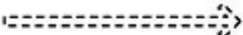


Examples of how to declare sales and acquisitions of goods in the EU in a VAT return and a report on intra-Community supply

Explanation of symbols

 transport

 invoice



border between Member States of the EU

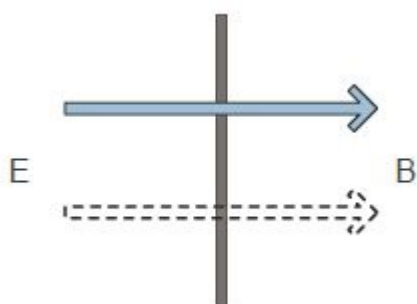


border between a Member State of the EU and a non-EU country

EXAMPLE 1

Sale of goods to an economic operator registered as a taxable person in another Member State

E in Estonia sells equipment to B in Belgium for 15,000 euros.



The sales of E are the intra-Community supply of goods subject to a 0 per cent tax rate. In addition to its own number of registration as a taxable person, E indicates on the invoice issued the number of registration as a taxable person of B, as well as the VAT rate of 0% and the reference to **Article 138 of Council Directive 2006/112/EU**.

B declares the taxable intra-Community acquisition of goods in Belgium.

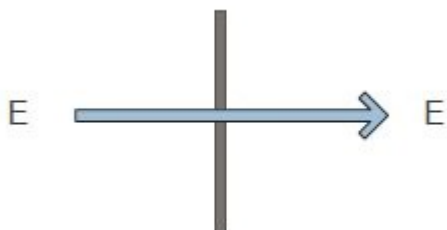
VAT return: E declares 15,000 euros in **lines 3** (Acts and transactions subject to tax at a rate of 0%), **3.1** (Intra-Community supply of goods and services provided to a taxable person of another Member State / taxable person with limited liability, total), and **3.1.1** (Intra-Community supply of goods);

Report on intra-Community supply: country code (*Riik*) BE, buyer's VAT identification number (*Ostja käibemaksukohustuslasena registreerimise number*) given by B, and taxable value of goods (*Kaupade maksustatav väärtus*) 15,000 euros.

EXAMPLE 2

Transfer of one's own goods from one Member State to another

E from Estonia transfers assets used for business purposes with an acquisition price of 15,000 euros from Estonia to Finland for the purpose of its business there.



The transfer of E's assets to another Member State is treated as intra-Community supply of E's goods, which are taxed at the 0 per cent rate in Estonia and as intra-Community acquisitions of goods in Finland. If E is not registered as a taxable person in Finland, he would have to do so before moving the assets.

E must document in its accounts that the assets have been transferred to another Member State. The document must indicate the 0 per cent tax rate (intra-Community supply). The document must include the number of registration as a taxable person in Estonia and Finland.

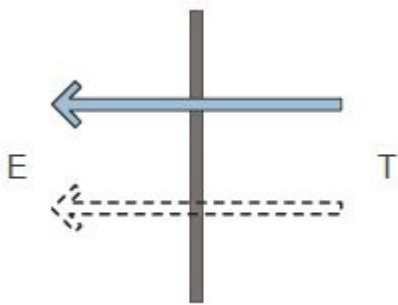
VAT return: 15,000 euros in **lines 3** (Acts and transactions subject to tax at a rate of 0%), **3.1** (Intra-Community supply of goods and services provided to a taxable person of another Member State / taxable person with limited liability, total), and **3.1.1** (Intra-Community supply of goods).

Report on intra-Community supply: country code (*Riik*) FI, the VAT registration number issued to E in Finland (*Ostja käibemaksukohustuslasena registreerimise number*) and the taxable value of goods (*Kaupade maksustatav väärtus*) is the value of the goods taken to Finland, i.e. 15,000 euros.

EXAMPLE 3

Purchase of goods from another Member State

E from Estonia buys a device from T in Germany for 15,000 euros excluding VAT. The device is delivered from Germany to Estonia.



T sells the device to E without German VAT, as E has an Estonian taxable person's number and the device is transported from Germany to Estonia.

E generates taxable supply of intra-Community acquisitions of goods in Estonia.

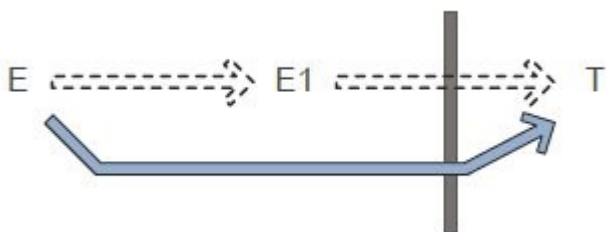
VAT return: 15,000 euros in **line 1 (or 2)** (Acts and transactions subject to tax at a rate of 24% (or 9%)), 3,600 (or 1,350) euros in **line 4** (Total amount of value-added tax (24% of line 1 + 20% of line 1¹ + 22% of line 1² + 9% of line 2 + 5% of line 2¹ + 13% of line 2²)), 15,000 euros in **line 6** (Intra-Community acquisitions of goods and services received from a taxable person of another Member State, total, incl) and **6.1** (Intra-Community acquisitions of goods), as well as 3,600 (or 1,350) euros in **line 5** (Total amount of input VAT subject to deduction pursuant to law).

