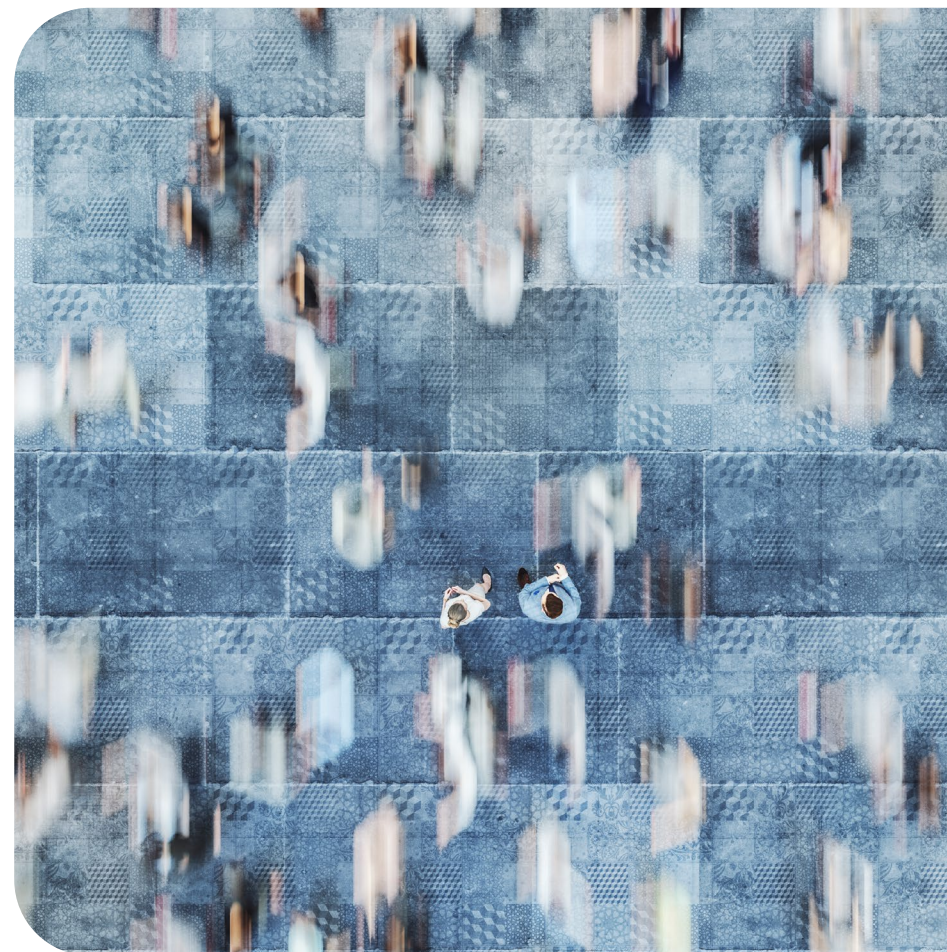


# Marketplace eGuide: Practical implications of EU e-commerce VAT rules

Implemented July 1st, 2021



# What implications does this legislation have for marketplaces?

As of July 1st, 2021 cross-border e-commerce VAT rules have been modernised in the EU. The new legislation introduces substantial new VAT liabilities and compliance requirements for both online merchants and marketplaces/multi-seller platforms facilitating sales to EU private consumers. The legislation puts an end to governments missing out on indirect tax revenue from distance sellers and creates a VAT level playing field for businesses. However, it brings with it considerable complexities for marketplaces.

To avoid being non-compliant, these marketplaces must ensure a series of additional measures. This guide aims to look at the new VAT rules for marketplaces and the practical implications they can have on a marketplace business.

The legislation covers 6 key areas of change, all of which are directly relevant to marketplaces. Key areas of change for marketplaces:

- All remote sales to consumers are taxable for VAT in the country of destination where the consumer resides
- Marketplaces are deemed suppliers for VAT purposes in specific scenarios and must charge VAT as applicable
- The VAT exemption on imports of low value goods no longer applies
- A pan-EU sales threshold for VAT replaces individual per-country thresholds
- The launch of Import One Stop Shop (IOSS) and One Stop Shop (OSS) schemes, reducing the need for multi-country registration and reporting
- Additional record-keeping regulations for marketplaces where they are the deemed supplier for VAT or where sellers on their platform are liable for VAT

It should be emphasized that under these rules many marketplaces can qualify as a regular remote seller and as a deemed supplier, sometimes even in one single basket.





