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## Value Added Tax Act<sup>1</sup>

Adopted on 10.12.2003  
RT I 2003, 82, 554  
entered into force in accordance with Paragraph 50.

### Chapter 1 GENERAL PROVISIONS

#### § 1. Object of tax

- (1) The object of VAT is:
- 1) turnover, except for tax-free turnover, the place of formation of which is Estonia;
  - 2) the importation of goods into Estonia (Paragraph 6), excluding tax-free importation (Paragraph 17);
  - (3) the supply of services, the place of turnover of which is not Estonia (Paragraphs 10(4) and (5) and 10<sup>(1)</sup>(6)), excluding tax-free turnover;  
[RT I, 26.03.2021, 1 - effective 01.07.2021]
  - 4) the turnover of goods or services specified in paragraph 16(3) of this Law, to the taxable value of which the person liable to pay VAT (hereinafter the *taxable person*) has added VAT;  
[RT I, 19.12.2019, 2 - effective 01.01.2020]
  - 5) intra-Community acquisition of goods (§ 8), excluding intra-Community acquisitions of goods exempt from tax (§ 18).
- (2) VAT shall be applied as a tax on added value, except in special cases arising from this Act.

#### § 2. Definitions

- (1) For the purposes of this Act, terms related to countries and territories shall have the following meanings:
- (1) Estonia is a territory under the jurisdiction of the Republic of Estonia;
  - (2) "Community" means the territory of the Member States as defined in point 3 of this paragraph;  
[RT I, 18.02.2014, 2 - effective 01.03.2014]
  - 3) the Member State is the territory of a Member State of the European Union (hereinafter the *Union*) in accordance with Article 5(2) and Article 7 of Council Directive 2006/112/EC on the common system of value added tax (OJ L 347, 11.12.2006, p. 1–118);  
[RT I, 18.02.2014, 2 - from force. 01.03.2014]
  - 4) a foreign state is a state or a territory subject to its jurisdiction, except Estonia;
  - (5) "non-Member State" means a State, or a territory subject to its jurisdiction, which is not considered to be a Member State within the meaning of point 3 of this paragraph.
- (2) Entrepreneurship for the purposes of this Act is the independent economic activity of a person (Section 3), in the course of which goods are transferred or a service is provided, regardless of the purpose or results of the activity. The activities of notaries and bailiffs are also considered to be business activities. The provision of a service between a company and its permanent establishment shall not be regarded as a business activity. The activities of state, rural municipality and city authorities and legal persons governed by public law shall be regarded as entrepreneurial activities only if those activities constitute an economic activity within the meaning of Annex I to Council Directive 2006/112/EC or of transactions and activities listed in Paragraph 1(1) of this Law which can also be carried out by other taxable persons and the non-taxation of which has a significant impact on competition.  
[RT I, 23.12.2013, 1 - from force. 01.01.2014]
- (3) For the purposes of this Act, the terms of goods and services shall have the following meanings:
- (1) a good is a thing, an animal, a gas, and electricity, heating and cooling. Immovable property is considered to be immovable property within the meaning of the General Part of the Civil Code Act, the right of building and a utility network or facility within the meaning of the Property Law Act, a building as movable property within the meaning of the Act on the Implementation of the Law of Property Act, and apartment ownership and the right to build an apartment within the meaning of the Apartment Ownership and Apartment Associations Act. Building land is defined as immovable property within the meaning of the General Part of the Civil Code Act, which does not contain a building, other than a utility network or structure, and which has been planned for construction in accordance with the design conditions, a detailed plan or a special plan of the state or local government, or for which a construction notice has been submitted, or the cadastral purpose of which is more than 50 percent residential or commercial land, or jointly. The goods shall also be freely available to all purchasers and shall be provided with standard software or standard information media designed to perform the same functions;  
[RT I, 24.04.2018, 2 - from force 01.10.2018]
  - 2) goods to be installed or assembled are goods which are transferred and installed or assembled by or on behalf of the transferor in another Member State and the cost of installation or assembly of which exceeds 5 per cent of the taxable amount of the transaction;
  - (3) "service" means the provision of a benefit or the transfer of a right, including a security, which is not a commodity in accordance with point 1 of this paragraph, and the avoidance of economic activity for consideration, the abandonment of the exercise of a right or the tolerability of a situation. The Service is also software and information transmitted electronically and a storage medium with specially designed or adapted software or information according to the Buyer's order.

(3<sup>1</sup>) Call-off stock within the meaning of this law means goods which are transferred to another Member State, subject to all of the following conditions:

- (1) the goods are transferred by a taxable person to another Member State for the purpose of supplying goods there, within 12 months of their arrival, to a person identified for tax purposes in that other Member State, in accordance with an agreement concluded between taxable persons;
- (2) the person to whom the goods are to be supplied is identified as a taxable person in the Member State to which the goods are to be delivered and that person and the tax identification number issued to him in that Member State are known to the taxable person carrying the goods;
- (3) the taxable person who transfers the goods to another Member State does not have a place of business or a fixed establishment in another Member State to which the goods are transferred;
- (4) the taxable person keeps records of the goods delivered to another Member State in accordance with the procedure established pursuant to Paragraph 36(5) of this Law;
- (5) the taxable person shall include the identity of the person acquiring the goods transferred to another Member State in the intra-Community turnover report.

[RT I, 19.12.2019, 2 - from force. 01.01.2020]

(4) For the purposes of this Act, an electronically supplied service is:

- (1) the transfer of the web environment;
- 2) web administration;
- 3) remote maintenance of the program and equipment;
- 4) transfer and update of electronically transmitted software;
- (5) electronically transmitted images, text and information and enabling the use of an electronic database;
- (6) electronically transmitted music, film and games, including gambling;
- (7) electronically transmitted political, cultural, sporting, scientific and recreational broadcasts;
- (8) electronic distance learning and other services similar to those mentioned above.

Where the service provider and the recipient of the service communicate by electronic means, the service is therefore not considered to be an electronically supplied service.

(5) Transfer is the transfer of possession of goods, with the risk of accidental destruction of the goods and the right to use the goods and the economic benefits associated with them as owner, regardless of their status in rem. Transfer within the meaning of this Law also means the transfer of goods under a commission contract and the transfer of goods on the basis of a transaction which provides for the transfer of ownership of the goods to the contractual user of the goods upon termination of the contract.

(6) Own account means the supply free of charge by a taxable person of goods forming part of the property of his undertaking and the supply of services free of charge, as well as the use free of charge of goods forming part of the assets of the undertaking by the taxable person himself, his employee, servant or member of the management or controlling body for his own personal use or for other purposes not connected with business. The use of a passenger car for non-business purposes is not considered to be self-consumption, except in the cases specified in points 3 and 4 of Paragraph 30(4) of this Law. The supply or use of goods in the above cases shall be treated as own consumption if the taxable person has deducted all or part of the input VAT on those goods or part of those goods from his calculated VAT.

[RT I, 11.07.2014, 3 - from force. 01.12.2014]

(7) A new means of transport for the purposes of this Act is:

- (1) a craft with a length of more than 7.5 metres which has been disposed of before the expiry of a period of three months from the date of first entry into service or which has sailed for less than 100 hours, except for a seagoing vessel referred to in section 15(3)(3) of this Act;
- (2) an aircraft with a take-off mass of more than 1550 kilograms which has been transferred before the expiry of a period of three months from the date of first entry into service or which has flown for less than 40 hours, with the exception of the aircraft referred to in point (4) of Paragraph 15(3) of this Law;
- (3) a land-based motor vehicle with an engine capacity of more than 48 cubic centimetres or an engine power exceeding 7,2 kilowatts, disposed of before the expiry of a period of six months from the date of first entry into service or driven less than 6000 kilometres;

(8) A triangular transaction is a transaction of supply of goods between three taxable persons from different Member States which fulfils all of the following conditions:

- (1) a taxable person of the first Member State (hereinafter referred to as the *transferor in a triangular transaction*) transfers goods to a taxable person of another Member State (hereinafter referred to as the *reseller in a triangular transaction*) who then transfers the goods to a taxable person of a third Member State (hereinafter referred to as the *customer in a triangular transaction*); );
- (2) the goods are delivered from the first Member State to the third Member State to the customer in a triangular transaction;
- (3) the dealer in the triangular transaction is not identified as a taxable person or a restricted taxable person in a third Member State;
- 4) the customer in a triangular transaction pays VAT on the acquisition of goods in a triangular transaction.

(9) Intra-Community distance sales are the supply and delivery by or on behalf of the transferor of goods, other than a new means of transport or goods to be installed or assembled, to another Member State to a person not identified there as a taxable person or as a restricted taxable person. Intra-Community distance sales shall also be deemed to exist where the transferor of the goods indirectly intervenes in the transfer of the goods referred to in this paragraph to another Member State to a person not identified there as a taxable person or as a restricted taxable person.

[RT I, 23.02.2021, 1 - from force. 01.07.2021]

(9<sup>1</sup>) Distance sales of goods imported from a non-Community country shall mean the supply and delivery by or on behalf of the transferor of goods, other than new means of transport or goods to be installed or assembled, from a non-Community country to a person established in the Community who is not identified as a taxable person or a restricted taxable person. Distance sales of goods imported from a non-Community country shall also exist where the transferor indirectly intervenes in the conveyance of the goods referred to in this paragraph from a non-Community country to a person established within the Community who is not identified as a

taxable person or a restricted taxable person.  
[RT I, 23.02.2021, 1 - from force. 01.07.2021]

(10) For the purposes of this Law, investment gold means a bullion or gold bar of an approved weight on the bullion markets, the pure gold content of which is at least 995 thousandths by weight, and a gold coin minted after 1800 and issued as an official means of payment or in circulation, with a pure gold content of at least 900 thousandths by weight, the selling price of which does not exceed by more than 80 % the free market price of the gold contained in the coin.

