

**Public Consultation**  
**on the transposition of new EU Directives on Place of Supply**  
**of Services, intra-Community Refunds of VAT and Anti-**  
**Fraud Measures**

Significant new EU legislation on VAT will come into effect on 1 January 2010 and will cover changes to the place of supply of services, a new regime for the intra-Community refunds of VAT, the requirement for recapitulative (VIES) statements for intra-Community supplies of services and the requirement for monthly VIES statements for goods.

The Directives will be transposed into Irish law through Ministerial Regulations. In this context a draft legislative text is attached for comment. Views are invited from traders, industry bodies, practitioners and other interested parties on the proposed legislation. As is the case with other VAT legislation, detailed guidance material on each measure in the law will be available on the Revenue website.

This consultation document has been separated into three Parts, covering the main thematic areas of the VAT Package.

Part 1 – Place of Supply of Services Rules

Part 2 – Intra-Community Refunds of VAT

Part 3 – Anti-Fraud Measures/VIES Statements

Each Part includes an overview of the changes to be made, as well as links to the relevant EU Directive together with the draft legislation, which will be amending the VAT Act. Minor consequential amendments have been excluded from the draft, and any consequential amendments to secondary legislation will be made in due course.

Comments should be submitted by email only to [vatpandl@revenue.ie](mailto:vatpandl@revenue.ie) with VAT Package Consultation in the subject line. The closing date for receipt of comments has been extended to 15 May 2009.

## **Part 1: Place of Supply of Services Rules**

### **Overview**

[Council Directive 2008/8/EC](#) was adopted on 12 February 2008. This Directive deals with the place of supply (taxation) of services. The current general rule for the place of taxation of services is that, in principle, services are taxable in the Member State where the supplier is established.

The new Directive introduces two general rules, depending on whether the customer is a business or a consumer:

- For intra-Community supplies of **Business to Business (B2B)** services, the new general rule provides that the place of taxation is the place where the customer is established (reverse charge), thus aligning the rule more closely with the place of actual consumption.
- For intra-Community supplies of **Business to Consumer (B2C)** services, the general rule provides that the place of taxation is where the supplier is located.

In practical terms these new rules will not have a major immediate impact as most economically important B2B services are already taxed where received (e.g. Fourth Schedule services).

There are exceptions to the general rules, which are clearly outlined in the new Directive and the draft legislation. A summary of the exceptions, together with current treatment and the treatment from 1 January 2010 is shown below:

	<b>Current Rule</b>	<b>Rule from 1/1/2010</b>
<b>Immovable Property</b>	Place of supply is where property is located	No change.
<b>Transport Services &amp; Passenger Transport Services</b>	Place of supply of transport services (other than Intra-Community transport of goods) is where transport takes place.	There is no change for B2C passenger transport  There is no change to B2C transport of goods other than intra-Community transport of goods.  However the general rule will apply to B2B transport of goods, other than intra-Community transport of goods.
<b>Intra-Community Transport of Goods</b>	Place of supply is the place of departure. If customer is identified for VAT but not in Member State of departure, the place of supply is where the customer is identified for VAT.	There is no change to B2C intra-Community transport of goods. Place of supply is place of departure.  The general rule will apply to B2B intra-Community transport of goods. i.e. place of supply is where the customer is established.
<b>Cultural, artistic, sporting, scientific, educational and entertainment or similar services</b>	Place of supply is where the services are physically carried out.	No change in 2010 <sup>1</sup> .
<b>Ancillary transport services, valuations/work on movable property</b>	Place of supply is where the services are physically carried out for B2C where a customer is established for B2B.	No change.
<b>Restaurant and Catering Services</b>	Place of supply is where the supplier is established.	Place of Supply is where the services are physically carried out.
<b>Restaurant and catering services for consumption on ships, planes and trains</b>	Place of supply is where the supplier is established	Place of supply is point of departure.

<sup>1</sup> There will be changes to this from 1/1/2011. These will be transposed later.

