

***Study on applying the current  
principle for the place of supply of  
B2B services to B2B supplies of goods  
Place of establishment of the  
customer***

***Specific contract No. 1  
Taxud/2011/DE/304***

***Appendix 3: Onward B2C supplies of  
goods***

23 December 2011

## **Legend – different scenarios**

**Taxable person**

Taxable person established for VAT in county X

**Non-Taxable person**

Non-taxable private person established in country X

**Goods**

Location goods



Place of supply according to current regulations



Place of supply according to the envisaged treatment

—————> Flow of goods when dispatched or transported

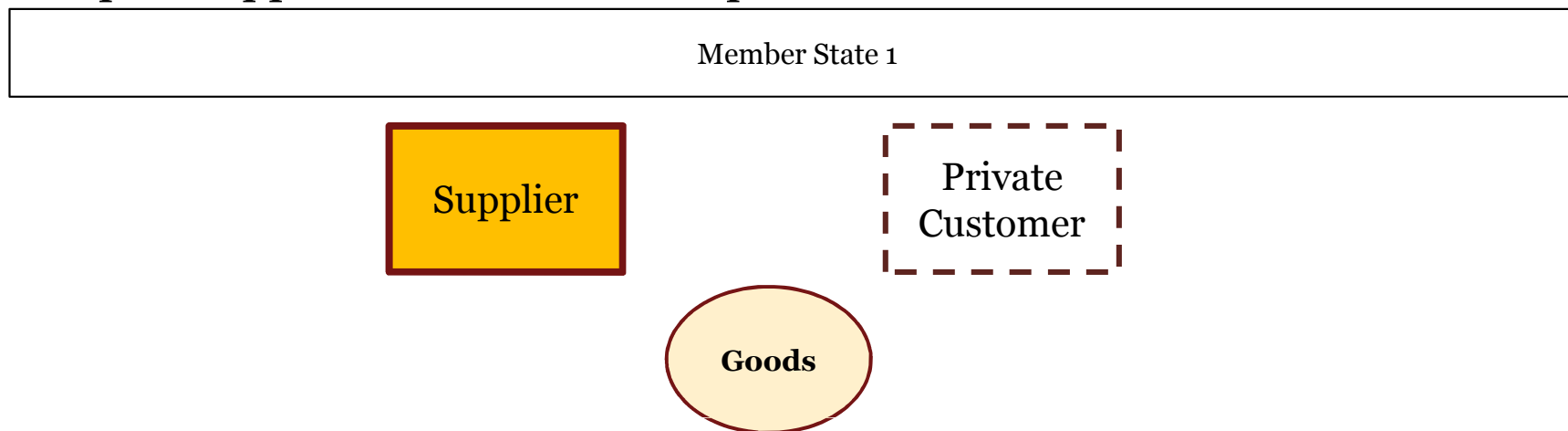
- - - - -> Invoice flow

||| Border between EU Member States

||| Border with 3<sup>rd</sup> country

## Diagram 1

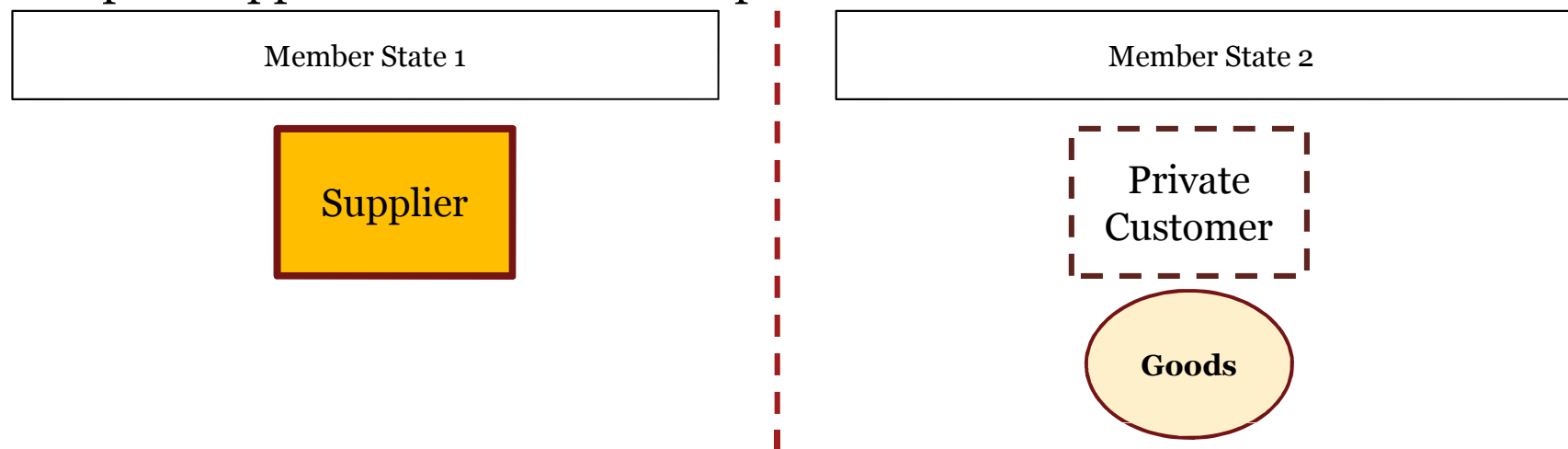
### Group L: Supplier and final consumption in same Member State



B2B place of previous supply	B2C transaction	B2C place of supply	Different country
<b>MS1</b> – the place where the supplier is established	Goods picked up by the customer	<b>MS1</b> – the place where the goods are located at the time when the supply takes place	NO
	Goods dispatched or transported to the customer by or on behalf of the supplier	<b>MS1</b> – the place where the goods are located at the time dispatch or transport to the customer begins	NO
	Goods installed or assembled by or on behalf of the supplier	<b>MS1</b> – the place where the goods are installed or assembled	NO

