

Union Scheme – One Stop Shop (OSS)

This document should be read in conjunction with sections 2, 91A,91D,91E and 91G of the VAT Consolidation Act 2010 and Implementing Regulation (EU) No. 282/2011 as amended by Council Implementing Regulation (EU) 2019/2026

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Introduction

This guidance sets out the new rules for the VAT Union scheme under the One Stop Shop (OSS) that apply from 1 July 2021.

From that date (1 July 2021), the scope of the Mini One-Stop Shop (MOSS) is expanded to include other services supplied on a business to consumer (B2C) basis to consumers in the EU, intra-Community distance sales of goods and certain domestic supplies of goods. The current MOSS becomes the One-Stop Shop (OSS).

The VAT OSS simplifies VAT obligations for businesses selling goods and services cross border to final consumers in the EU. Depending on the location of their business, a taxable person will be permitted to:

- Register for VAT electronically in a Member State for intra-Community distance sales of goods and supplies of services to non-taxable persons. This Member State then becomes the Member State of identification.
- Declare and pay EU VAT due on these supplies in a single electronic quarterly return submitted to the Member State of identification. The Member States in which the sales take place are the Member States of consumption.
- Communicate with the Revenue Commissioners in relation to these returns, even where the sales are taxable in another Member State.

Within the OSS, there are two schemes, the Union scheme, and the non-Union scheme. This guidance only deals with the operation of the Union scheme. More information is available in Tax and Duty Manual (TDM) [non-Union scheme OSS](#) on Revenue's website.

1 Union Scheme

The Union scheme builds on the existing legislative framework established by the MOSS. From 1 July 2021, the EU VAT due on the following supplies can be declared in the Union scheme:

- cross-border supplies of telecommunications, broadcast and electronically supplied (TBE) services to non-taxable persons within the EU (as was previously the case)
- all other cross-border supplies of services to non-taxable persons within the EU
- intra-Community distance sales of goods, and
- certain domestic supplies of goods (in specific circumstances).

The use of the Union scheme is not obligatory. However, if a taxable person is registered for the Union scheme, this scheme must be used to account for the VAT due on all supplies of goods and services within the scope of the scheme. It is not possible for the VAT due on some supplies within the scope of the scheme to be

accounted for outside of the scheme. If a taxable person is currently registered for the Union scheme under MOSS in relation to supplies of TBE services, their registration will migrate to the new OSS. The VAT due on such supplies can continue to be declared through the expanded OSS.

It is important to note that if a taxable person who is currently registered in the Union scheme under MOSS in relation to supplies of TBE services is also involved in supplies which are within the scope of the expanded OSS, the taxable person must use the expanded Union scheme to declare and pay the VAT due on those supplies. This is the case even where the taxable person only registered within MOSS in relation to TBE services.

1.1 What is an intra-Community distance sale of goods?

It is important to note that an intra-Community distance sale of goods has a new, specific meaning.

An “intra-Community distance sale of goods” is defined as supplies of goods dispatched or transported by or on behalf of the supplier, including where the supplier intervenes indirectly in the transport or dispatch of the goods, from a Member State other than that in which dispatch or transport of the goods to the customer ends.

An intra-Community distance sale of goods covers supplies to the following customers:

- supplies of goods to non-taxable persons (consumers)
- supplies of goods (including excise products) to taxable persons or non-taxable legal persons listed in Article 151 of Council Directive 2006/112/EC (diplomatic arrangements, international bodies, NATO, etc.), and
- supplies of goods (except excise products) to certain categories of persons who are exempt from VAT, farmers who receive the flat rate addition, businesses in the second hand margin scheme and non-taxable legal persons.

Distance sales of goods can cover any type of good irrespective of value, including products subject to excise duty. The Union scheme covers supplies of goods subject to excise duty in specific cases, depending on the customer to whom the goods are supplied. The Union scheme can be used to declare supplies of excisable goods where those goods are supplied to:

- non-taxable persons (consumers)
- or taxable persons or non-taxable legal persons whose intra-Community acquisitions are not subject to VAT under the VAT Directive.

Furthermore, the goods must be in free circulation in the EU before the sale, i.e. the goods were produced in the EU or were imported by the supplier into the EU at some point before the sale.

The goods will be considered as dispatched or transported by or on behalf of the supplier, where the supplier also intervenes indirectly in the dispatch or transport of the goods.