<p><b>Hire of means of Transport</b></p>	<p>Place of supply is where the supplier is established.</p>	<p>For short-term hire of means of transport, the place of supply for B2B and B2C is where the means of transport is put at the disposal of the customer. Short-term hire means up to 90 days for vessels, and up to 30 days for other means of transport.</p> <p>For long-term hire of means of transport, the general rules apply i.e. where the customer is established for B2B, and where the supplier is established for B2C<sup>2</sup></p>
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### Implementation

The European Commission, together with Member States, are currently examining where common interpretation of the rules across the EU would be helpful. Any interpretation agreed during this process will be included in the detailed guidance material which will be published on the Revenue website in due course.

For ease of understanding, the references to the equivalent provisions of Council Directive 2006/112/EC as amended by 2008/8/EC are shown in **bold** at the end of the relevant provision.

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<sup>2</sup> There will be changes to this from 1/1/2013. These will be transposed later.

## **Draft Legislation**

### **Amendments to Section 1 of the VAT Act**

#### **Substitute new definitions for “established” and “taxable person”.**

“established” means the place where a taxable person has established his or her business or has a fixed establishment;

“taxable person” means any person who independently carries out any business in any place whether inside or outside the Community;

### **Amendments to Section 2 of the VAT Act**

*It is proposed to replace the current section 2 with the following new text.*

A tax called value-added tax shall, subject to this Act and regulations, be charged, levied and paid—

- (a) on the supply of goods for consideration by a taxable person acting as such, where the place of supply of those goods is the State;
- (b) on goods imported into the State;
- (c) on the supply of services for consideration by a taxable person acting as such where the place of supply of those services is the State;
- (d) on the intra-Community acquisition of goods, other than new means of transport, effected within the State for consideration by an accountable person and
- (e) on the intra-Community acquisition of new means of transport effected within the State for consideration.

## **Amendments to Section 5 of the VAT Act**

*It is proposed to **replace the existing subsections (5) and (6) of section 5** of the current VAT Act with the following new text.*

(5) (a) Subject to paragraphs (c), (d), (g), (i), (j) and (k) and for the purposes of this Act, the place of supply of services to a taxable person acting as such shall be the place where that person has established his or her business but if those services are provided to a fixed establishment of the taxable person located in a place other than the place where he or she has established his or her business, the place of supply of those services shall be the place where that fixed establishment is located. In the absence of such place of establishment or fixed establishment, the place of supply of services shall be the place where the taxable person who receives such services has his or her permanent address or usually resides. **(Articles 43.1 & 44)**

(b) Subject to paragraphs (c) to (n) and for the purposes of this Act, the place of supply of services to a non-taxable person shall be the place where the supplier of those services has established his or her business but if those services are provided from a fixed establishment of the supplier located in a place other than the place where he or she has established his or her business, the place of supply of those services shall be the place where that fixed establishment is located. In the absence of such place of establishment or fixed establishment, the place of supply of services shall be the place where the supplier has his or her permanent address or usually resides. **(Article 45)**

(c) The place of supply of services connected with immovable goods including the services of experts and estate agents, the provision of accommodation in the hotel or guesthouse sector or in sectors with a similar function, holiday camps or sites developed for use as camping sites, the granting of rights to use immovable goods and services for the preparation and coordination of construction work and the services of architects and of firms providing on-site supervision, shall be the place where the immovable goods are located. **(Article 47)**