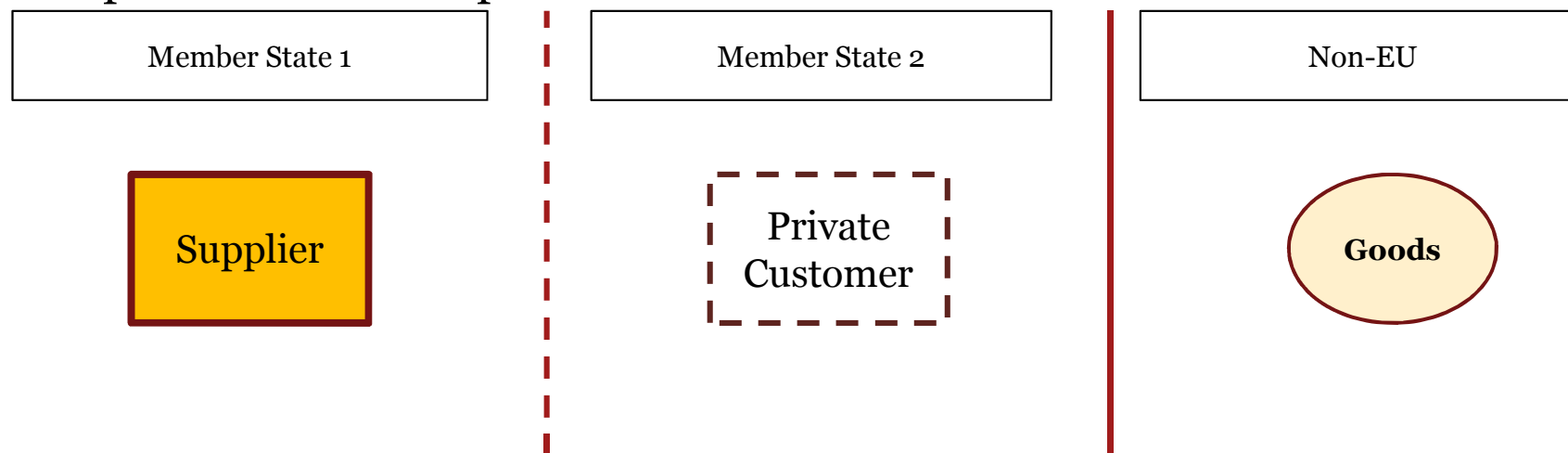
## Diagram 2

### Group L: Supplier and final consumption not in same Member State



B2B place of previous supply	B2C transaction	B2C place of supply	Different country
<b>MS1</b> – the place where the supplier is established	Goods picked up by the customer	<b>MS2</b> – the place where the goods are located at the time when the supply takes place	YES
	Goods dispatched or transported to the customer by or on behalf of the supplier	<b>MS2</b> – the place where the goods are located at the time dispatch or transport to the customer begins	YES
	Goods installed or assembled by or on behalf of the supplier	<b>MS2</b> – the place where the goods are installed or assembled	YES

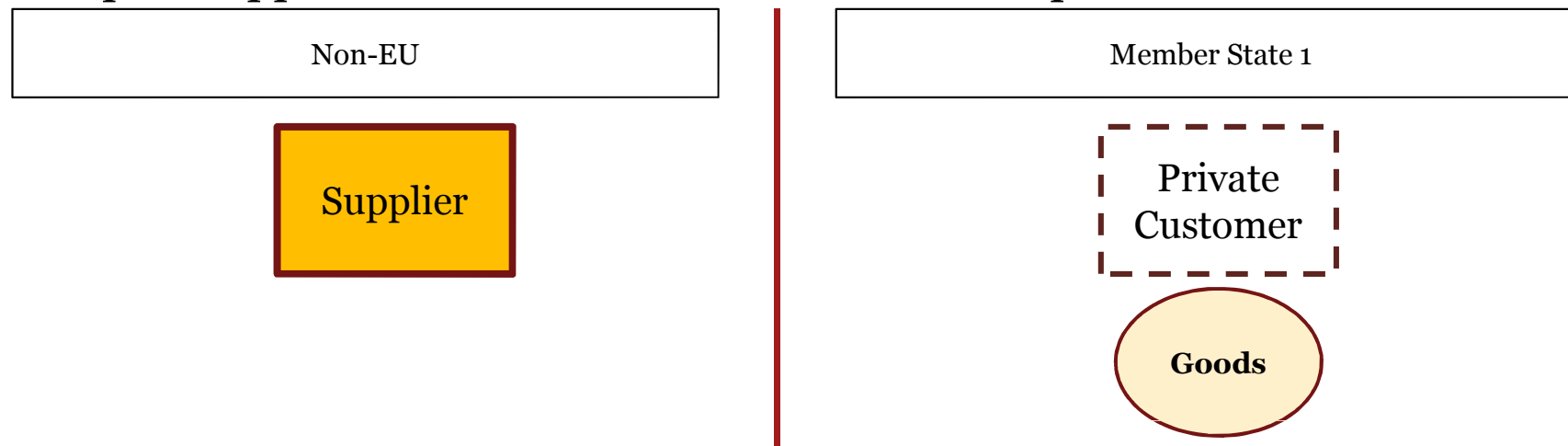
Diagram 3  
Group L: Final consumption outside the EU



B2B place of previous supply	B2C transaction	B2C place of supply	Different country
MS1 – the place where the supplier is established	Goods picked up by the customer	Non-EU – the place where the goods are located at the time when the supply takes place	YES
	Goods dispatched or transported to the customer by or on behalf of the supplier	Non-EU – the place where the goods are located at the time dispatch or transport to the customer begins	YES
	Goods installed or assembled by or on behalf of the supplier	Non-EU – the place where the goods are installed or assembled	YES

