

Minutes
Indirect TALC Meeting
10:30, Wednesday 26 February 2025
Basement Conference Room, Stamping Building, Dublin Castle

Item 1 – Minutes of Previous Meetings

Minutes of the September and November 2024 meetings were agreed. The minutes from the October Finance Bill meeting had been agreed at the November meeting.

Item 2 – Matters Arising

2.1 TALC Sub-groups

- VAT Groups – This matter is progressing internally.
- VAT Modernisation – A meeting of the sub-group was held on 6 February. Revenue delivered a Presentation on the ViDA Legislative changes followed by discussion.
- Partnerships/Co-ownerships – the first meeting has been arranged for 1 April 2025.

2.2 VAT 56A Applications Update

Revenue is continuing to progress this issue internally.

2.3 Reverse charge VAT on property-related transactions

Revenue issued a response on 25 February to the ITI's additional queries from 19 November 2024. The ITI will review the response and consider if additional submissions are required.

Revenue advised that RCT guidance is being updated by Personal Taxes Policy & Legislation Division but could not give a timeline on when the guidance will be published. Revenue confirmed that VAT guidance will be updated by Indirect Taxes Policy & Legislation Division once matters have concluded at this forum. When a revised TDM is published it will supersede the 5 November 2024 and the 25 February 2025 notes.

2.4 Second Sale Post Completion/Two Year Rule

Revenue advised the representative bodies that the Law Society submission remains under consideration and is progressing. The existing approach to the rules remains in place.

2.5 OSS & IOSS Returns

Revenue advised that the matter raised at the last meeting has been flagged internally and will be considered when future updates are being made in that area.

The ITI advised that some additional OSS issues were raised at TALC Collections. It was agreed that this matter would now be closed at Indirect TALC to allow it to progress via TALC Collections.

Item 3 – EU Matters

Revenue provided an update on EU matters relevant to VAT.

- Electronic VAT Exemption Certificate
 - New legislative package adopted by the Council on 18 February 2025.
 - The main effect of this is to put certain VAT exemptions onto a digital footing – relating to the VAT exemption for diplomats and related entities.
 - Member States shall transpose the new law by 1 July 2031 and shall operate the new system by 1 July 2032.
- Discussions concluded under the Hungarian Presidency of the Council of Europe
 - With a partial agreement brought to Ecofin in December 2024, on the direction of travel on discussions “incentivisation of the IOSS as an alternative to a mandatory IOSS”.
 - Discussions on other measures to provide for the expansion of the IOSS Scheme will continue under the Polish Presidency.
- Programme of the Polish Presidency of the Council of Europe
 - The priority for the Polish Presidency will be to further tighten up VAT in the e-commerce sector, in particular to counter irregularities in the case of distance sales of imported goods via electronic interfaces.
 - They will continue to work on the reform of the Customs Union, including the creation of the EU Customs Authority.
- Commission work programme 2025
 - Revenue précised the VAT and Customs proposals included in the Commission Work Programme these include;
 - Proposal for a Council Directive as regards VAT rules relating to taxable persons who facilitate distance sales of imported goods.
 - Proposal for a Council Regulation as regards the elimination of the €150 customs duty relief threshold.
 - Proposal for a Regulation of the European Parliament and of the Council establishing the Union Customs Code and the European Union Customs Authority.
- The Definitive VAT System
 - It was mentioned that the Commission confirmed that it has withdrawn its proposed Definitive VAT System reform. This proposal sought to tackle missing trader fraud by introducing the destination principle for VAT liabilities on intra-community goods transactions.
- Revision of EN 16931 e-Invoicing
 - The EU Standards Body CEN, has started work to amend the EU standard on e-invoicing – EN 16931. A new version of this standard is expected by June 2025.
 - Among the new information which will be required is:
 - Adding bank account IBAN details
 - Mentioning use of triangulation simplification
 - Corrective invoice sequential numbering
- ViDA Progress
 - On 12 February 2025 the EU Parliament approved the ViDA Package. Formal Council ratification is expected in March 2025.

- Some provisions will be transposed immediately. The immediate ViDA Directive changes will allow Member States to implement domestic mandatory e-invoicing without the requirement to seek a derogation.
- Further information was given during the ViDA Legislative Changes Presentation which is summarised at Item 4 below.

Item 4 – VAT Modernisation

A presentation was given on the key aspects and dates relating to the VAT in the Digital Age Package. Slides will be shared with the members in due course.

Key Dates for all three strands of ViDA :

Early 2025: Member States can implement mandatory domestic e-invoicing systems without seeking European Commission approval.

January 2027: One Stop Shop (OSS) for B2C distance sales of goods/services expanded to include energy related supplies.

July 2028: OSS will now include all B2C supplies and intra-EU stock transfers.

Member States are required to mandate that Platforms facilitating short-term accommodation rentals (≤ 30 nights) and passenger transport by road are to be regarded as 'Deemed Suppliers' for VAT (unless certain exclusions apply) and these platforms will be obliged to charge and remit VAT on these accommodation and transportation services .