[RT I, 19.12.2019, 2 - from force. 01.01.2020]

(11) The supply of intermediation services is the act of a taxable person in the name and for the account of another person. In order to act in the name and on behalf of another person, at least the following conditions must be met:

(1) the intermediary and the transferor or customer of the goods or the supplier or recipient of the services have entered into a contract for the intermediation of the goods or services;

(2) the transferor of goods or the supplier of services is responsible for the supply of goods or services;

(3) the goods or services are supplied at a price fixed or approved by the supplier of the goods or services and under the conditions imposed on the recipient of his goods or services;

(4) only commission is recorded in the intermediary's accounts as the turnover of the intermediary;

(5) where an invoice is issued to the recipient of the goods or services, it is issued by the supplier of the goods or services or by any other person, including the intermediary, the supplier of goods or the supplier.

[RT I 2005, 68, 528 - from force. 01/01/2006]

(12) For the purposes of this Law, a passenger car is a vehicle of category M1, the maximum mass of which does not exceed 3500 kilograms and which, in addition to the driver's seat, has no more than eight seats.

[RT I, 11.07.2014, 3 - from force. 01.12.2014]

(13) For the purposes of this Law, a voucher is an instrument which the transferor of goods or the supplier of services is obliged to accept as consideration or as part of a consideration for goods or services and in respect of which the goods or services to be transferred or the seller or supplier of the goods or services are indicated either on the voucher or in the documents relating thereto, including the conditions for the use of such a voucher. An instrument which gives the right to a discount on the acquisition of goods or services, but which does not confer a right to acquire goods or services, shall not be regarded as a voucher. A voucher is single-purpose if the place of turnover of the goods or services to which the voucher relates (Paragraphs 9, 10 and 10<sup>1</sup>) and the amount of VAT payable on those goods or services are known at the time the voucher is issued. A voucher is multipurpose if, at the time of issue, the place where the turnover for the supply of goods or services arose or the amount of VAT to be recovered is not known.

[RT I, 29.11.2018, 2 - effective 01.01.2019, the regulation on the taxation of vouchers set out in this paragraph shall apply only to vouchers issued from 1 January 2019.]

### § 3. Taxable person and liability to tax

(1) A taxable person is a person engaged in business, including a legal person governed by public law, or a state, rural municipality or city authority (hereinafter referred to as a *person*) who is registered or required to be registered as a taxable person (Paragraph 19). A person is a natural or legal person, including a legal person in public law, and a state, rural municipality or city authority. A taxable person in a foreign country or in another Member State is a person, including a collection of assets or an association of persons without legal personality, who is treated for VAT purposes under the law of that country.

[RT I, 19.12.2019, 2 - from force. 01.01.2020]

(2) A taxable person liable to pay VAT with limited obligations (hereinafter referred to as a *limited taxable person*) is a person, other than a natural person not engaged in business, who is registered or required to be registered as a limited taxable person (Paragraph 21). A limited taxable person in another Member State is a person, including a collection of assets without legal personality or an association of persons, who is registered in that Member State for VAT purposes and whose tax liabilities correspond to those of the limited taxable person.

(3) A taxable person or a restricted taxable person must pay VAT from the date of identification as a taxable person or a restricted taxable person.

(3<sup>1</sup>) A foreign taxable person is not considered to be a taxable person in Estonia because of his permanent establishment engaged in business in Estonia, if the foreign person does not participate in a taxable transaction or operation through his permanent establishment in Estonia.

[RT I 2009, 56, 376 - from force. 01/01/2010]

(4) A taxable person must account for VAT on the transactions and transactions referred to in Paragraph 1(1) of this Law, whereby, in the case of the turnover referred to in point (1) of Paragraph 1(1) of this Law, he must pay VAT:

(1) on his taxable turnover (hereinafter referred to as *taxable turnover*);

2) services received from a foreign person engaged in business who is not registered as a taxable person in Estonia and who does not have a permanent establishment in Estonia through which he or she conducts business in Estonia;

[RT I 2009, 56, 376 - from force 01.01.2010]

3) the acquisition of goods to be installed or assembled in Estonia from a person engaged in business in another Member State who is not registered as a taxable person in Estonia and who does not have a permanent establishment in Estonia, through which he conducts business in Estonia;

[RT I 2008, 58, 324 - from force. 01.01.2009]

4) from the acquisition of goods as an acquirer in a triangular transaction;

5) the acquisition of goods other than those specified in points 3 and 4 of this paragraph from a foreign person engaged in business who is not registered as a taxable person in Estonia and who does not have a permanent establishment in Estonia through which he or she conducts business in Estonia;

[RT I 2009, 56, 376 - effective 01.01.2010]

6) from another taxable person in respect of the acquisition of goods referred to in Paragraph 41<sup>1</sup>(2) of this Law.  
[RT I, 10.12.2010, 3 - from force. 01.01.2011]

(5) The restricted taxable person must pay VAT on the operations referred to in points (2) and (5) of Paragraph 1(1) of this Law and on the operations listed in subparagraphs (2) to (5) of subsection (4) of this section.

(6) VAT must also be paid by:

(1) a debtor within the meaning of Regulation (EU) No 952/2013 of the European Parliament and of the Council laying down the Union Customs Code (OJ L 269, 10.10.2013, p. 1–101) (hereinafter referred to as the *Code*);

[RT I, 16.06.2017, 1 - from force 01.07.2017]

2) a person not registered as a taxable person on a transaction for which he has submitted an invoice or other sales document on which he has indicated the amount of VAT;

(3) any person not identified as a taxable person or a restricted taxable person, with the exception of the person referred to in Paragraph 39(1) and (2) of this Law, who acquires a new means of transport from another Member State;

[RT I 2005, 68, 528 - effective 01.01.2006]

4) a person not identified as a taxable person or a limited taxable person who acquires alcohol, tobacco products or fuel, other than natural gas, alcohol, tobacco, fuel and electricity within the meaning of the Law on excise duty (hereinafter *excise goods*), from another Member State, with the exception of a natural person who acquires excise goods for his personal use;

[RT I, 10.12.2010, 3 - from force. 01.01.2011]

5) the owner of the goods upon termination of the tax warehousing of the goods by him (§ 44<sup>1</sup>) without the transfer of goods. This provision shall not apply where the person was also the owner of the goods when they were placed in a tax warehouse, except when the goods were placed in a tax warehouse following their internal turnover, importation or intra-Community acquisition, and the goods have not been disposed of at the time of tax warehousing;

[RT I 2008, 58, 324 - effective 01.01.2009]

6) the owner of excise goods temporarily exempted from excise duty upon his removal of excise goods from the excise warehouse without transfer of excise goods, except for the transfer of excise goods from one excise warehouse to another. The provision does not apply if the person was also the owner of the excise goods when the excise goods were placed in the excise warehouse and the excise goods have not been disposed of in the excise warehouse. If excise goods which are temporarily exempt from excise duty to be removed from the excise warehouse are also in tax warehouses, clause 5 of this paragraph shall apply.

[RT I, 27.03.2012, 7 - from 01.04.2012]

## Chapter 2 TAXABLE TRANSACTIONS AND OPERATIONS

### § 4. Turnover

(1) Turnover is:

1) the transfer of goods and the provision of services in the course of business;

(2) the cost of the goods or services;

(3) the transfer of goods to another Member State without transfer for the purposes of his business there (Paragraph 7(1)(3));

(4) expropriation of goods for consideration.

[RT I 2009, 56, 376 - from force. 01/01/2010]

(1<sup>1</sup>) The transfer of a single-purpose voucher by a person acting in his own name shall be regarded as a transfer of goods or a supply of services relating to the voucher. Where a single-purpose voucher is transferred by a person acting on behalf of another person, the transfer of such a voucher shall be deemed to be a transfer of goods or services to which the voucher relates by another person on whose behalf the person who transferred the voucher is acting.

[RT I, 29.11.2018, 2 - effective 01.01.2019, the regulation on the taxation of vouchers set out in this paragraph shall apply only to vouchers issued from 1 January 2019.]

(1<sup>2</sup>) Where a person enables the distance sale of goods imported from a non-Community country through an online marketplace within the meaning of the Cybersecurity Act in consignments of an intrinsic value not exceeding EUR 150, the person owning the online marketplace shall be deemed to have acquired and disposed of those goods himself. For the purposes of this Law, the actual value is understood within the meaning of Commission Delegated Regulation (EU) 2015/2446 supplementing Regulation (EU) No 952/2013 of the European Parliament and of the Council as regards detailed rules concerning certain provisions of the Union Customs Code (OJ L 343, 29.12.2015, p. 1–557).

[RT I, 23.02.2021, 1 - from force. 01.07.2021]

(1<sup>3</sup>) Where a person allows a taxable person established outside the Community and who has no fixed establishment in the Community to supply goods located in the Community to a person who is not identified as a taxable person or a restricted taxable person through an online marketplace, the person who owns the online marketplace shall be deemed to have acquired and transferred those goods himself.

[RT I, 23.02.2021, 1 - from force. 01.07.2021]

(2) No turnover arises:

1) from the transfer of the company or a part thereof within the meaning of the Law of Obligations Act;

[RT I 2008, 58, 324 - effective 01.01.2009]

2) if the owner delivers the goods out of Estonia without transferring them, except as provided in subsection (1)(3) of this section;

3) the free use of state property within the meaning of the State Property Act and the privatisation of state, rural municipality or city property;

4) the transfer of assets to another company, non-profit association or foundation in the course of a merger, division or transformation of companies, non-profit associations or foundations;

5) [invalid - RT I 2008, 58, 324 - from force 01.01.2010]

6) from the free transfer of goods for business purposes as a non-saleable sample of goods or from the transfer of goods whose taxable value does not exceed 10 euros for advertising purposes;

[RT I 2010, 22, 108 - from force. 01.01.2011]

7) [invalid - RT I 2008, 58, 324 - from force. 01.01.2009]

8) the provision for use for remuneration of a passenger car used for business purposes to an employee, servant or member of the management or controlling body of a taxable person, except in the cases specified in clauses 3 and 4 of section 30(4) of this Act.

