

Exempt supply

The goods and services which supply is exempt from VAT are specified in **§ 16 of the Value Added Tax Act** (VAT Act).

Treatment of the transaction as exempt supply means that VAT shall not be added to the sales price of the goods or services and the taxpayer has no right to deduct input VAT of goods and services, acquired for exempt supply.

If the whole supply of a person is exempt from VAT – such person has no obligation to register for VAT liability, has no obligation to submit declarations arising from the VAT Act and has no obligation to fulfill other obligations of the VAT payer.

Last updated on 30.07.2025