- (d) The place of supply of passenger transport shall be the place where the transport takes place. **(Article 48)**
- (e) The place of supply of the transport of goods, other than the intra-Community transport of goods, to a non-taxable person shall be the place where the transport takes place. **(Article 49)**
- (f) The place of supply of the intra-Community transport of goods to a non-taxable person shall be the place of departure. **(Article 50)**
- (g) The place of supply of services and ancillary services relating to cultural, artistic, sporting, scientific, educational, entertainment or similar services, including fairs and exhibitions and the supply of services of the organisers of such activities, shall be the place where they are physically carried out. **(Article 53)**
- (h) The place of supply of the following services to non-taxable persons shall be the place where the services are physically carried out:
- (i) ancillary transport activities including loading, unloading, handling and similar services;
  - (ii) valuation of and work on movable goods<sup>3</sup>. **(Article 54)**
- (i) The place of supply of restaurant and catering services, other than those covered by the provisions of paragraph (j), shall be the place where those services are physically carried out. **(Article 55)**
- (j) The place of supply of restaurant and catering services which are physically carried out on board ships, aircraft or trains during the section of a passenger transport operation effected within the Community, shall be the point of departure of the passenger transport operation. **(Article 57)**

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<sup>3</sup> It is considered that contract work is covered by 'work on movable goods'.

(k) The place of supply of short-term hiring of a means of transport shall be the place where the means of transport is actually put at the disposal of the customer. **(Article 56).**

For the purposes of this paragraph “short-term” shall mean the continuous possession or use of a means of transport throughout a period of not more than 30 days and in the case of vessels, not more than 90 days. **(Article 56)**

(l) The place of supply of electronically supplied services, in particular those referred to in Annex II of Council Directive 2006/112/EC shall be the State when those services are supplied to a non-taxable person who has his or her permanent address or usually resides in the State, by a taxable person who has established his or her business outside the Community or has a fixed establishment there from which the service is supplied, or who, in the absence of such a place of business or fixed establishment, has his or her permanent address or usually resides outside the Community. **(Article 58)**

(m) The place of supply of the following services to a non-taxable person who has his or her permanent address or usually resides outside the Community, shall be the place where that person has his or her permanent address or usually resides:

- (i) transfers and assignments of copyrights, patents, licences, trade marks and similar rights,
- (ii) advertising services,
- (iii) the services of consultants, engineers, consultancy firms, lawyers, accountants and other similar services, as well as data processing and the provision of information,
- (iv) obligations to refrain from pursuing or exercising, in whole or in part, a business activity or a right referred to in this paragraph,
- (v) banking, financial and insurance transactions including reinsurance, with the exception of the hire of safes,
- (vi) the supply of staff,
- (vii) the hiring out of movable tangible property, with the exception of all means of transport,

- (viii) the provision of access to, and of transport or transmission through, natural gas and electricity distribution systems and the provision of other services directly linked thereto,
- (ix) telecommunications services,
- (x) radio and television broadcasting services, or
- (xi) electronically supplied services. (**Article 59**)

(n) The place of supply of services provided by an intermediary acting in the name and on behalf of another person to a non-taxable person shall be the place where the underlying transaction is supplied. (**Article 46**)

(o) In this subsection-

**‘intra-Community transport of goods’** means transport where the place of departure and the place of arrival are situated within the territories of two different Member States;

**‘the place of departure’** means the place where the transport of goods actually starts, leaving aside distance actually travelled to the place where the goods are;

**‘the place of arrival’** means the place where the transport of goods actually ends.

### **Use and enjoyment provisions**

*These provisions are similar in scope to the existing use and enjoyment provisions in the current VAT Act.*

- (6) (a) Where the place of supply of services consisting of the hiring out of any movable goods would otherwise under subsection (5) be outside the Community but those services are effectively used and enjoyed in the State, then the place of supply of those services is deemed to be the State.
- (b) Where the place of supply of services consisting of the hiring out of means of transport would otherwise under subsection (5) be the State but those services are effectively used and enjoyed outside the Community, then the place of supply of those services is deemed to be outside the Community.

