

Combating VAT Fraud: Reverse Charge, One-Stop- Shop, Blockchain – How to make the VAT fit for the Future?

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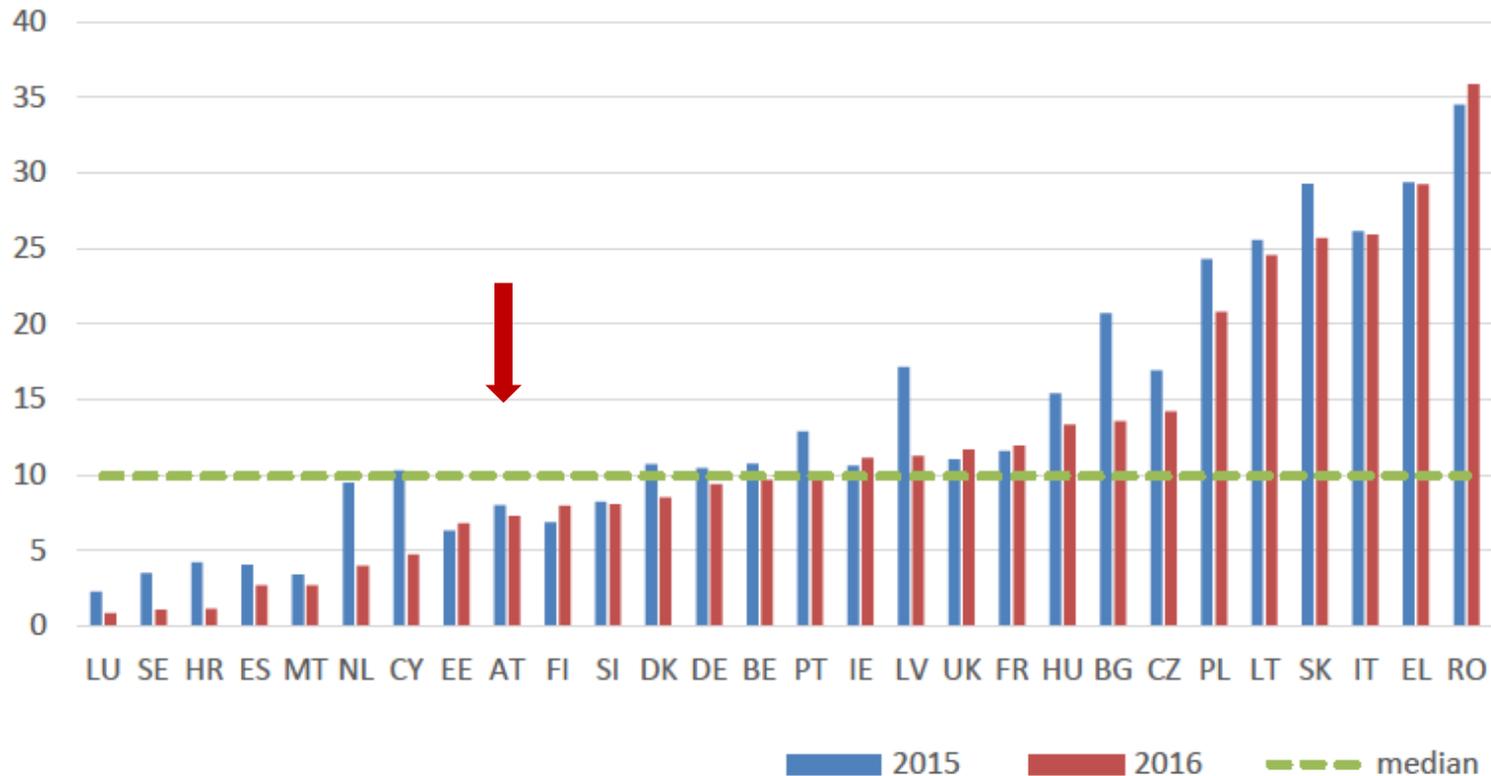


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Agenda

1. VAT Gap
2. Measures to Combat VAT Fraud
 - a. Carousel Fraud
 - b. E-Commerce Fraud

2018 Report on the VAT Gap



Study and Reports on the VAT Gap in the EU - 28 Member States: Final Report 2018, TAXUD/2015/CC/131

2018 Report on the VAT Gap

VAT Gap

- 2016: estimated EUR 147.1 billion represents 12.3% of the total expected VAT revenue
 - Estimated VAT Gaps ranges from 0.85% in Luxembourg to 35.88% in Romania
 - Decrease of EUR 10.5 billion = 0.9%
- Carousel Fraud
 - Estimated EUR 60 billion represents 40% of VAT Gap
- E-Commerce VAT Fraud
 - Estimated 5 billion
 - Online television and digital gaming
 - Import of goods from third territories

Measures to Combat VAT Fraud

Carousel Fraud

Initiatives of the EU

- VAT ID and EU Sales Listings to become a substantive requirements for zero-rating of intra-EU supplies of goods
- Destination Principle and OSS
- Generalized Reverse Charge System
- Certified Tax Payer

Measures to Combat VAT Fraud

Carousel Fraud

Initiatives of the Member States

- SAF-T / Making Tax Digital for Business (MTDfB)
- Split Payment Mechanism (IT, PL, RO)
- Real-Time Electronic Invoicing and Reporting (IT, HU, GR)

Measures to Combat VAT Fraud

E-Commerce Fraud

Initiatives of the EU

- Electronic Interfaces (eg marketplaces, platforms, portals)
- Payment Service Providers

Initiatives of the Member States

- Liability of the providers of marketplaces (GE)

Thank you

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