## Diagram 4

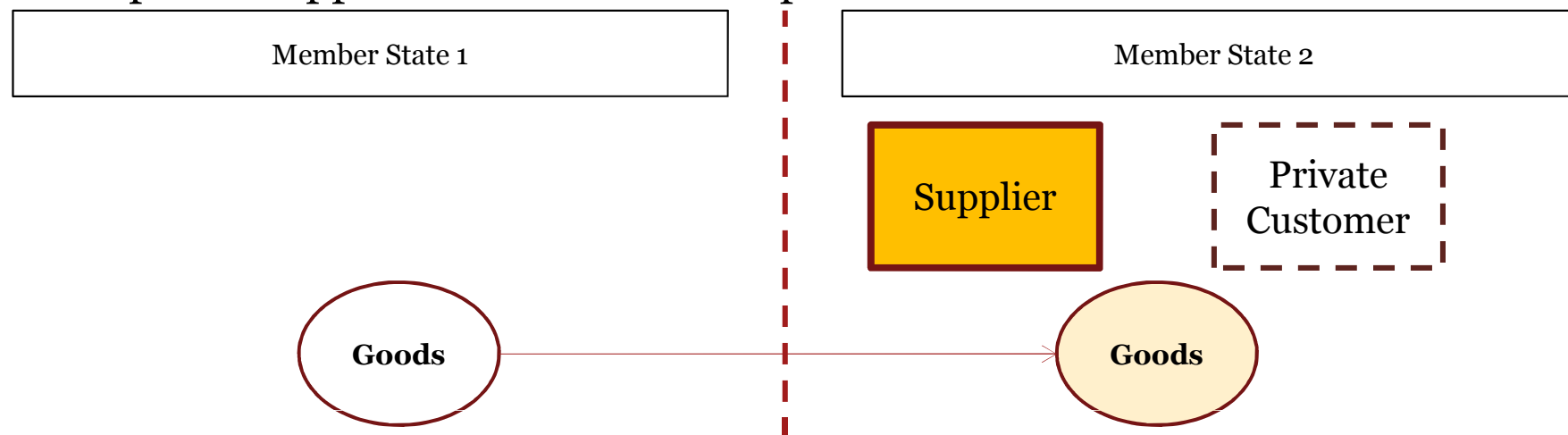
## Group L: Supplier outside the EU and final consumption inside the EU



B2B place of previous supply	B2C transaction	B2C place of supply	Different country
Non-EU – the place where the supplier is established	Goods picked up by the customer	MS1 – the place where the goods are located at the time when the supply takes place	YES
	Goods dispatched or transported to the customer by or on behalf of the supplier	MS1 – the place where the goods are located at the time dispatch or transport to the customer begins	YES
	Goods installed or assembled by or on behalf of the supplier	MS1 – the place where the goods are installed or assembled	YES

## Diagram 5

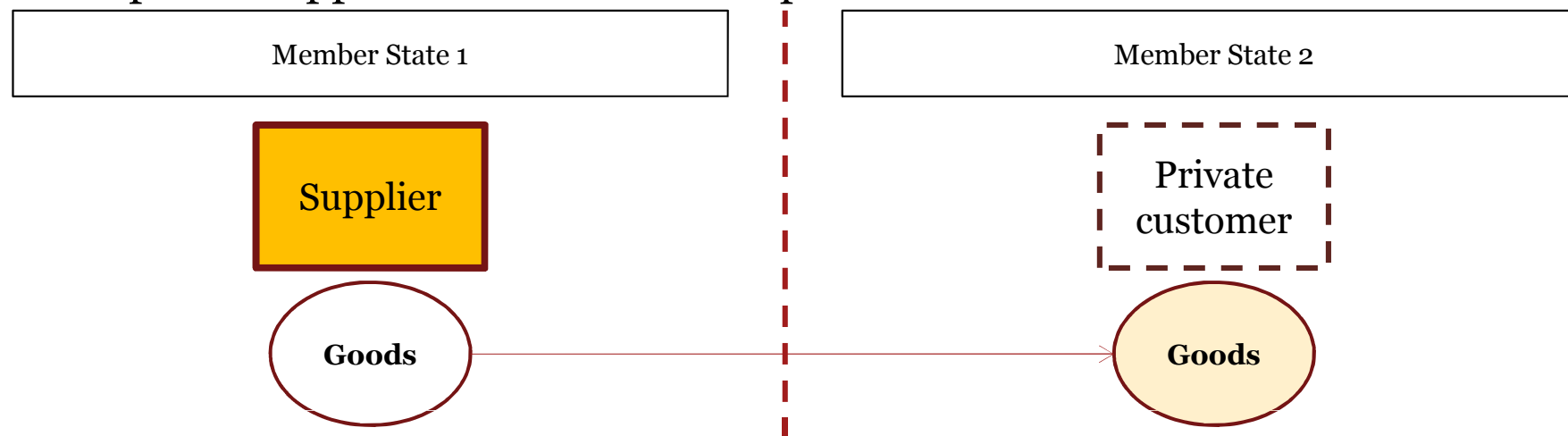
## Group EU: Supplier and final consumption in same Member State



