

*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

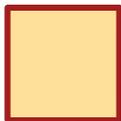
Taxable person established for VAT in county X

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



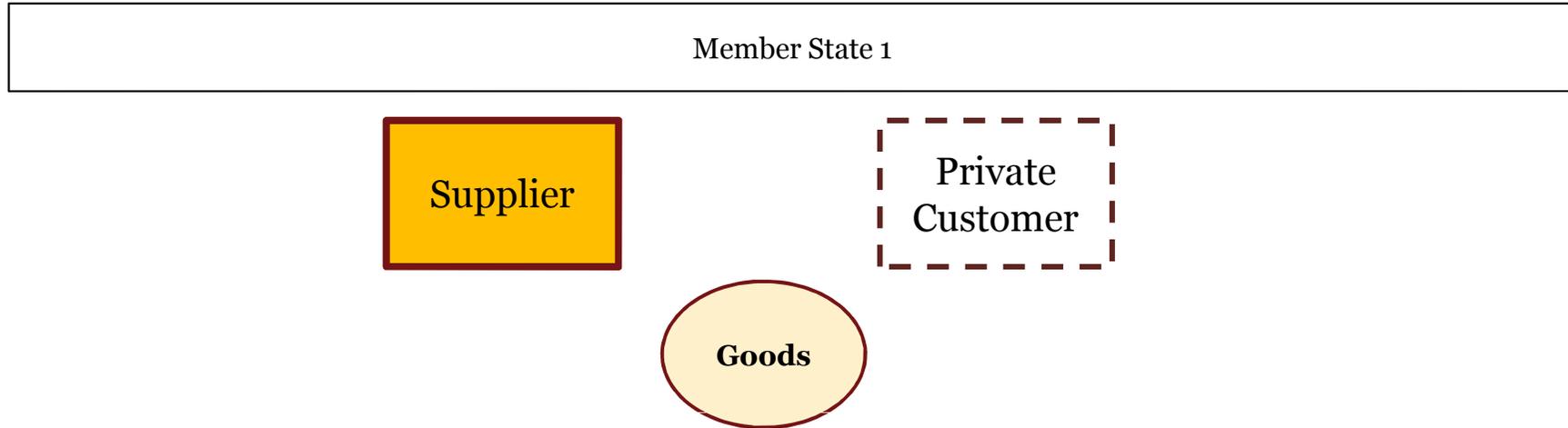
Border between EU Member States



Border with 3rd country

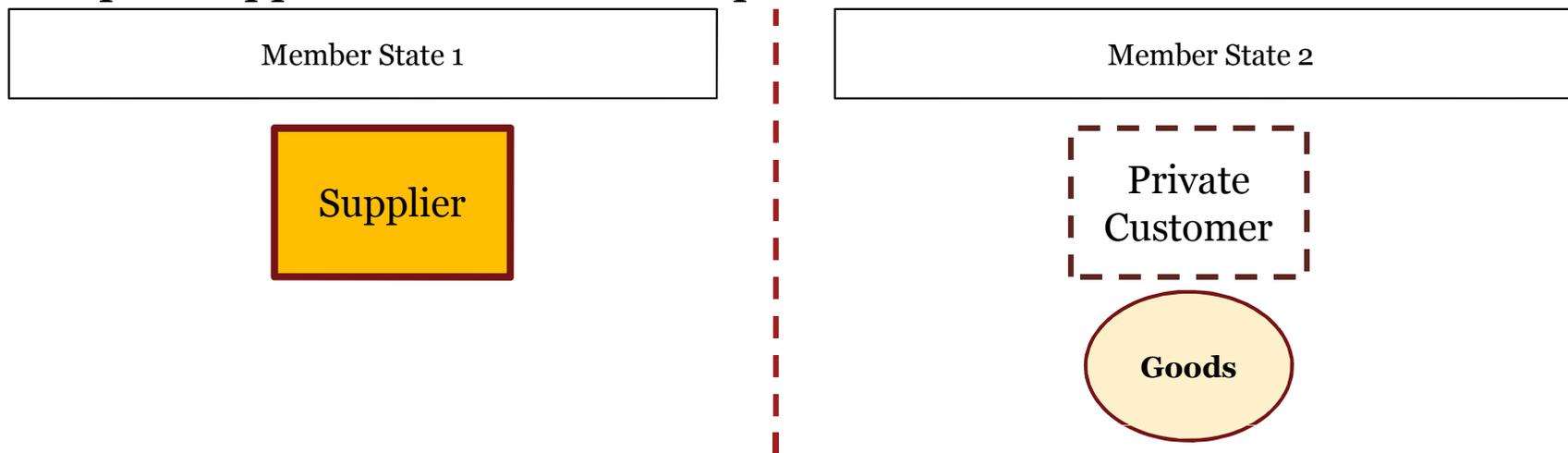
Diagram 1

Group L: Supplier and final consumption in same Member State



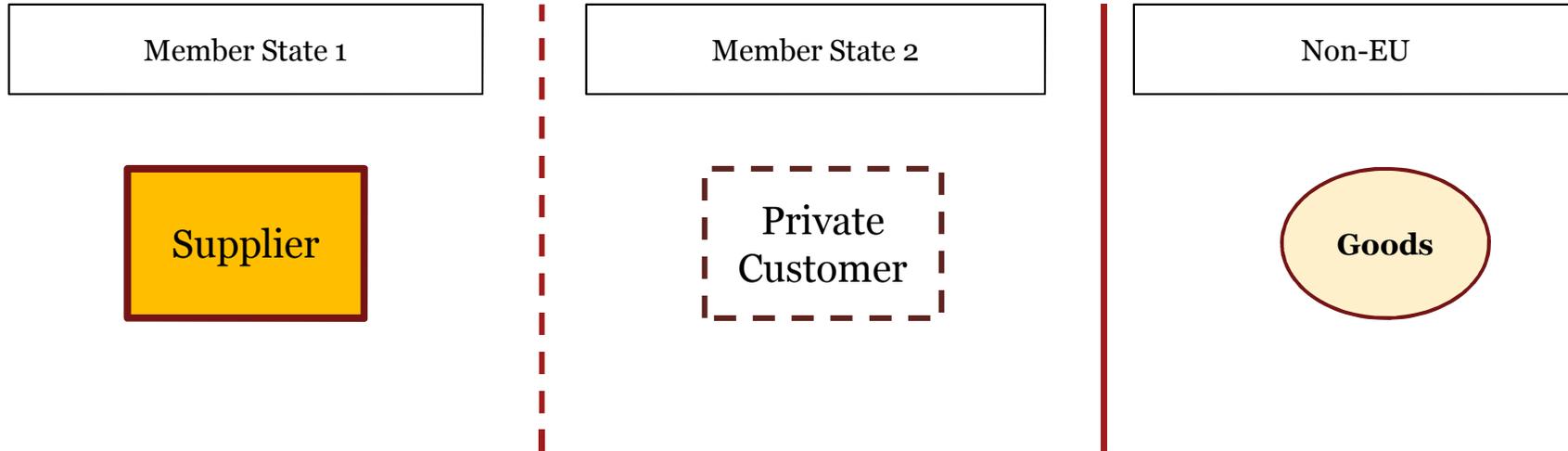
B2B place of previous supply	B2C transaction	B2C place of supply	Different country
MS1 – the place where the supplier is established	Goods picked up by the customer	MS1 – the place where the goods are located at the time when the supply takes place	NO
	Goods dispatched or transported to the customer 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	MS1 – 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
MS1 – the place where the supplier is established	Goods picked up by the customer	MS2 – 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	MS2 – 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	MS2 – the place where the goods are installed or assembled	YES