# The legislation explained

To make decisions about what to do next, it is important for marketplaces to understand each area of legislation.

## Remote sales are taxable in the country of destination

The aim of the rules is to create a VAT level playing field for sales to private consumers (B2C) between domestic sales and remote sales. This is accomplished by abolishing country specific VAT registration thresholds and the EU VAT exemption on low value goods.

## Marketplaces can now become the deemed supplier for VAT purposes

The rules state that any electronic interface that facilitates distance sales (intra-EU or import) to EU customers may be a deemed supplier for the sale for VAT purposes. This is for (1) all intra EU sales by merchants not established in the EU, and (2) for sales of imported goods by all merchants with a value up to and including €150.

As a deemed supplier, the marketplace must calculate and charge VAT at the point of sale, and ensure the VAT is collected and paid to the customer's member state.

## Does your business count as an 'electronic interface facilitating sales'?

The EU's definition of the term is deliberately broad: "Electronic interface should be understood as a broad concept, which allows two independent systems or the system and the end user to communicate with the help of a device or programme. An electronic interface could include a website, portal, gateway, marketplace, application program interface (API), etc."

(Source: Website- [EU Commission Taxation and Customs Union](#), August 10th 2021)

A marketplace 'facilitates a sale' if it directly or indirectly takes part in any of the following:

- Setting the terms and conditions of the sale
- Authorising the charge to the customer
- Ordering or delivery of the goods

A marketplace does not 'facilitate a sale' where they provide only one of the following:

- Listing or advertising the items
- Processing the payment
- Redirecting or transferring customers to other electronic interfaces (with no further involvement from you)



# The legislation explained continued

## Scenarios in which the marketplace is now deemed supplier

Seller location	Location of goods	Value of goods	Marketplace is deemed supplier	Notes
Outside the EU	<ul style="list-style-type: none"><li>• Inside the EU</li></ul>	<ul style="list-style-type: none"><li>• Any</li></ul>	<ul style="list-style-type: none"><li>• Yes</li></ul>	
Outside the EU	<ul style="list-style-type: none"><li>• Outside the EU</li></ul>	<ul style="list-style-type: none"><li>• Up to and including EUR150 in a single consignment</li></ul>	<ul style="list-style-type: none"><li>• Yes</li></ul>	<ul style="list-style-type: none"><li>• Marketplaces are allowed to assume that goods ordered from a single seller in the same order will be sent as a single consignment</li></ul>
Outside the EU	<ul style="list-style-type: none"><li>• Outside the EU</li></ul>	<ul style="list-style-type: none"><li>• Above EUR150 in a single consignment</li></ul>	<ul style="list-style-type: none"><li>• No, except in France</li></ul>	<ul style="list-style-type: none"><li>• France has chosen to appoint the online marketplace as the importer of record, meaning the marketplace is liable regardless of the value of the consignment</li></ul>
Inside the EU	<ul style="list-style-type: none"><li>• Outside the EU</li></ul>	<ul style="list-style-type: none"><li>• Any</li></ul>	<ul style="list-style-type: none"><li>• No</li></ul>	

Source: Website- [EU Commission Taxation and Customs Union](#), August 10th 2021

### Key considerations

1. Marketplaces must establish whether their activities make them deemed suppliers
2. Deemed suppliers must calculate VAT where applicable and charge it to the customer
3. Deemed suppliers must ensure VAT due is collected and remitted to the customer's member state

# The legislation explained continued

## Joint and several liability for marketplaces and sellers

In the UK and some EU jurisdictions, marketplaces and underlying sellers are jointly and severally liable for VAT. This joint and severable liability is in addition to the deemed supplier rules. This means if you determine that the seller is liable for VAT but it then emerges that they are not compliant with the (EU) VAT laws, the tax liability could fall to you as the marketplace. To prevent this, you will need clear records showing you have made every effort to validate seller data.