This includes:

- Where the supplier subcontracts the transport of the goods to a third party who delivers the goods to the customer.
- Where the transport is provided by a third party, but the supplier bears either total or partial responsibility for the delivery of the goods to the customer.
- Where the supplier invoices and collects the transport fees from the customer and remits them to the transport company.
- Where the supplier promotes the delivery services of a third party to the customer, puts the customer and third party in contact or otherwise provides to the third party the information necessary for delivery of the goods.

1.2 Who may use the Union Scheme?

The Union scheme may be used by taxable persons established both inside and outside of the Community.

1.2.1 Supplier established in the EU

If the supplier is established in the EU, that taxable person may use the Union scheme to declare and pay EU VAT in respect of:

- services (including TBE services) supplied to a non-taxable person who is located in a Member State in which the supplier is not established, and
- intra-Community distance sales of goods.

Services provided to a non-taxable person in the Member State in which the supplier is established are to be declared in the supplier's domestic VAT return.

If a person is registered for the Union scheme, this scheme must be used to account for VAT on all supplies made by that person that fall within the scope of the scheme. Once registered for the scheme, it is not possible for the VAT due on some supplies, within the scope of the scheme, to be accounted for outside of the scheme.

1.2.2 Supplier not established in the EU

If the supplier is not established in the EU and does not have a fixed establishment in the EU, they may use the Union scheme to declare and pay VAT on intra-Community distance sales of goods only.

A supplier who is not established and does not have a fixed establishment in the EU, cannot use the Union scheme to declare EU VAT in respect of supplies of B2C services. These suppliers can instead choose to register for the [Non-Union scheme](#) to declare the VAT due on those supplies.

If a taxable person is not established in the EU nor has a fixed establishment in the EU, but has been issued a VAT number by an EU Member State, they can still choose to register for the Union Scheme.

Once a person is registered for the Union scheme, this scheme must be used to account for VAT on all supplies within the scope of the scheme. It is not possible for the VAT due on some supplies to be accounted for outside of the scheme. For suppliers who are not established in the EU and who choose to register for the Union scheme, this means that they must account for EU VAT due on all intra-Community distance sales of goods under the scheme.

1.2.3 Deemed Suppliers

A taxable person, established in the EU or outside of the EU, facilitating the supply of goods through an electronic interface as a deemed supplier, is treated as any other supplier and can register for the Union scheme to declare and pay EU VAT on:

- intra-Community distance sales of goods, and
- certain domestic supplies of goods, where the supply is facilitated through the electronic interface and the goods and the customer are located in the same Member State.

Only deemed suppliers are permitted to declare VAT due on domestic supplies through the Union scheme. More information on [Deemed Suppliers](#) is available in the TDM on Revenue's website.

1.3 VAT Rates

A supplier registered for the Union scheme will have to apply the VAT rate applicable to their supplies in the Member State of consumption. Information on the VAT rates applicable in each Member State can be found on the website of the tax administration of each Member State, and centrally on the [Taxes in Europe Database](#) provided by the European Commission.

2 Member State of Identification

The Member State of identification is the Member State in which a taxable person is registered for the purposes of the Union scheme.

The location in which a taxable person can register for the purposes of the Union scheme depends on the location(s) in which the business is established.

If the taxable person is established in Ireland, he or she can register for the Union scheme here only.

If the taxable person is not established in the Community, but has a fixed establishment in Ireland, he or she is obliged to register in Ireland, if this is the only Member State where they have a fixed establishment, should he or she wish to avail of the Union scheme.

If the taxable person is not established in the Community, but has more than one fixed establishment in the Community, the taxable person may choose one of those Member States, in which they have a fixed establishment, to be their Member State of identification. This choice will be effective for the remainder of the relevant year plus a period of two years.

If the taxable person is not established in the Community, and has no fixed establishment in the Community, and wants to avail of the Union scheme in respect of intra-Community distance sales of goods, he or she must register for the Union scheme in the Member State in which the dispatch or transport of the goods begins. If there is more than one Member State from which the goods are dispatched or transported, the supplier may choose one of those Member States as the Member State of identification. This choice will be effective the remainder of the relevant year plus for a period of two years.

2.1 Registering for the Union scheme

A supplier established in Ireland that wants to register for the purposes of the Union scheme can register with the Revenue Commissioners through the VAT OSS section in Revenue Online Services (ROS).

