

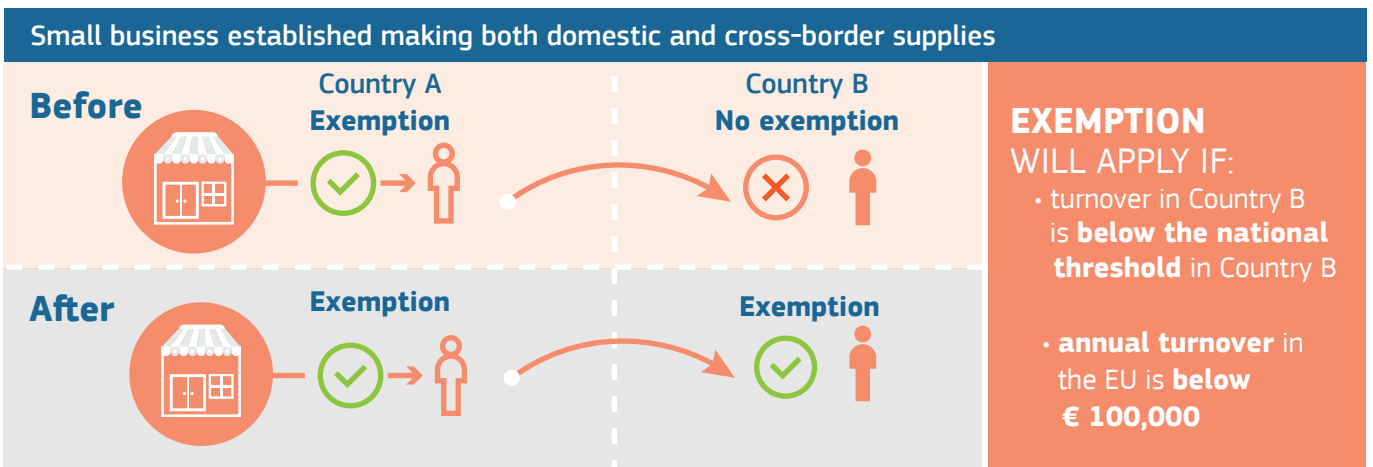


# NEW VAT RULES FOR SMALL BUSINESSES

18 February 2020

## HOW WILL THE NEW VAT EXEMPTION WORK

Place of taxation is where consumption takes place



## OPENING OF THE SME EXEMPTION

Small business will be able to use the exemption in Member States in which they are not established. For this purpose they will be able to use the **single registration window in their own Member State**. In this way they will be able to take **full advantage of the internal market**.



## SIMPLIFYING VAT OBLIGATIONS

New simplifications will apply for exempt small businesses.

### WHAT ARE THE THRESHOLDS?

- € 85,000 of annual turnover in one EU Member State**  
Maximum national exemption threshold
- € 100,000 of annual turnover in the EU**  
Eligibility condition for small businesses established in another EU Member State

### SIMPLIFYING VAT OBLIGATIONS

VAT exempt small business



- Simplified:**
- registration
  - reporting