An indication of what tax authorities might expect can be found in the [UK's HMRC guidance](#) on when online marketplaces must carry out VAT checks on overseas sellers.

“HMRC may hold you [the marketplace] jointly and severally liable for any unpaid VAT due on sales an overseas seller has made on your marketplace if you knew, or should have known, that an overseas seller offering goods for sale on your marketplace should have registered for UK VAT and has not.”

(Source: website - GOV.UK, August 10th, 2021)

HMRC refer to this section as 'The 'knew or should have known' test for online marketplaces.

## The end of the low value goods VAT exemption for imports into the EU

The VAT low value consignment relief (LVCR) exemption for imported goods below a value of EUR22 has come to an end. All imported goods are subject to VAT from the 1st July 2021.

## A pan-Union sales threshold for intra EU sales

Individual member state VAT registration thresholds for distance sales within the EU are replaced by a single EU threshold of EUR10,000. When a merchant has annual EU cross-border sales above this threshold, it must charge and remit the VAT applicable to the country where the consumer resides. Where annual sales stay below this threshold, the supply remains subject to VAT in the seller's member state. It is important to note that this threshold only applies to EU established businesses and it covers both cross-border Telecommunications, Broadcasting and Electronic services and intra-community distance sales of goods.

### Key considerations

1. Each member state sets its own rules relating to joint and several liability
2. As a marketplace you may be liable for VAT if your seller is not VAT compliant
3. You will need to make every effort to validate seller data and keep records proving efforts made to confirm seller VAT compliance

# New One Stop Shop and Import One Stop Shop (OSS and IOSS) schemes

The EU has extended its earlier Mini One Stop Shop (MOSS) scheme for VAT on cross-border e-commerce sales of services. The scheme now includes distance sales of goods and has been extended in the form of three new schemes, the One Stop Shop (OSS) Union scheme, the One Stop Shop (OSS) non-union scheme and the Import One Stop Shop (IOSS).

Each scheme allows you to make a single VAT return and payment covering all applicable transactions across the EU over the relevant period. The VAT due is then distributed to each member state automatically.

## Non-Union One Stop Shop

The non-union scheme of the One Stop Shop is exclusively for suppliers not established in the EU. This scheme will cover VAT reporting for all B2C supplies of services that are taxable in the EU. If a supplier opts to use the non-Union scheme, he has to use it to declare and pay VAT for all B2C services in the EU.

## Union One Stop Shop (Union OSS)

The Union One-Stop Shop (OSS) is the electronic portal businesses can use to comply with their VAT obligations on e-commerce sales within the EU to consumers from 1 July 2021. It allows businesses to register for VAT electronically in a single member state for business-to-consumer intra-EU distance sales of goods and for supplies of services.

## Import One Stop Shop scheme (IOSS)

The IOSS electronic portal is for the import of goods into the EU. When you use IOSS, the buyer no longer has to pay VAT on importation (as was previously the case for all goods over EUR22). Instead, you can register for IOSS in one EU member state and cover your VAT obligations through the single IOSS portal.

### Key considerations

1. From 1 July 2021, all imports into the EU are subject to VAT
2. A single EU-wide threshold of EUR10,000 for EU vendors replaces the previous individual EU country VAT registration thresholds
3. Businesses with cross-border sales below the EUR10,000 do not need to calculate destination country VAT but are subject to the VAT in your home member state.

# New One Stop Shop and Import One Stop Shop (OSS and IOSS) schemes continued

## Who can use Union OSS and for what?

1. A taxable person (a person or company responsible for collecting and paying VAT) established in the EU (who is not a deemed supplier) can use the Union OSS for:
  - Supplies of B2C services taking place in a Member State in which he is not established
  - Distance sales of goods within the EU
2. A taxable person not established in the EU for:
  - Distance sales of goods within the EU
3. An electronic interface (established in the EU or outside the EU) facilitating supplies of goods (deemed supplier) for:
  - Distance sales of goods within the EU
  - Certain domestic supplies of goods

If a non-EU business wants to use the Union scheme, it should register in the country or any of the countries from where the goods are dispatched.