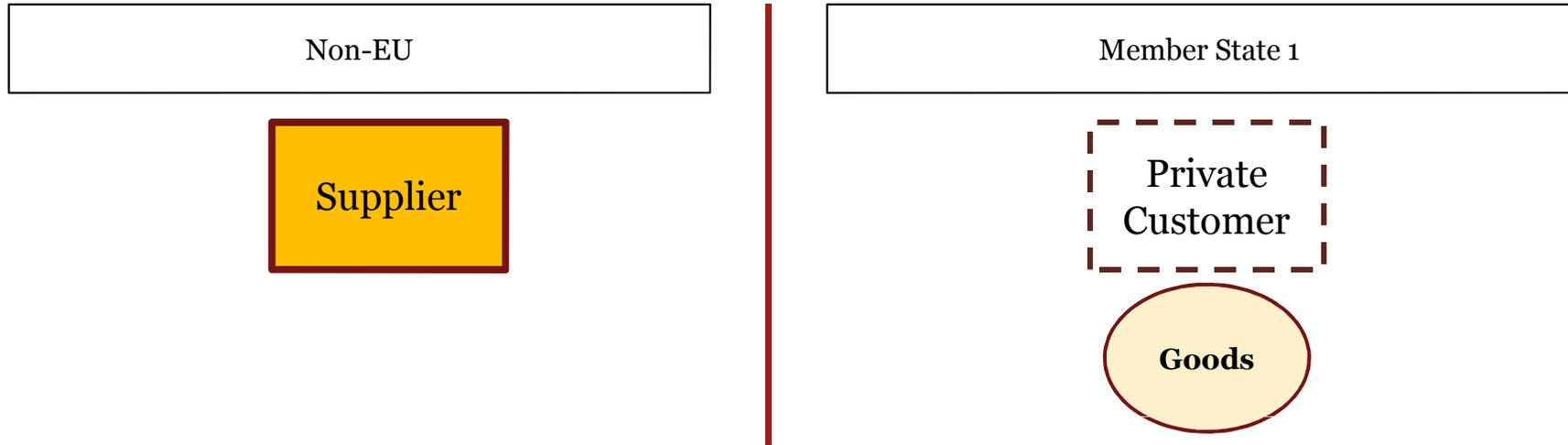
Diagram 3
Group L: Final consumption outside the EU



