Deloitte.

URL: http://www.deloitte-tax-news.de/german-tax-legal-news/lower-finance-court-of-cologne-rules-on-conditions-for-obtaining-a-vat-refund-under-the-special-refund-procedure-for-eu-residents.html

30.03.2016

German Tax and Legal News

Lower Finance Court of Cologne rules on conditions for obtaining a VAT refund under the special refund procedure for EU residents

Submission of scanned invoice copies is sufficient for input VAT refund under the special refund procedure for EU residents

The Lower Finance Court of Cologne issued a decision on February 16, 2016 involving the requirements for submitting a VAT refund claim under the special refund procedure for EU residents. In the case before the court, the taxpayer electronically submitted scanned invoice copies to the German tax authorities instead of scanned versions of the original invoices.

The special refund procedure for EU residents allows EU taxpayers to apply for a refund of German VAT levied on purchases even if they are not VAT registered in Germany. To receive a refund, the applicant must file the claim by September 30 of the following year. Until December 31, 2014, the German VAT application decree required that scanned copies of the underlying invoices had to be submitted electronically by the September deadline.

The Lower Finance Court of Cologne concluded that the VAT refund should be granted in the case because the submission of copies of the invoices fulfills the conditions under German law that were in effect at the time, as well as the requirements in the directive. The Court rejected the argument of the Federal Tax Office that the submission of a scanned original invoice is required to prevent misuse of the original document.

EU taxpayers with German VAT refund claims for previous years that still are open should assess whether they may be eligible to obtain a refund based on the court's decision. However taxpayers should be aware that the wording of the relevant German provision has been revised--as from January 1st 2015, the language reads "scanned originals of the underlying invoices". Thus, for refund claims as from Q1 2015, scanned originals instead of copies of the invoices must be submitted electronically.

www.deloitte-tax-news.de

Diese Mandanteninformation enthält ausschließlich allgemeine Informationen, die nicht geeignet sind, den besonderen Umständen eines Einzelfalles gerecht zu werden. Sie hat nicht den Sinn, Grundlage für wirtschaftliche oder sonstige Entscheidungen jedweder Art zu sein. Sie stellt keine Beratung, Auskunft oder ein rechtsverbindliches Angebot dar und ist auch nicht geeignet, eine persönliche Beratung zu ersetzen. Sollte jemand Entscheidungen jedweder Art auf Inhalte dieser Mandanteninformation oder Teile davon stützen, handelt dieser ausschließlich auf eigenes Risiko. Deloitte GmbH übernimmt keinerlei Garantie oder Gewährleistung noch haftet sie in irgendeiner anderen Weise für den Inhalt dieser Mandanteninformation. Aus diesem Grunde empfehlen wir stets, eine persönliche Beratung einzuholen.

This client information exclusively contains general information not suitable for addressing the particular circumstances of any individual case. Its purpose is not to be used as a basis for commercial decisions or decisions of any other kind. This client information does neither constitute any advice nor any legally binding information or offer and shall not be deemed suitable for substituting personal advice under any circumstances. Should you base decisions of any kind on the contents of this client information or extracts therefrom, you act solely at your own risk. Deloitte GmbH will not assume any guarantee nor warranty and will not be liable in any other form for the content of this client information. Therefore, we always recommend to obtain personal advice.