

MOSS

The Mini One Stop Shop
VAT Scheme for suppliers
to consumers of:

Telecommunications -
Broadcasting -
E-services -



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MOSS Vat Scheme

MOSS, which was introduced on 1 January 2015, is a scheme designed to be used by businesses who supply telecommunications, broadcasting or e-services to non-taxable persons in Member States in which they do not have an establishment. It allows businesses to make one quarterly return for these types of supplies in **one Member State**.

The introduction of MOSS coincides with the introduction of the new place of **supply rules relating to the supply of telecommunications, broadcasting or e-services**. From 1 January 2015, the place of supply of these services to non-taxable persons will be where the customer is established, has a permanent address or usually resides. Before the introduction of MOSS, taxable persons making such supplies were obliged to register for VAT, file returns and make payments in each Member State in which the non-taxable persons reside.

There are two schemes within MOSS:

1. The Non-Union Scheme for businesses that have no establishment within the EU
2. The Union Scheme for businesses that have an establishment within the EU but are making

supplies to Member States in which they have no establishment

The rules for the two schemes are identical however under the Union Scheme the business must register for MOSS in the Member State in which it is already established. A business registering under the Non-Union Scheme can choose which Member State to register in. Please note that a business can only register for MOSS in one Member State.

Despite having the ability to make a MOSS return in one Member State, the business needs to charge the appropriate VAT rate applicable to the Member State in which the customer is established.

A list of the applicable VAT rates for the different Member States can be seen at the following link: http://ec.europa.eu/taxation_customs/resources/documents/taxation/vat/how_vat_works/rates/vat_rates_en.pdf

The following EU requirements should be considered when configuring any accounting system for the business. The accounting system

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must have the capability to provide reports per Member State, detailing all of the items below on a quarterly basis.

EU legislation specifies that the company registered for MOSS must **retain the following information** for a period of 10 years from the end of the year in which the supply was made:

- The Member State of consumption to which the service is supplied
- The date and type of service supplied
- The VAT rate applied
- The amount of VAT payable including the currency
- The date and amount of payments received
- Any payments on account received before the supply of the service
- The name of the customer, if known
- If an invoice is issued, the information contained on the invoice
- The information used to determine the place where the customer is established

All information must be maintained in such a way that in the event of a MOSS audit it can be provided electronically and without delay.

MOSS records can be requested by either:

- The tax authorities of the Member State of identification
- The tax authorities of the Member State of consumption for supplies made in that particular Member State

Registering for MOSS in Ireland

To register for MOSS in Ireland under the non-Union scheme, visit: <https://www.ros.ie/vatmoss-web/vatmoss.html?execution=e1s1>

The following information needs to be provided when registering:

- Company name and Trading name, if different
- Address
- Website Urls
- Contact details for directors
- National Tax reference number
- Bank account details

Registration under the Union scheme in Ireland is more straightforward and can be applied for through www.ros.ie.

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MOSS Returns

Once registered, MOSS returns must be submitted electronically through ROS on a quarterly basis. Each quarter commences on 1 January, 1 April, 1 July and 1 October.

Each return must be filed and paid online within 20 days of the end of that particular quarter. For example, the MOSS return for the period January – March 2015 must be filed by 20 April 2015.

On the return, the business must enter the taxable amount of the relevant supplies and the relevant VAT rate. The MOSS system will calculate the VAT due at each rate for the supplies entered and produce the total amount due for that Member State. When transaction details for all Member States have been entered, the MOSS system will calculate the total amount due in relation to each Member State.

If no MOSS VAT return has been filed within 10 days of the return due date, Revenue will contact the business with a reminder. If a business

submits late MOSS VAT returns, or fails to submit the returns, for 3 consecutive quarters, the business can be excluded from MOSS.

In summary, the business must register for MOSS in one Member State and electronically submit quarterly returns, and pay the corresponding VAT due, for all the relevant supplies made to non-taxable persons in Member States in which it is not established. The return is then processed by the tax authorities of the Member State of identification to the corresponding Member States' tax authorities.

If you need any assistance with MOSS registration or filing of MOSS returns please contact us at www.squires.ie

Squires Gilbride - Chartered Accountants & Advisors are located in Dublin, Ireland.

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