

Overview of VAT place of supply rules

The place of supply of (*first column*) is deemed to be the place where (*2nd and 3rd columns for supplies to non-taxable and taxable persons respectively*)

	B2C	B2B
General rule		
Services	... supplier is established, with exceptions for certain services including most tourism services (see below) (1) <i>Art. 45 of Directive 2006/112</i>	... customer is established, with exceptions for certain services including many tourism services (see below) (1) <i>Art. 44 of Directive 2006/112</i>
Exceptions		
Intermediary services <u>Includes</u> : intermediation in hotel accommodation (2) <u>Excludes</u> : intermediation of cultural and similar events (3)	... underlying service takes place, in accordance with the provisions below <i>Art. 46 of Directive 2006/112</i>	... customer is established (1) <i>No exception, so Art. 44 of Directive 2006/112</i>
Accommodation (hotel and similar services) <u>Excludes</u> : intermediation of accommodation (2)	... hotel is located <i>Art. 47 of Directive 2006/112</i>	... hotel is located <i>Art. 47 of Directive 2006/112</i>
Passenger transport	... transport takes place, having regard to the distance covered <i>Art. 48 of Directive 2006/112</i>	... transport takes place, having regard to the distance covered <i>Art. 48 of Directive 2006/112</i>
Cultural and similar services : Cultural, artistic, sporting, scientific, educational, entertainment and similar activities (e.g. fairs & exhibitions) <u>Includes</u> : intermediation of cultural and similar events (3)	... activities / events take place <i>Art. 54 of Directive 2006/112</i>	A distinction is made between: - Admission to cultural events → taxed where activities / events take place <i>Art. 53 of Directive 2006/112</i> - Supply of services & ancillary services relating to cultural activities → taxed where customer is established (1) <i>No exception, so Art. 44 of Directive 2006/112</i>
Restaurant and catering services	... services are physically carried out <i>Art. 55 of the Directive 2006/112</i>	... services are physically carried out <i>Art. 55 of the Directive 2006/112</i>

	B2C	B2B
Exceptions – cont'd		
Hiring of means of transport - short-term (ST) (4) - long-term (LT)	ST: ... means of transport is put at customer's disposal <i>Art. 56 § 1 of Directive 2006/112</i> LT: ...customer is established with exception (5) <i>Art. 56 § 2 of Directive 2006/112</i> (1)	ST: ... means of transport is put at customer's disposal <i>Art. 56 § 1 of Directive 2006/112</i> LT:... customer is established <i>No exception, so Art. 44 of Directive 2006/112</i> (1)
Restaurant & catering services physically carried out and consumed on board ships, aircrafts or trains (6)	...point of departure (7) <i>Art. 57 of Directive 2002/112</i>	...point of departure (7) <i>Art. 57 of Directive 2002/112</i>

- (1) Option: In order to prevent double taxation, non-taxation or distortions of competition, Member States may (i) exempt services where it considers the effective use and enjoyment of the services to take place outside the Community and (ii) tax services where it considers the effective use and enjoyment of the services to take place within the territory.
- (2) The intermediation of hotel accommodation falls under the place of supply rules for 'intermediary services' rather than 'accommodation services', *Art. 31 of Implementing Regulation 282/2011*
- (3) The intermediation of tickets granting access to cultural and similar events fall under the place of supply rules for 'cultural services' rather than 'intermediary services', *Art. 33a of Implementing Regulation 282/2011 as amended by Implementing Regulation 1042/2013*
- (4) Short-term = period of not more than 30 days. Exception for vessels, where period shall not exceed 90 days
- (5) Exception: the place of supply of long-term hiring a pleasure boat to a non-taxable person shall be the place where the pleasure boat is put at customer's disposal when the service provider is also established in that place
- (6) For passenger transport operations effected within the Community
- (7) The return trip is regarded as a separate transport