[RT I, 11.07.2014, 3 - from force. 01.12.2014]

## **§ 5. Export of goods**

(1) The export of goods is:

(1) the supply of Union goods with their transfer to a destination outside the customs territory of the Union by the transferor of the goods or by the person acquiring the goods who is a foreign person;

(2) the re-export from the customs territory of the Union of non-Union goods placed under the temporary admission procedure with partial relief from import duties;

[RT I, 16.06.2017, 1 - from force 01.07.2017]

3) re-export from the customs territory of the Union of non-Union goods under inward processing arrangements or delivery to a waterborne or aircraft destined for a non-Union country as takeaway supplies, spare parts, accessories or consumables;

[RT I, 16.06.2017, 1 - from force 01.07.2017]

4) the transfer of goods exported from the customs territory of the Union under the outward processing procedure and the termination of the customs procedure in respect thereof;

(5) the supply of goods with their transfer by the transferor or the person acquiring them who is a foreign person to a country outside the Community which is part of the customs territory of the Union.

[RT I, 18.02.2014, 2 - from force. 01.03.2014]

(2) The transfer of goods to a natural person of a non-Community country for the purpose of conveying to a non-Community country in luggage moving with him may also be regarded as an export of goods if all of the following conditions are fulfilled:

(1) the natural person is resident in a non-Community country;

(2) the selling price, inclusive of VAT, of goods transferred to a person on the same date at the same point of sale by the same taxable person exceeds EUR 38;

[RT I, 20.12.2011, 2 - from force 01.01.2012]

3) the buyer takes the goods out of the Community in unopened packaging no later than the end of the third month following the month of transfer of the goods;

4) the taxable person has a confirmation from the customs authorities or the Police and Border Guard Board that the goods have left the Community by the buyer.

[RT I, 29.04.2016, 6 - from force. 01.07.2016]

(3) The procedure for treating goods transferred to a natural person in a non-Community country as exports is established by a regulation of the minister responsible for the field.

(4) The supply of goods to a traveller travelling to a non-Community country at a point of sale situated in the passenger-only area of an airport open to international traffic is also to be regarded as an export of goods.

[RT I, 16.06.2017, 1 - from force. 01.07.2017]

(5) Proof of exportation of goods should be furnished by means of documents certifying that the goods have left the Community and have been disposed of. The tax authorities have the right to request additional documents confirming the export of goods.

(6) The procedure for treating goods to be transferred as exports at a point of sale situated in the passenger-only area of an international airport shall be laid down by regulation of the Minister responsible for the sector.

[RT I, 16.06.2017, 1 - from force. 01.07.2017]

## **§ 6. Importation of goods**

(1) The importation of goods is:

(1) the placing of non-Union goods under the customs procedure of release for free circulation or under the temporary importation procedure with partial relief from import duties;

[RT I, 16.06.2017, 1 - from force 01.07.2017]

2) placing of goods under the outward processing procedure under the customs procedure of release for free circulation;

(3) other cases involving the incurrence of a customs debt within the meaning of the Code.

[RT I, 16.06.2017, 1 - from force. 01.07.2017]

(2) The placing of non-Union goods under the customs procedure for release for free circulation shall not be considered to be an import of goods if:

[RT I, 18.02.2014, 2 - as of 01.03.2014]

1) preceded by the placing of the goods under the temporary importation procedure with partial relief from import duties;

[RT I, 16.06.2017, 1 - from force 01.07.2017]

2) immediately follows the delivery of goods to a non-Community country that is part of the customs territory of the Union, and the goods are under customs supervision until they leave Estonia.

[RT I, 18.02.2014, 2 - from force. 01.03.2014]

(3) The import of goods takes place in Estonia if the placing under the customs procedure specified in subsection (1) of this section takes place in Estonia or if otherwise a customs debt has been incurred and the goods have been delivered to Estonia.

[RT I, 09.12.2021, 1 - from force. 01.01.2022]

(4) The importation of goods in Estonia also includes the movement of goods having the customs status of the Union to Estonia from a non-Community country which is part of the customs territory of the Union.

[RT I, 18.02.2014, 2 - from force. 01.03.2014]

## § 7. Intra-Community turnover of goods

(1) The intra-Community turnover of goods is:

- (1) the supply of goods to a taxable person or a limited taxable person of another Member State with their transfer from Estonia to another Member State, except in the cases referred to in subsection (2) of this section;
- (2) the transfer of excise goods or a new means of transport to a person in another Member State with their transfer from Estonia to another Member State;
- (3) the transfer of goods from Estonia to another Member State for the purposes of its business there, including the transfer of goods between a company and its permanent establishment in another Member State, except in the cases referred to in paragraph 2 of this section;
- 4) the transfer of goods delivered from Estonia to another Member State as demand stock.

[RT I, 19.12.2019, 2 - from force. 01.01.2020]

(2) The following shall not be regarded as intra-Community turnover of goods:

- (1) the temporary movement of goods from Estonia to another Member State for the purpose of supplying a service there, including the transfer of movable property to another Member State for the purpose of renting, renting or usufruct;
- (2) the temporary movement of goods from Estonia to another Member State for a period not exceeding 24 months for purposes corresponding to the purposes of the temporary importation procedure with total relief from import duties;
- 3) the transfer of movable property from Estonia to another Member State for the purpose of work on movable property, including repair, valuation, processing or assembly (hereinafter referred to as *work on movable property*), if the movable is returned to Estonia after the provision of the relevant service to the taxable person who sent the movable property to another Member State;
- (4) the supply of goods to be installed or assembled in another Member State;
- (5) intra-Community distance sales of goods from Estonia to another Member State;

[RT I, 23.02.2021, 1 - from force 01.07.2021]

6) delivery of goods, including goods consumed and sold on board, to a waterborne or aircraft specified in clause 3 or 4 of section 15(3) of this Act;

(7) the transfer of goods from Estonia to another Member State for the purpose of their exit from the Community, where the customs procedure for export of the goods commenced in Estonia and the goods leave the Community within two months of the transfer of the goods to another Member State;

(8) the transfer of goods to the acquirer in a triangular transaction;

(9) the transfer of natural gas or electricity, heating or cooling transmitted through the network from Estonia to another Member State;

[RT I, 10.12.2010, 3 - from force 01.01.2011]

10) the transfer of goods from Estonia to another Member State if the goods had been temporarily delivered to Estonia for a period not exceeding 24 months for purposes corresponding to the purposes of the temporary importation procedure with total relief from import duties;

11) the transfer of movable property from Estonia to another Member State, if the movable was temporarily delivered to Estonia for work on movable property;

(12) the transfer of call-off stock from Estonia to another Member State;

[RT I, 19.12.2019, 2 - from force 01.01.2020]

13) the transfer of the call-off stock from Estonia to another Member State, if it was not transferred within 12 months of the arrival of the call-off stock in another Member State and if it has been returned to Estonia within that period;

[RT I, 19.12.2019, 2 - from force 01.01.2020]

14) the transfer of a call-off stock from Estonia to another Member State, if the person acquiring it is replaced by another taxable person within 12 months of the arrival of the call-off stock in another Member State.

[RT I, 19.12.2019, 2 - from force. 01.01.2020]

(3) If the basis for a transaction or operation under subsection (2) of this section ceases to exist, the transaction shall be treated as an intra-Community turnover of goods in accordance with subsection (1) of this section and the intra-Community turnover of the goods shall be deemed to have occurred on the day on which the basis ceases to exist.

(3<sup>1</sup>) Except in the cases referred to in paragraphs 2(13) and 3 of the same paragraph, if the call-off stock which has been transferred from Estonia to another Member State is not disposed of within 12 months of the arrival of the goods in another Member State, the intra-Community turnover shall be deemed to have been generated on the day following the expiry of the 12-month period in accordance with paragraph 1(3) of this paragraph.

[RT I, 19.12.2019, 2 - from force. 01.01.2020]

(4) The intra-Community turnover of goods is attested by documentary evidence of the transfer of goods and their transfer to another Member State.

[RT I 2005, 68, 528 - from force. 01/01/2006]

## § 8. Intra-Community acquisition of goods

(1) The intra-Community acquisition of goods means the acquisition of goods from a taxable person in another Member State together with their transfer from another Member State to Estonia and the acquisition of a new means of transport from a person in another Member State with their transfer from another Member State to Estonia, except in the cases referred to in paragraph 3 of this section.

(2) The intra-Community acquisition of goods is also the transfer of goods used for business purposes from another Member State to Estonia for the purposes of their business in Estonia, except in the cases specified in subsection (3) of this section.

(3) The following shall not be regarded as intra-Community acquisitions of goods:

(1) the temporary delivery of goods to Estonia for the purpose of providing a service, including the conveyance of movable property to Estonia for rent, rental or taking;

(2) the temporary movement of goods to Estonia for a period not exceeding 24 months for purposes compatible with the purposes of the temporary importation procedure with total relief from import duties;

3) the temporary conveyance of movable property to Estonia for work on movable property, unless the movable is delivered to Estonia for the purpose of its removal from the Community;

[RT I 2005, 68, 528 - from force 01.01.2006]

4) the acquisition of goods to be installed or assembled in Estonia from a taxable person of another Member State;

(5) intra-Community distance sales of goods from another Member State to Estonia;

[RT I, 23.02.2021, 1 - from force. 01.07.2021]

6) acquisition of goods, except for new means of transport, by a natural person for personal use;

(7) the acquisition of goods by a person not identified as a taxable person below the threshold laid down in Paragraph 21(2) of this Law;

(8) the acquisition of second-hand goods, original works of art, collectors' items or antiques from a taxable person in another Member State who applies the procedure for calculating the taxable amount laid down in Paragraph 41 of this Law for the purposes of calculating his tax liability in another Member State;

(9) the acquisition of goods by the acquirer in a triangular transaction;

(10) the delivery of natural gas or electricity, heating or cooling transmitted through the network from another Member State to Estonia;

[RT I, 10.12.2010, 3 - from force 01.01.2011]

11) the transfer of goods from another Member State to Estonia for the purpose of their exit from the Community, if the customs procedure for export of the goods is initiated in another Member State and the goods leave the Community within two months of the transfer of the goods to Estonia;

[RT I 2005, 68, 528 - effective 01.01.2006]

12) the transfer of goods to Estonia if they had been temporarily transferred to another Member State for a period not exceeding 24 months for purposes corresponding to the purposes of the temporary importation procedure with total relief from import duties;

[RT I 2005, 68, 528 - from force 01.01.2006]

13) the transfer of movable property from another Member State to Estonia, if the movable was temporarily transferred from Estonia to another Member State for work on movable property;

[RT I 2005, 68, 528 - from force. 01.01.2006]

14) delivery of demand stock to Estonia.