## Who can use IOSS and for what?

Both electronic interfaces facilitating supplies of imported goods (deemed supplier) and online sellers can use IOSS when all the following apply:

- The goods are outside the EU at the time they are sold
- The value of each consignment dispatched is no higher than EUR 150
- The goods are not subject to excise duties



# New One Stop Shop and Import One Stop Shop (OSS and IOSS) schemes continued

## Summary of how the schemes apply to marketplace sellers

Scheme	Location of goods to be dispatched	What marketplaces can use the scheme for	Notes	Frequency of returns
Union One Stop Shop (Union OSS)	<ul style="list-style-type: none"> <li>Inside the EU</li> </ul>	<ul style="list-style-type: none"> <li>Domestic and cross border sales within the EU, excluding goods for which excise duty applies.</li> </ul>	<ul style="list-style-type: none"> <li>The option to use the scheme for domestic sales is only available to marketplace.</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly</li> </ul>
Import One Stop Shop (IOSS)	<ul style="list-style-type: none"> <li>Outside the EU</li> </ul>	<ul style="list-style-type: none"> <li>Goods valued at EUR150 or less in a single consignment, excluding any consignment including goods for which excise duty applies.</li> </ul>	<ul style="list-style-type: none"> <li>Excludes delivery fee or related insurance if listed separately on the invoice.</li> <li>Marketplaces are allowed to assume that goods ordered from a single seller in the same order will be sent as a single consignment.</li> </ul>	<ul style="list-style-type: none"> <li>Monthly</li> </ul>

### Key considerations

1. You may not need to register and account for VAT in multiple countries if you use the new One Stop Shop (OSS) and Import One Stop Shop (IOSS) schemes
2. You may need to register for multiple schemes, depending on your activities
3. Once you are registered for a scheme, you must use it whenever applicable

When registering for either the OSS or IOSS scheme, you must apply it to all qualifying transactions. If your activities come under more than one scheme, you will need to register for each relevant scheme.

Businesses based in the EU must register in their home country.

For the Union scheme, businesses from outside the EU with no establishment in the EU should register in any EU member state from where the goods are dispatched. The Member State of identification may require the appointment of a tax representative.

For IOSS, suppliers and electronic interfaces that are not established in the EU need to appoint an intermediary.



## The implications of the rules for marketplace businesses

The main areas of impact are the requirement for:

1. Line-item liability assignment (LILA)
2. Product classification
3. Customer location determination for digital sales
4. Currency conversion in real-time to establish value of sale
5. Increasingly complex invoicing obligations
6. Seller-onboarding
7. Additional record keeping



# 1 – Line-item liability assignment (LILA)

A single marketplace shopping cart may contain items from multiple sellers and VAT liability could be different for each item. A marketplace now has responsibility to establish liability for VAT for each individual item sold: is it the marketplace, the underlying seller, or the end customer? A combination of criteria is used to establish who is liable for VAT.

Here are some examples for illustrative purposes:

## Scenario one – the seller remains liable

John the buyer is based in Ireland. He wishes to buy a knife set at a cost of EUR39.99 on a marketplace and the item will be shipped from a seller in Germany. In this example the buyer, seller and goods shipped are all within the EU. The item is a low value good and this is an intra-EU transaction, therefore the seller remains liable for VAT at the rate where the buyer resides at 23% i.e., the Irish standard VAT rate.

## Scenario two – the marketplace is liable

Mary the buyer is based in Ireland. She wishes to buy a kitchen container at a cost of EUR51.99 on a marketplace and the underlying seller is based in China and the goods will be shipped from there. The item is a low value good being shipped into the EU, therefore the Marketplace is the deemed seller for VAT and is liable to remit VAT at the rate where the buyer is located at 23% i.e., the Irish standard VAT rate

## Scenario three – the buyer is liable

David the buyer is based in Ireland. He wishes to buy a cast iron pot at a cost of EUR150.99 on a marketplace, the seller is based in China and the goods will be shipped from there. The item is being imported into the EU and is above the threshold of EUR150, therefore it is not considered a low value good. In this instance VAT will be due upon importation and in general the courier will collect this VAT from the buyer at the rate of where the buyer is located at 23% i.e., the Irish standard VAT rate.

