If the business is a fully taxable business entitled to input/import VAT recovery in practice there is no security payment required/requested from the customs authorities for the import VAT</p>	N/A

Table E - Summary table of the deferred payment for VAT and customs purposes (Article 211 of the EU VAT directive)

Member States	Delay of payment of customs duties?	Conditions for this delay of payment of customs duties?	Delay of payment of import VAT?	Specific/ derogatory/ additional rules for deferred payment for VAT exist? Yes or No	Is the specific deferral open to any importer or limited to certain cases (such as simplified procedures): conditional vs. unconditional	Additional/ derogatory conditions to apply a deferred payment for VAT	Requirements relating Guarantee/Security (customs and/or VAT)	Remarks
Greece	Yes After the submission of relevant records, the Customs office has to calculate the duties within 20 days from the receipt of records. No additional specific delay is provided to the importer.	A security must be provided	The rules on deferment of customs duties in general also apply for import VAT.	No	N/A	N/A	security must be provided	N/A
Hungary	Yes. In the possession of a specific authorization for deferred payment of customs duties it is possible to delay the payment.	Acquisition of an authorization for deferred payment of customs duties. In order to acquire such authorization the taxpayer shall qualify as a person reliable for customs purposes.	No	No	N/A	N/A	A guarantee for customs purposes needs to be provided.	N/A

Table E - Summary table of the deferred payment for VAT and customs purposes (Article 211 of the EU VAT directive)

Member States	Delay of payment of customs duties?	Conditions for this delay of payment of customs duties?	Delay of payment of import VAT?	Specific/ derogatory/ additional rules for deferred payment for VAT exist? Yes or No	Is the specific deferral open to any importer or limited to certain cases (such as simplified procedures): conditional vs. unconditional	Additional/ derogatory conditions to apply a deferred payment for VAT	Requirements relating Guarantee/Security (customs and/or VAT)	Remarks
Ireland	Deferral up to the 15 th day of the month following the month in which customs duty becomes due.	<p>(1) The trader must be eligible for deferred payment.</p> <p>(2) The approved trader is issued with a Revenue Identification Number.</p> <p>(3) A bank guarantee should be deposited.</p> <p>(4) The payment needs to be made via the AEP system by the use of a SAD form.</p> <p>(5) The payment needs to be made by direct debit.</p>	The rules on deferment of customs duties in general also apply for import VAT.	No	N/A	N/A	The guarantee must be provided by a bank/credit institutions authorized to carry on banking business in the Ireland under Irish legislation. The guarantee can also be provided by certain credit institutions authorized in other Member States of the European Economic Area (EEA) to carry on business in the State.	N/A

Table E - Summary table of the deferred payment for VAT and customs purposes (Article 211 of the EU VAT directive)

Member States	Delay of payment of customs duties?	Conditions for this delay of payment of customs duties?	Delay of payment of import VAT?	Specific/ derogatory/ additional rules for deferred payment for VAT exist? Yes or No	Is the specific deferral open to any importer or limited to certain cases (such as simplified procedures): conditional vs. unconditional	Additional/ derogatory conditions to apply a deferred payment for VAT	Requirements relating Guarantee/Security (customs and/or VAT)	Remarks
Italy	<p>The payment could be deferred through the following procedures:</p> <ol style="list-style-type: none"> 1. <u>periodic payment</u> Only for operators dealing with Customs Authority on a regular basis, the possibility is foreseen to open a specific debit account providing a guarantee. The total payment of the operation registered in a determined period could be done within a deadline provided by the Custom office (in any case not later than 31 days). Furthermore the payment should be done within 2 days from the deadline; 2. <u>deferred payment</u> deferral up to the 30th day of the month following the import providing a guarantee; 3. <u>periodic and deferred payment</u> companies with a debit account could request a delay for the operation globally accounted on the "periodic" accountancy (the delay should be reduced by the number of days corresponding to half the number of days in the aggregation period). 	Filing of a guarantee.	<p>The rules on deferment of customs duties in general also apply for import VAT.</p> <p>However, the Customs Agency could grant a major delay on VAT payment up to the 90th day following the filing of the customs declaration.</p>	Yes	Conditional	<p>Filing a guarantee covering the duties and interests which are calculated starting the 31st day.</p> <p>Only for exceptional cases subject to the Customs decision.</p>	<p>Deposit of debit titles issued by the State, Bank guarantee or guarantee issued by insurance agency. The Custom Agency could revoke the deferment or ask for a higher guarantee.</p>	<p>The VAT on operations performed from the 1st to the 24th of December should be paid within the 30th December. VAT could not be deduct on periodic VAT computation of the taxable person liable of import VAT since the VAT has not be paid at Customs Agency.</p>

Table E - Summary table of the deferred payment for VAT and customs purposes (Article 211 of the EU VAT directive)

Member States	Delay of payment of customs duties?	Conditions for this delay of payment of customs duties?	Delay of payment of import VAT?	Specific/ derogatory/ additional rules for deferred payment for VAT exist? Yes or No	Is the specific deferral open to any importer or limited to certain cases (such as simplified procedures): conditional vs. unconditional	Additional/ derogatory conditions to apply a deferred payment for VAT	Requirements relating Guarantee/Security (customs and/or VAT)	Remarks
Latvia	It is possible to postpone the customs payment for 1 week or month (based on customs decision).	In order to postpone the customs payment the importer : 1) should be registered as a VAT payer in Latvia land 2) should provide a guarantee	The rules on deferment of customs duties in general also apply for import VAT.	No	N/A	N/A	Guarantee should be provided	N/A
Lithuania	If the person concerned has no right to the deferral of payment, indicated amount of customs duties shall be paid within the process of customs clearance (till goods are released for free circulation). However, if the person concerned has a right to the deferral of payment, then the customs duties calculated on the goods released for free circulation within the calendar month shall be paid by the 16th day of the month following the calendar month in question.	The right to the deferral of payment may be granted at the request of the person concerned and upon provision of a guarantee securing that the payable customs duties will be paid. The right to the deferral of payment may not be granted to a person that does not have status of the legal person and persons in respect of whom the correspondent sanctions are imposed.	The rules on deferment of customs duties in general also apply for import VAT.	No	N/A	N/A	Guarantee should be provided	N/A

Table E - Summary table of the deferred payment for VAT and customs purposes (Article 211 of the EU VAT directive)

Member States	Delay of payment of customs duties?	Conditions for this delay of payment of customs duties?	Delay of payment of import VAT?	Specific/ derogatory/ additional rules for deferred payment for VAT exist? Yes or No	Is the specific deferral open to any importer or limited to certain cases (such as simplified procedures): conditional vs. unconditional	Additional/ derogatory conditions to apply a deferred payment for VAT	Requirements relating Guarantee/Security (customs and/or VAT)	Remarks
Luxembourg	As a general rule, the payment of customs duties may not exceed 10 days following the filing of the customs declaration. However the payment of the customs duties can be deferred until the Friday of the 4th week following the week during which the customs declaration has been filed.	(1) A written request should be filed with the customs authorities, (2) a guarantee should be deposited according to the customs rules	No	No	N/A	N/A	Guarantee should be deposited	N/A
Malta	An importer who has been granted authorization by Customs would be able to pay import duties falling due in a particular month, by the 10th day of the following month. The Malta Import Duties Act directly implements articles 222 - 231 of the Customs code Council Regulation (EEC) No 2913/92 of 12 October 1992.	The granting of deferment of payment is conditional on the provision of security by the applicant. In addition, the granting of deferment of payment may give rise to the charging of incidental expenses for the opening of files or for services rendered.	The rules on deferment of customs duties also apply for import VAT.	No	N/A	N/A	Provision of security by the applicant	N/A
Netherlands	According to the general rule, the customs debt should be paid within 10 days after the customs debt has been announced (art. 222 CCC). Where payment is deferred in accordance with article 226 (b) CCC, the period of deferment is arranged in art 227 (b) CCC. Then deferment shall be 30 days.	No	No	No	N/A	N/A	A security should be provided	N/A