- (c) The place of supply of services is deemed to be the State where those services consist of the provision of a telecommunications service, a telephone card as defined in subsection (6A), or a radio or television broadcasting service, by a taxable person established outside the Community to a non-taxable person whose usual place of residence is the State but the service is effectively used and enjoyed in the State.
- (d) Where the place of supply of services consisting of the provision of a telecommunications service or a telephone card as defined in subsection (6A) by a taxable person established in the State to a non-taxable person whose usual place of residence is situated outside the Community would otherwise under this section be outside the Community but the service is effectively used and enjoyed in the State, the place of supply of those services is deemed to be the State.
- (e) Where the place of supply of services consisting of the provision of banking, financial and insurance services, including re-insurance and financial fund management functions but not including the provision of safe deposit facilities to a non-taxable person would otherwise under this section be outside the Community but the services are effectively used and enjoyed in the State, the place of supply of those services is deemed to be the State.
- (f) Where money transfer services are provided to a person in the State and are effectively used and enjoyed in the State, the place of supply of intermediary services provided in respect of or in relation to such money transfer services to a principal established outside the Community, is deemed to be the State.

#### Section 5 (6A) Phone Cards

*Section 5(6A) of the VAT Act will not be amended apart from any necessary cross references.*

#### Section 5(3A)

*This subsection is to be deleted.*

Section 5(7)

*This subsection is to be deleted.*

Insertion of new sub-section 5(9).

For the purposes of applying subsection (5) any person registered for value-added tax is deemed to be a taxable person.

**Amendments to Section 8 of the VAT Act**

*It is proposed that a new provision section 8(1A)(aa) be included.*

(1A)(aa) Where a taxable person or any person to whom the Revenue Commissioners have assigned a registration number in accordance with section 9(1A) is in receipt of a service from outside the State, and where the place of supply of that service is the State, he or she shall be an accountable person and shall be accountable for and liable to pay the tax chargeable on those services in the State. **(Article 43.2)**

**Amendments to the Fourth Schedule of the VAT Act**

*This Schedule is to be deleted.*

## **Part 2 – Intra-Community Refunds of VAT**

### **Overview**

Council Directive 2008/9/EC was adopted on 12 February 2008. It replaces Directive 79/1072/EEC (the Eighth Directive) concerning refunds to foreign traders. The current procedure will be replaced by a new electronic procedure. The objective of the new procedure is to better facilitate businesses and improve the functioning of the internal market.

The main features are:

- All refund applications must be made through an electronic portal to be set up by the Member State of establishment of the applicant.
- Each application will be subject to an electronic approval process in the Member State of establishment before being passed on to the Member State where the VAT was incurred by the business, referred to as the Member State of refund.
- The applicant is obliged to furnish certain information by electronic means through the electronic portal. The refund application must contain the following information:
  - the applicant's name and full address;
  - an address for contact by electronic means;
  - a description of the applicant's business activity for which the goods and services are acquired;
  - the refund period covered by the application;
  - a declaration by the applicant that he has supplied no goods and services deemed to have been supplied in the Member State of refund during the refund period, with the exception of transactions relating to goods and services not coming within the scope of the Directive;
  - the applicant's VAT identification number or tax reference number;
  - bank account details including IBAN and BIC codes.
- In addition, in relation to each invoice or import document covered by the application, the following details will also be required:
  - name and full address of the supplier;

- except in the case of importation, the VAT identification number of the supplier together with the prefix of the Member State of refund;
  - date and number of the invoice or importation document;
  - taxable amount and amount of VAT expressed in the currency of the Member State of refund;
  - the amount of tax deductible in accordance with the rules of the Member State of refund;
  - the proportion of tax deductible where the applicant is not entitled to full deductibility in the Member State of establishment;
  - the nature of the goods and services acquired in accordance to the codes set out on the refund application.
- The new legislation will lay down time limits in respect of the periods within which decisions concerning applications for refund are notified to business.
  - Business must provide responses to requests for information from tax authorities within time limits laid down.
  - An important feature for business is that Member States will be liable to pay interest if a refund is not paid within the specified time limits.
  - The right of appeal by business will be clarified.

Ireland will not routinely require invoices or importation documents.