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

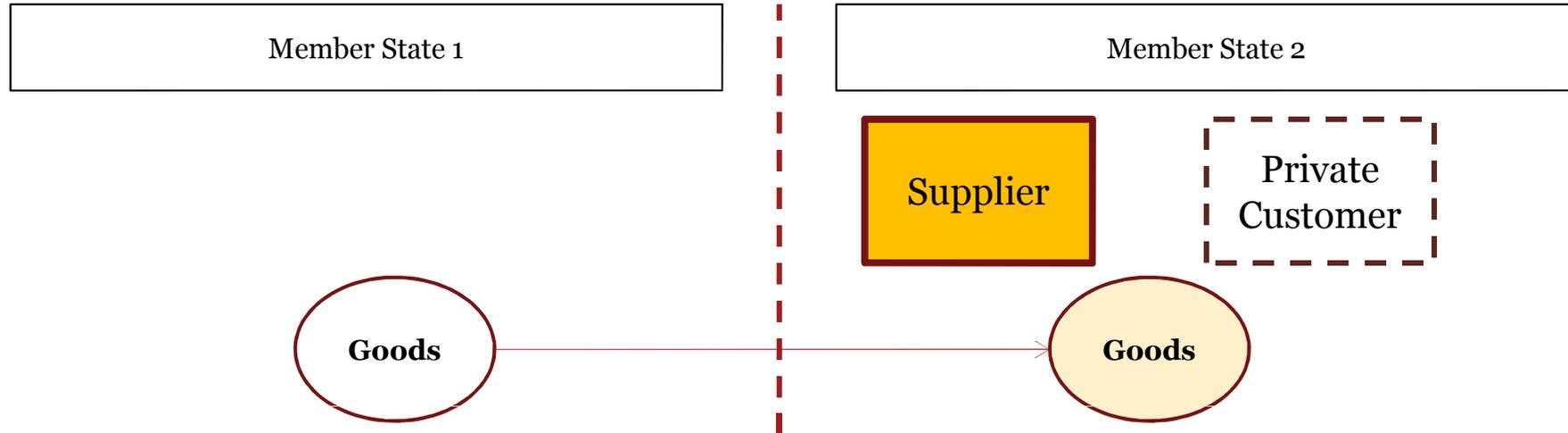
Diagram 4

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



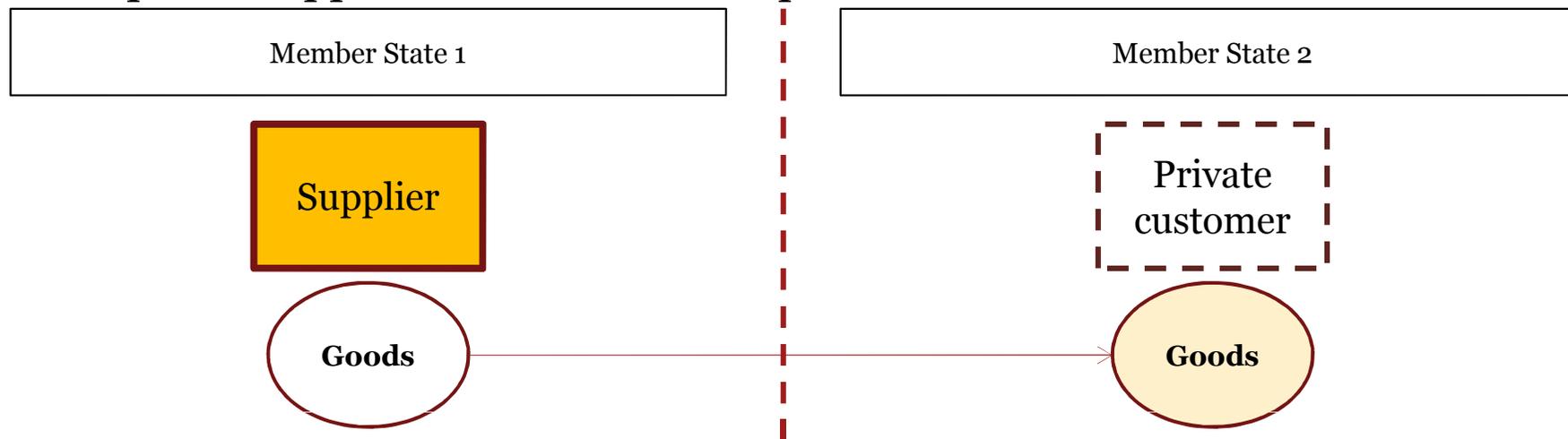
B2B place of previous supply	B2C transaction	B2C place of supply	Different country
Non-EU – the place where the supplier is established	Goods picked up by the customer	MS1 – the place where the goods are located at the time when the supply takes place	YES
	Goods dispatched or transported to the customer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