Table E - Summary table of the deferred payment for VAT and customs purposes (Article 211 of the EU VAT directive)

Member States	Delay of payment of customs duties?	Conditions for this delay of payment of customs duties?	Delay of payment of import VAT?	Specific/ derogatory/ additional rules for deferred payment for VAT exist? Yes or No	Is the specific deferral open to any importer or limited to certain cases (such as simplified procedures): conditional vs. unconditional	Additional/ derogatory conditions to apply a deferred payment for VAT	Requirements relating Guarantee/Security (customs and/or VAT)	Remarks
Poland	Yes. The payment of customs duties can be deferred up to the 16 th day of the month following the filing of the customs declaration.	Based on the Polish customs law (art.59) main conditions are: - the persons that apply for the delay of payment of customs duties have not committed any serious or repetitive infringement of customs law; - guarantee proper enforcement of obligations under customs legislation. There are more specific conditions set in the decree of the Ministry of Finance (e.g. application, financial security, etc.)	The rules on deferment of customs duties in general also apply for import VAT.	No	N/A	Specific conditions for VAT purposes only: via the simplified procedure: - confirmation that the company is not in arrears with the payment of social security premiums and with the payment of respective taxes constituting the State budget income; - confirmation of having been registered as an active VAT payer for at least 6 months.	A security should be provided	N/A

Table E - Summary table of the deferred payment for VAT and customs purposes (Article 211 of the EU VAT directive)

Member States	Delay of payment of customs duties?	Conditions for this delay of payment of customs duties?	Delay of payment of import VAT?	Specific/ derogatory/ additional rules for deferred payment for VAT exist? Yes or No	Is the specific deferral open to any importer or limited to certain cases (such as simplified procedures): conditional vs. unconditional	Additional/ derogatory conditions to apply a deferred payment for VAT	Requirements relating Guarantee/Security (customs and/or VAT)	Remarks
Portugal	<p>Yes. Payment of duties can be deferred up to the 15th of the month following the month of the importation</p>	<p>No specific conditions for delay of payment of customs duties. However, when an operator obtains a delay of payment of import VAT, the delay also applies to the customs duties. Therefore, the conditions for delay of payment of import VAT must be fulfilled.</p>	<p>Yes. According the VAT code, payment of import VAT can be specifically deferred: (i) for 60 days counting from the date of assessment, when the deferment is granted separately for each importation (single importation); (ii) up to the 15th day of the second month following the global importation periods; (iii) in very limited cases, namely in case of higher amount importations, a 90 days deferral may also apply, to be decided by the customs authorities on a case-by-case scenario. According to the customs authorities, this deferral rarely applies.</p>	Yes	Unconditional	<p>The request to apply the import VAT deferral is directly recognized on the tax authorities' system via a specific code that should be used when processing the respective customs import declaration.</p>	Bank guarantee is required	<p>However, according to the information provided by the customs authorities, in the daily practice, import VAT payment can be deferred up to (1) 30 days or (2) 60 days from the customs import declaration depending on the actual fact pattern (e.g. single import vs. global import procedure).</p>

Table E - Summary table of the deferred payment for VAT and customs purposes (Article 211 of the EU VAT directive)

Member States	Delay of payment of customs duties?	Conditions for this delay of payment of customs duties?	Delay of payment of import VAT?	Specific/ derogatory/ additional rules for deferred payment for VAT exist? Yes or No	Is the specific deferral open to any importer or limited to certain cases (such as simplified procedures): conditional vs. unconditional	Additional/ derogatory conditions to apply a deferred payment for VAT	Requirements relating Guarantee/Security (customs and/or VAT)	Remarks
Romania	As general rule, the payment of customs duties should not exceed 10 days following the filing of the customs declaration. However, the payment may be delayed to 30 days in certain conditions.	A written request to the customs authorities. The delay is granted based on a guarantee lodged by the applicant.	The rules on deferment of customs duties in general also apply for import VAT.	No	N/A	N/A	A guarantee has to be lodged to the customs authorities.	N/A
Slovakia	The customs debt needs to be paid either directly upon importation or the payment of customs duties may not exceed 10 days following the filing of the customs declaration (if a customs debt is secured). However the payment of the customs duties can be deferred until the 30 th days following the filing of the customs declaration. under certain conditions.	(1) a security should be deposited according to the customs rules; (2) in case of tailor-made security, a written request should be filed with the customs authorities.	The rules on deferment of customs duties in general also apply for import VAT.	No	N/A	N/A	A security should be deposited.	N/A
Slovenia	The general due date for the payment of customs duties is 10 days. The payment can be delayed up to 30 days.	The customs debtor should receive an approval for the delay in payment. For this the Slovene Customs Authorities published special request form. The requestor should also provide a form of insurance.	The rules on deferment of customs duties in general also apply for import VAT.	No	N/A	N/A	Insurance to be provided.	N/A

Table E - Summary table of the deferred payment for VAT and customs purposes (Article 211 of the EU VAT directive)

Member States	Delay of payment of customs duties?	Conditions for this delay of payment of customs duties?	Delay of payment of import VAT?	Specific/ derogatory/ additional rules for deferred payment for VAT exist? Yes or No	Is the specific deferral open to any importer or limited to certain cases (such as simplified procedures): conditional vs. unconditional	Additional/ derogatory conditions to apply a deferred payment for VAT	Requirements relating Guarantee/Security (customs and/or VAT)	Remarks
Spain	The general due date for the payment of customs duties is 10 days. The payment can be delayed up to 30 days.	In order to take profit of the deferral of 30 days, the customs debt must be granted following the official model foreseen by the national legislation. According to the Customs regulation guarantee must be always sufficient to cover the maximum amount of the Customs debt which have been or may be incurred during the period the guarantee is referred to. From a practical point of view, Spanish Customs calculate the amount of the guarantee as the result of multiplying the monthly average amount of custom debt by the coefficient of 1,5.	The rules on deferment of customs duties in general also apply for import VAT. However, via the local clearance procedure, VAT payment can be deferred until the 16th of the month following the month in which importation takes place.	Yes	Conditional	Obtain the authorization for the simplified procedure such as local clearance procedure.	Sufficient guarantee should be provided	N/A

Table E - Summary table of the deferred payment for VAT and customs purposes (Article 211 of the EU VAT directive)