Issues have arisen concerning how agents and intermediaries will be dealt with under the new rules. The Directive is silent on this aspect. Ireland's position is that we will continue to accept claims from agents who have written authorisation from the applicant, and will make payments directly to agents and intermediaries who have power of attorney from the applicant. It is anticipated that information regarding the requirements of other Member States in relation to agents will be published on the websites of those Member States.

### Implementation

For ease of understanding, the references to the equivalent provisions of Council Directive 2006/112/EC as amended by 2008/9/EC are shown in bold at the end of the relevant provision.

## Draft Legislation

It is proposed to insert a new section into the VAT Act with effect from 1 January 2010, as follows.

### **Section 12F Special scheme for intra-Community refunds of tax.**

(1) For the purposes of this section-

**‘applicant’** means a taxable person who makes a refund application and who is not established in the Member State of refund, but is established in another Member State, and who carries out transactions giving rise to a right of deduction in that Member State;

**‘Member State of refund’** means the Member State in which value-added tax referred to in Council Directive 2006/112/EC was charged to the applicant in respect of goods or services supplied to that applicant by other taxable persons in that Member State or in respect of the importation of goods into that Member State;

**‘refund application’** means an application submitted after 31 December 2009 for a refund of tax charged in the Member State of refund to a taxable person who is not established in that Member State in respect of goods or services supplied to him or her by other taxable persons in that Member State or in respect of the importation of goods into that Member State.

(2) The Revenue Commissioners shall, in accordance with this section and regulations, if any, make a refund to an applicant of tax charged to that applicant by accountable persons in the State or tax charged to that applicant on the importation of goods into the State, in cases where a full and correct electronic refund application has been received by them from the Member State in which the applicant is established. **(Article 5)**

(3)(a) Where the State is the Member State of refund, the amount of tax that is refundable in accordance with subsection (2) shall, subject to subparagraph (b), be the amount of tax charged to an applicant by an accountable person in the State in respect of supplies of goods or services to that applicant in the State or

on the importation of goods by that applicant into the State, where those goods or services are used by that applicant for the purpose of his or her business, but only to the extent that such tax would be deductible by that applicant under section 12 if that business were carried on by that applicant within the State.

**(Article 5)**

(b) Where an applicant carries out in his or her Member State of establishment both transactions giving rise to a right of deduction and transactions not giving rise to a right of deduction in that Member State, the amount to be refunded by the Revenue Commissioners referred to in subparagraph (a) shall be not more than the proportion of tax, in this section referred to as the deductible proportion, which is attributable to the former transactions as applied by that Member State of establishment. **(Article 6)**

(4) An applicant shall apply for a refund through the electronic portal set up for the purpose by the Member State of establishment of that applicant. **(Article 7)**

(5) Where an applicant who carries out transactions referred to in subsection (3)(b) submits a refund application and the deductible proportion referred to in that subsection is subsequently adjusted, the applicant shall make a correction to the original amount applied for or already refunded. The correction shall be made in a refund application during the calendar year following the period for which the refund application in question was submitted, or if the applicant makes no refund applications during that calendar year, by submitting a separate declaration via the electronic portal established by the Member State of establishment of the applicant.

**(Article 13)**

(6) Where the State is the Member State of refund, the refund application shall cover supplies of goods or services invoiced to the applicant and importations by the applicant during a refund period, being a period of not more than one calendar year or not less than 3 calendar months but a refund period may cover a period of less than 3 calendar months in a case where an application in respect of that period relates to the remainder of a calendar year. A refund application shall be submitted not later than 30 September of the calendar year following the refund period. A refund application

may cover supplies or importations which were omitted from the applicant's previous refund applications. **(Articles 14, 15 and 16)**

(7) If a refund application relates to a refund period of less than a calendar year but not less than 3 months, the amount claimed may not be less than €400. However, if a refund application relates to a refund period of a calendar year or the remainder of a calendar year, the amount claimed may not be less than €50. **(Article 17)**

(8) Where the Revenue Commissioners decide not to forward to another Member State a refund application from an applicant established in the State on the grounds that the applicant is not entitled to a refund, they shall notify the applicant of that decision by electronic means. **(Article 18)**

