

Deduction of input VAT upon import of goods

When imported goods are used for the purposes of taxable supply, the taxable person is entitled to deduct the VAT paid or payable on import from the VAT calculated on his taxable supply.

Upon import of goods, input VAT is deducted on the basis of a customs declaration..

When goods are imported from a third country which is part of the customs territory of the Union (special territory), input VAT is deducted on the basis of the purchase invoice and the customs declaration form (subsection 2 of § 38 of the VAT Act) containing information on the imported goods (subsection 4 of § 31 of the VAT Act). If the amount of VAT due upon import of goods is paid on the basis of a decision resulting from a follow-up inspection by the customs authorities (no customs declaration is made), the input VAT is deducted based on the decision of the customs authorities (subsection 4¹ of § 31 of the VAT Act).

Upon import of goods, input VAT is deducted during a period of taxation if

- ✓ the customs authorities have released the goods or
- ✓ if the taxable person who imported the goods pays VAT through a customs agency, the person has the right to deduct the input VAT after the customs has released the goods.

However, the customs agency itself does not have the right to deduct VAT paid or payable on behalf of another person when goods are imported.

If a person has the authorisation to declare the import of goods or fixed assets on form KMD, input VAT due and deductible must be declared in the same VAT return – in the VAT return of the month of import of the goods.

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