## 2 – Product classification and VAT calculations

When a marketplace becomes the deemed seller for a transaction, it needs to classify the product in order to map it with appropriate VAT rates across the EU (or even wider). As marketplaces neither see nor touch the products they sell, classification can be challenging – particularly given the standard, reduced and super-reduced VAT rates in different member states as well as varying approaches to zero rating.

For example - Selling books online is a great example of the importance of product classification i.e., product description is very important to a customer when buying a book. It helps the, to identify if the book is a physically printed book, an eBook or an audio book. Each different format of the book could have a different tax rate associated to it.

This means a robust process is needed to ensure you have the correct information regarding each product you sell to allow accurate decisions on tax rate to be made. The EU's [Combined Nomenclature \(CN\) tool may be of help in classifying products](#).

With the VAT rate varying depending on where the customer is based, marketplaces must then also be able to calculate rates in real time during the checkout process and without disrupting the customer journey.

It's important, too, to be aware that VAT rates can change with very little notice. Take the temporary reductions implemented by Germany and Ireland during the pandemic, for example.

### Key considerations

1. As a marketplace you must be able to establish the VAT liability for each individual item in a shopping cart
2. The rate of VAT will vary by both product and by customer location and will need to be calculated in real time
3. VAT rates can change at very short notice; it is important to have an internal process to facilitate this

## 3 – Customer location determination for eCommerce sales

It is essential to be able to determine customer location accurately in order to apply the VAT rates applicable to the customer's member state. This determination can be challenging to determine for digital sales, when you are not shipping goods to a physical address.

You will therefore need to consider what data to capture and what to do if different pieces of data conflict. The address on a customer's credit card, for example, may not match their IP location.

## 4 – Value of sales calculations – the EUR150 limit

To check whether the value of a sale is above or below EUR150, you will need to make any currency conversions in real time at the moment of acceptance of payment. Where items in a basket are from sellers in different countries, you may need to make several conversions simultaneously.

Shipping and related insurance costs can be excluded from the calculation if you list them separately. Otherwise, these costs must be included within the EUR150.

To prevent double imposition of VAT when importing due to exchange rates, it is recommended that you show this sale value in EUR (or the local currency of the destination, if different) on the commercial document accompanying the consignment.

### Key considerations

1. Determining customer location for digital sales must be done in real time and may require extra information
2. You must be able to do currency conversions at the moment of accepting payment
3. You may need to do several conversions simultaneously



## 5 – Increasingly complex invoicing obligations

Across invoicing, under the new regulations four key implications have been identified, outlined below.

### A) Requirement for chain of invoices

When the marketplace is the deemed seller of a transaction this will trigger a chain of invoices that must be sent from seller to marketplace to buyer.

Let us explain further, in scenarios where the online marketplace is the deemed supplier of goods; the underlying seller is legally required to issue an invoice for the deemed supply to the online marketplace when the goods being sold are in the EU. This invoice must be issued in accordance with the invoicing rules of the EU Member State where the goods are located at the time of the deemed sale. To simplify this invoicing requirement a marketplace may take ownership to self-bill the business-to-business invoice they require from the seller. This invoice process is known as self-billing or back-to-back invoicing.

Self-billing invoices may not be required for goods that are located outside the EU as the deemed supply takes place outside the EU.

### C) Compliance with 27 EU invoicing rules

While the idea of self-billing is to simplify the invoicing process for marketplace sales as deemed supplier, it also creates a requirement for marketplaces to support self-billed business to business (B2B) invoices and business to consumer invoices spanning the rules of 27 EU Member States. This B2B invoice should also mention the VAT exemption for B2B deemed sales introduced in Article 136a of the VAT Directive.

### B) Self-billing invoices

Self-billing is when a VAT registered customer e.g., an online marketplace, assumes responsibility for issuing their seller's VAT invoice. An online marketplace may prepare the self-billing invoice provided:

- There is prior agreement with the underlying sellers that they may draw up and issue the invoice
- The online marketplace meets all conditions relating to the content of and the issue of the invoice
- The online marketplace has agreed procedures for the acceptance by the underlying seller of the validity of the invoice

An invoice issued under these arrangements is regarded as having been issued when the underlying seller accepts it in accordance with the procedures in place.