Member States	Delay of payment of customs duties?	Conditions for this delay of payment of customs duties?	Delay of payment of import VAT?	Specific/ derogatory/ additional rules for deferred payment for VAT exist? Yes or No	Is the specific deferral open to any importer or limited to certain cases (such as simplified procedures): conditional vs. unconditional	Additional/ derogatory conditions to apply a deferred payment for VAT	Requirements relating Guarantee/Security (customs and/or VAT)	Remarks
Sweden	A delay in payment can be obtained for a period of 30 days following the importation.	An authorization from the Swedish Customs is required. In order to obtain an authorization the following conditions should be met: 1) The applicant should regularly import goods (or plan to establish an import business), 2) The applicant should be registered with the Swedish Companies Registration Office (not always required for private entrepreneurs), 3) The applicant should have an EORI number. Normally a security is required; for all customs debt and generally also for VAT. The security may be deposited in cash or as a bank guarantee.	The rules on deferment of customs duties in general also apply for import VAT.	No	N/A	N/A	Normally a security is required for all customs debt and generally also for VAT. The security may be deposited in cash or as a bank guarantee.	N/A
United Kingdom	15th of the month following the month of importation.	Bank guarantee (form C1201). This can be reduced if using SIVA (simplified import VAT accounting). Importers approved for SIVA are only required to have a bank guarantee in place to cover duty payable (and not VAT). Payments must be made by BACS direct debit.	The rules on deferment of customs duties in general also apply for import VAT.	No	N/A	N/A	Bank guarantee (form C1201).	N/A

A summary overview of the major attention points – derived from the excel sheets mentioned above - on the import VAT payment and collection regimes applicable in the different Member States is provided below.

Categorisation of Member States based upon import VAT payment and collection:

Based on the data gathered with respect to the VAT import regimes applicable in the different Member States, Deloitte makes a suggestion of a possible classification of the Member States in different types depending on the import regime they apply.

Generally speaking, three major import VAT payment and collection alternatives are available within the EU.

1. Immediate payment at the border:

- prefinancing of import VAT;
- import VAT to be paid upon importation;
- import VAT can be deducted via the taxpayer's periodic VAT return.

2. Deferred payment:

- prefinancing of import VAT;
- import VAT to be paid 'x' days after importation;
- import VAT can be deducted via the taxpayer's periodic VAT return. Depending on the periodicity of the VAT return import VAT will be deducted after or before it is paid.

In this collection regime of deferred payment, a clear distinction is made between:

A. Deferred payment with similar delay for paying customs duties and VAT;

B. Deferred payment with a specific/derogatory/additional delay for VAT purposes only.

A deferred payment that only exists for customs duties (BE, HU, LU, NL, PT) is not taken into account in the below segmentation.

3. Postponed accounting via the VAT return:

- no prefinancing of import VAT;
- VAT paid and deducted at the same time via the taxpayer's VAT return.

As outlined above, please note that the deduction rules related to the import VAT vary in different Member States.

The Member States are categorised below based on the import VAT payment and collection possibilities available within their respective Member State.

The deferral of import VAT in case of the application of a specific customs regimes (e.g. warehousing) is not taken into account by this segmentation. (cfr. Table F)

Table F – Segmentation based on the VAT payment and collection legislation

Segmentation based on the VAT payment and collection legislation	
Group 1 - A	<p><u>Import VAT via immediate payment or deferred payment for</u> A. <u>VAT and Customs purposes (similar delay)</u></p> <p>➤ 7 Member States: Cyprus, Finland, Germany, Ireland, Slovakia, Sweden and United Kingdom</p>
Group 1 - B	<p><u>Import VAT via immediate or specific deferred payment</u> B. <u>for VAT purposes (only)</u></p> <p>➤ 4 Member States: France, Italy, Portugal and Spain</p>
Group 2	<p><u>Import VAT via immediate payment or postponed accounting through VAT return</u></p> <p>➤ 4 Member States: Czech Republic, Hungary, Luxembourg and the Netherlands</p>
Group 3 - A	<p><u>Import VAT via immediate payment or postponed accounting through VAT return or deferred payment for</u> A. <u>VAT and Customs purposes (similar delay)</u></p> <p>➤ 11 Member States: Austria, Bulgaria, Denmark, Estonia, Greece, Latvia, Lithuania, Malta, Poland, Romania and Slovenia</p>
Group 3 - B	<p><u>Import VAT via immediate payment or postponed accounting through VAT return or deferred payment for</u> B. <u>VAT purposes (only)</u></p> <p>➤ 1 Member State: Belgium</p>

1.1.5 Group 1 - Import VAT via immediate payment or deferred payment

A Group 1 - A – For VAT and customs purposes (similar delay)

SHORT DESCRIPTION

In the Member States in this category import VAT needs to be paid to the customs authorities upon importation.

The legislation of these Member States does foresee the possibility of deferring payment the import VAT payment in the same delay than the customs duties. No specific delay of payment for VAT purposes is applicable in this group of Member States.

The Member States included in this category do not have any provisions for postponed accounting via the VAT return.

MEMBER STATES

This category includes 7 Member States: Cyprus, Finland, Germany, Ireland, Slovakia, Sweden and United Kingdom.

PARTICULARITIES PER MEMBER STATE

Cyprus

In Cyprus, the declarant or, in the event of indirect representation, the person on whose account the declaration is lodged, will be held liable to pay the import VAT. When importing goods, VAT is paid in accordance with the rules laid down in customs legislation. The VAT is collected on the customs clearance of the goods.

As a general rule, the payment of customs duties may not exceed one week following the filing of customs declaration.

However the payment of the customs duties and VAT can be deferred until the 16th of the following month, with a similar delay.

No postponed accounting via the VAT return is possible in Cyprus.

Finland

In Finland, the person liable to pay the tax on importation of goods is the holder of goods (i.e., the declarant). A declarant may make the customs declaration by itself or use a representative.

In Finland the so-called cash customers must pay import VAT within 10 days of the customs invoice date. Unlike registered credit customers, a cash customer does not acquire possession of the goods until the duties, taxes and other fees have been paid.

However, registered credit customers can enjoy deferral of payment. For credit customers import VAT is due on the Friday of the fourth week following the week of delivery of goods, i.e., on average within approximately 30 days of the customs invoice date. If the registered credit customer is granted a periodic customs clearance permit, the import VAT is due within 4 weeks after the end of the period (week/month).

Registered credit customers must be established within the Community and provide a security for 10, 25, 50, 75 or 100% on the import VAT, depending on the customer's financial position in relation to tax interest.

The deferred payment of VAT corresponds to the legislation for the deferred payment of customs duties.

Therefore, no derogatory deferred payment for VAT purposes only applies in Finland.

No postponed accounting via the VAT return is applicable in Finland.

Germany

In Germany the customs declarant also becomes the person liable to pay import VAT if acting in its own name. The customs declaration therefore also functions as an import VAT declaration. The import VAT must be paid cash upon importation. However, a deferment of VAT payment can be obtained until the 16th day of the following month upon written application.

A bank guarantee or deposit must only be provided in case that the eligible entity is not fully entitled to deduct input VAT or that together with import VAT payment of customs duties is deferred.

The delay for deferred payment of VAT and customs duties are corresponding. No derogatory deferred payment for VAT purposes only applies in Germany.

No postponed accounting via the VAT return is applicable in Germany.

Ireland

Based on the Irish legislation, a direct customs representative, the indirect customs representative, the owner of the goods but also other persons may be considered as liable for paying VAT on imported goods.

