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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**

SWEDEN

VADEMECUM FOR THE ELECTRONIC REFUND PROCEDURE TO TAXABLE PERSONS NOT ESTABLISHED IN THE MEMBER STATE OF REFUND BUT ESTABLISHED IN ANOTHER MEMBER STATE

General

1. Where could a non-established taxable person (NETP) find information on your laws and guidelines?

Information is available at the Swedish Tax Agency's web-site; www.skatteverket.se:

[Refund of VAT for foreign businesses established in other EU countries](#)

The legislation is to be found in the Swedish VAT Act (1994:200).

Laws and regulations on VAT can be consulted on the following websites:

www.skatteverket.se

www.riksdagen.se

www.notisum.se

www.lagrummet.se

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). You must have had incurred expenses with VAT in a Member State in which you have no establishment (the Member State of Refund), and you must have made no supplies within that Member State other than reverse charge supplies, or certain exempt transport services, during the refund period. These expenses have to be linked to VAT liable or refundable supplies within the applied 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 on expenses on which there are restrictions on the right to deduct in the Member State of Refund:

- VAT related to buying a passenger car or motorbike is not refundable under normal circumstances
- VAT related to permanent dwelling
- VAT on purchases of certain goods sold on maritime vessels travelling between Sweden and Norway or Sweden and Åland

- VAT incurred on goods and services that have directly benefited the traveller, are not given to a travel agency applying profit margin taxation
- VAT incurred on costs unrelated to the business activity
- VAT indicated on invoices to other persons than the applicant
- VAT incurred on costs considered being of a personal, or private nature
- VAT on goods that you have bought or imported and which you are going to resell to private individuals in Sweden. In this case you have to register for VAT in Sweden
- 50 percent of VAT incurred on rental costs (lease) for car, if the car rental is short-term lease VAT incurred on business entertainment costs (see below for further details).

Entertainment Expenses

A prerequisite for reimbursement of VAT incurred on entertainment costs, is that the costs and the business are directly related to each other. Reimbursement is not granted for private consumption (cost of living/private hospitality). The number of participants, their names and the companies they represent shall be stated in connection with the invoice.

How much VAT can be refunded?

If you have costs for food and drinks in connection with entertainment, you will receive a VAT refund on a maximum cost of SEK 300 per person and occasion. This means that you can deduct VAT by a maximum of SEK 36 per person if the cost pertains to food or non-alcoholic beverages, as the VAT on these goods is 12 percent (12 percent is calculated on SEK 300 is SEK 36).

- If the cost for food and drinks, or only drinks, does not exceed SEK 300 (VAT excluded) per person and occasion, you may deduct the entire VAT amount.
- If the cost exceeds SEK 300 (VAT excluded) and pertains to both food and alcoholic beverages, the deduction has to be calculated by means of a proportioning based on the actual costs (VAT excluded) for food and alcohol, respectively. You can instead choose to calculate the deduction using the standard method.

Calculate the deduction using the standard method

If the meal includes both food and alcoholic beverages, you can calculate the deduction by using the standard method. This standard method gives you a VAT deduction of SEK 46 per person and occasion, provided the cost exceeds SEK 300 (VAT excluded) per person. Additionally, the VAT charged must have been at least SEK 46 per person and occasion.

Expenses for theatre tickets, green fees at golf courses, and similar

For expenses for theatre tickets, green fees at golf courses, and similar on a maximum cost (on a taxable amount of) SEK 180 (VAT excluded 6, 12 or 25 percent) per person and occasion.

Meal costs for employees, not entertainment

For the meals your employees have had in connection with single-day official duties, as such costs are the employee's personal subsistence cost. On several-day official duties, you may deduct the input VAT that applies to the employee's increased subsistence costs, provided it is

the employer's cost. Therefore, only the input tax on the cost in excess of the standard amount entitles you to a refund.

According to Skatteverkets föreskrifter om genomsnittspriset i Sverige för en normal lunch att tillämpas för beskattningsåret 2020 (the Swedish Tax Agency's directions on the average price of a normal lunch, to be applied for the 2020 fiscal year), the perquisite value, i.e. the standard value, of a free lunch or dinner during the 2020 fiscal year is set at SEK 98 per day. For fully free subsistence (at least three meals) the standard value is SEK 245 per day, and for free breakfast SEK 49 per day. All amounts are including VAT.

Link to different years regarding [Meals for employees](#)

5. Proportional deduction

Where the taxable person is only able to deduct a proportion of his input tax because he makes both taxable and exempt supplies, that person can only have the amount refunded according to the rules on proportional deduction in his Member State. In a partially exempt business in Sweden VAT costs related to both the VAT liable supplies and to VAT exempt supplies are refundable only to the extent that it is attributable to the VAT liable supplies.

Procedures in the Member State of Establishment

6. What is the application procedure?

The applicant must log in to the Tax Agency's web-site with a personal electronic identification (E-ID). To obtain an E-ID a Swedish social security number is required. Foreign agents not established in Sweden may apply for a special certificate by using the form SKV4862 to access to the digital portal. Swedish companies must in advance notify the Swedish Tax Agency who, on its behalf, has the right to log in and submit an application for refund.

7. Are there any particular requirements for an agent to be able to submit a claim on behalf of the applicant?

No.

8. Content of the application:

The application should contain the following information:

- 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
- 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 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 (SEK) of Member State of Refund
- the amount of deductible VAT calculated expressed in the currency (SEK) 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.

Separately you must report

- VAT on fees for passage via the Öresund's connection with code 4.5

9. The circumstances under which a Member State of Establishment will not send an application to the Member State of refund.

If the details in point 8 above are not filled in.

The applicant is not a taxable person during the refund period.

The applicant only carries out exempt supplies in the Member State of Establishment during the refund period.

10. Minimum refund limits

- 4000 SEK if the refund period is between 3 months and less than a calendar year.
- 500 SEK if the refund period is of a calendar year, or the remainder of a calendar year.

11. Time limit

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?

Yes. The applicant may log in and edit certain data in the application, such as changing the bank account, e-mail address, update invoice details and attach copies of invoices.

Procedures in the Member State of Refund

13. Are copies of invoices required?

No.

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?

Not applicable.

15. As a Member State of refund, do you require additional documentation for claims submitted by an agent?

No.

16. Can payments be made to agents?

Yes, if the agent's bank account number is stated in the application for refund.

17. How will the Member State of Refund communicate with the applicant?

Via the e-mail address stated in the application for refund.

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. Procedure 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.

Requested additional information will be sent by e-mail or by post. The languages to be used are Swedish or English.

20. The refund period

Maximum is one calendar year and minimum is three months. The refund period may be shorter if it relates to the remaining of the calendar year.

21. Number of applications accepted per year.

No limits as long as the application fulfil the formal requirements.

22. What is the procedure for appealing against a decision? Are there any time limits for appeals?

In order to appeal to a decision the applicant must send a duly signed letter to the Swedish Tax Agency. The appeal must be submitted within six years from the end of the calendar year to which the application referred.

23. Incorrect applications

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