Report on intra-Community supply: the buyer does not have to submit a report on the acquisition of goods.

EXAMPLE 4

Sale of goods to an economic operator registered as a taxable person in Estonia when the goods are transported to another Member State

E sells goods to E1 in Estonia for 18,600 euros (price excluding VAT: 15,000 euros) who resells the goods to T in Germany. The goods are transported directly from E to T in Germany.



This is a transaction between three taxable persons, but not a triangular transaction, since the participants in the transaction are not registered as taxable persons in three Member States but only in two. The transaction between E and E1 is treated as domestic taxable supply, so E must add Estonian VAT to the invoice issued to E1. E1 uses the general procedure to reduce the VAT calculated on its taxable supply by the input VAT included in the purchase price. The sale from E1 to T is an intra-Community sale of goods subject to 0 per cent tax rate followed by T's taxable intra-Community acquisition of goods. E1 must indicate on its invoice its own number of registration as a taxable person, the number of registration as a taxable person of the purchaser, as well as the 0 per cent VAT rate and **the reference to Article 138 of Council Directive 2006/112/EU**.

E must submit a return as follows:

VAT return: 15,000 euros in **line 1** (Acts and transactions subject to tax at a rate of 24%), 3,600 euros in

line 4 (Total amount of value-added tax (24% of line 1 + 20% of line 1¹ + 22% of line 1² + 9% of line 2 + 5% of line 2¹ + 13% of line 2²)).

Report on intra-Community supply: does not have to be submitted in case of domestic supply.

E1 must submit a return as follows:

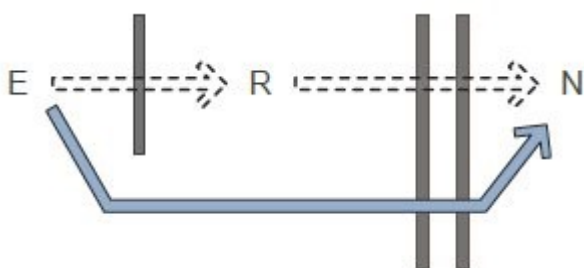
VAT return: in **line 3** (Acts and transactions subject to tax at a rate of 0%), **line 3.1** (Intra-Community supply of goods and services provided to a taxable person of another Member State/ taxable person with limited liability, total) and in **line 3.1.1** (Intra-Community supply of goods) the sales price of the goods for T in Germany, and in **line 5** (Total amount of input VAT subject to deduction pursuant to law) the 3,000 euros of VAT included in the price of goods purchased from E.

Report on intra-Community supply: country code (*Riik*) DE, the VAT registration number issued to T (*Ostja käibemaksukohustuslasena registreerimise number*) and the value of the goods sold to T (*Kaupade maksustatava väärtus*).

EXAMPLE 5

Sale of goods to another Member State but the goods are transported to a non-Community country

E from Estonia sells goods (15,000 euros) to R in Sweden, who resells the goods to N in Norway. The goods are transported from E directly to N in Norway.



Since the goods are not taken to another Member State but to a third country, it does not constitute intra-Community sales or acquisitions. E's sales to R are sales subject to 0 per cent rate to a non-Community country. R does not tax the sales transaction as the goods were not located in Sweden at the time of the sale. N must pay the import duty when the goods are imported.

VAT return: E declares 15,000 euros in **line 3** (Acts and transactions subject to tax at a rate of 0%) and **3.2** (Export of goods).

Report on intra-Community supply: does not have to be submitted.

EXAMPLE 6

Sale of goods together with assembly or installation in another Member State

Estonian taxable person E sells equipment together with its installation to T in Germany for 2.5 million euros. It is the obligation of E to install the equipment in Germany.

Where the contract provides for the delivery of the goods sold together with their installation, all supply must always be taxed in the Member State in which the goods are assembled or installed. In such a case, the law of the state where the installation takes place will be applied upon taxation of installation

works.

VAT return: E must declare 2.5 million euros in **informative line 9** (taxable value of goods to be installed or assembled in another Member State).

Report on intra-Community supply: does not have to be submitted.

EXAMPLE 7

Sale of goods in another Member State to a buyer who does not have a taxable person's number

Estonian taxable person E sells a device for 1,500 euros (excluding VAT) to T in Germany. T does not have a taxable person's number.

Since T does not have a taxable person's number and the device is taken out of Estonia, the sale must be taxed in Estonia. Therefore, seller E adds 24% or 360 euros of Estonian VAT to the invoice issued
VAT return: E declares 1,500 euros in **line 1** (Acts and transactions subject to tax at a rate of 24%) and 360 euros in **line 4** (Total amount of value-added tax (24% of line 1 + 20% of line 1¹ + 22% of line 1² + 9% of line 2 + 5% of line 2¹ + 13% of line 2²)).