On importation of goods into Ireland, customs entry formalities must be completed by the importer or his/her agent. The import VAT needs to be paid upon importation.

However, VAT on importation may be deferred where the importer is eligible for the deferred payment (Bank Direct Debit Scheme). Under this scheme, VAT on importation (except for VAT on excisable alcoholic products) may be deferred to the 15th day of the month following the month in which VAT becomes due.

The payment needs to be made via the AEP system by the use of a SAD form by direct debit. There must be a bank guarantee. The trader must be approved by Revenue and must be issued with a Revenue Identification number.

The guarantee must be provided by a bank/credit institutions authorised to carry on banking business in the Ireland under Irish legislation. The guarantee can also be provided by certain credit institutions authorized in other Member States of the European Economic Area (EEA) to carry on business in the State. The guarantee and the direct debit instruction must be branded with the Guarantor's and Bank Branch's official stamp respectively.

As for the VAT payment, a delay for paying the Customs duties is also allowed up to the 15th of the month following the month in which customs duty becomes due. In this case, some conditions need to be met by the company, as:

- be approved trader;
- have an identification number issued by the Revenue;
- have provided with a bank guarantee.

The delay for deferred payment of VAT and customs duties are corresponding. Therefore, no derogatory deferred payment for VAT purposes only applies in Ireland.

No postponed accounting via the VAT return is applicable in Ireland.

Slovakia

In Slovakia VAT must be paid on the importation of goods by:

1. the person who is the debtor under customs legislation, or
2. by the consignee if the debtor under customs legislation is a foreign trader who holds a unified customs authorisation under a specific regulation issued by the customs authority of another Member State, and the debtor does not use the imported goods for their own business purposes.

The VAT is payable within the time limit for the payment of duties under customs legislation.

As a general rule, the customs duties on importation need to be paid to the customs authorities upon importation, with a delay of 10 days maximum as from the customs declaration is submitted to the Customs offices (and that the amount of duty is entered in the accounts of the Customs authorities).

However, under certain conditions, the customs authorities allow a deferment of customs duties payment. The period for the payment of these duties is deferred to the 30th day's maximum as from the customs declaration is filed with the Customs offices

In order to use the deferred payment alternative, a written request should be filed with the customs authorities and a security should be provided. Prior approval of the request by the customs authorities, customs authorities consider several facts, e.g. if the applicant has a reliable accounting system, if the applicant has committed customs offences within a specified period in the past, etc.

For VAT purposes, in principle, the import VAT needs to be paid to the customs authorities upon importation.

However, like the customs duties, the import VAT may be also delayed in certain conditions to 30 days following the filing of the customs declaration.

As the VAT is due within the same time as the customs duties, no derogatory deferred payment for VAT purposes only applies in Slovakia.

No postponed accounting via the VAT return is applicable in Slovakia.

Sweden

The import VAT needs to be paid cash upon importation by the person declaring the goods. The latter can either be established in the Community or in Norway.

When VAT is payable on import, it is declared on the customs declaration and paid to Swedish Customs. A delay in payment for VAT and customs duties can be obtained for a period of 30 days following the importation. An authorisation from Swedish Customs is required in order to delay the payment; normally subject to a security.

The delay for deferred payment of VAT and customs duties are corresponding. No specific derogatory payment for VAT purposes only applies in Sweden.

No postponed accounting via the VAT return is applicable in Sweden.

United Kingdom

In most circumstances, the importer of the goods will be responsible for the payment import VAT. Direct customs representatives (i.e. entities acting in the name of its client) however will not be responsible or liable for the payment of customs duties to HM Revenue & Customs (HMRC). Where they act in their own name (i.e. act as an indirect customs representative), they will be joint and severally liable to pay import VAT due.

Deferral of import VAT is possible. Generally import VAT and customs duties needs to be paid upon importation in order that the imported goods can be released into the country. However, a delay in payment (via direct debit) can be obtained until the 15th of the month following the month of importation provided that a bank guarantee is deposited, using Form C1201.

The SIVA System (Simplified Import VAT Accounting) has the aim of reducing costs faced when importing goods into the United Kingdom. SIVA does this by reducing the amount of financial guarantee required where a scheme to defer paying any VAT is used. However, customs duties and excise duties must still be fully secured.

The delay for deferred payment of VAT and customs duties are corresponding. No derogatory deferred payment for VAT purposes only applies in United Kingdom.

No postponed accounting via the VAT return is applicable in United Kingdom.

B Group 1 - B – For VAT purposes only

SHORT DESCRIPTION

In the Member States of this category, import VAT in principle needs to be paid to the customs authorities upon importation.

However the legislation of these Member States does foresee the possibility of deferring the import VAT payment. Unlike the Member States of this sub-group 1 B, a **derogatory delay for VAT purposes only** is applicable in this category.

For the Member States in this group there is no possibility of using postponed accounting via the VAT return for import VAT.

MEMBER STATES

This category includes 4 Member States: France, Italy, Portugal and Spain.

PARTICULARITIES PER MEMBER STATE

France

In France, the person liable to pay the tax on importation of goods is the owner of the goods or more generally by the person indicated as the importer of record.

Nevertheless, the direct customs representative is jointly liable in the case where the direct customs representative sets up a duty deferment procedure and pays the duties and taxes on behalf of its principal.

Furthermore, the indirect customs representative is jointly liable with the actual consignee of goods.

In France, import VAT needs to be paid upon importation. However, the application for a customs duties deferred payment procedure is also possible.

Under Article 114 of the French Customs code, the deferred payment system, known as "crédit d'enlèvement" allows deferment of the payment of import VAT and customs duties for a period of 30 days after the date of importation if relevant conditions are met and if a security deposit is provided.

A written request with supporting documentation and the setting up of a security cash deposit are required by the VAT authorities.

The applicant of the “crédit d’enlèvement” procedure can also apply for:

1. An import VAT security cash deposit exemption if the relevant conditions are fulfilled;
 - a. The taxpayer shall meet certain of accounting obligations, of which the list is determined by Decree in Conseil d’Etat;
 - b. The taxpayer will not be subject to enrolment of the lien for the Treasury or for the Social insurance, to a procedure of judicial settlement or of judicial liquidation.
2. An arrangement to defer the payment of import VAT in a monthly instalment **on the 25th of the month following the importation** if the relevant conditions are fulfilled.

The security cash deposit documentation so-called "soumission générale cautionnée pour le dédouanement" must be duly completed and signed by the guarantee and the guarantor and the relevant security deposit computation document needs to be provided to French customs authorities.

There is a derogatory deferred payment for VAT purposes only in France. In addition of the delay of 30 days, a specific deferral is allowed by the French authorities to pay the import VAT up to the 25th of the month following the month of the importation.

There is no provision for a postponed accounting via the VAT return in France.

Italy

The import VAT needs in principle to be paid in cash (or through a bank account) upon importation by any person.

However, the customs duties and VAT payment could be deferred through the following procedures:

➤ periodic payment

Only for operators dealing with Custom Authority on a regular basis, it is foreseen the possibility of open a specific debit account providing a guarantee. The total payment of operation registered in a determined period could be done within a deadline provided by the Custom office (in any case not later than 31 days). Furthermore the payment should be done within 2 days from said deadline.