[RT I, 19.12.2019, 2 - from force. 01.01.2020]

(4) If the grounds for an operation under subsection (3) of this section cease to exist, the operation shall be deemed to be an intra-Community acquisition of goods in accordance with subsection (1) of this section and the goods shall be deemed to have been acquired within the Community on the day on which the vessel ceases to exist.

(5) The intra-Community acquisition of goods is also the acquisition of goods from a taxable person in another Member State where the taxable person uses his Estonian tax identification number for the acquisition of goods and the goods are transferred from the Member State of the transferor to another Member State, unless the taxable person proves that:

(1) VAT on the intra-Community acquisition of goods is payable in the Member State to which the goods were delivered, or

(2) He was a dealer in a triangular deal.

(6) The intra-Community acquisition of goods is also the acquisition of goods delivered to Estonia as demand stocks.

[RT I, 19.12.2019, 2 - from force. 01.01.2020]

(7) If the call-off stock delivered to Estonia is not disposed of within 12 months of the arrival of the goods in Estonia, the goods shall be deemed to have been acquired within the Community on the day following the expiry of the 12-month period in accordance with paragraph 2 of this paragraph, unless the goods have been returned within that period to the Member State from which the goods were dispatched.

[RT I, 19.12.2019, 2 - from force. 01.01.2020]

## **Chapter 3**

### **GENERAL PRINCIPLES OF TAXATION**

#### **§ 9. Place of occurrence of turnover of goods**

(1) The place of turnover of goods is Estonia if:

1) the goods are delivered to the recipient or otherwise made available to him in Estonia, exported from Estonia, the intra-Community turnover of the goods is carried out or imported to the recipient located in Estonia, provided that the goods are taxed under the special vat scheme for distance sales of goods imported from a non-Community country, except in the case referred to in subsection (2) of this section;

[RT I, 23.02.2021, 1 - from force 01.07.2021]

2) [invalid - RT I, 23.02.2021, 1 - from force 01.07.2021]

3) a person from another Member State engaged in business transfers the goods to be installed or assembled and installs or assembles them in Estonia, or these goods are installed or assembled in Estonia on his behalf;

4) the goods, including goods consumed on board and sold for takeaway, are transferred on board a waterborne or aircraft departing from Estonia for an international voyage;

5) Natural gas or electricity, heating or cooling energy is transferred through the network to an Estonian taxable dealer located in Estonia.

[RT I, 10.12.2010, 3 - from force 01.01.2011]

6) natural gas or electricity, heating or cooling transmitted through the network is transferred to the person acquiring the goods, who uses the goods in Estonia. If the person acquiring the goods fails to use all or part of the goods, the unused goods shall be deemed to be second-hand goods in Estonia if the place of establishment or permanent establishment for which the goods have been transferred is in Estonia. This provision shall not apply in the case set out in point 5 of this paragraph;

[RT I, 10.12.2010, 3 - from force 01.01.2011]

7) goods subject to the special scheme for charging VAT on the resale of second-hand goods, original works of art and collectors' items and antiques, or goods subject to VAT on the sale of second-hand goods, original works of art, collectors' items and antiques sold by public auction, shall be transferred from Estonia to another Member State by means of intra-Community distance sales.

[RT I, 23.02.2021, 1 - from force. 01.07.2021]

(2) The place of turnover of goods is not Estonia if the taxable person:

1) [invalid - RT I, 23.02.2021, 1 - from force 01.07.2021]

2) transfers the goods and installs or assembles them in another Member State;

3) transfers natural gas or electricity, heating or cooling transmitted through the network to a distributor in another Member State or to another person who does not use the goods in Estonia;

[RT I, 10.12.2010, 3 - effective 01.01.2011]

4) transfers second-hand goods, original works of art and collectors' items and antiques by way of intra-Community distance sales from another Member State to Estonia under the special vat scheme for the resale of second-hand goods, original works of art, collectors' items and antiques sold at public auction.

[RT I, 23.02.2021, 1 - from force. 01.07.2021]

(3) A dealer is a person engaged in business within the meaning of subsection (1) (5) and subsection (2) (3) of this section who principally disposes of the natural gas or electricity, heating or cooling acquired and who has a minor share in the use of those goods for his own use.

[RT I, 10.12.2010, 3 - from force. 01.01.2011]

(4) Where the same goods are transferred several times in a row and are transferred directly from one Member State to another Member State by a taxable dealer or a taxable dealer in another Member State from the first transferor to the last customer in the chain of transactions, only the supply of goods to such a reseller should be regarded as intra-Community turnover in the chain of transactions. That distributor shall have an intra-Community acquisition of the goods in the Member State to which the goods are to be delivered. The provision does not apply in the cases provided for in subsection (5) of this section and in subsections (1)<sup>(2)</sup> and (1)<sup>(3)</sup> of section 4 of this Act.

[RT I, 23.02.2021, 1 - from force. 01.07.2021]

(5) Where a reseller in a chain of transactions who transfers goods from one Member State to another Member State from the first transferor in the chain of transactions to the last customer in the chain of transactions has notified the transferor of his tax identification number in the Member State of dispatch of the goods, only the supply of goods by such reseller should be regarded as intra-Community turnover in the chain of transactions. The person acquiring the goods from that distributor shall have an intra-Community acquisition in the Member State to which the goods are to be delivered. The provision does not apply in the cases provided for in

Paragraph 4(1)<sup>(2)</sup> and (1)<sup>(3)</sup> of this Law.

[RT I, 23.02.2021, 1 - from force. 01.07.2021]

## § 10. Place of occurrence of service turnover

(1) The place of turnover of the service is Estonia, if the service is provided to a taxable person or a limited taxable person established in Estonia, or if the service is provided through a place of business or a permanent establishment in Estonia to a person who is not a person registered as a taxable person or a limited taxable person in any Member State, or a person of a non-community country engaged in business, except in the cases provided for in subsections (2), (4) and (5) of this section.

(2) The place of turnover of the service is Estonia if:

1) a service related to immovable property located in Estonia is provided, including construction, valuation and maintenance, as well as a service provided for the transfer of immovable property, preparation and organization of construction, and accommodation services;

2) a cultural, artistic, sports, educational, scientific or entertainment service or a service related to a fair or exhibition is provided in Estonia to a person who is not a person registered as a taxable person or a limited taxable person in any Member State, or a person of a non-community country engaged in business. The service also includes the organisation of the relevant event and the provision of an ancillary service;

[RT I 2009, 56, 376 - from force 01.01.2011]

2<sup>1</sup>) the service of admission to a cultural, artistic, sports, educational, scientific or entertainment event or fair or exhibition, or an ancillary service related to the entrance service, is provided in Estonia to a taxable person of another Member State or to a limited taxable person or a person of a non-community country engaged in business;

[RT I 2009, 56, 376 - from force 01.01.2011]

3) passenger transport services are provided in Estonia, including the transport of passengers' personal luggage and personal means of transport;

4) restaurant and catering services are provided in Estonia, except in the cases provided for in clause 5 of this paragraph and clause 4 (5) of this section;

(5) restaurant or catering services are provided during the carriage of passengers within the territory of the Community on board a watercraft, an aircraft or a train departing from Estonia for an international journey;

6) the means of transport is leased, rented or usufruct in Estonia for a short period of time;

(6) the means of transport is leased, rented or usufruct to a person who is neither a person identified for tax purposes or a limited taxable person in any Member State nor a person of a non-community country engaged in business and who is domiciled or resident in Estonia, except in the cases provided for in points 6 and 6<sup>2</sup> of this paragraph and in point 4<sup>(4)</sup>(1) of this section;

[RT I, 27.03.2012, 7 - from force 01.01.2013]

6<sup>2</sup>) a recreational or pleasure boat is leased, rented or usufruct in Estonia to a person who is neither a person registered as a taxable person or a limited taxable person in any Member State nor a person of a non-community country engaged in business and the service provider has a registered office or a permanent establishment in Estonia, except as provided for in point 6 of this paragraph. Cases;

[RT I, 27.03.2012, 7 - from force 01.01.2013]

7) work is carried out on movable property located in Estonia or the valuation of movable property located in Estonia is carried out, and the services specified in this point are provided to a person who is not a person registered as a taxable person or a limited taxable person in any Member State or a person of a non-community country engaged in business;

8) a freight transport service is provided in Estonia, including the transport of a means of transport related to the carriage of goods, or such transport of goods to a person who is neither a person identified for tax purposes nor a restricted taxable person in any Member State, nor a person of a non-established country engaged in business. The provision does not apply to the cases set forth in subsection (9) of this paragraph and subsection (4)(6) of this section;

(9) the supply of a service for the transport of goods from Estonia to another Member State, including the transport of a means of



transport connected with the carriage of goods, or the organisation of such transport of goods to a person who is neither a person identified for tax purposes nor a restricted taxable person in any Member State, nor a person of a non-community country engaged in business;

10) an ancillary service related to the carriage of goods in Estonia is provided to a person who is not a person registered as a taxable person or a limited taxable person in any Member State or a person of a non-community country engaged in business;

(11) a transaction or other operation whose place of turnover is Estonia is mediated and the intermediation service is provided to a person who is neither a person identified for tax purposes nor a restricted taxable person in any Member State, nor a person of a non-community country engaged in business.