As the Revenue Commissioners will already have their basic details in ROS, their application will be prepopulated with this information. The supplier can edit certain elements of that information for the purposes of OSS registration. They must also provide details of any fixed establishments they have in other Member States and Value-Added Tax (VAT) identification numbers in those other Member States. Their VAT OSS registration number will be the same as their VAT number.

A non-EU established supplier that wishes to register in Ireland for the Union scheme can register using the [non-Union registration portal](#). Where a non-EU established supplier has already registered for another scheme under the OSS in Ireland their registration for this scheme can be completed through the VAT OSS section in ROS. A non-EU established supplier can only register in Ireland for the Union scheme where they are making intra-Community distance sales of goods from Ireland.

Where a person has provided information to the Revenue Commissioners for the purpose of registering for the Union scheme and the Revenue Commissioners are satisfied that the person can be registered for the scheme, that person will be issued an identification number and be told the date on which the registration takes effect from.

Where a non-EU established supplier has provided the information required for registration in the Union scheme, that supplier will have to create a verification code. This code will be needed later to retrieve their scheme identification number and their digital certificate. The digital certificate is required to access Revenue's online system, ROS.

If there is any change to the information provided at registration, the taxable person is obliged to inform the Revenue Commissioners of that change.

2.2 What if a supplier is already registered for MOSS?

If a person is an EU established supplier and is currently registered for the Union scheme under MOSS, their registration will continue to be valid for the purposes of the extended Union scheme under the OSS. VAT due on telecommunication, broadcasting and electronically (TBE) supplied services can continue to be accounted for using the extended Union scheme. They will not be required to register for the Union scheme under the OSS. Their MOSS registration will automatically transfer to the OSS.

It should be noted that once registered in the Union scheme, EU VAT due on all supplies covered within the scope of the scheme must be declared through the Union scheme VAT return.

2.3 When will the registration take effect?

Registration will usually take effect from the first day of the calendar quarter following the quarter in which the taxpayer has informed the Revenue Commissioners that they wish to register for the scheme. This rule will apply unless the taxpayer has already registered for the scheme as part of the pre-registration period from 1 April 2021, in which case the registration will take effect from 1 July 2021.

Another exception to this rule is where the taxpayer commences making supplies covered by the scheme before the first day of the calendar quarter and has informed the Member State of identification, in this case the Revenue Commissioners, that they have commenced activities covered by the scheme by the 10th day following the month in which the supply took place.

It should be noted that if this deadline is not met, the taxpayer will have a requirement to register and account for VAT in all Member States of consumption directly, for the period before the scheme registration commences.

3 Suppliers obligations under the Union Scheme

3.1 Union Scheme VAT Return

Once registered for the Union scheme, a taxable person will have responsibilities to fulfil in order to use the scheme. They must submit a quarterly Union scheme VAT return electronically by the end of the month following the end of the tax period covered by the return. This Union scheme VAT return will include all EU VAT due in each Member State where a supply has been made under the scheme for the period in question. This VAT will be remitted to the Revenue Commissioners for onward transmission to the relevant Member States of consumption.

The Union scheme VAT return must be made whether or not any supplies have been made during that quarter. If no supplies have been made during a calendar quarter,

a nil return should be submitted. The contents of the Union scheme VAT return will be different depending on the supplies made by the taxable person concerned.

Every Union scheme VAT return made under this scheme is to contain:

- i. the person's identification number (issued at registration), and
- ii. for every Member State of consumption of goods and services in which VAT is due:
 - (a) the total value of supplies made covered by the Union scheme during the tax period, exclusive of VAT
 - (b) the total amount broken down by rate of corresponding VAT
 - (c) the applicable rates of VAT, and
 - (d) the total VAT due in respect of the supplies.

In addition to this information, the Union scheme VAT return will contain additional information depending on the type of supplies made. More details on the additional information is available in [Appendix III](#).

3.2 Payment of VAT due

Where a supplier is registered for the Union scheme, they must use the scheme to declare and pay EU VAT due on all supplies within the scope of the scheme.

At the same time the Union scheme VAT return is submitted to the Revenue Commissioners (by the end of the month following the end of the tax period covered by the return), the taxable person must remit all EU VAT payable to Revenue.