➤ deferred payment

Any operator could request the deferral up to the 30th day of the month following the import providing a guarantee. The Customs Agency could grant a major delay on VAT payment up to the 90th day.

➤ periodic and deferred payment

Companies with a debit account could request a delay for the operation globally accounted on the "periodic" accountancy (the delay should be reduced by the number of days corresponding to half the number of days in the aggregation period).

There is a derogatory deferred payment for VAT purposes only in Italy. A specific deferral is allowed by the Customs Agency to pay the import VAT up to the 90th day.

There is no provision for a postponed accounting via the VAT return in Italy.

Portugal

Generally import VAT and customs duties need to be paid upon importation by the importer of record (i.e. the persons or entities who carry out import of goods and are liable for the respective import VAT) to enable the release of the goods into the country. Payment can be made in cash.

Deferral of import VAT is generally possible (either for a single import or via a global import procedure) provided certain requirements are met, including a bank guarantee.

According to the VAT Code, payment of import VAT can be deferred:

- (i) for 60 days counting from the date of assessment, when the deferment is granted separately for each importation (single importation) and
- (ii) up to the 15th day of the second month following the global importation periods,
- (iii) in very limited cases, namely in case of higher amount importations, a 90 days deferral may also apply, to be decided by the customs authorities on a case-by-case scenario. According to the customs authorities, this deferral rarely applies.

However, according to the information provided by the customs authorities, in practice import VAT payment can be deferred up to (i) 30 days or (ii) 60 days from the customs import declaration depending on the actual fact pattern (e.g. single import vs. global import procedure).

Deferral of duties is also generally possible (if deferral of import VAT also applies), in which case the payment of duties is due by the 15th day of the month following the importation regardless of the actual deferral period granted for the VAT payment, i.e. the duties payment timeframe does not necessarily match the import VAT payment.

A derogatory deferred payment with a specific delay for VAT purposes only is applicable in Portugal.

There is no provision for a postponed accounting via the VAT return in Portugal.

Spain

The VAT payable on import transactions is in principle paid at the same time as the customs duties. Importers must submit the appropriate tax declaration in the form approved by the Ministry of Economy and Finance, in the time and manner laid down in the customs regulations (in practice, SAD and form 031)

In Spain, the following can be considered as importers:

1. Recipients of imported goods, whether purchasers, assignees or owners thereof, or consignees importing such goods on their own behalf;
2. Travellers, in respect of goods they drive when entering the territory where VAT is applicable;
3. Owners of goods in cases not covered by the foregoing points;
4. Purchasers, or where applicable owners, lessors or charterers of goods referred to in Article 19 of Law 37/1992.

Based on a customs declaration, VAT is paid within 30 days of the debt being recorded by the Customs Authorities upon importation, whenever a guarantee had been granted. Otherwise the debt will be paid during the 10 days following to the importation.

There is no authorization as such to be requested to benefit of the payment within 30 days. It is the regular process.

In order to take profit of the deferral of 30 days, the customs debt must be granted following the official model foreseen by the national legislation. According to the Customs regulation, guarantee must be always sufficient to cover the maximum amount of the Customs debt which have been or may be incurred during the period the guarantee is referred to. From a practical point of view, Spanish Customs calculate the amount of the guarantee as the result of multiplying the monthly average amount of custom debt by the coefficient of 1,5.

If the company has a simplified procedure such as local clearance procedure, the payment of the debt can be deferred until the 16th of the month following to the month that the import operation took place. A specific deferred payment for VAT purposes is therefore applicable in Spain.

No postponed accounting of VAT via the VAT return is possible in Spain.

1.1.6 Group 2 - Import VAT via immediate payment or postponed accounting through the VAT return

SHORT DESCRIPTION

In the Member States of this category, import VAT in principle needs to be paid to the customs authorities upon importation.

However the legislation of these Member States does foresee the possibility of using postponed accounting via the VAT return for import VAT.

The legislation of the Member States of this group does not foresee in the possibility to defer payment of import VAT (not within the same delay as for customs duties neither in a specific/derogatory/additional delay for VAT purposes). .

MEMBER STATES

This category includes 4 Member States: Czech Republic, Hungary, Luxembourg and the Netherlands.

PARTICULARITIES PER MEMBER STATE

Czech Republic

In the Czech Republic, the person liable to pay the import VAT is the one which the goods are released to in any customs regime in case of which tax obligation arise. Thus it could be the owner of the goods (most often) or any other third person. It is always the person for whom the imported goods are entered into customs procedure who is liable to pay the import VAT. A distinction is made between VAT taxable persons and non VAT taxable persons.

The direct or indirect customs representative is not liable to pay import VAT.

In case of VAT payers with a Czech VAT number, the VAT must be declared via a VAT return for the taxable period in which the goods were released into free circulation. In this case, the Customs Authorities make a VAT assessment but the VAT amount has to be included in the VAT return and paid to the Financial Authorities.

The import VAT debtor declares in the customs declaration that he meets the conditions of the postponed accounting's regulation, i.e. that he is a VAT payer.

In the case of persons not registered for VAT and of certain situations for taxable persons as well (e.g. in the case of illegal imports), import VAT is assessed and collected by the customs office. Payment of import VAT falls due as stipulated in the customs rules.

There is no deferred payment applicable for VAT purposes in Czech Republic.

Hungary

As a general rule, the import VAT is payable in cash upon the importation by the importer. The importer is whoever is obliged to pay the customs debt on importation as debtor within the meaning of the provisions of customs law (not including the indirect customs representative), or whoever would be obliged to pay such debt if the importation of a product were liable to customs duty. Where an indirect customs representative handles the import procedure on behalf of the importer, the tax is paid by the indirect customs representative.

However, where a specific import self-assessment authorisation is held, a postponed accounting is available and the import VAT can be declared via the VAT return.

In order to obtain the specific import self-assessment authorisation, the applicant has to be:

1. a taxpayer registered in Hungary;
2. a person reliable for customs purposes who can prove that the considerations realised from exempt export and intra-Community supplies performed in the previous year reached:
 - at least 67% of the net value of the local supplies which must represent at least HUF 10 billion (EUR 36 M); or
 - at least HUF 20 billion HUF (EUR 72 M);
3. the taxpayer possesses an AEO (authorised economic operator) certificate, or
4. is in the possession of a specific authorisation issued by the Customs Authority for simplified customs clearance procedures.

No deferred payment applies for VAT purposes in Hungary.

Luxembourg

The VAT due on imported goods must be paid by the importer of the goods. According to the Article 27 LTVA, the person in whose name the goods were declared for import is deemed to be the importer. The person in whose name the goods have been declared for import is generally the person indicated as the consignee in the import papers.

In Luxembourg the direct customs representative cannot be considered as liable for VAT purposes.

When goods are imported and the person liable to pay the VAT is identified for VAT purposes in Luxembourg, the VAT due on the imported goods must be declared and paid via the VAT return by that person (taxable person or non-taxable legal person identified for VAT purposes) according to the rules governing the declaration and payment of VAT on supplies of goods and services (automatic deferred payment scheme).

This provision is also applicable to traders who have neither their place of business nor a fixed establishment in the country, but are identified there for VAT purposes.

When goods are imported by persons who do not fulfil these conditions, i.e. do not have a VAT identification number, the tax is levied by the Customs and Excise administration in accordance with customs regulations.