12) [deleted - RT I, 29.11.2018, 2 - from force. 01.01.2019]

(3) [Deleted - RT I, 18.02.2014, 2 - from force. 01.01.2015]

(4) The place of turnover of the service is not Estonia if:

1) a service related to immovable property located in a foreign country is provided, including construction, valuation and maintenance, as well as a service provided for the transfer of immovable property, preparation and organization of construction, and accommodation services;

(2) the supply abroad of cultural, artistic, sporting, educational, scientific or entertainment services or of a service connected with a fair or exhibition is not a person identified for tax purposes or a restricted taxable person in any Member State, or a person of a non-community country engaged in business. The service also includes the organisation of the relevant event and the provision of an ancillary service;

[RT I 2009, 56, 376 - effective 01.01.2011]

2<sup>1</sup>) the service of admission to a cultural, artistic, sporting, educational, scientific or entertainment event or fair or exhibition in a foreign country, or an ancillary service related to the admission service, is provided to a taxable person or a limited taxable person or a person of a non-community country engaged in business;

[RT I 2009, 56, 376 - effective 01.01.2011]

3) work is carried out on movable property situated abroad or movable property situated abroad is assessed and the services referred to in this paragraph are supplied to a person who is neither a person identified for tax purposes nor a limited taxable person in any Member State nor a person of a non-community country engaged in business;

4) passenger transport services are provided outside Estonia, including the transport of passengers' personal luggage and personal means of transport;

4<sup>1</sup>) the means of transport are rented out, rented or usufruct abroad for a short period of time;

[RT I, 10.12.2010, 3 - from force 01.01.2011]

4<sup>2</sup>) means of transport are leased, rented or usufruct to a person who is neither a person identified for tax purposes or a limited taxable person in any Member State nor a person of a non-community country engaged in business and who is domiciled or resident abroad, except in paragraphs 4<sup>1</sup> and 4<sup>3</sup> of this paragraph. and in the cases set forth in subsection (2)(6) of this section;

[RT I, 27.03.2012, 7 - from force. 01.01.2013]

4<sup>3</sup>) a recreational or pleasure boat is leased, rented or usufruct in a foreign country to a person who is neither a person identified for tax purposes or a limited taxable person in any Member State, nor a person from a non-community country engaged in business, and the supplier of the service has his business establishment or fixed establishment abroad, except in point 4 1 of this paragraph. in the cases provided for;

[RT I, 27.03.2012, 7 - from force 01.01.2013]

5) during the carriage of passengers within the territory of the Community, restaurant or catering services are provided on board a waterborne or aircraft or on a train departing from another Member State for an international journey;

(5) (1) restaurant and catering services are provided in a foreign country, except in subsection (5) of this paragraph and the section of this section; e 2 in the cases provided for in point 5;

[RT I, 10.12.2010, 3 - from force 01.01.2011]

6) the service of transporting goods from another Member State to Estonia or outside Estonia, including the transport of means of transport related to the carriage of goods, is provided or arranged for such transport to a person who is neither a person identified for tax purposes nor a limited taxable person in any Member State nor a person of a non-community country engaged in business;

7) an ancillary service related to the carriage of goods outside Estonia is provided to a person who is neither a person identified for tax purposes nor a limited taxable person in any Member State, nor a person of a non-community country engaged in business;

(8) a transaction or operation whose place of turnover is not Estonia is mediated and the intermediation service is provided to a person who is neither a person identified for tax purposes nor a restricted taxable person in any Member State, nor a person of a non-community country engaged in business;

(9) in cases other than those referred to in points 1 to 8 of this paragraph and in paragraph 2 of this section, the service is supplied through a place of business or a permanent establishment in Estonia to a person identified for tax purposes or as a limited taxable person in another Member State or to a person of a non-community country engaged in business.

10) [deleted - RT I, 29.11.2018, 2 - from force. 01.01.2019]

(5) The place of turnover is not Estonia if the taxable person supplies the following services to a person from a non-member state who is not engaged in business:

(1) the granting or transfer of the right to use intellectual property;

2) advertising service;

(3) consultancy, accounting, legal, auditor, engineering, translation, data processing or information services;

(4) a financial service, other than the hire of a safe, or an insurance service, including reinsurance and insurance mediation services;

(5) the provision of labour;

(6) the letting, hiring out or usufruct of movable property, other than means of transport;

(7) an electronic communications service within the meaning of the Electronic Communications Act (hereinafter referred to as *an electronic communications service*), including the assignment of the right to use transmission lines;

[RT I, 29.11.2018, 2 - from force. 01.01.2019]

8) electronically supplied service;

(9) the provision of access to the network of natural gas or electricity, heating or cooling and the transmission of natural gas or electricity, heating or cooling through the network and services directly related thereto;

[RT I, 10.12.2010, 3 - from force. 01.01.2011]

10) transfer of a unit of permissible greenhouse gas emissions regulated by the Atmospheric Air Protection Act;

[RT I, 05.07.2016, 1 - from force. 01.01.2017]

11) refraining from the service specified in clauses 1 to 10 of this paragraph for a fee, waiving the exercise of a right or tolerating a situation.

(6) A means of transport within the meaning of this paragraph is a vehicle, aircraft, ship or other means of transport of which the first two digits of the Combined Nomenclature code (hereinafter referred to as CN code) established by Council Regulation (EEC) No 2658/87 on the tariff and statistical nomenclature and on the Common Customs Tariff (OJ L 256, 7.9.1987, p. 1-675) are 86, 87, 88 or 89.

(7) For the purposes of this section, a means of transport, other than a ship, shall be deemed to have been leased, leased, or usufruct for a short period of time if the service is provided during a period not exceeding 30 calendar days. A ship shall be deemed to be leased, hired out or usufruct for a short period if the said service is provided over a period not exceeding 90 calendar days.

(8) Ancillary services related to the carriage of goods include the loading, unloading, handling and storage of goods in the context of transport, as well as insurance, the preparation and acquisition of documents relating to goods and the carrying out of customs formalities.

[RT I 2009, 56, 376 - from force. 01/01/2010]

## **§ 10<sup>1</sup>. Place**

**of intra-Community distance sales and turnover of electronic communications services and electronically supplied services supplied to a person who is not identified as a taxable person or a limited taxable person in any Member State**[RT I, 23.02.2021, 1 - from force 01.07.2021]

(1) The place of turnover of intra-Community distance sales is Estonia, where goods are transferred and delivered from another Member State to Estonia by or on behalf of the transferor to a person not identified as a taxable person or a limited taxable person.

(2) Teenuse käibe tekkimise koht on Eesti, kui elektroonilise side teenust või elektrooniliselt osutatavat teenust osutatakse Eestis asu- või elukohta omavale isikule, kes ei ole üheski liikmesriigis registreeritud maksukohustuslasena ega piiratud maksukohustuslasena.

(3) The place of turnover specified in subsections (1) and (2) of this section is not Estonia if all of the following conditions are met:

(1) the goods are transferred or the service is provided only in one Member State, except in Estonia, by a foreign person who has a registered office or a permanent establishment;

(2) the goods are transferred and delivered to a Member State other than that in which the supplier has established his business or has a fixed establishment, or the service is supplied to a person established or resident in a Member State other than that in which the supplier has established his business or fixed establishment and who is not identified as a taxable person or a restricted taxable person in any Member State;

(3) the total turnover of goods and services meeting the conditions referred to in this paragraph did not exceed EUR 10 000 in the preceding calendar year and does not exceed EUR 10 000 in the current calendar year;

(4) the person referred to in point (1) of this paragraph has not determined as the place where the turnover referred to in point 3 arises in the Member State in which the customer is domiciled or resides or to which the goods are to be delivered.

(4) If the total turnover of the goods and services referred to in subsection (3) of this section by a person from another Member State exceeds EUR 10,000 in a calendar year, subsection (1) or (2) shall apply from the date on which the turnover is generated.

(5) The place of turnover of intra-Community distance sales is not Estonia where the goods are transferred and delivered from Estonia by or on behalf of the transferor to another Member State to a person not identified there as a taxable person or as a limited taxable person.

(6) The place of turnover of the service is not Estonia if the electronic communications service or the electronically supplied service is supplied to a person established or resident in another Member State who is not identified as a taxable person or a restricted taxable person in any Member State.

(7) The place of turnover specified in subsections (5) and (6) of this section is Estonia if all of the following conditions are met:

(1) the transferor of goods or the supplier of services does not have a place of business or a permanent establishment in a Member State other than Estonia;

(2) the goods are transferred and delivered to another Member State or the service is supplied to a person established or resident in another Member State who is not identified as a taxable person or a restricted taxable person in any Member State;

(3) the total turnover of goods and services meeting the conditions referred to in this paragraph did not exceed EUR 10 000 in the previous calendar year and does not exceed EUR 10 000 in the current calendar year.

(8) If the conditions specified in subsection (7) of this section are met, the transferor of goods or the supplier of services may determine the place where the turnover of the goods or services is to be generated under subsections (5) and (6) for a period of at least two calendar years.

(9) If the total turnover of the goods and services referred to in subsection (7) of this section exceeds EUR 10,000 in the current calendar year, subsections (5) and (6) shall apply from the date on which the turnover is generated.

(10) This section does not apply to intra-Community distance sales of second-hand goods, original works of art, collectors' items and antiques subject to the special arrangements for levying VAT on the resale of second-hand goods, original works of art, collectors' items and antiques sold by public auction.

[RT I, 23.02.2021, 1 - from force. 01.07.2021]

## **§ 11. Käibe tekkimise, kauba importimise, teenuse saamise, kauba ühendusesisese soetamise ja internetipõhist kauplemiskohta omava isiku poolt kauba soetamise aeg**

[RT I, 23.02.2021, 1 - jõust. 01.07.2021]

(1) Käive on tekkinud või teenus on saadud päeval, mil esimesena tehti üks alljärgnevaist toiminguid:

- 1) kauba ostjale lähetamine või kättesaadavaks tegemine või teenuse osutamine;
  - 2) kauba või teenuse eest osalise või täieliku makse laekumine, teenuse saamisel osaline või täielik maksmine;
  - 3) omatarbe puhul kauba võõrandamine või teenuse osutamine või ettevõtte kauba kasutuselevõtmine maksukohustuslase enda, tema töötaja, teenistuja või juhtimis- või kontrollorgani liikme poolt või muul ettevõtlusega mitteseotud eesmärgil.
- [RT I 2008, 58, 324 - jõust. 01.01.2009]

(2) Kauba ühendusesisene käive on tekkinud või kaup on ühendusesiseselt soetatud kauba lähetamise või kättesaadavaks tegemise kuule järgneva kuu 15. kuupäeval või kauba eest arve väljastamise päeval, kui kauba arve väljastatakse enne kauba ostjale lähetamise või kättesaadavaks tegemise kuule järgneva kuu 15. kuupäeva, välja arvatud käesoleva seaduse § 7 lõigetes 3 ja 3<sup>1</sup> ning § 8 lõigetes 4 ja 7 sätestatud juhtudel.