B2B place of previous supply	B2C transaction	B2C place of supply	Different country
<b>MS2</b> – the place where the supplier is established	Goods picked up by the customer	<b>MS1</b> – the place where the goods are located at the time when the supply takes place	YES
	Goods dispatched or transported to the customer by or on behalf of the supplier	<b>MS1</b> – the place where the goods are located at the time dispatch or transport to the customer begins (below distance sales threshold)	YES
		<b>MS2</b> – the place where the goods are located at the time dispatch or transport to the customer ends (above distance sales threshold)	NO
	Goods installed or assembled by or on behalf of the supplier	<b>MS2</b> – the place where the goods are installed or assembled	NO

## Diagram 6

### Group EU: Supplier and final consumption not in same Member State

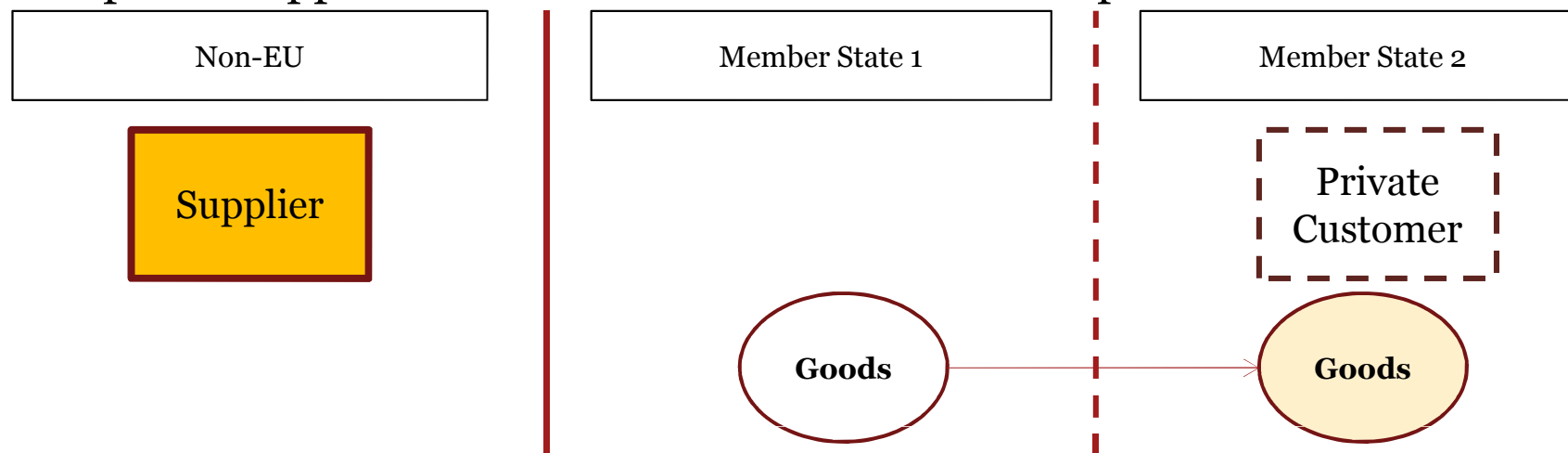


B2B place of previous supply	B2C transaction	B2C place of supply	Different country
MS1 – the place where the supplier is established	Goods picked up by the customer	MS1 – the place where the goods are located at the time when the supply takes place	NO
	Goods dispatched or transported to the customer by or on behalf of the supplier	MS1 – the place where the goods are located at the time dispatch or transport to the customer begins (below distance sales threshold)	NO
		MS2 – the place where the goods are located at the time dispatch or transport to the customer ends (above distance sales threshold)	YES
	Goods installed or assembled by or on behalf of the supplier	MS2 – the place where the goods are installed or assembled	YES