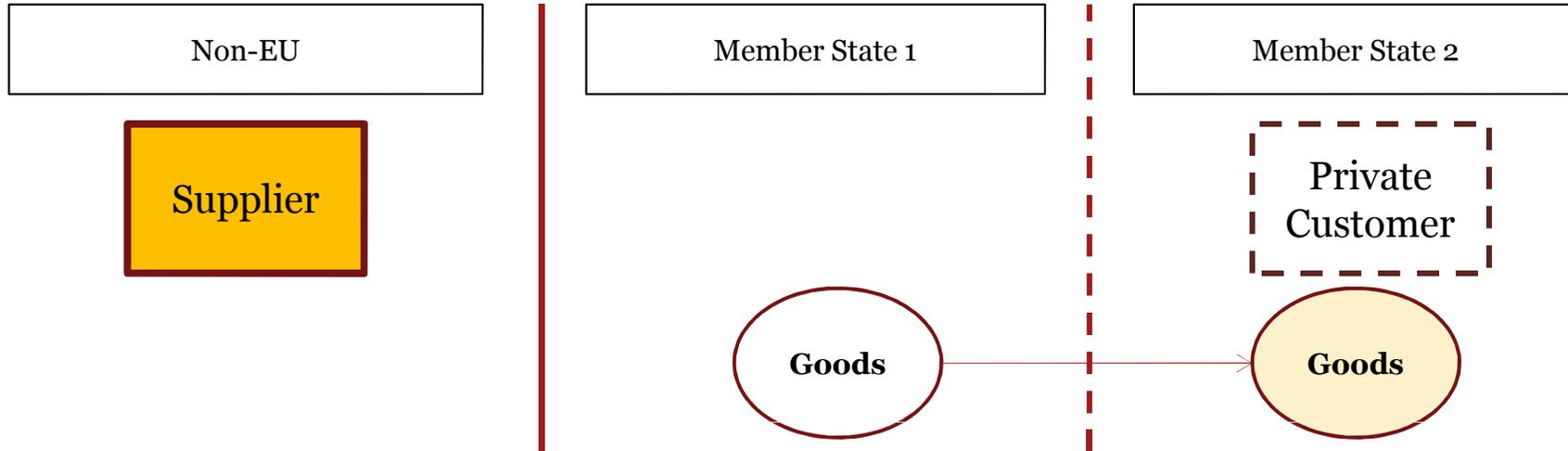
Diagram 6
Group EU: Supplier and final consumption not in same Member State



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

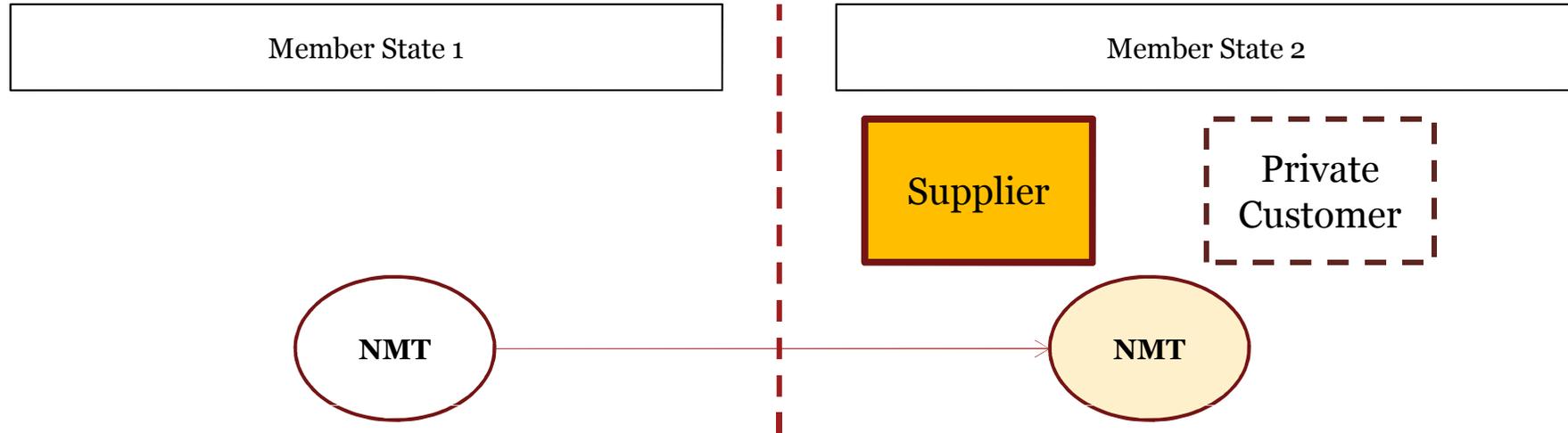
Diagram 7

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	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 (below distance sales threshold)	YES
		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

