VAT IN THE EUROPEAN COMMUNITY

VADEMECUM FOR THE ELECTRONIC REFUND PROCEDURE TO TAXABLE PERSONS NOT ESTABLISHED IN THE MEMBER STATE OF REFUND BUT ESTABLISHED IN ANOTHER MEMBER STATE (COUNCIL DIRECTIVE 2008/9/EC)

NOTE

This document collates a range of basic information on the application of the refund arrangements in the member states which has been obtained from the tax authorities concerned.

This does not reflect the views of the Commission of the European Union, nor does it signify approval of the legislation.
GERMANY

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General

1. WHERE COULD A NON-ESTABLISHED TAXABLE PERSON (NETP) FIND INFORMATION ON YOUR LAWS AND GUIDELINES?

The VAT Act (Umsatzsteuergesetz) can be found on the following website:

The VAT Implementing Regulation (Umsatzsteuer-Durchführungsverordnung) can be found on:

Information on the refund procedure can be found on:
http://www.bzst.de/DE/Steuern_International/Vorsteuerverguetung/02_Unternehmer_Ausland_EU/FAQ/FAQ_node.html

Questions on the procedure can be addressed to:
Tel.: +49-(0)228-406-1200
Fax: +49-(0)228-406-3200
E-mail: vorsteuerverguetung@steuerliches-info-center.de

2. ELIGIBILITY FOR A REFUND

To be eligible for a refund, the applicant must be a taxable person established in the EU making taxable supplies in his own Member State (the Member State of Establishment). He must have incurred VAT on expenses in a Member State in which he has no establishment (the Member State of Refund), and he must have made no supplies within that Member State other than reverse charge supplies, or certain exempt transport services, during the refund period.

3. WHAT CAN BE REFUNDED

VAT relating to business activities carried out outside the Member State of Refund if those activities would be subject to tax or exempt with a right to deduct in the Member State of Refund if they had been made there, and VAT relating to supplies on which the reverse charge is applicable in the Member State of Refund.

4. WHAT CANNOT BE REFUNDED

VAT incurred which relates directly to activities which are exempt without the right to deduct.

VAT incurred on expenses, on which there are restrictions on the right to deduct in the
Member State of Refund.

Any other specific questions should be addressed to the contacts listed in 1.

5. **PROPORTIONAL DEDUCTION**

Where the taxable person is only able to deduct a proportion of his input tax because he makes taxable and exempt supplies, that person can only have the amount refunded according to the rules on proportional deduction in his Member State. Account should also be taken of any other rules of the Member State of refund that may apply.

**Procedures in the Member State of establishment**

6. **WHAT IS THE APPLICATION PROCEDURE?**

The portal set up for taxable persons established in Germany wishing to apply for refunds in other Member States can be accessed 24 hours a day, 365 days a year:

https://www.elsteronline.de/bportal

Information on the terms of access can be found on the website:

http://www.bzst.de/DE/Steuern_International/Vorsteuerverguetung/01_Inlaendische_Unternehmungen/elektrAntragstellung/elektrAntragstellung_node.html

7. **ARE THERE ANY PARTICULAR REQUIREMENTS FOR AN AGENT TO BE ABLE TO SUBMIT A CLAIM ON BEHALF OF THE APPLICANT?**

Representatives must authenticate themselves for the procedure (see 6) and, if required, provide electronic or written proof of the authority granted to them.

8. **CONTENT OF THE APPLICATION:**

The following information should be included in an application:

- the applicant’s name
- the applicant’s VAT identification number or tax reference number
- the applicant’s full address including country code (the address which is on record in Member State of Establishment)
- e-mail address
- a description of the applicant’s business activity for which the goods and services are acquired via NACE v.2 codes Germany uses the NACE codes
- the refund period covered by the application
- declaration by the applicant that he has supplied no goods and services deemed to have been supplied in the Member State of Refund during the refund period, with the exception of the supply of specific transport services and services ancillary thereto or supplies to which the reverse charge mechanism is applicable in Member State of Refund
- bank account details including IBAN and BIC codes

In addition, the following details of each invoice or importation document:
• name and full address of the supplier
• the VAT identification number or tax reference number of the supplier, except in the case of importation
• the prefix of the Member State of Refund (except in the case of importation)
• date and number of the invoice or importation document
• taxable amount and amount of VAT expressed in the currency of Member State of Refund
• the amount of deductible VAT calculated expressed in the currency of Member State of Refund
• where applicable, the deductible proportion expressed as a percentage
• nature of the goods and services acquired according to the codes 1 to 10
• where requested, further information on the nature of the goods and services acquired according to the sub-codes of 1 to 10.