If no Union scheme VAT return is submitted by the relevant date, the Revenue Commissioners will issue an electronic reminder to the relevant person after a period of 10 days. Where no payment has been made, the Revenue Commissioners will issue an electronic reminder to the relevant person after a period of 10 days.

3.3 Corrections to a Union Scheme VAT return

A correction can be made to a previously submitted Union scheme VAT return up to three years after the initial return was made. However, an amendment to the original return is not permitted in VAT OSS. The amendment will be made in a subsequent Union scheme VAT return by completing the correction panel and must include:

- the relevant Member State of consumption of the goods or services
- the tax period to which the amendment relates, and
- the total amount of VAT for which amendments are required.

3.4 Records

A taxable person registered for the Union scheme must retain records as part of using the scheme. The taxable person must keep records of all transactions covered by the Union scheme for a period of 10 years from 31 December of the year in which the transaction was carried out. The records must be sufficiently detailed for the Member State of consumption to verify that the Union scheme VAT return is correct. Details of the records to be retained are included in [Appendix II](#).

These records must be made available on request of the Revenue Commissioners or the Member State of consumption and must be provided electronically.

3.5 Exchange Rate

Where supplies have been made using a currency other than the euro, the exchange rate to be used is that published by the European Central Bank on the last day of the calendar quarter to which the Union scheme VAT return relates. If there is no publication on that date, the rate on the next day of publication is to be used.

3.6 VAT deductions

A taxable person making use of the Union scheme is not entitled to deduct VAT incurred in the Member State of consumption. Instead, they are to use the provisions of Council Directive 2008/9/EC, which provides for a system of electronic VAT refunds and which lays down detailed rules for the refund of value added tax to taxable persons not established in the Member State of refund but established in another Member State.

If the taxable person using the scheme is obliged to be VAT registered in a Member State for business activities not covered by the Union scheme, the taxable person will deduct the VAT incurred in that Member State in relation to the activities covered by the Union scheme in the normal VAT return submitted to the tax administration of that Member State.

4 De-registration from the Union scheme

A person may de-register from the Union scheme by informing the Revenue Commissioners by electronic means that they wish to de-register. The registration will cease from the first day of the next calendar quarter.

4.1 Removal from the Scheme

The Revenue Commissioners will remove a taxable person from the Union scheme in the following circumstances:

- (a) the taxable person notifies the Revenue Commissioners that they no longer carry out supplies of services and goods covered by the scheme
- (b) it can otherwise be assumed by the Revenue Commissioners that the taxable activities covered by the scheme performed by the taxable person have ceased

- (c) the taxable person no longer meets the conditions associated with the scheme, or
- (d) the taxable person persistently fails to comply with the rules of the scheme.

It should be noted that where a taxable person is excluded from the Union scheme for persistently failing to comply with the rules of the scheme, they will also be excluded from any of the special schemes (non-Union scheme and IOSS) in any Member State for two years following the period during which the person was excluded.

A taxable person will be considered as having persistently failed to comply with the rules of the Union scheme in at least the following cases:

- The taxable person has received reminders to submit a Union scheme VAT return for three return periods and the VAT return has not been submitted within 10 days of the reminder being sent by the Revenue Commissioners.
- The taxable person has received reminders to submit payment for three return periods and the full amount due has not been paid within 10 days of a reminder being sent by the Revenue Commissioners, unless the amount outstanding for each return is less than €100.
- The taxable person has failed to provide records electronically to the Revenue Commissioners within one month of a reminder to do so issuing from the Revenue Commissioners.

5 Registration for multiple schemes

It is possible for a taxable person to register for multiple schemes, depending on where that person has established their business and the supplies that they are making.

A taxable person established in the EU can be registered for both the Union scheme and the Import One Stop Shop (IOSS), where they are making supplies covered by those schemes.

A taxable person established outside of the EU who is registered for the Union scheme in relation to intra-Community distance sales of goods in the EU may also be registered for the non-Union scheme and can also opt to register for the IOSS, where they are making supplies covered by those schemes. Further information on the operation and scope of the [non-Union scheme](#) and the [IOSS](#) is available on Revenue's website.

Appendix I – Key Concepts

Fixed establishment

For a fixed establishment to be considered as such, it should have a sufficient degree of permanence and a suitable structure in terms of human and technical resources to receive and use or to make the respective supplies. Simply having a VAT identification number does not in itself mean that an establishment qualifies as a fixed establishment.