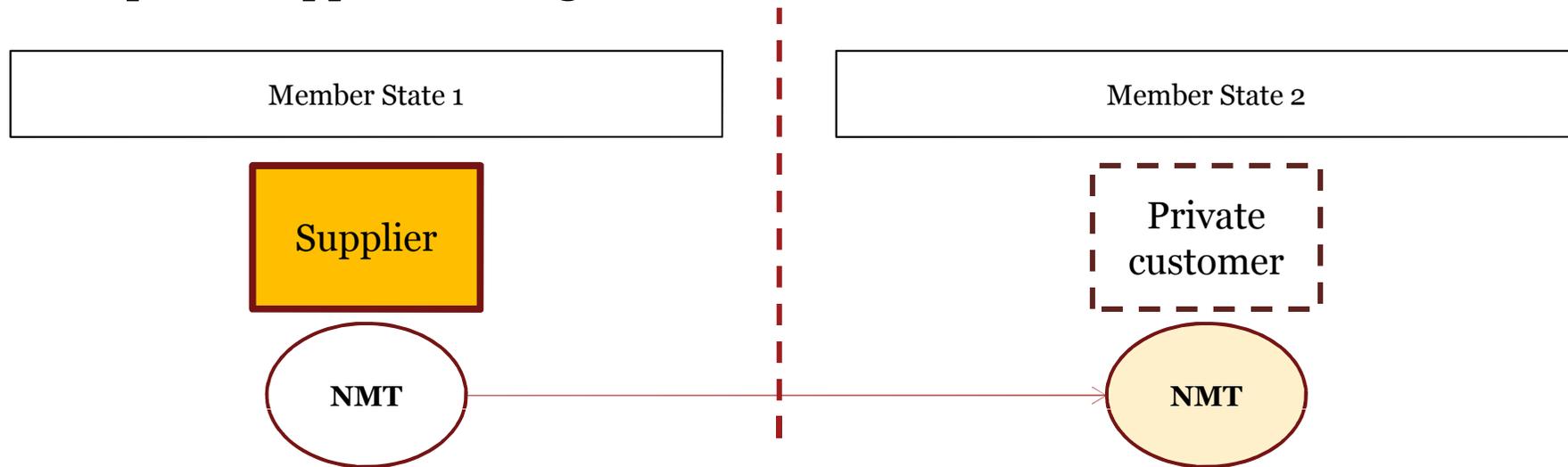
Diagram 8
Group EU: Supplier and registration of NMT* in same Member State