### D) Multiple invoices per basket

As tax liability is now assigned at a line-item level, a buyer's typical basket of goods may well require multiple invoices to be issued to the same buyer. This is due to the possibility, that once the items have undergone a line-item liability assessment it may result in dispersed liability of the items among various sellers and the online marketplace itself, and each will require a separate invoice.

## Invoicing obligations

Supplies	Obligation to invoice according to the VAT Directive?	Can member states impose invoicing obligation?	Which member state's invoicing rules?	
Deemed B2B supply	<ul style="list-style-type: none"> <li>A distance sale of imported goods (Article 14a (1))</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable – commercial invoice for customs clearance</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable</li> </ul>
	<ul style="list-style-type: none"> <li>A supply of goods within the EU (Article 14a (2))</li> </ul>	<ul style="list-style-type: none"> <li>YES</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable</li> </ul>	<ul style="list-style-type: none"> <li>Member state where supply takes place</li> </ul>
Deemed B2C supply	<ul style="list-style-type: none"> <li>A distance sale of imported goods (Article 14a (1)) taking place in the EU</li> </ul>	<ul style="list-style-type: none"> <li>NO Commercial invoice for customs clearance</li> </ul>	<ul style="list-style-type: none"> <li>YES</li> </ul>	<ul style="list-style-type: none"> <li>a. Use of the special scheme – member state of identification</li> <li>b. No use of the special scheme – member state where the distance sale of imported goods takes place</li> </ul>
	<ul style="list-style-type: none"> <li>A supply of goods within the EU (Article 14a (2))</li> <li>1. Domestic supply by EI</li> <li>2a. Intra EU distance sales by EI</li> </ul>	<ul style="list-style-type: none"> <li>1. NO</li> <li>1. Use of the special scheme – NO</li> <li>2b. No use of the special scheme - YES</li> </ul>	<ul style="list-style-type: none"> <li>1. YES</li> <li>2a. NO</li> <li>2b. YES</li> </ul>	<ul style="list-style-type: none"> <li>a. Use of the special scheme – member state of identification</li> <li>b. No use of the special scheme – member state where the distance sale of imported goods takes place</li> </ul>

### Key considerations

1. There is a requirement for a chain of invoices from seller to marketplace to customer
2. Marketplaces can choose to issue self-billed invoices for sellers but will then need to comply with the separate invoice rules from each applicable member state.
3. You may need to issue separate invoices for each line item.

(Source: Website – [EU Commission Taxation and Customs, Explanatory notes](#), August 10th 2021)

The table above is reproduced from the Explanatory Notes on VAT e-commerce rules and shows the complexity involved when it comes to invoicing for online marketplaces.

## 6 – Seller onboarding

To avoid issues with sellers resulting in a marketplace becoming non-compliant, a rigorous seller onboarding process will be vital alongside regular checks and reassessments.

### Product classification

Product classification for VAT puts a considerable risk burden on marketplaces that generally have no control over product descriptions and classification and often rely on information provided by sellers. The EU guidance on this is that all marketplaces should exercise a 'duty of commercial care' to educate underlying sellers of their obligations to provide correct descriptions and product classifications. To protect your business, it is suggested that marketplaces should provide guidance to their sellers in the form of FAQs or through the availability of support teams to help the seller.

This is important for a few reasons:

- If audited, you must be able to show you have requested and verified information. Verification checks could be based on visual checks (does the product picture match the description?) as well as machine learning techniques.
- It should be noted that certain products, regardless of value, are also factored into this tool as marketplaces are not liable for goods subject to excise duty (e.g., alcohol), nor for goods subject to special schemes (e.g., second-hand schemes).

### Information required from underlying seller for tax determination and calculation

To support line-item liability assessment and the correct tax determination and calculation, a marketplace requires the following information from the seller as a minimum.

- Underlying seller's place or places of establishment
- Description of goods
- Taxable amount for VAT purposes (based on price at checkout)
- The 'ship from' location (based on information available up to the point of check-out)
- Information on returns of goods and cancellations of sale
- The place where the dispatch or transport ends with the date of supply for delivered goods

It is the combination of the above criterion that indicates the liability owner, product classification for VAT purposes and tax determination per each item sold within an online basket per country where the VAT is due.