No deferred payment applies for VAT purposes in Luxembourg.

The Netherlands

The import VAT needs to be paid upon importation. Anyone who can present the goods to customs or have them presented and can produce the requisite documents is entitled to make a customs declaration. In most cases a customs agent is commissioned to make the customs declaration, which he can do in his own name and on his own behalf, but on the instruction of his principal (i.e. the importer/consignee). The customs agent can also act as a representative. If the declaration is filed on behalf of the principal (direct or indirect representation), the principal is (also) considered to be the debtor.

However, importers may request for an authorization (license article 23) under which the reporting of the import VAT can be deferred to the importer's VAT return for the period in which the import took place. This license is granted for an open-ended period but can be withdrawn in case of abuse. When this license is requested, a general or limited fiscal representative must be appointed, in case of a consignee not established in the Netherlands.

For certain goods (raw materials), postponement is compulsory. This is also applicable for certain provisioning means of transport.

No deferred payment applies for VAT purposes in the Netherlands.

1.1.7 Group 3 - Import VAT via immediate payment or postponed accounting through the VAT return or deferred payment:

A Group 3 - A – For VAT and Customs purposes (similar delay)

SHORT DESCRIPTION

In the Member States of this category, import VAT in principle needs to be paid to the customs authorities upon importation.

However the legislation of these Member States included in this category does foresee the possibility of using postponed accounting via the VAT return for import VAT.

The legislation of some Member States of this group does also foresee the possibility of deferring payment of the import VAT in the same delay as the customs duties.

But in all the Member States of this category, no specific delay of payment for VAT purposes only is applicable.

MEMBER STATES

This category includes 11 Member States: Austria, Bulgaria, Denmark, Estonia, Greece, Latvia, Lithuania, Malta, Poland, Romania and Slovenia.

PARTICULARITIES PER MEMBER STATE

Austria

In Austria, any person who imports goods is liable to pay import VAT, irrespective whether or not he is a taxable person (e.g. private individual). Basically, the declarant is considered as importer.

Based on the Austrian legislation, a direct customs representative, the indirect customs representative, the owner of the goods but also other persons may be considered as importers for VAT purposes. Except in case of an indirect representation, the declarant of the importation of goods is, in principle, liable for VAT purposes.

However, in case the postponed accounting is applied, the indirect representative is in principle not deemed to be liable for import VAT, if he is provided with an order by the represented person that the postponed accounting shall be applied (exemptions in case of wrong information on the customs declaration, if the indirect representative should have known that the information is wrong).

Import VAT in principle needs to be paid in cash to the customs authorities upon importation.

However, Austrian VAT legislation also foresees the possibility of paying the import VAT on a monthly or quarterly basis for taxable persons filing monthly or quarterly VAT returns respectively. In this case, the

VAT liability is debited from the tax account of the importer. The input import VAT can be deducted via the preliminary VAT return. In order to apply this regime, the following conditions must be met:

- the person liable for the import VAT should be registered for VAT purposes in Austria;
- the goods must be imported for his business purposes;
- the import VAT debtor declares in the customs declaration that he wants to make use of this regulation.

If the postponed accounting alternative is applied, the import VAT is due on the 15th of the calendar month following the day of the booking of the import VAT on the tax account, but not earlier than the 15th of the second month following the reporting period, in which the import VAT liability arises. The import VAT will be therefore booked and consolidated, with the VAT duly reported on the current tax account of the taxpayer.

Austrian VAT legislation also foresees the possibility of deferring the payment of the import VAT. More specifically, the import VAT must be paid by the fifteenth day of the month following the month during which the import was performed. In order to apply the deferred payment, a request must be filed with the customs authorities, and the following conditions must be complied with:

- the applicant has a reliable accounting system;
- he has committed no customs offences within a specified period in the past; and
- a security is provided.

The deferred payment of VAT corresponds to the legislation for the deferred payment of customs duties, i.e. import VAT and customs duties usually have to be paid at the same time, if deferred payment is applicable.

A derogatory deferred payment does not exist in Austria for VAT purposes only.

Bulgaria

In general, the import VAT needs to be paid cash upon importation by the importer. If two or more persons are jointly liable to pay customs duties in accordance with customs law, they are also jointly liable for the tax due.

The rules for VAT payment are the same as for customs duties, with the same deadlines. The customs authorities will release the goods once the payment is made or provided a security has been lodged in accordance with the rules for customs debts.

As a general rule the payment may not exceed 10 days as from submission of the customs declaration or receiving notification about the customs duties due sent by the customs authorities.

Payment may be delayed with up to 30 days. The rules on deferment of customs duties in general also apply for import VAT.

There is a special postponed accounting scheme for declaring and paying VAT on imports associated with investment projects.

This postponed accounting system can be applied by VAT-registered entities investing in a large investment project which have received special authorisation from the Ministry of Finance. The conditions for authorisation are detailed and include e.g. an investment of more than BGN 10 million (approximately EUR 5.11 million) for a period not longer than two years and the creation of at least 50 new jobs.

The scheme entitles the user of the scheme to report the VAT on imports in the VAT return for the period in which the taxable event arises. On his customs declarations, the user of the scheme must declare that he:

- is making use of the scheme;
- was registered for VAT purposes at the time of the import;
- had no outstanding tax or social security debts.

The scheme entitles him to a tax credit for VAT charged in this way.

As the delay for the deferred payment of VAT and customs duties are similar, no derogatory deferral exists in Bulgaria for VAT purposes only.

Denmark

In Denmark, the owner of the goods is in principle liable for paying the import VAT.

With respect to the liability for import VAT, please note that the following precisions:

- For the companies established outside the EU (except Norway, Island, Faroe Islands and Greenland), a fiscal representative needs to be appointed when registering for VAT. The fiscal representative is jointly liable for any VAT including the import VAT.
- In case of simplified declaration and summary declaration, other person is also liable for the import VAT as well, for instance the carrier (or the representative of the carrier) is liable for the import VAT until the goods have been declared.

The postponed accounting via the VAT return is considered as the main rule for the VAT registered traders to pay the VAT on import goods. In this scheme, the import VAT is stated on the import specification from the Danish tax authorities. The VAT is then calculated automatically. The VAT registered trader shall not state that he wants to postpone the accounting.

However, in the event that the goods are imported for business purposes, and a security is provided, the payment of the import VAT can be deferred. In the latter case, the import VAT must be paid no later than the 16th of the month following the month of importation.

Regarding the customs duties, a deferred payment to the 16th of the month following the month of importation is also allowed to the importer registered in Denmark whom provides a security. The delay for deferred payment of VAT and customs duties are corresponding.

No derogatory deferred payment for VAT purposes only applies in Denmark.

Estonia

Based on the Estonian legislation, a direct customs representative, the indirect customs representative, the owner of the goods but also other persons may be considered as importers for VAT purposes.

The import VAT needs to be paid in cash upon importation, but a postponed accounting via the VAT return is also possible under certain conditions. VAT must be paid by debtors during customs formalities, based on an accepted customs declaration, on the date on which the amount of import duty is communicated to the person.

The Value Added Tax Act provides enterprises which mostly operate on foreign markets with the right to declare the postponed import VAT through the VAT return and to be exempted from the actual remittance of import VAT to the Tax and Customs Board, at the border of the European Union.