## Diagram 7

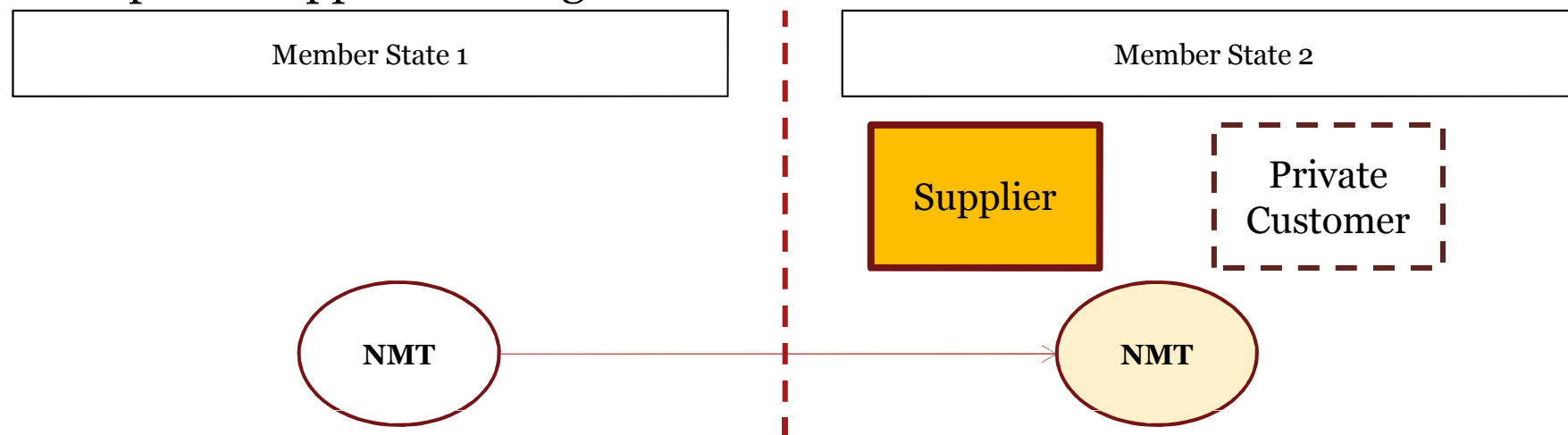
Group EU: Supplier outside the EU and final consumption in the EU



B2B place of previous supply	B2C transaction	B2C place of supply	Different country
Non-EU – the place where the supplier is established	Goods picked up by the customer	<b>MS1</b> – the place where the goods are located at the time when the supply takes place	YES
	Goods dispatched or transported to the customer by or on behalf of the supplier	<b>MS1</b> – the place where the goods are located at the time dispatch or transport to the customer begins (below distance sales threshold)	YES
		<b>MS2</b> – the place where the goods are located at the time dispatch or transport to the customer ends (above distance sales threshold)	YES
	Goods installed or assembled by or on behalf of the supplier	<b>MS2</b> – the place where the goods are installed or assembled	YES