[RT I, 19.12.2019, 2 - jõust. 01.01.2020]

(2<sup>1</sup>) The turnover of goods or services related to a single-purpose voucher shall arise on the day of delivery of the voucher up to the value of the voucher or to the extent of the part paid on receipt of partial or full payment for the voucher before the delivery of the voucher. In the case of the transfer of a single-purpose voucher on behalf of another person, the person on whose behalf the voucher is transferred shall have turnover to the extent of the part paid on the date on which the goods or services to which the voucher relates are transferred or upon receipt of partial or full payment for the voucher if this takes place before the supply of the goods or services to which the voucher relates.

[RT I, 29.11.2018, 2 - effective 01.01.2019, the regulation on the taxation of vouchers set out in this paragraph shall apply only to vouchers issued from 1 January 2019.]

(3) If, under subsection (1) of this section, at the time the turnover occurs, the receipt or payment of part or all of the payment for the goods or services is made, the turnover is incurred to the extent of the part paid. The receipt of an ad hoc subsidy for the disposal of a good or service at a price below its normal value shall not be regarded as receipt of payment for that good or service.

(4) A service the supply of which extends beyond the tax period is deemed to have been supplied and received in the tax period in which the supply of that service ceases. In the case of the supply of services or the regular supply of goods to the same buyer, the period during which the goods are dispatched or made available to the purchaser or the provision or receipt of the service shall be deemed to be the end of the period for which the invoice is issued or during which payment for the goods or services received has been agreed, but not later than 12 calendar months. Where a service is supplied over a period of more than one year and gives rise to a tax liability on the part of the recipient of the service, the turnover shall be deemed to have been generated or received on 31 December of each calendar year from the start of the provision of the service, if no payment has been made for the service during that period and its supply has not been completed.

[RT I, 29.04.2016, 6 - from force. 01.07.2016]

(5) If any of the operations referred to in subsection (1) of this section were carried out before the taxable person's obligations arose (Paragraph 24), the taxable person must charge VAT on the taxable amount of the transaction only if the goods were dispatched or made available to the purchaser or the service was rendered during the period of validity of the aforementioned obligations.

(6) In the case of importation of goods in the cases referred to in points (1) and (2) of Paragraph 6(1) of this Law, the time of importation shall be the day on which the goods are released within the meaning of the Customs Code, in the cases referred to in paragraph 6(1)(3) of this Law, the day on which the customs debt is incurred and, in the case referred to in Paragraph 6(4) of this Law, the day on which the goods were delivered to Estonia.

[RT I, 16.06.2017, 1 - from force. 01.07.2017]

(7) The turnover of reusable packaging which has been assigned a deposit under the Packaging Act and which has not been included in the taxable amount of the goods and which has not been returned to the taxable person during the calendar year shall be deemed to have been incurred on 31 December. The amount of turnover shall be equal to the amount of the deposit for reusable packaging not returned during the calendar year.

[RT I, 09.12.2021, 1 - from force. 01.01.2022]

(8) In the cases referred to in Paragraph 4(1)(<sup>2</sup>) and (1)(<sup>3</sup>) of this Law, the goods shall be deemed to have been acquired by the person owning the online marketplace and the turnover shall be deemed to have been generated upon payment for the goods or upon receipt of a confirmation of the obligation to pay or a notice of authorisation of payment.

[RT I, 23.02.2021, 1 - from force. 01.07.2021]

## **§ 12. Taxable amount of turnover, intra-Community acquisitions of goods and services received**

(1) The taxable amount of turnover and the taxable amount of intra-Community acquisitions of goods and services are the selling price of the goods or services and any other consideration received or to be received by the supplier of the goods or services from the purchaser, the customer or a third party in return for the goods or services. This provision shall not apply in the cases referred to in paragraphs 3, 6, 7(<sup>1</sup>), (10), (13) and (14) of this section.

[RT I, 07.07.2017, 3 - from force. 01.01.2018]

(1<sup>1</sup>) The taxable amount of the goods or services for which payment is made by means of a multi-purpose voucher shall be the monetary value indicated on the voucher or in the documents relating thereto or in the absence of information thereon, as stated on the voucher or in the documents relating thereto, and any other consideration treated as consideration received or to be received by the supplier from the purchaser of the goods or the recipient of the services or from a third party.

[RT I, 29.11.2018, 2 - effective 01.01.2019, the regulation on the taxation of vouchers set out in this paragraph shall apply only to vouchers issued from 1 January 2019.]

(2) The taxable amount also includes ad hoc aid granted to the taxable person for the supply of goods or services at a price lower than the normal value. The procedure for including the subsidy in the taxable amount and for taxing it shall be established by a regulation of the minister responsible for the subject matter.

(3) In the case of the supply of goods free of charge and the free intra-Community acquisition of goods, as well as in the case of the transfer of goods treated as intra-Community turnover to another Member State (Paragraph 7(1)(3)), the taxable amount is the value determined on the basis of the purchase price of the goods or other similar goods or, in the absence thereof, the cost price at the time when the abovementioned operations are carried out.

[RT I 2008, 58, 324 - from force. 01/01/2009]

(3<sup>1</sup>) [Deleted - RT I 2008, 58, 324 - from force. 01/01/2009]

(4) [Deleted - RT I 2008, 58, 324 - from force. 01.01.2009]

(5) [Deleted - RT I 2008, 58, 324 - from force. 01.01.2009]

(6) In the case of self-consumption, the taxable amount is the cost of the goods or, in the absence thereof, the cost price or the cost price of the service, except as provided in subsection (7) (1) of this section.

[RT I, 07.07.2017, 3 - from force. 01.01.2018]

(6<sup>1</sup>) Other amounts, including incidental expenses and fees and taxes, are also included in the taxable amount, with the exception of VAT paid in Estonia or abroad, which the supplier of goods or services demands from the customer in connection with the transaction.

[RT I 2008, 58, 324 - from force. 01/01/2009]

(7) [Deleted - RT I, 11.07.2014, 3 - from force. 01.12.2014]

(7<sup>1</sup>) If, within the meaning of the Road Traffic Act, the employer's own consumption consists of a lorry with a maximum laden weight of up to 3500 kilograms or, in the cases referred to in points 3 and 4 of Paragraph 30(4) of this Law, the provision of an employer's passenger car for use in the course of work, official or service duties or for activities not related to the employer's business, the taxable amount of the said turnover, including VAT, is the price of the fringe benefit calculated on the basis of the Income Tax Act.

[RT I, 07.07.2017, 3 - from force. 01.01.2018]

(8) The taxable amount does not include a price concession granted to the purchaser if the advantage is applied at the time of sale of goods or provision of services and for commercial purposes. Similarly, interest paid on the transfer of goods is not included in the taxable amount of the turnover of the goods.

[RT I 2008, 58, 324 - from force. 01/01/2009]

(9) The taxable amount does not include the amounts received from the purchaser of the goods or the recipient of the services in his name and on his account in the form of a refund which are recorded in the accounts in a suspense account. The amount of the costs must be verifiable. A taxable person may not deduct input VAT included in expenditure incurred in the name and on behalf of the purchaser of goods or services.

(10) The taxable amount of the factoring service is the contract fee and the invoice handling fee.

(11) The taxable amount of the turnover of the goods does not include the cost of reusable packaging referred to in Paragraph 11(7) of this Law if the taxable person does not supply the reusable packaging.

[RT I, 09.12.2021, 1 - from force. 01.01.2022]

(12) The taxable amount of the goods does not include the deposit assigned to the packaging under the Packaging Act.

(13) When the tax warehousing of goods is terminated or excise goods which are temporarily exempt from excise duty are removed from the excise warehouse without transfer of the goods (Paragraph 3(6)(5) and (6)), the taxable amount of turnover is the purchase price or cost price of the goods or the normal value of the goods if this is lower than the purchase price or cost price. The taxable amount may be lower than the value entered in the stock records when the goods are placed in a tax warehouse or excise warehouse only in duly justified cases.

[RT I, 27.03.2012, 7 - from force. 01.04.2012]

(14) Where goods or services are transferred to a related party within the meaning of the Income Tax Act, the taxable amount is the market value if the consideration for the supply of goods or services is:

(1) less than the market value and the customer is not entitled to full deduction of input VAT;

(2) less, and the supplier of goods or services is not entitled to full deduction of input VAT and the supply of such goods or services constitutes a tax-free turnover;

(3) higher and the supplier of goods or services is not entitled to full deduction of input VAT.

[RT I 2008, 58, 324 - from force. 01/01/2009]

(15) Subsection (14) of this section applies to the prevention of tax evasion or avoidance. This paragraph shall also apply to the intra-Community acquisition of goods.

[RT I 2008, 58, 324 - from force. 01/01/2009]

(16) For the purposes of this Law, 'open market value' means the total amount which, under conditions of free competition, the customer would have to pay in order to acquire such goods and services at the same marketing stage as the supply of goods or services to an independent supplier in the Member State in which the supply of goods or services is taxed.

[RT I 2008, 58, 324 - from force. 01/01/2009]

(17) Where no comparable supply of goods or services is found, the open market value is:

(1) in the case of goods, an amount which is not less than the cost of the goods or similar goods or, failing that, the cost price, determined at the time of supply of the goods or services;

(2) in the case of a service, an amount which is not less than the total cost to the taxable person of providing the service.

