

March 2022

The Independent Authority of Public Revenues (“AADE”) issued a new Circular (E.2019/2022) that sheds more light on the application of EU VAT changes relating to intra-Community transactions known as the “Quick fixes”, which were transposed into Greek legislation through L.4174/2020 and entered into force on 01.01.2020.

Quick Fix 1: “Call-off stock” arrangements

Which entities are interested

Businesses transferring a stock of goods from one EU member-state to another, in order for that stock to be available for an already known customer, who will gradually take goods out of this stock over a 12-month period.

The simplification provided

The relevant provisions provide a simplification consisting in the possibility of suppliers to be relieved from the administrative burden of fulfilling VAT requirements (i.e. VAT registration, submission of VAT returns) in the member state of location of the stock.

Clarifications provided

The aforementioned Circular provides clarifications, among others, on the following:

- The possibility to apply the simplification of call-off stock arrangements in case the supplier has been VAT registered in the member-state where the stock is transferred (as opposed to the case where the supplier has a fixed establishment in that member state)
- The time of filing and the contents of the recapitulative statements to be submitted in the context of the call-off stock arrangements
- The potential substitution of the acquirer in the member-state to which goods are dispatched during the 12-month period from the arrival of the goods to that member-state
- The obligations arising upon the gradual release of the goods under call-off stock arrangements and from the potential return thereof to the supplier within the 12-months period mentioned above
- The obligations arising in case of failure to comply with the conditions for the application of call-off stock arrangements
- The content of the special book (register) that has to be maintained by the supplier of the goods and by the customer in the context of the call-off stock arrangements.

Quick Fix 2: Chain transactions

Which entities are interested

Entities participating in successive supplies of goods, which are subject to a single intra-community transport between two member-states (“chain transactions”).

The relevant legal provisions

L.4174/2020 stipulates that in case of chain supplies, only one of the successive supplies can qualify as an intra-community supply qualifying for a VAT exemption: The supply **to the “intermediary operator”**, i.e. the supplier who dispatches the goods himself or by a third party on his behalf.

By way of exception from the above rule, the VAT exempt intra-community supply shall be the supply **by the “intermediary operator”**, if the latter communicates to the first supplier a VAT number issued by the member-state of dispatch.

Clarifications provided

The new Guidelines clarify, among others, the following:

- The concept of the intermediary operator, which is a person other than the first supplier and the final consumer in the chain.
- The documents that must be held by the intermediary operator in order to evidence his status.
- The fact that the provisions for the chain transactions do not affect the implementation of the simplification for triangular transactions.

Quick Fix 3: Substantive requirements for the exemption of intra-community supplies

The legal provisions and the clarifications provided

The provisions of L.4714/2020 provide, among others, that the communication of a VAT number issued by a member-state other than that of the supplier and the timely and accurate submission of a recapitulative statement constitute substantive requirements for the application of the VAT exemption of intra-community supplies, unless the supplier can satisfactorily justify before the competent tax authorities his failure to comply with the above requirements.

The new guidelines provide further clarifications with respect to the fulfillment of the above requirements.

Quick Fix 4: Proof of transport in relation to intra-community supplies

The legal provisions and the clarifications provided

Regulation (EU) 2018/1912 provides special provisions in relation to the evidence that should be held as a presumption for the physical transportation of the goods from one member-state to another. It is noted that possession of evidence showing that transport of the goods has taken place consists a substantive requirement for the VAT exemption of the relevant transport.

The new guidelines provide further clarifications with respect to evidence referred to in the above Regulation.

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