January 2030: Digital platforms when held as Deemed Suppliers, must collect and remit VAT where they facilitate short-term accommodation rentals (≤ 30 nights) and passenger transport by road (Mandatory implementation).

July 2030: EInvoicing and Digital Reporting mandatory for intra-Community transactions, the introduction of mandatory provisions re the definition of eInvoice, the acceptance of eInvoices, the timing of the issue of eInvoice, timing of reporting the data and compliance of the Intra-Community eInvoices with the European Standard.

Member States have the option to establish a domestic DRR.

January 2035: All existing domestic Digital Reporting Requirements (DRRs) must align with ViDA standards.

Item 5 – Any Other Business

5.1 Clarification of current position following the High Court decision in Killarney Consortium C v The Revenue Commissioners

Revenue is currently considering the judgement in this case.

5.2 The application of VAT on the microgeneration of electricity by businesses with solar panels and similar technology.

Revenue informed the members that the method of self-billing is subject to prior agreement with the supplier. The customer who assumes responsibility for preparing the invoice must be VAT registered. Self-billing is not a mandatory system rather it is an alternative method for issuing invoices that is available to the relevant parties, subject to conditions. Revenue pointed to guidance on the Revenue website in relation to self-billing and confirmed that it does not apply to non-taxable persons.

The CCAB-I will revert to the member who raised the query and ask if further information is required.

5.3 VAT treatment of share transactions and trading platforms

Revenue advised that they would look at the current guidance in this area with a view to amending it to provide further clarification.

5.4 VAT status of companies in liquidation

Revenue asked the ITI what had triggered this query as there has been no change to guidance or policy in this area. Revenue advised that they are not aware of any issues with regard to liquidators and their entitlement to deductibility subject to normal rules. Revenue confirmed that the changes in Finance Act 2024 did not impact current guidance or policy in this area.

5.5 VAT Scheme for SMEs

Revenue advised that the transposition of the Directive is close to finalisation. The cross-border element of the scheme has been in operation since 1 January 2025. The domestic element, specifically changes around when to register for VAT as a result of the transposition of article 288 on foot of the amendment to article 284, will come into effect on signing of the SI. Guidelines will be issued in due course.

5.6 Rates Directive

The SI which transposed the Rates Directive provision amending the place of supply rules for attendance at virtual events has been finalised and published.

5.7 Postponed Accounting

Revenue advised that there will be an update to the VAT3 Form on ROS in relation to the Postponed Accounting field. Changes to increase the number of digits that can be entered into the Postponed Accounting 1 (PA1) field and ES1 field on the VAT3 are currently being tested. The PA1 field will also now be mandatory to be completed on filing. The fields will be able to accept 10-digit values. These changes will be implemented no later than the end of April 2025.

5.8 TDMs

Revenue advised that a number of TDMs have been published since the Finance Bill in October 2024, including a TDM on the VAT treatment relevant to taxi drivers.

5.9 Waiver of Exemption

A query was raised by the Law Society in relation to a provision of the VAT Act 1972 which was not carried over into the VAT Consolidation Act 2010. The provision related to waivers of exemption on property acquired post 1 July 2008. Revenue advised that there has been no change in this regard and pointed to existing guidance.

5.10 Guidance re Mergers by Acquisition and Absorption

The Law Society pointed out that there is no mention of VAT in the existing guidance even though all other taxheads are covered. They asked if Revenue would consider updating the guidance to include a section on VAT. Revenue confirmed that they would consider publishing a VAT TDM on this topic in the future.

5.11 Meeting Dates for 2025

The following meeting dates were agreed:

- 11 June 2025
- 10 September 2025
- 19 November 2025

As in previous years, there will be an ad hoc meeting to discuss the relevant Finance Bill provisions in October 2025.

| Action Points | Agenda Item | Responsible | Timescale |
|---|-------------|-------------|---------------------|
| Send slides of ViDA presentation to members | 4 | Revenue | By next week |
| CCAB-I to clarify query regarding the microgeneration of electricity by businesses with solar panels and similar technology | 5.2 | CCAB-I | Before next meeting |
| Revenue to confirm guidance re waiver of exemption post 1 July 2008 | 5.9 | Revenue | Before next meeting |
| Send invites for 2025 meetings | 5.11 | Revenue | By end of week |

Attendees

Consultative Committee of Accountancy Bodies - Ireland

Mairead Hennessy
Noreen Lehane

Irish Tax Institute

Oonagh Carney
Gabrielle Dillon
Eamonn McCallion
Lorraine Sheegar

Law Society

Matthew Broadstock
Donal Kennedy
David Lawless

Revenue

Anne Dullea
Chad Egan
Ita Foster
Deirdre Hanlon*
Patricia Lahert
Amy Prendiville - Secretary

*Designated Public Official, Regulation of Lobbying Act 2015