Member State of consumption

The Member State of consumption is a Member State in which the taxable person supplies goods or services to non-taxable persons, i.e. in which the supply takes place and where the VAT is due.

Member State of identification

The Member State of identification is the Member State in which the taxable person is registered for using a scheme of the One Stop Shop, and where he or she declares and pays the VAT due in the Member State(s) of consumption. A taxable person can only register in a single Member State for use of a special scheme. The Member State of identification in the case of the Union scheme is the Member State as determined with reference to the factors set out in part 2 above.

Taxable person not established within the Community

Taxable person not established within the Community means a taxable person who has not established his or her business in the territory of the Community and who has no fixed establishment there.

Appendix II – Record Keeping

The following information must be retained in the records of the taxable person making supplies under the Union scheme, in accordance with Article 63c(1) of the Implementing Regulation. This information must be retained for a period of 10 years:

- (a) the Member State of consumption to which the goods or services are supplied
- (b) the type of services or the description and quantity of goods supplied
- (c) the date of the supply of the goods or services
- (d) the taxable amount indicating the currency used
- (e) any subsequent increase or reduction of the taxable amount
- (f) the VAT rate applied
- (g) the amount of VAT payable indicating the currency used
- (h) the date and amount of payments received
- (i) any payments on account received before the supply of the goods or services
- (j) where an invoice is issued, the information contained on the invoice
- (k) in respect of services, the information used to determine the place where the customer is established or has his or her permanent address or usually resides and, in respect of goods, the information used to determine the place where the dispatch or the transport of the goods to the customer begins and ends
- (l) any proof of possible returns of goods, including the taxable amount and the VAT rate applied.

Appendix III – Union Scheme VAT Return Details

Every Union scheme VAT return made under this scheme is to contain:

- i. the persons identification number (issued at registration), and
- ii. for every Member State of consumption of goods and services in which VAT is due:
 - (a) the total value of supplies made covered by the Union scheme during the tax period, exclusive of VAT
 - (b) the total amount broken down by rate of corresponding VAT
 - (c) the applicable rates of VAT, and
 - (d) the total VAT due in respect of the supplies.

In addition to this information, if the taxable person makes intra-Community distance sales of goods and the goods are dispatched or transported from another Member State (other than situations in which they are the deemed supplier of goods), the Union scheme VAT return must also contain:

- i. the person's identification number allocated by the Member State from which the goods are dispatched or transported
- ii. for every Member State of consumption of goods in which VAT is due:
 - (a) the total value of intra-Community distance sales of goods made covered by the Union scheme during the tax period, exclusive of VAT
 - (b) the total amount broken down by rate of corresponding VAT
 - (c) the applicable rates of VAT, and
- iii. the total VAT due in each Member State from which goods are dispatched or transported, if any.

If the taxable person makes intra-Community distance sales of goods and the goods are dispatched or transported from another Member State where the taxable person is the deemed supplier of the goods, or where the taxable person is the deemed supplier of goods and the supply of the goods is a qualifying domestic supply of goods, the Union scheme VAT return must also contain:

- i. The person's identification number allocated by the Member State from which the goods are dispatched or transported, if available.
- ii. For every Member State of consumption of goods which VAT is due:
 - (a) the total value of intra-Community distance sales of goods made covered by the Union scheme during the tax period, exclusive of VAT
 - (b) the total amount broken down by rate of corresponding VAT

- (c) the applicable rates of VAT, and
 - (d) the total VAT due in respect of the supplies.
- iii. For every Member State from which the goods are dispatched:
- (a) the total value of intra-Community distance sales of goods made covered by the Union scheme during the tax period, exclusive of VAT
 - (b) the total amount broken down by rate of corresponding VAT
 - (c) the applicable rates of VAT, and
 - (d) the total VAT due in respect of the supplies.

The Union scheme VAT return is to contain additional information where the taxable person using the Union scheme supplies services and has one or more fixed establishments other than the Member State of identification from which the services are supplied. In this scenario, the VAT return is also to include:

- i. the identification number issued by the Member State from which the services are supplied, and
- ii. for each Member State from which the services are supplied:
 - (a) the total value exclusive of VAT
 - (b) the applicable rates of VAT
 - (c) the total amount per rate of the corresponding VAT
 - (d) the total VAT due in relation to the supplies.

This information is also to be broken down by reference to the Member States of consumption.