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

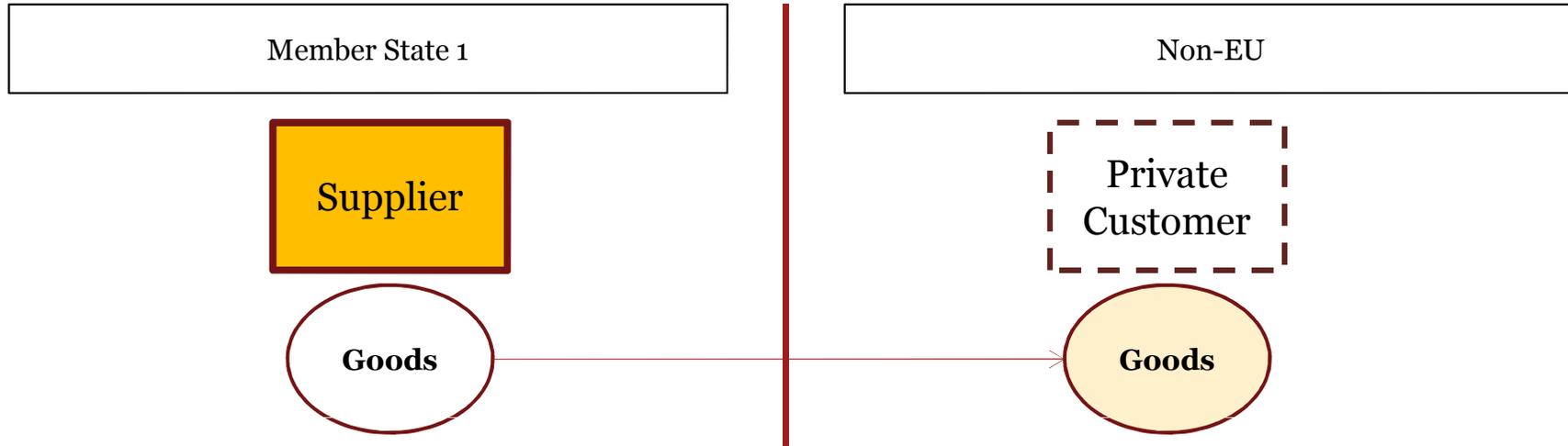


B2B place of previous supply	B2C transaction	B2C place of supply	Different country
MS1 – the place where the supplier is established	Intra-Community supply of new means of transport	MS1 – the place where the goods are located at the time dispatch or transport to the customer begins	NO
	Intra-Community 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

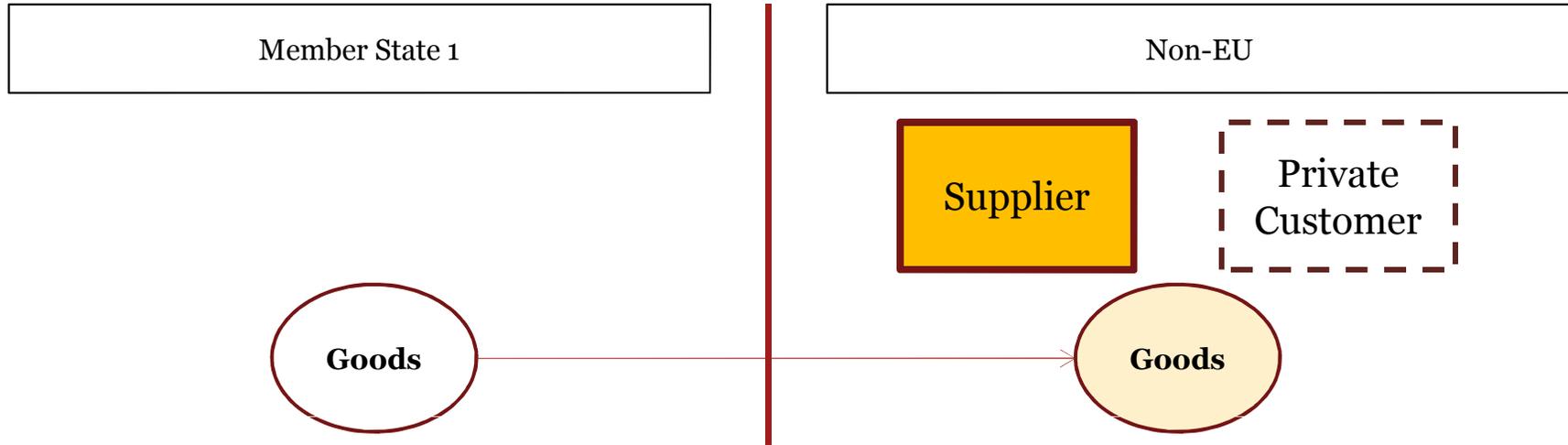
Group EX: Supplier inside the EU and final consumption outside the EU



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	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	Non-EU – the place where the goods are installed or assembled	NO