## 7 – Record-keeping

The new EU legislation includes a rigorous approach to record keeping. All transaction records are required in an easily accessible and searchable format, to facilitate quick responses to any information requests from tax authorities. Appropriate technology is essential to support this.

Record keeping requirements vary depending on:

- If the marketplace is the deemed supplier for VAT and using OSS and/or IOSS
- If the marketplace is deemed supplier for VAT and is not using OSS and/or IOSS
- If the seller is liable for VAT

### The 10-year rule

The EU regulations require electronic interfaces, whether acting as a deemed supplier or not) facilitating suppliers to keep a record of the transaction details (including the information on the invoice, where issued) for 10 years from the end of the year in which the supply was carried out. Tax authorities from any member state may ask to electronically provide records of details about any transaction linked to a specific seller.

#### Key considerations

1. OSS and IOSS record keeping requirements are strict - tax authorities will expect compliance
2. You must evaluate what additional records you now need to keep
3. You will need to set up systems that ensure the various pieces of information are collated and retained

### Record-keeping obligations for deemed suppliers using OSS or IOSS

For both OSS and IOSS, deemed suppliers will need to keep a record of the following information:

- Member state to which the goods/services are supplied
- Description and quantity of goods/services
- Date of supply
- Taxable amount indicating the currency used
- Any subsequent increase or reduction of the taxable amount
- VAT rate applied
- Amount of VAT payable, indicating the currency used
- Dates and amounts of payments
- Where an invoice is issued, the information contained on the invoice.
- For goods, the information used to determine the place where the dispatch or the transport of goods to the customer begins and ends
- Proof of possible returns of goods, including the taxable amount and VAT rate applied

For OSS only, you must also keep a record of:

- Any payments received on account before supply
- For services, the information used to determine the customer's permanent address or normal place of residence

For IOSS only, you must also keep a record of:

- The order number or unique transaction number
- The unique consignment number where that taxable person is directly involved in the delivery



## Record keeping obligations for deemed suppliers not using OSS or IOSS

For sales where you cannot use OSS/IOSS (or you choose not to register), the regulations state that ‘records shall be sufficiently detailed to enable the tax authorities of the Member States where those supplies are taxable to verify that VAT has been accounted for correctly.’ You may therefore need to find out from relevant member states what exactly each state counts as ‘sufficiently detailed’.

Customs regulations determine the country of import is the country of destination. If goods arrive in another EU country, they will be put “in transit” for customs purposes. Although standard import rules will apply, with VAT due on arrival in the destination country, there are now further complications. This is because of a clause in the new regulations allowing this destination country to then decide who should pay the VAT – the customer, the supplier, or the marketplace.

As a result, marketplaces not using OSS or IOSS must assess each member state’s implementation of this clause and may face additional reporting obligations

### Key considerations

1. You must keep detailed records even if you do not use OSS or IOSS
2. What counts as detailed may be different in different member states
3. Even if you are not the deemed supplier, you have additional record keeping obligations

## Record keeping obligations when not the deemed supplier

Where an electronic interface (for example, a listing or service platform) is not a deemed supplier, they are required to keep the following information at minimum:

- Name, postal address and electronic address or website of the underlying supplier
- If available, the underlying supplier’s VAT identification number or national tax number
- If available, the underlying supplier’s bank account number (or the number of any virtual account/digital wallet etc.)
- Description of the goods or services and their value
- If available, the order number or unique transaction number
- For goods, the place where the dispatch or transport ends with the time of supply and,
- For services, information in order to establish the place and time of supply (OSS only)

## Conclusion

To ensure compliance and avoid any disruption to the customer journey, marketplaces will need both robust processes and enhanced technology systems, including the ability to determine correct VAT treatment at the time of checkout.

Given the complexity of the regulations, specialist advice is also likely to be critical if marketplaces are to understand the requirements and implement the most appropriate solutions.

Contact Vertex today to see how we can partner with you to understand your needs and objectives and design a practical compliance strategy for your marketplace to deliver its goals.





For more information, contact Vertex today at [vertexinc.com/en-gb/contact-us](https://vertexinc.com/en-gb/contact-us)

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