Transactions between persons registered as a VAT group and invoices

Transactions between persons registered as a VAT group are not deemed to be supply.

Transaction between a VAT payer belonging to a VAT group and a person outside the VAT group is deemed to be a transaction of the VAT group with that person.

The invoices shall not be issued for transactions between persons registered as a VAT group according to § 37 of the Value Added Tax Act.

Provision of the service between a VAT payer belonging to a VAT group and its permanent establishment located in a foreign country is deemed to be a business. It means that provision of the service by a VAT payer belonging to a VAT group to its permanent establishment located in a foreign country is deemed to be supply because the VAT group is treated as the provider of the service, not the separate member of the VAT group individually. There is the same principle, when the service is received from a foreign country, and also if the permanent establishment is located in Estonia.

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