In order to apply for this procedure, to declare import VAT only in the VAT return, an enterprise must meet several requirements listed in the Value Added Tax Act:

1. the taxable person has been registered for at least 12 consecutive months before the submission of such a customs declaration, the vat is calculated on the imported goods on the basis of which is declared in the vat return (hereinafter in this section customs declaration);
2. at least 50 percent of the total supply must consist out of taxable supplies at a 0 percent rate during the 12 months preceding the submission of the taxable person's customs declaration;
3. within 12 months before the submission of the customs declaration the taxable person must have submitted tax returns only by electronic means;
4. by the time of submission of a customs declaration the taxable person must have submitted his tax returns on time;
5. the taxable person did not incur any tax arrears within the 12 months preceding the submission of the first customs declaration or at the time of submitting the following customs declarations.

Upon import of fixed assets, the taxable person does not need to meet the above conditions 1) to 3) specified. If the taxable person does not meet the specified conditions, he must provide a security to the tax authority upon the request of the latter.

A deferred payment for customs duties and import VAT within a same delay is also allowed in Estonia. No derogatory deferral exists in Estonia for VAT purposes only.

Greece

In Greece when goods are imported, VAT is payable by the person considered to be the owner of the imported goods, as defined according to the Customs legislation. The VAT is assessed on the basis of the customs document and is collected by the customs authorities on import, together with the duties.

Although the immediate payment of import VAT is the principle, certain industrial sectors can postpone via the VAT return the VAT payments upon the purchase of new investment goods (e.g. machinery). The industrial enterprises, extractive industries, quarries, hospitality enterprises and agricultural enterprises could benefit from this authorisation.

In this case, no VAT amount is actually paid. The corresponding VAT is accounted under reverse charge; namely, both as input and output VAT with the first (after importation) periodic VAT return of the investor.

Regarding the customs duties, after the submission of relevant records, the Customs office has to calculate the duties within 20 days from the receipt of records. No additional specific delay for VAT is provided to the importer.

The delay for deferred payment of VAT and customs duties are corresponding.

Latvia

The import VAT needs in principle to be paid cash upon importation by the consignee. However, there are provisions for a postponed accounting system via the VAT return.

In order to apply this special regime for imported goods, a taxable person for VAT purposes must submit an application for a licence to the State Revenue Service.

In order to receive the licence for a postponed accounting via the VAT return, the following conditions as should be met:

1. the taxpayer has registered an economic activity in Latvia;
2. the taxpayer is a registered client of the Electronic Declaration System of the State Revenue Service;
3. the taxpayer has no tax debts for the previous taxation periods on the day of submitting the licence or he has to pay the tax debts within five days after submitting the licence;
4. the taxpayer's employees, who have the right of signature, do not have convictions for criminal offences of economic nature; and
5. the taxpayer provides informative declarations or additional information within the terms specified by the State Revenue Service, which is necessary for determination of the tax amount to be paid into the State budget or for determination of overpayment of the tax.

Latvia allows the deferred payment of the customs duties and import VAT for 1 week or 1 month, based on the Customs decision. The delay for deferred payment is corresponding for VAT and customs purposes.

No derogatory deferral applies in Latvia for VAT purposes only.

Lithuania

In Lithuania, import VAT must be paid by the importer. Importer, based on the provisions of the Law on VAT, is understood as a person who imports the goods into the territory of the country and is liable to pay the customs debt on importation for the goods imported in the territory of the country or would be liable to pay customs debt on importation if import duties, agricultural or other charges were levied on the imported goods.

As based on Paragraph 3 Article 44 of the Regulation No. 450/2008 of the European Parliament and of the Council of 23 April 2008 laying down the Community Customs Code, the declarant is to be considered to be the debtor, the import VAT must be paid by the declarant.

In Lithuania, the person liable for VAT and customs purposes may also be represented towards the customs authorities via two different ways:

1/ the direct customs representative: this one acts in the name and on behalf of another person. The direct customs representative has to be a legal person established in Lithuania or a subsidiary / subdivision of a foreign legal person that obtained the right to act as a customs representative.

2/ the indirect customs representative: this one acts in its own name but on behalf of another person. Every person established within the European Union can act as indirect customs representative.

The Law on VAT provides that the import VAT for the imported goods has to be paid within the same terms as the import duties (if they were established for such goods) as it is provided by the Community Customs Code.

In principle, import VAT (as well as customs duties) needs to be paid within the process of customs clearance. As such, the VAT is paid in cash to the customs authorities upon importation or in advance to the customs authorities' bank account.

Postponed accounting of the import VAT via the VAT return is also possible, provided that:

- the VAT taxpayer imports fuel oil, petroleum or other petroleum raw material, nuclear fuel, liquid or natural gas, or goods that he intends to use in the framework of his economic activities (including goods that a VAT payer engaged in leasing operations (financial leasing) intends to transfer to other persons under the contracts of financial lease) as long term assets;
- the value of these goods is not less than LTL 100,000 (ca. EUR 29,000); and
- the VAT taxpayer submits a request to the VAT authorities to apply the postponed accounting.

Legal entities are entitled to defer the payment of the import VAT (as well as customs duties) provided that they provide a guarantee securing the payment of the VAT due. In this case, the import VAT due on all goods released during a calendar month must be paid by the 16th day of the following month on the customs authorities' account. Taxpayers who do not have a legal personality can not apply the deferred payment of import VAT.

Please note that the delay for deferred payment of VAT and customs duties are corresponding.

No derogatory deferral applies in Lithuania for VAT purposes only.

Malta

The import VAT is in principle paid cash/cheque upon importation by the importer. The importer is the person under whose name the imported good appear at the moment that importation tax should be paid.

The non-payment of VAT upon importation at the border of the European Union is only possible if a specific authorisation has been obtained from the VAT authorities and if the import value is reported in the VAT return.

The VAT authorities may grant the authorisation subject to conditions, such as the granting of security (a bank guarantee as security for payment).

Furthermore, a deferred payment for VAT and Customs duties is also possible until the 10th of the month following the importation for an importer who has been granted authorization by Customs Authorities, as defined in the Malta Import Duties Act.

The granting of deferred payment is conditional on the provision of security by the applicant. In addition, the granting of deferment of payment may give rise to the charging of incidental expenses for the opening of files or for services rendered.

The delay allowed for the deferral of payment is similar for VAT and customs purposes.

No derogatory deferred payment for VAT purposes only applies in Malta.

Poland

As a general rule regarding the liability for import VAT, Poland considers that each person who is liable for importation in Poland becomes a VAT payer.

According to Polish VAT legislation, the import VAT is due by legal persons, organisational units without legal personality and natural persons who:

- are principally liable for payment of the customs duties;
- are eligible for a customs procedure, including inward processing, temporary importation and processing under customs control, including persons to whom rights and duties relating to those procedures have been transferred under separate provisions.

Notwithstanding the fact that the import VAT in principle needs to be paid to the customs authorities upon importation, Article 33a of the Polish VAT Act allows the postponed accounting of the import VAT via the VAT return provided that the following conditions are complied with:

- the following documents (issued not earlier than 6 months before the import) are presented to the head of the customs office:
 - o certificates confirming that the company is not in arrears with the payment of social security premiums and with the payment of respective taxes constituting the State budget income;
 - o a confirmation of having been registered as an active VAT payer;
- the taxpayer has presented a security to the customs authorities;
- the taxpayer has notified the head of the customs office and the head of the tax office in writing of his intention to settle the VAT under the postponed accounting scheme.

