

WHAT THE VAT?!

INVOICING 101

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New VAT regulations came into effect on 1 January 2015. Digital products sold in the EU to private individuals will be taxable in the customer's member state — as opposed to the seller's. This infographic will help you invoice your clients in accordance with the new regulations.

Disclaimer: It's a lovely job, but we aren't accountants. Please check with yours before acting upon our advice. We regret that we cannot guarantee the accuracy of this document.

SOURCE: <http://goo.gl/aiABgN>

Always charge VAT at your local rate, whether your customer is a business or a private individual.



Local tax office

Pay VAT

Remember to pay VAT to your local tax office!

Charge VAT at the rate that applies in your customer's country.



MOSS
(Mini One-Stop Shop)

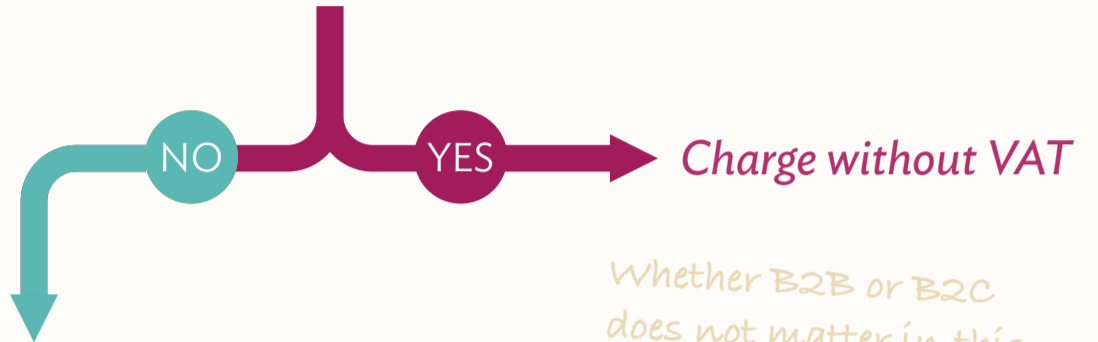
The MOSS will then forward the collected taxes to the relevant authorities.



<- START HERE IF...

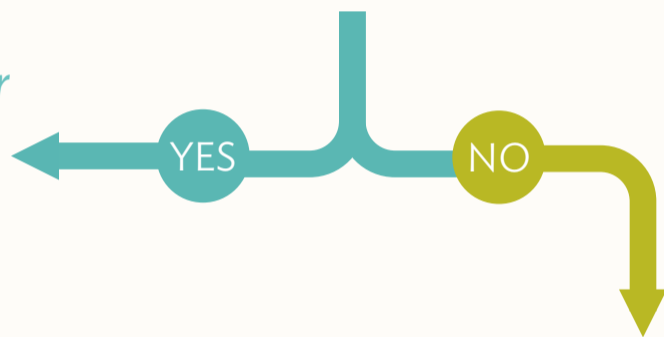
...you sell digital services, your business is located within the EU, and you are not selling through an established store like the App Store or Google Play.

IS YOUR CUSTOMER BASED OUTSIDE THE EU?



Whether B2B or B2C does not matter in this instance.

ARE YOU AND YOUR CUSTOMER LOCATED IN THE SAME MEMBER STATE?



Start by checking whether your customer has a valid VAT ID. Ask them first, and then double-check on <http://goo.gl/8Zx5qE>

IS YOUR CUSTOMER A BUSINESS?



Beware! VAT rates can change over time! You must keep scrupulously up-to-date. <http://goo.gl/Z5lrw3>

Pay VAT

Instead of going through the MOSS, you could also register for VAT with each of the member states in which your clients operate. But remember there are 28 countries in the EU, and around 80 different VAT rates!