For taxable persons of non-EU states

REFUND OF VAT TO A TAXABLE PERSON OF A NON-EU STATE

The main difference between the refund of VAT to a taxable person of a non-EU state (hereinafter third country) and a taxable person of another Member State is that, in the case of a third country, the principle of reciprocity in the refund of VAT is applied, i.e. VAT is refunded to a taxable person of a third country if the third country also refunds VAT to a taxable person of Estonia. **An exception is a person from a third country applying the special VAT scheme for the supply of services, intra-Community distance sales and the supply of goods via an online marketplace (OSS special scheme) who, as of 1 January 2022, is entitled to a refund of the input VAT relating to such supply, irrespective of whether or not an Estonian person is entitled to a refund of VAT in the person's country of location, and regardless of whether the person is a taxable person for VAT purposes in the country in which the person is located.**

VAT paid by a third country taxable person in Estonia upon the import or acquisition of goods, except immovables, or receipt of services used for business purposes shall be refunded to the third country taxable person if:

1. the taxable person is required to pay VAT as an undertaking in the country of location the person;
2. the amount of VAT to be refunded per calendar year is at least 320 euros;
3. taxable persons of Estonia have the right to deduct input value added tax paid upon the import or acquisition of goods or receipt of services under the same conditions from their calculated VAT;
4. in the country of location of the third country taxable person, Estonian residents have the right to the refund of VAT.

For example, Estonia refunds VAT to taxable persons from Norway, Iceland, Israel, Switzerland and the UK on the basis of the principle of reciprocity.

A taxable person from a third country must submit a written application (form KMT) in accordance with the procedure established by the regulation of the Minister of Finance no later than by 30 September of the current year to be refunded VAT paid in Estonia in the previous calendar year on the import/acquisition of goods or receipt of services. The taxable person of a third country must attach correct invoices to the application, as well as a certificate issued by the tax authority of the country of location stating that the person is liable to VAT in the country of location.

Application for refund of value added tax to taxable person not established in the Community | 172.44 KB | pdf

After checking the application and the documents, VAT will be refunded within six months of receipt of the application. The refundable VAT will be paid to the bank account specified in the application. If the refund is applied for to a bank account in a credit institution located in a foreign country, the fees charged by the credit institution for the transfer will be deducted from the amount to be paid to the

applicant.

The Tax and Customs Board will return all invoices submitted to it and documents certifying payment of VAT on imported goods to a taxable person of a third country together with a copy of the application.

Additional information

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Last updated on 08.01.2025