Foreign companies can only apply the postponed accounting system under specific circumstances. Poland plans to further simplify this procedure of the postponed accounting via the VAT return by e.g. withdrawal of the necessity of establishing a financial security. The new provisions are planned to be introduced as of 1 April 2011.

Furthermore, Poland also allows the deferred payment of import VAT until the 16th of the month following the settlement month but not later than filing VAT return where these amounts are reported.

Furthermore, as the delay allowed for the deferral of payment is similar for VAT and customs purposes, a derogatory deferred payment does not apply specifically in Malta for VAT purposes only.

Romania

Import VAT is usually paid cash upon importation by the importer. The following can be considered to be an importer:

- the purchaser to whom goods are dispatched on the date on which the chargeable event of the tax occurs upon the import, or, in the absence of this purchaser, the owner of the goods on that date. By way of exception, the supplier of the goods or a previous supplier may opt to be the importer;
- the supplier of the goods, for supplies of goods which are installed or assembled within the territory of Romania by a supplier or on behalf of a supplier, and if the supply of such goods takes place in Romania, or the purchaser to whom goods are dispatched if that purchaser opted to be the importer;
- the owner of the goods, for goods imported for the purposes of renting or leasing operations carried out in Romania;
- the person re-importing to Romania goods exported outside the Community;
- the owner of the goods or the taxable person registered for VAT purposes, which imports goods to Romania:
 - 1) under the deposit system or in stocks available to the client for compliance-check or for testing. The beneficiary registered for VAT purposes may be the importer of the goods required to pay VAT for the respective imported goods, provided that the respective goods are purchased by that beneficiary, or if he does not purchase them, provided that the goods are re-exported outside the Community;
 - 2) for the purpose of repairs, transformation, modification or processing of such goods, provided that the goods produced as a result of such operations are re-exported outside the Community or purchased by the taxable person registered for VAT purposes which carried out the import.

Import VAT is to be paid to the customs authority in compliance with the rules in force on the payment of import duties. However, if a deferment certificate is obtained, the VAT is not paid to the customs authorities but reported both as input and output VAT in the VAT return (applying the reverse charge mechanism). The certificate may be obtained if certain conditions are fulfilled (e.g. the transactions performed in the past 12 months are at least RON 100 million (ca. EUR 23 million)).

Like the customs duties, the import VAT may be delayed under certain conditions to 30 days following the filing of the customs declaration. The deferral is obtained by 1) a written request to the customs authorities, 2) by payment of a guarantee.

The VAT is due within the same time as the customs duties. No derogatory deferred payment applies specifically in Romania for VAT purposes only.

Slovenia

The import VAT needs to be paid upon importation by the customs debtor laid down in accordance with the customs regulations. In respect of the importation of goods, VAT must be paid as an import duty except in cases where the taxable person, subject to the authorisation by the tax authority, shows his liability to pay VAT on imports in his VAT return.

The Slovenian tax authority may grant the authorisation to the taxable person who, in accordance with customs regulations, submits customs declarations in another Member State in respect of goods located in Slovenia.

However, like the customs duties, the import VAT may be delayed to 30 days following the filing of the customs declaration.

As the VAT is due within the same time as the customs duties, we consider that no derogatory deferred payment applies specifically in Slovenia for VAT purposes only.

In very specific case (if the customs document for the goods located in Slovenia is filed in other Member States), a postponed accounting via the VAT return is possible based on permission received from the Tax authorities.

B Group 3 - B – For VAT purposes (only)

SHORT DESCRIPTION

In the Member State of this category, import VAT in principle needs to be paid to the customs authorities upon importation.

However its legislation foresee the possibility of using postponed accounting via the VAT return for import VAT and deferring payment of the import VAT with a specific delay for VAT purposes.

MEMBER STATES

This category includes 1 Member State: Belgium.

PARTICULARITIES PER MEMBER STATE

Belgium

Article 201 of the EU Directive stipulates that VAT is due on the importation by the person or persons designated by the importing Member State. In Belgium, the consignee of the goods is liable to pay the import VAT. In general, the consignee is the customer to whom the goods are dispatched at the time when the VAT becomes due, or – in the absence of a customer - the owner of the goods at that time.

However, under certain conditions, the following persons may act as consignee:

- the vendor or a previous vendor;
- the supplier who installs or assembles the goods;
- the supplier of contract work, lessee or borrower who has exported goods for repair, processing, or adaptation purposes;
- the taxable person, filing periodic VAT returns, to whom the goods are sent at sight, on trial or in consignment and provided that, if he does not purchase them, the goods are re-exported;
- the taxable person, filing periodic VAT returns, to whom the goods are sent for repair, processing or adaptation purposes, and provided that the goods are re-exported or the goods are assigned to him.

In Belgium, the person liable for VAT and customs purposes may also be represented towards the tax Authorities via two different ways:

1/ The direct customs representative: The latter acts in the name and on behalf of another person. The direct customs representative is usually a Belgian company (as a subsidiary) belonging to the same business group as the importer. This representative cannot be a customs broker.

2/ The Indirect Customs Representative: This one acts in its own name but on behalf of another person.

Belgium accepts this mode of representation under certain conditions, such as:

- the representative must be established within the European Union;
- the importer needs to be registered for VAT purposes in Belgium (or have applied for a global VAT number);
- the representative shall have a power of representation issued by the importer;
- specify clearly to the Customs office whether he is acting via direct or indirect representation;
- the representative must bring any evidence which establish its power of representation. If not, he will deem to act on its own name and for its own account.

As a general rule, the customs duties on importation need to be paid to the customs authorities upon importation, with a delay of ten days maximum as from the customs declaration is submitted to the Customs offices (and that the amount of duty is entered in the accounts of the Customs authorities).

However, payment of the customs duties can be deferred for a period not exceeding 30 days.

In that case, payment needs to occur:

1. on the Friday of the 4th week following the week during which the goods have been released or the duties have been entered into the accounts (in case of the use of a credit account, or a weekly aggregation granted in the framework of an economic customs regime or a simplified procedure); or
2. by the sixteenth day of the month following the calendar month during which the goods have been released (in case of a monthly aggregation granted in the framework of an economic customs regime or a simplified procedure)

In order to use the deferred payment alternative, a written request should be filed with the customs authorities and a security should be provided.

For VAT purposes, in principle, the import VAT needs to be paid to the customs authorities upon importation.

However, the payment of the input VAT can be deferred until Thursday following the week during which the customs declaration has been filed. In order to use the deferred payment alternative, a written request should be filed with the customs authorities and a security should be provided. A person making use of the deferred payment should mention this on the customs declaration, and should pay the import VAT via a deposit or by secured cheques.

In case of monthly aggregation, the import VAT is deferred to the VAT return (only possible when a so-called ET 14.000 license is granted). Only taxable persons filing periodic VAT returns may apply this regime. An application request must be filed with the VAT authorities. Furthermore an advance payment amounting to 1/24 of the VAT payable on importation calculated over a period of 12 calendar months is required.