## Diagram 8

### Group EU: Supplier and registration of NMT\* in same Member State

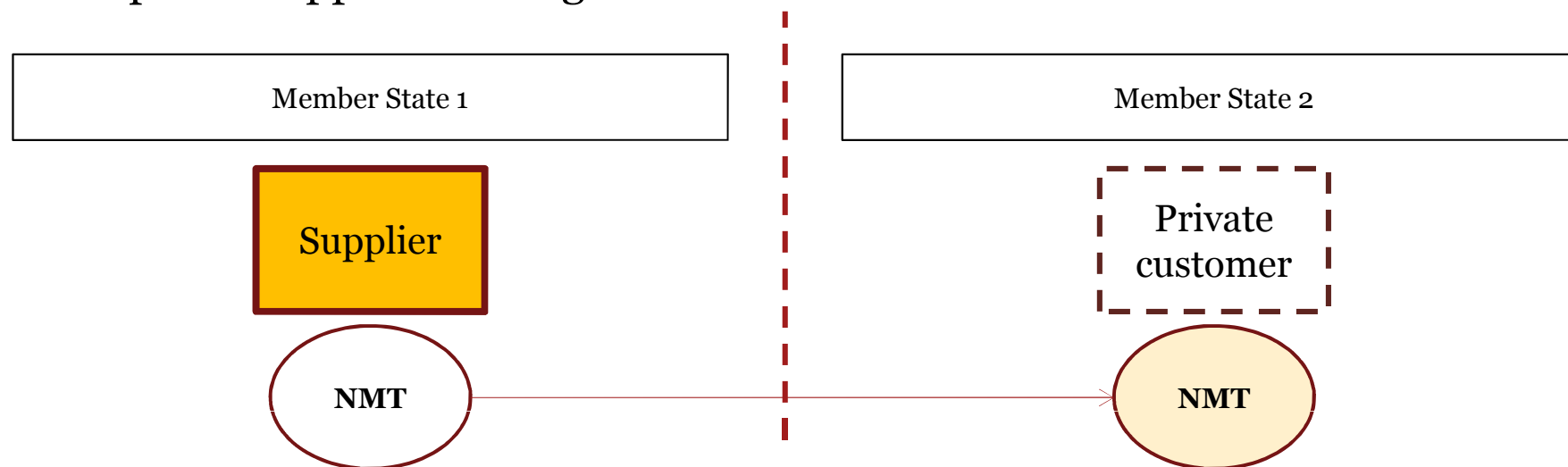


B2B place of previous supply	B2C transaction	B2C place of supply	Different country
MS2 – the place where the supplier is established	Intra-Community supply of new means of transport	MS1 – the place where the goods are located at the time dispatch or transport to the customer begins	YES
	Intra-Community acquisition of new means of transport	MS2 – the place where dispatch or transport of the goods to the person acquiring them ends	N/A