Report on intra-Community supply: does not have to be submitted.

EXAMPLE 8

Sale of goods to a natural person of another Member State together with delivery of such goods to another Member State

When goods are sold within the European Union to **natural persons** or other persons treated as such **and where the seller also arranges the transport of the goods to another Member State**, it is treated as **intra-Community distance sales of goods**.

Taxation of intra-Community distance sales from 1 July 2021

On 1 July 2021, the thresholds for distance selling in the EU Member States were abolished. An EU-wide threshold of 10,000 euros was introduced, which applies to the total supply of intra-Community distance sales of goods (to all Member States combined) and digital services provided to final consumers in other Member States. When the threshold is not exceeded and the seller has no seat or permanent business establishment in any Member State other than the one in which he is established, those supplies can be taxed at the VAT rate applicable in the country in which the seller is established.

If, in the example above, E has not exceeded this threshold and has no seat or permanent establishment in other Member States, he can tax and declare the distance sales to the Danish natural person in the same way as until 30 June 2021.

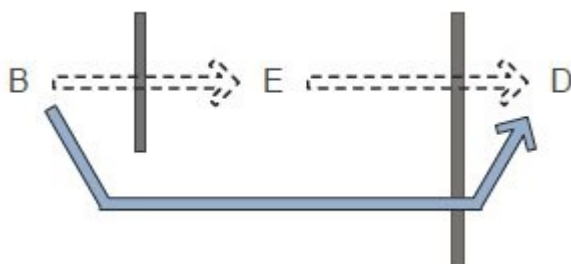
If E has exceeded the threshold or cannot apply it for other reasons (having a seat or a permanent establishment in another Member State), he must tax the distance sales at the VAT rate applicable in Denmark. He has two options:

1. register as a VAT payer in Denmark and declare and pay VAT directly to the Danish tax authority, or
2. join the OSS special scheme in Estonia and declare and pay VAT through this special scheme in Estonia. Read more about the [OSS special scheme](#).

EXAMPLE 9

Triangular transaction

B from Belgium sells goods to E in Estonia, who resells the goods to D in Denmark for 15,000 euros. The goods will be taken directly from Belgium to Denmark.



This is a triangular transaction on which special rules apply. B's sales to E are treated as intra-Community sales of goods. E must give B its number of registration as a taxable person. In this case, E is a reseller in a triangular transaction who, in the invoice issued to D, indicates, in addition to his taxable person's number, the taxable person's number of D and makes a reference to Article 138 and Article 141 of Council Directive 2006/112/EU (triangulation or triangular transaction). In doing so, E does not have to register as a taxable person in Denmark or pay VAT on intra-Community acquisition and resale of goods in Denmark, since the tax liability passes to D.

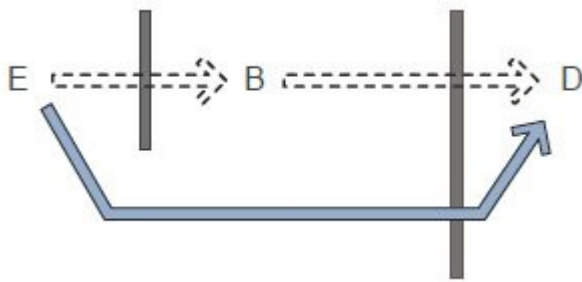
VAT return: E as a reseller does not submit a VAT return.

Report on intra-Community supply: in a triangular transaction, the reseller, in this case E, is required to submit a report on the intra-Community supply of goods. E must indicate in the report the country code (Riik) DK, the VAT number of D (*Ostja käibemaksukohustuslasena registreerimise number*) and the value of the goods 15,000 euros sold to D (*Kaupade maksustatava väärtusena*) in the field "Triangular transaction" (*Kolmnurktehing*).

EXAMPLE 10

Triangular transaction

E from Estonia sells a device for 15,000 euros to B in Belgium, who resells it to D in Denmark.



This is also an example of a triangular transaction. E's sales to B are intra-Community sales of goods. In addition to its own number of registration as a taxable person, E must indicate on the invoice issued the number of registration as a taxable person of B, as well as a reference to Article 138 of Council Directive 2006/112/EC.

VAT return: E as the transferor declares 15,000 euros in **lines 3** (Acts and transactions subject to tax at a rate of 0%), **3.1** (Intra-Community supply of goods and services provided to a taxable person of another Member State / taxable person with limited liability, total), and **3.1.1** (Intra-Community supply of goods); Report on intra-Community supply: E must indicate in the report the country code (*Riik*) BE, the VAT number of B (*Ostja käibemaksukohustuslasena registreerimise number*) and the value of the goods 15,000 euros (*Kaupade maksustatav väärtus*) sold to B.

Last updated on 01.07.2025