9. **CIRCUMSTANCES UNDER WHICH THE MEMBER STATE OF ESTABLISHMENT WILL NOT SEND AN APPLICATION TO THE MEMBER STATE OF REFUND**

• The applicant is not a taxable person during the whole of the refund period.
• The applicant only carries out exempt supplies in the Member State of establishment during the refund period, thus precluding the deduction of input tax.
• The applicant is covered by the exemption for small businesses.
• The applicant is covered by the flat-rat scheme for farmers.

10. **MINIMUM REFUND LIMITS**

• 400 EUR or the equivalent in national currency if the refund period is between 3 months and less than a calendar year
• 50 EUR or the equivalent in national currency if the refund period is of a calendar year, or the remainder of a calendar year.

11. **DEADLINE**

The application must be submitted to the Member State of Establishment by 30 September of the calendar year following the refund period. The application is only considered as submitted if the applicant has filled in all the required information.

12. **IS AN APPLICANT ABLE TO CORRECT AN ERROR ON AN APPLICATION WHICH HAS BEEN FORWARDED TO A MEMBER STATE OF REFUND?**

If the application has already been submitted, the applicant may resubmit a corrected application. The reference number (application number) of the original application must be quoted in the relevant field. The applicant can find this reference number in the confirmation of receipt for the original application.

**Procedures in the Member State of refund**
13. ARE COPIES OF INVOICES REQUIRED?
Electronic copies (scanned originals) of the relevant invoices and import documents must be attached to refund applications if the amount charged for the transaction or import is EUR 1000 or more or, for motor fuel purchases, EUR 250 or more.

14. THE MAXIMUM SIZE LIMIT FOR AN ATTACHMENT HAS BEEN AGREED AT 5 MB. WHAT IS THE APPLICANT TO DO IF THEY EXCEED THIS LIMIT?
The applicant should, without having to be prompted, save any documents that could not be sent with the application on a data storage device (CD or USB stick) and send it to the refund authority (the Federal Central Tax Office, Bundeszentralamt für Steuern).

15. AS A MEMBER STATE OF REFUND, DO YOU REQUIRE ADDITIONAL DOCUMENTATION FOR CLAIMS SUBMITTED BY AN AGENT?
An agent must provide an electronic or print version of the proxy upon request.

16. CAN PAYMENTS BE MADE TO AGENTS?
Payments to third parties are allowed if the applicant has declared to whom and how the payments should be made. If the representative submits the application, they must provide an electronic or print version of the proxy authorising them to receive money.

17. HOW WILL THE MEMBER STATE OF REFUND COMMUNICATE WITH THE APPLICANT?
Communications are mainly sent by e-mail, either directly to the applicant or to their representative.

18. TIME LIMITS FOR THE PROCESSING OF AN APPLICATION
The Member State of refund has four months from the date of receipt of an application to notify the applicant of its decision to approve or refuse the application, or to ask for further additional information. Where additional information is required, it has a further two months from receiving that information. Where it has asked for further information, it shall, in any case, notify the applicant of its decision within 8 months of the receipt of the application.

Where the refund application is approved, payment should be made within 10 working days.

19. PROCEDURES FOR SENDING ADDITIONAL INFORMATION TO THE MEMBER STATE OF REFUND
Member States can ask for additional information from persons other than the applicant. In all cases, the information should be provided to the Member State of refund within one month of the date on which the request is received by the addressee.

If additional information is required from a party other than the applicant or its representative, the request will mainly be made by e-mail.

20. THE REFUND PERIOD
The refund period, to be chosen by the applicant, must be at least three months and at most one year. The refund period may be less than three months if it covers the rest of the
calendar year. The refund periods requested may not overlap (see 21 below for exceptions).

21. **NUMBER OF APPLICATIONS ACCEPTED PER YEAR**

A maximum of five applications will be accepted. The applicant may submit up to four applications covering at least three months per calendar year plus one more. This fifth application may span the entire calendar year and may only include invoices that have not already been provided with another application.

22. **WHAT ARE THE PROCEDURES FOR APPEALING AGAINST A DECISION? ARE THERE ANY TIME LIMITS FOR APPEALS?**

An appeal can be made against a decision. The deadline for an appeal is one month after the notification of a decision. An appeal must be submitted in written or electronic form, or be filed as a declaration. Every decision should include a notice on the appeal procedure. This notice should include the necessary details on how to appeal against a decision.

23. **INCORRECT APPLICATIONS**

If an amount has been recovered in a fraudulent or incorrect way, Member States may recover those amounts.