

# Charging and refunding of sales tax (value added tax - VAT) ) for foreign customers (guidelines for exhibitors at trade fairs)<sup>1</sup>

Services that are provided in connection with **trade fairs** and **exhibitions**, including the services provided by the individual **promoters** and the **associated activities**, which are indispensable for the performance of the services, are taxable at the place where the services are actually performed (**at the trade fair venue**).<sup>2</sup>

This means that services which you, as an **exhibitor at the fair**, obtain in connection with your business activities in Germany, are as a rule subject to German sales tax (VAT). In such cases Messe Berlin is obliged to issue invoices which includes German sales tax (VAT) and to remit the sales tax (VAT) to the fiscal authorities. This applies irrespective of whether the party concerned has been assigned a sales tax (VAT) ID number, and is not affected by the change in the law, which took effect on 1 January 2010 and introduces new rules concerning the place of performance for the services (in German terms: of "other services").

If your company is domiciled in a **member state of the European Union** or in one of the so-called **third countries**, with which an agreement has been concluded concerning the refund of tax paid in advance, subject to certain conditions the possibility exists for an application to be submitted for a refund of the amounts of sales tax (VAT) for which you have been invoiced, thereby reducing your costs.

Information about the **sales tax (VAT) refund procedure** can be obtained from a **tax advisor** to be appointed by yourself, or from the German fiscal authorities,

## Bundeszentralamt für Steuern:

[http://www.bzst.bund.de/003\\_menue\\_links/006\\_ust-verquetung/index.html](http://www.bzst.bund.de/003_menue_links/006_ust-verquetung/index.html)

## Recipients domiciled in the territory of the EU:

Member states of the European Union:

Austria	Hungary	Sweden
Belgium	Ireland	Slovenia
Bulgaria	Italy	Slovakia
Cyprus	Latvia	Spain
Czech Republic	Luxembourg	United Kingdom
Denmark	Malta	
Estonia	Netherlands	
Finland	Lithuania	
France	Poland	
Germany	Portugal	
Greece	Romania	

On 01 January 2010 the previous paper-based process for businesspeople domiciled in the EU member states was replaced by an electronic refunding process, requiring the recipient to set up an electronic mail box in their country of domicile.<sup>3</sup> Information about the electronic mailbox in your own country of domicile can be obtained directly from **the responsible authority in the country of domicile**:

[http://www.bzst.bund.de/003\\_menue\\_links/006\\_ust-verquetung/060\\_inl\\_untarn/612\\_merkblatt/001\\_erstattung\\_ausland.pdf](http://www.bzst.bund.de/003_menue_links/006_ust-verquetung/060_inl_untarn/612_merkblatt/001_erstattung_ausland.pdf)

The minimum amount for an annual application or applications for the most recent period in a calendar year is 50 euros. If the businessperson is submitting an application for a period of at least three months the amount applied for must be at least 400 euros. If the payment for the sale or import amounts to at least 1000 euros the electronic application for a refund must include copies of invoices and import documentation. In individual, justified cases submission of the original invoices may be required. The application for a refund must be submitted in the

<sup>1</sup> **Messe Berlin GmbH** assumes no liability regarding the completeness and correctness of the legal provisions and information presented here. This also applies to the content of pages that have not been compiled by Messe Berlin GmbH but to which reference is made (links). Only the announcements in official publications (usually the 'Bundesgesetzblatt' or 'Bundesanzeiger' are of an official character.

<sup>2</sup> See § 3a Section 3 No. 1 UStG (Law on Sales tax (VAT))

<sup>3</sup> Council Directive 2008/9/EC from 12 February 2008

member country of domicile by 30 September of the following year (see Items 10 – 17 of the Council Directive 2008/9/EC from 12 February 2008).

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2008:044:0023:0028:EN:PDF>

## Recipients domiciled in third countries:

Third countries with which an agreement exists for the refund of tax paid in advance:

Andorra	Hong Kong (PR of China)	Maldives
Antigua and Barbuda	Iraq	Macedonia (from 1 April 2000)
Australia	Iran	Netherlands Antilles (until 30 April 1999)
Bahamas	Iceland	Norway
Bahrain	Israel (from 14 July 1998)	Oman
Bermudas	Jamaica	Pakistan (from 1 July 2008)
Bosnia and Herzegovina (from 1 January 2006)	Japan	Qatar
British Virgin Islands	Jersey	Solomon Is.
Brunei Darussalam	Korea, Dem. Peoples' Republic	San Marino
Canada	Korea, Republic (from 1 January 1999)	Saudi Arabia
Cayman Islands	Kuwait	Switzerland
China (Taiwan) (from 1 January 2010)	Lebanon	St. Vincent and Grenadines
Croatia (from 1 January 2010)	Liberia	Swaziland
Gibraltar	Libya	United Arab Emirates
Grenada	Liechtenstein	United States of America (USA)
Greenland	Macau	Vatican
Guernsey		

Businesspeople who are not domiciled in the territory of the Community should apply to the German fiscal authority, Bundeszentralamt für Steuern, for refunds, using the officially prescribed form.

[http://www.bzst.bund.de/003\\_menuue\\_links/006\\_ust-verguetung/060b\\_Unternehmer\\_Drittstaaten/000\\_Verfahrensablauf/index.html](http://www.bzst.bund.de/003_menuue_links/006_ust-verguetung/060b_Unternehmer_Drittstaaten/000_Verfahrensablauf/index.html)

Applications for refunds should be submitted within six months following the end of the calendar year in which the claim arose. The refund being applied for must amount to at least 1,000 euros. This does not apply if the period to which the refund refers is in the same calendar year or the final period of the calendar year. Applications for refunds for such periods must amount to at least 500 euros.<sup>4</sup>

To reduce processing times applicants are advised to use the online access procedure when submitting their applications. The original invoices and the original signed application which may be required, according to the chosen access method, must be submitted with six months following the end of the calendar year in which the claim for a refund arose, to

**Bundeszentralamt für Steuern  
Passower Chaussee 3b  
16303 Schwedt/Oder  
Germany.**

This is a limitation period, which cannot be extended. The application must be accompanied by confirmation from the country of domicile that you are registered as a businessperson with a tax reference number (confirmation of status as businessman).

Individual queries should be sent by email to the German fiscal authority, Bundeszentralamt für Steuern: **[vorsteuerverguetung@steuerliches-info-center.de](mailto:vorsteuerverguetung@steuerliches-info-center.de)**

Instructions are available to assist with online access:

[http://www.bzst.bund.de/003\\_menuue\\_links/006\\_ust-verguetung/061\\_ausl\\_extern/612\\_merkblatt/001\\_Leitfaden\\_en.pdf](http://www.bzst.bund.de/003_menuue_links/006_ust-verguetung/061_ausl_extern/612_merkblatt/001_Leitfaden_en.pdf)

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<sup>4</sup> See § 61a UStDV