(9) In the case where the State is the Member State of refund, the Revenue Commissioners shall notify the applicant, by electronic means, of the date on which the application is received and may request additional information from the applicant, the competent authorities of the Member State of establishment of the applicant or from any other relevant party. They may request the original or a copy of the relevant invoice or import document where they have reasonable doubts regarding the validity or accuracy of the application. **(Articles 19 & 20)**

(10) Where the State is the Member State of refund, the Revenue Commissioners shall notify the applicant of their decision to approve or refuse an application in whole or in part, within a period of—

(a) 4 months following the date of receipt by them of the refund application in cases where the Revenue Commissioners do not request additional information,

(b) at least 6 months following the date of receipt by them of the refund application in cases where the Revenue Commissioners request additional information, but

(i) where they receive the additional information requested within 1 month of the date when the request is received by the recipient, the decision must be notified within 2 months of receipt of such additional information, or

(ii) where they not receive the additional information requested within 1 month of the date when the request is received by the recipient, the decision must be notified within 3 months of the date when the request is received by the recipient, or

(c) 8 months following the date of receipt by them of the refund application in cases where the Revenue Commissioners request further information in addition to the information referred to at (b). **(Article 21)**

(11) Where the Revenue Commissioners notify an applicant of their decision to approve a refund application in whole or in part, they shall pay the amount due within 10 working days of the expiry of the time limits set out in paragraphs (a), (b) or (c) of subsection (10) as appropriate. Where the Revenue Commissioners notify an applicant of their decision to refuse a refund application in whole or in part, they shall notify the applicant of the grounds for that refusal. **(Article 22.1 and 23.1)**

(12) Where the State is the Member State of refund, and the applicant requests payment of the refund to be made in another Member State, the Revenue Commissioners shall deduct from the refund amount any bank charges in respect of that payment. **(Article 22.2)**

(13) An applicant who is aggrieved by a decision of the Revenue Commissioners in relation to a refusal to make a refund in whole or in part may appeal against that decision in accordance with the provisions of section 25, and for this purpose the failure by the Revenue Commissioners to make a decision in respect of a refund application within the time limits set out in subsection (10) shall be treated as a decision to refuse the application. **(Article 23)**

(14) Where an applicant obtains a refund based on an incorrect refund application containing an incorrect claim or declaration, whether that applicant acts deliberately or acts carelessly but not deliberately, that applicant shall—

- (a) repay the overpaid amount to the Revenue Commissioners,
- (b) pay an amount of interest to the Revenue Commissioners and such interest shall be calculated at the rate provided for in section 21(1)(b), from the

date on which the refund was made to the day on which the applicant repays to the Revenue Commissioners the overpaid amount in accordance with subparagraph (a), and

(c) be liable to a penalty in accordance with section 27A. (**Article 24.1**)

(15) Where interest and penalties apply and remain unpaid, the Revenue Commissioners shall suspend any further refund to the applicant concerned up to the unpaid amount of such interest and penalties. (**Article 24.2**)

(16) Where the Revenue Commissioners refund an amount due to an applicant but not within the time limits provided for in subsection (11), they shall pay an amount of interest to that applicant calculated at the rate provided for in section 21A(4) from the day following the last day of the period within which payment of the amount due is required to be made to the day on which the amount due is paid to the applicant. However, where the applicant furnishes additional information requested by the Revenue Commissioners but not within 1 month of the date on which the request reaches the applicant, or fails to furnish all the additional information requested, no interest shall be payable. (**Articles 26 & 27**)

(17) This section does not apply to an applicant who supplies any goods or services in respect of which the place of supply is the Member State of refund other than those for which the person who receives them is liable, or any transport services and services ancillary thereto which are exempted in the Member State of supply in accordance with Articles 144, 146, 148, 149, 151, 153, 159 or 160 of Council Directive 2006/112/EC. (**Article 3**)

## **Part 3 Anti-Fraud Measures/VIES Statements**

### **Overview**

[Council Directive 2008/8/EC](#) also provides that suppliers of B2B reverse charge services across Community borders must file a VIES return for those services supplied on or after 1 January 2010. A VIES return is currently necessary only for intra-Community supplies of goods.