\* NMT = New Means of Transport

## Diagram 9

## Group EU: Supplier and registration of NMT\* not in same Member State

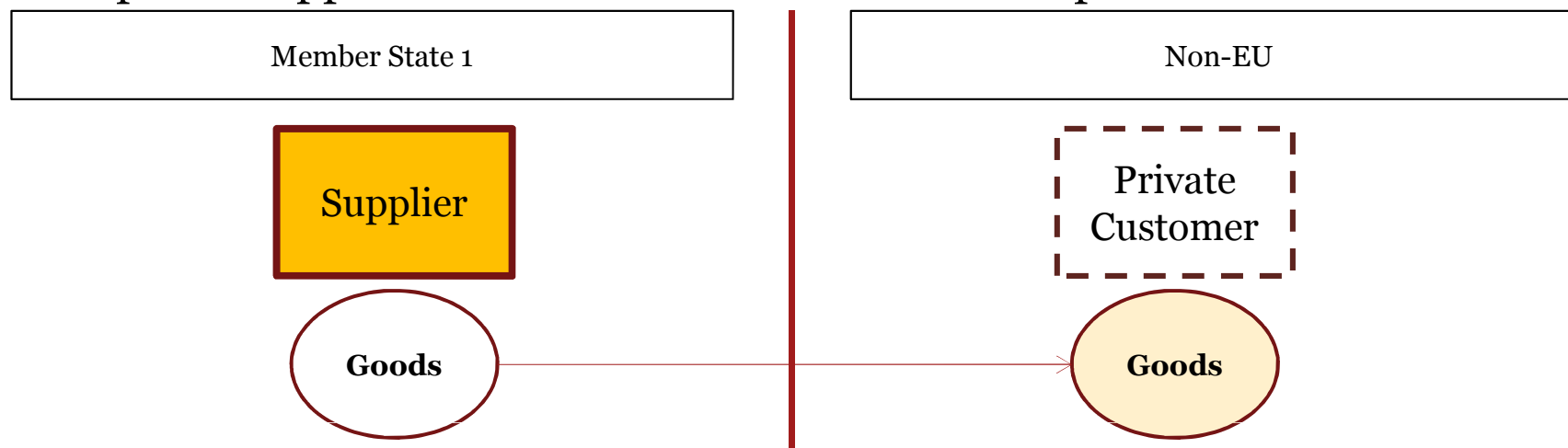


B2B place of previous supply	B2C transaction	B2C place of supply	Different country
MS1 – the place where the supplier is established	Intra-Community supply of new means of transport	MS1 – the place where the goods are located at the time dispatch or transport to the customer begins	NO
	Intra-Community acquisition of new means of transport	MS2 – the place where dispatch or transport of the goods to the person acquiring them ends	N/A

\* NMT = New Means of Transport

## Diagram 10

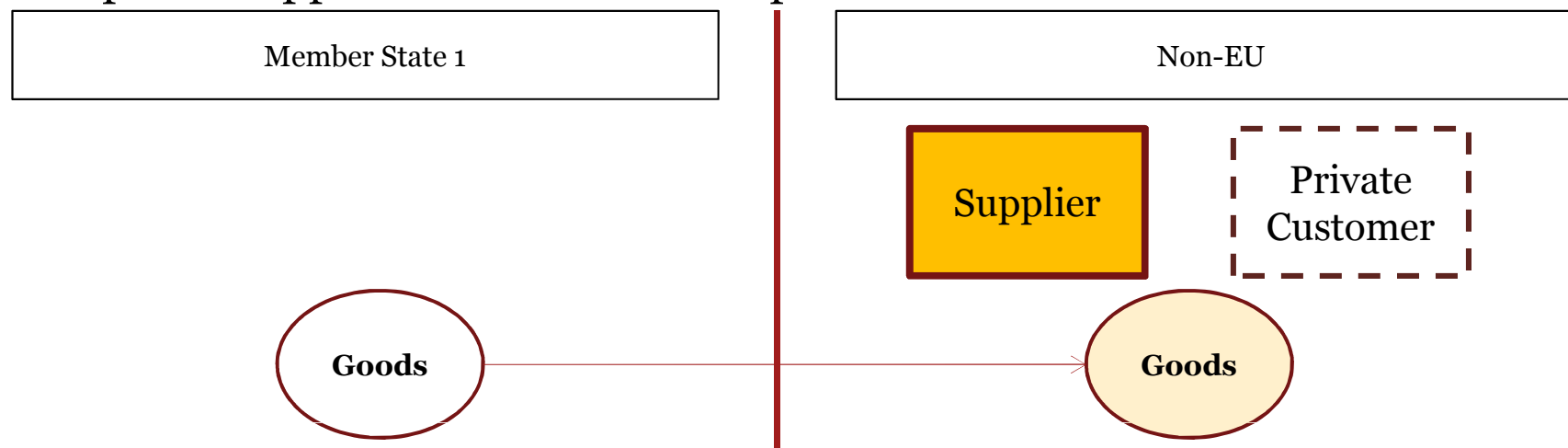
### Group EX: Supplier inside the EU and final consumption outside the EU



B2B place of previous supply	B2C transaction	B2C place of supply	Different country
MS1 – the place where the supplier is established	Goods picked up by the customer	MS1– the place where the goods are located at the time when the supply takes place	NO
	Goods dispatched or transported to the customer by or on behalf of the supplier	MS1– the place where the goods are located at the time dispatch or transport to the customer begins	NO
	Goods installed or assembled by or on behalf of the supplier	Non-EU – the place where the goods are installed or assembled	YES

## Diagram 11

### Group EX: Supplier and final consumption outside the EU



B2B place of previous supply	B2C transaction	B2C place of supply	Different country
Non-EU – the place where the supplier is established	Goods picked up by the customer	<b>MS1</b> – the place where the goods are located at the time when the supply takes place	YES
	Goods dispatched or transported to the customer by or on behalf of the supplier	<b>MS1</b> – the place where the goods are located at the time dispatch or transport to the customer begins	YES
	Goods installed or assembled by or on behalf of the supplier	<b>Non-EU</b> – the place where the goods are installed or assembled	NO