[RT I 2008, 58, 324 - from force. 01/01/2009]

### § 13. Taxable amount of imported goods

(1) The taxable amount of imported goods, except in the cases covered by subsections (3) to (6) of this section, shall consist of the customs value of the goods under the Customs Code and all taxes payable on importation (hereinafter referred to as *import taxes*) and

the costs of the transport of goods, the service of organising the transport of goods and the ancillary services related to the carriage of goods, not included in the customs value, up to the first destination in the territory of Estonia, and the costs of conveying the goods to another destination in the Community, if that place is known at the time of import.

[RT I, 09.12.2021, 1 - from force. 01.07.2022]

(2) The first place of destination on the territory of Estonia is the place indicated on the accompanying document for the carriage of goods or on any other document under the cover of which the goods are imported. If this is not indicated, the first place of loading of the cargo on the territory of Estonia is considered to be the first destination.

[RT I 2008, 58, 324 - from force. 01/01/2009]

(3) Where a traveller has imported goods above the value-limited ad valorem threshold exempt from VAT, the taxable amount of the imported goods is the purchase price and all import taxes. The purchase price is certified by the passenger on the basis of payment documents.

[RT I, 23.02.2021, 1 - from force. 01.07.2021]

(3<sup>1</sup>) The taxable amount of imported consignments, the intrinsic value of which does not exceed EUR 150 and which is sent directly from a non-Community country to a consignee in the Community, shall be the actual value of the goods contained in the consignment, the costs of transport, insurance and other charges relating to the importation of the goods, provided that they are not included in the actual value of the goods and are shown separately on the sales document or other document relating to the importation of the goods, and all import charges. The taxable amount of the consignment shall be certified on the basis of payment documents.

[RT I, 23.02.2021, 1 - from force. 01.07.2021]

(3<sup>2</sup>) Where the vouchers referred to in paragraphs 3 and 3<sup>1</sup> of this paragraph are not available and no other supporting documents proving the taxable amount of the goods are presented to the customs authorities, or where the customs authorities have reasonable doubts that the declared taxable amount does not include the amount actually paid for the goods, the customs value shall be determined using the methods referred to in Article 74 of the Code. Where the customs value determined in accordance with Article 74 of the Code exceeds EUR 150, the provisions of paragraph 1 of this section shall apply to the determination of the taxable amount of the consignment.

[RT I, 23.02.2021, 1 - from force. 01.07.2021]

(4) Where goods which have been brought into the customs territory are imported after they have been placed under a special procedure, the taxable amount of the imported goods should, as a general rule, not be less than the taxable amount of those goods on importation immediately following their entry into that territory. Where a lower taxable amount is declared for the importation of goods placed under a special procedure, the customs authorities shall proceed from Article 140 of Commission Implementing Regulation (EU) 2015/2447 laying down detailed rules for the implementation of certain provisions of Regulation (EU) No 952/2013 of the European Parliament and of the Council laying down the Union Customs Code (OJ L 343, 29.12.2015, p. 558–893). Where the conditions laid down in Articles 69 to 76 of the Code and Articles 127 to 146 of Commission Implementing Regulation (EU) 2015/2447 are fulfilled and the decrease in value is justified to the satisfaction of the customs authorities, the customs authorities shall accept the declared taxable amount. If the reduction in the taxable amount is not justified to the satisfaction of the customs authorities, the customs value shall be determined in accordance with Article 74 of the Code.

[RT I, 16.06.2017, 1 - from force 01.07.2017]

(5) When goods placed under the outward processing procedure are imported into the Union by the person who exported those goods from the Union, the taxable amount is the value added to the processing and all loading, packing, transport and insurance costs added to the value of the goods, together with all import charges. Where the standard exchange system is used, the taxable amount of the replacement product shall be determined by applying the provisions of paragraph 1 of this paragraph, which may not be less than the taxable amount of the goods exported.

[RT I, 18.02.2014, 2 - from force. 01.03.2014]

(6) In the case of delivery of goods to Estonia from a non-Community country which is part of the customs territory of the Union (Paragraph 6(4)), the provisions of Paragraph 12 of this Law apply to the determination of the taxable amount of the goods.

[RT I, 18.02.2014, 2 - from force. 01.03.2014]

(7) The tax imposed by this Law shall not be included in the taxable amount of imported goods.

#### **§ 14. Taxable amount of exported goods**

(1) In the case of exportation, the provisions of Paragraph 12 of this Law shall apply to the determination of the taxable amount of the goods, but in the case of disposal at a price higher than the normal value of the goods, the taxable amount of the goods shall be deemed to be the normal value of the goods.

(2) In the case of re-exportation of goods brought into Estonia under the inward processing procedure or of a product made from equivalent goods under an inward processing authorisation, the value of goods brought in for processing or the value of equivalent goods shall not be included in the taxable amount.

[RT I, 16.06.2017, 1 - from force. 01.07.2017]

#### **§ 15. VAT rates**

(1) The rate of value added tax shall be 22 percent of the taxable amount, except as provided in subsections (2) to (4) of this section.

[RT I, 01.07.2023, 2 - from force. 01.01.2024]

(2) The rate of VAT shall be 9 per cent of the taxable amount of the following goods and services:

(1) books and educational literature, both on a physical and electronic basis, with the exception of the teaching aids specified in section 16(1)(6) of this Act;

[RT I, 21.04.2020, 1 - from 01.05.2020]

2) a medicinal product, a contraceptive, a sanitary and hygienic product and a medical device for the personal use of a disabled person within the meaning of the Medical Device Act and an auxiliary device within the meaning of the Social Welfare Act and the provision of such an aid to a disabled person on the list established by order of the minister responsible for the field;

[RT I, 30.12.2015, 5 - from force. 01.01.2016]

3) [invalid - RT I, 04.06.2022, 4 - from force. 01.08.2022]

4) accommodation or accommodation with breakfast, excluding the goods or services accompanying this service.

[RT I 2008, 51, 283 - from force. 01/01/2009]

(2<sup>1</sup>) Käibemaksumäär on 5 protsenti nii füüsilisel kandjal kui ka elektroonilise ajakirjandusväljaande maksustatavast väärtusest, välja arvatud peamiselt reklaami või erakuulutusi avaldava või peamiselt erootilise või pornograafilise sisuga või video- või muusikasisuga ajakirjandusväljaande puhul.

[RT I, 04.06.2022, 4 - jõust. 01.08.2022]

(3) The rate of VAT shall be zero per cent of the taxable amount of the following goods:

(1) the goods to be exported, unless the turnover of those goods is exempt under Section 16 of this Act;

(2) goods the transfer of which and their transfer to another Member State or their transfer without transfer to another Member State shall be regarded as intra-Community turnover;

[RT I, 19.12.2019, 2 - from force 01.01.2020]

3) a seagoing vessel sailing in international waters, other than a seagoing vessel used for non-business recreational or recreational purposes, and the equipment, equipment, spare parts, fuel and other supplies of such a seagoing vessel and goods transferred to a passenger for consumption on the spot, with the exception of goods for sale on board a seagoing vessel sailing in Union waters;

[RT I, 18.02.2014, 2 - from force 01.03.2014]

4) aircraft used mainly by an air carrier operating international flights and its equipment, equipment, spare parts, fuel and other supplies, as well as goods transferred to the passenger for consumption on the spot, with the exception of goods sold on an intra-Community flight in an aircraft;

(5) goods transferred and delivered to another Member State to a diplomatic representative, a consular officer (other than an honorary consul), a representative or mission of a special mission or an international organisation recognised by the Ministry of Foreign Affairs, the headquarters of an international organisation, a diplomatic mission, a consular post, a special mission or an institution of the Union or an agency or body established under Union law;

[RT I, 09.12.2021, 1 - from force 01.01.2022]

5<sup>1</sup>) goods that are transferred to a Union institution or agency or body established under Union law located in Estonia, provided that the total cost of the goods, excluding VAT, is at least 53 euros according to the invoice, except for utility bills and fuel within the meaning of the Liquid Fuel Act;

[RT I, 09.12.2021, 1 - from force 01.01.2022]

5<sup>2</sup>) goods transferred to the European Commission or to a body or body established under Union law in the performance of the tasks conferred on it by Union law in response to the COVID-19 pandemic, unless those goods are acquired for consideration for resale;

[RT I, 09.12.2021, 1 - from force 01.01.2022]

6. goods transferred and transferred to another Member State for the performance of official duties by the armed forces of any other Member State or by the civilian staff accompanying them, when those forces take part in defence activities implementing Union measures in the framework of the Common Security and Defence Policy, or to another Member State which is a member of the North Atlantic Treaty Organisation (hereinafter referred to as *NATO*) a Member State, for the performance of official duties by the armed forces of any other NATO Member State, or by the civilian staff accompanying them, when those forces participate in the common defence effort, or for the International Military Headquarters;

[RT I, 09.12.2021, 1 - from force. 01.07.2022]

6<sup>1</sup>) goods that will be transferred to the international military headquarters in Estonia if the benefit is provided for in an international treaty ratified by the Riigikogu, or for a NATO member state participating in a common defence effort or a Member State participating in defence activities carried out for the implementation of Union measures within the framework of the Common Security and Defence Policy, except for the armed forces of Estonia and the civilian staff accompanying them, for the performance of official duties;

[RT I, 09.12.2021, 1 - from force. 01.07.2022]

7) [invalid - RT I, 16.06.2017, 1 - from force 01.07.2017]

8) non-Union goods placed under the customs procedure for customs warehousing, free zone, inward processing, transit or temporary importation with total relief from import duties, or non-Union goods in temporary storage, provided that such goods are not present have been unlawfully removed from customs supervision and have not been consumed or used in cases other than those provided for in the customs legislation within the meaning of the Code;

[RT I, 16.06.2017, 1 - from force 01.07.2017]

9) Union goods to be moved and transferred to a free zone for the purpose of export and Union goods in a free zone exported directly from a free zone within two months of being transferred to a free zone;

[RT I, 16.06.2017, 1 - from force 01.07.2017]

10) gold to be transferred to Eesti Pank;

(11) goods referred to in Annex V to Council Directive 2006/112/EC where they are immediately placed in a tax warehouse or have

been placed in a tax warehouse (Paragraph 44<sup>1</sup>) and the transaction does not entail the termination of the tax warehousing of the goods. The provision does not apply to fuel released for consumption within the meaning of the Alcohol, Tobacco, Fuel and Electricity Excise Duty Act if the fuel has been placed in an excise warehouse;

[RT I, 27.03.2012, 7 - from force 01.04.2012]

12) excise goods placed in an excise warehouse under temporary exemption from excise duty, if the transaction does not involve the removal of the goods from the excise warehouse, except for the transfer of excise goods from one excise warehouse to another;

[RT I, 27.03.2012, 7 - from force. 01.04.2012]

13) goods that are transferred under the conditions prescribed in an international treaty ratified by the Riigikogu in the cantin, café or fair of the international military headquarters;

[RT I, 01.06.2013, 1 - from force 01.07.2013]

14) goods the importation of which is exempt under the conditions laid down for the application of duty-free duty-free pursuant to a Commission decision adopted pursuant to Article 76 of Council Regulation (EC) No 1186/2009 setting up a Community system of reliefs from customs duty (OJ L 324, 10.12.2009, p. 23-57);

[RT I, 21.04.2020, 1 - effective 22.04.2020]

15) goods that are transferred to a person who owns an online marketplace if he is considered to be the person acquiring the goods in accordance with section 4(1)<sup>(3)</sup> of this Act.