In addition, in December 2008, the EU Council adopted a further Directive ([Council Directive 2008/117/EC](#)) on "stepping up the fight against evasion of VAT". The Directive provides that with effect from 1 January 2010 VIES returns must, as a general rule, be made by traders on a monthly basis. Member States will nevertheless still be able to authorise traders with less than EUR 50,000 supplies of goods per quarter (EUR 100,000 up to 31 December 2011) and **all services suppliers** to make quarterly VIES returns. This option will be availed of in the case of Ireland.

### **Implementation**

For ease of understanding, the references to the equivalent provisions of Council Directive 2006/112/EC as amended by 2008/8/EC and 2008/117/EC are shown in bold at the end of the relevant provisions.

## **Draft Legislation**

**Section 19A ‘Statement of intra-Community supplies’ of the VAT Act will be substituted by the following with effect from 1 January 2010.**

(1) An accountable person shall furnish to the Revenue Commissioners a statement of his or her—

- (a) intra-Community supplies of goods, and
- (b) supplies of taxable services to a customer registered for value-added tax in another Member State where that customer is liable to pay the tax,

and that statement shall be prepared in accordance with, and containing such other particulars as may be specified in, regulations. **(Article 262 of Council Directive 2008/8/EC.)**

(2) An accountable person shall by the last day of the month immediately following each calendar month furnish to the Revenue Commissioners a statement as provided for in subsection (1)(a) of his or her intra-Community supplies of goods in that calendar month. **(Article 263 of Council Directive 2008/117/EC.)**

(3) Notwithstanding subsection (2), where the total value of an accountable person’s intra-Community supplies of goods for a period of a calendar quarter or any of the four previous calendar quarters does not exceed a threshold of €100,000 excluding tax, that person may instead furnish a statement of those supplies in accordance with subsection (1)(a) by the last day of the month immediately following the relevant calendar quarter. But where, in any month, the value of those supplies exceed the threshold in respect of the current quarter the accountable person shall, by the last day of the month following the month in which the threshold is exceeded, furnish a statement of those supplies for each month of that quarter. **(Article 263 of Council Directive 2008/117/EC.)**

(4) From 1 January 2012 the threshold of €100,000 provided for in subsection (3) shall be €50,000. **(Article 263 of Council Directive 2008/117/EC.)**

(5) An accountable person shall by the last day of the month immediately following each calendar quarter furnish to the Revenue Commissioners a statement as provided for in subsection (1)(b) of his or her supplies in that calendar quarter of services referred to in the said subsection. However, an accountable person may instead opt to furnish a statement in accordance with subsection (1)(b) by the last day of the month immediately following each calendar month of his or her supplies of such services during that calendar month. **(Article 263 of Council Directive 2008/117/EC.)**

(6) For the purposes of the statement to be furnished in accordance with subsection (1)(b), services which are supplied continuously over a period of more than one year, in respect of which no statements of account or payments are made during that year, shall be regarded as being completed on the expiry of each calendar year<sup>4</sup> until the date when the supply of those services is finally completed. **(Article 264 of Council Directive 2008/117/EC.)**

(7) Notwithstanding subsections (1) to (5) an accountable person who made no intra-Community supplies of goods or supplies of services of the type referred to in subsection (1)(b) during the relevant period, but was liable to furnish a statement in respect of a previous period, shall, unless authorised by the Revenue Commissioners, furnish to them within the relevant time period a statement indicating that he or she made no such supplies in that period.

(8) In this section ‘intra-Community supplies of goods’ means supplies of goods to a person registered for value-added tax in another Member State.

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<sup>4</sup> Commissioners’ Regulations will clarify the information which needs to be included in the VIES statements for these supplies.