[RT I, 23.02.2021, 1 - from force. 01.07.2021]

(3<sup>1</sup>) Subparagraph (3)(2) of this section shall not apply if, in accordance with Paragraph 16 of this Law, the turnover of those goods is exempt or if there is no valid taxable or restricted tax identification number in another Member State for the acquisition of goods, other than a new means of transport or excise goods, or for the transfer of his goods to another Member State, or the turnover of those goods has not been recorded in the intra-Community turnover report in accordance with Paragraph 28 of this Law.

[RT I, 19.12.2019, 2 - from force. 01.01.2020]

(4) The VAT rate is zero percent of the taxable value of the following services:

(1) a service whose place of turnover is not Estonia, unless the turnover of that service is exempt pursuant to Section 16 of this Act;

(2) the service required for the journey provided to the passenger on board a ship or aircraft during an international voyage;

(3) port services directly related to the servicing of a ship sailing in international waters;

(4) navigation services and aerodrome services directly related to the operation of the aircraft of an air carrier operating mainly international flights;

[RT I, 10.12.2010, 3 - from force. 01.01.2011]

5) [invalid - RT I 2005, 68, 528 - from force. 01.01.2006]

6) repair, maintenance, chartering, hiring or hiring of a seagoing vessel sailing in international waters, other than a ship used for non-commercial pleasure or pleasure, or an aircraft used mainly by an air carrier operating international flights, or usufruct or the repair, maintenance, hire or usufruct of equipment used on such a seagoing vessel or aircraft;

(7) the intermediation service in the case of an intermediary transaction the turnover of which arises in a non-Community country, or the goods referred to in points (1), (3) to (6) and (10) of paragraph 3 of this section, or the services set out in points (2) to (4), (6), (9), (10), (12) and (14) of this paragraph;

8) [invalid - RT I, 09.12.2021, 1 - from force 01.07.2022]

9) for the transfer of goods outside the customs territory of the Union or to a non-Community country which is part of the customs territory of the Union, the service of organising the transport of goods and ancillary services related to such transport of goods, if they are provided to the consignor or consignee;

[RT I, 09.12.2021, 1 - from force 01.07.2022]

10) freight transport services provided for the importation of goods, the service of organizing the carriage of goods, ancillary services related to such carriage of goods, with the exception of insurance services, and the service of conveying such goods to another destination in the Community, where the cost of these services is included in the taxable amount of the imported goods and is provided to the consignor or consignee;

[RT I, 09.12.2021, 1 - from force 01.07.2022]

10<sup>1</sup>) the service of transport of non-Union goods placed under a customs procedure or in temporary storage referred to in point (8) of paragraph 3 of this section, the service of organizing the carriage of goods and ancillary services related to such carriage of goods, except for insurance services, if they are provided to the consignor or consignee;

[RT I, 09.12.2021, 1 - from force 01.07.2022]

11) transport of goods to or from the Azores or Madeira to Estonia or another Member State;

(12) work on movable property acquired from Estonia or delivered to Estonia for the provision of this service, and such movables are delivered out of the Community after the provision of the service;

[RT I 2008, 58, 324 - from force. 01/01/2009]

13) the passenger transport service specified in point 3 of Paragraph 10(2) of this Law, including the transport of passengers' personal luggage and personal means of transport, if the passenger transport service provided in Estonia is part of an international journey;

[RT I 2009, 56, 376 - effective 01/01/2010]

14) a service provided to a person, agency, agency, special mission, Union institution or agency or body established under Union law, armed forces or headquarters located abroad as referred to in paragraph 3(5) or (6) of this section;

[RT I, 09.12.2021, 1 - from force 01.01.2022]

14<sup>1</sup>) service provided to the international military headquarters in Estonia, if the tax deduction is provided for in an international treaty ratified by the Riigikogu, or to the armed forces specified in clause 3(6)<sup>(1)</sup> of this section and the civilian staff accompanying them for the performance of official duties;

[RT I, 29.04.2016, 6 - from force 01.05.2016]

14<sup>2</sup>) a service provided to a Union institution or a body established under Union law located in Estonia, provided that the total cost of the service, excluding VAT, is at least EUR 53 according to the invoice, except for utility bills and telecommunications services;

[RT I, 09.12.2021, 1 - from force. 01.01.2022]

15) service provided by the cantina, café or fair of the international military headquarters under the conditions provided for in an international agreement ratified by the Riigikogu;

[RT I, 01.06.2013, 1 - from force 01.07.2013]

16) a service provided to the European Commission or to a body established under Union law in the performance of tasks conferred on it by Union law in response to the COVID-19 pandemic, unless that service is received for the purpose of its onward provisioning for consideration.

[RT I, 09.12.2021, 1 - from force. 01.01.2022]

(5) The supply of a service subject to a zero percentage rate of VAT shall be certified by a contract concluded at the place where the service is supplied, by an order letter, by an invoice or by any other document certifying the supply of the service. The tax authority has the right to request additional documents confirming the provision of the service.

(5<sup>1</sup>) In the cases referred to in points (5) to (6)<sup>(1)</sup> of paragraph 3 and points (14) to (14)<sup>(2)</sup> and (16) of paragraph 4 of this paragraph, the proof of turnover subject to a zero percentage rate of VAT shall be the VAT exemption certificate established by Council Implementing Regulation (EU) No 282/2011 laying down implementing measures for Directive 2006/112/EC on the common system of

value added tax (OJ L 77, 23.3.2011, p. 1–22).  
[RT I, 09.12.2021, 1 - from force. 01.01.2022]

(5<sup>2</sup>) In the cases referred to in paragraphs 3(5)<sup>(1)</sup>, (5)<sup>(2)</sup> and (6)<sup>(1)</sup> and (4)(14)<sup>(1)</sup>, (14)<sup>(2)</sup> and (16) of this section, the armed forces of a NATO Member State participating in the common defence effort or of a Member State participating in the common security and defence policy shall be approved by an institution of the Union or by an agency or body established under Union law located in Estonia and by the armed forces of a NATO Member State participating in the common defence action participating in the common defence policy, or by the armed forces of a Member State participating in the defence effort to implement the Union's measures within the framework of the Common Security and Defence Policy, and the accompanying the right of the civilian staff and the International Military Headquarters to acquire goods or services at a zero rate of VAT on the certificate of exemption from VAT referred to in paragraph 5<sup>(1)</sup> of this section by the Minister responsible for the field or an official authorised by him.  
[RT I, 09.12.2021, 1 - from force. 01.07.2022]

(6) Notwithstanding the provisions of subsection (3)(1) of this section, the exemption shall apply instead of the zero percent VAT rate in the following cases:

(1) in the case of export of similar goods instead of goods returned to Estonia after export within the meaning of the Customs Code, if the goods to be replaced were returned to Estonia tax-free pursuant to section 17(2) of this Act;

[RT I, 16.06.2017, 1 - effective 01.07.2017]

2) upon export of goods imported to Estonia at a zero percent VAT rate pursuant to subsection 3 of this section or tax-free pursuant to section 17 of this Act.

(6<sup>1</sup>) Notwithstanding the provisions of paragraph 4(1) of this paragraph, the exemption shall apply instead of the zero rate of VAT to a service whose place of turnover is in another Member State, if the taxable person uses his tax identification number in another Member State for the supply of services.

(7) [Repealed - RT I 2009, 46, 307 - effective 16.09.2009, applied retroactively from 01.07.2009]

(8) If the conditions for the application of the zero rate of VAT set out in subparagraph 3(5)<sup>(2)</sup> or (4)(16) of this section no longer apply, the European Commission, agency or agency which acquired the goods or services subject to a zero rate of VAT shall notify the tax authorities thereof and shall pay the VAT on those goods or services in accordance with the procedure established pursuant to Paragraph 39(3) of this Law when the conditions for charging the zero rate of VAT cease to apply, and Conditions.

[RT I, 09.12.2021, 1 - from force. 01.01.2022]

## § 16. Tax-free turnover

(1) The turnover of the following goods and services of a social nature is not subject to VAT:

(1) universal postal service within the meaning of the Postal Act and payment by post of state pensions, allowances, allowances and benefits in accordance with the provisions of the State Pension Insurance Act and the Work Ability Allowance Act;

[RT I, 09.12.2021, 1 - from force 01.01.2022]

2) health service within the meaning of the Health Services Organisation Act and an organ or tissue of human origin, human blood or human blood derivative and breast milk specified in the list approved by order of the minister responsible for the field;

[RT I, 29.04.2016, 6 - from force. 01.07.2016]

2<sup>1</sup>) service provided by a dental technician in professional activity and dental prosthesis transferred by a dentist or dental technician;

[RT I 2007, 17, 83 - from force. 01.03.2007]

3) a service provided by a non-profit organization free of charge or in exchange for a membership fee to its members, and a service for the use of a sports facility or sports equipment provided by a non-profit organization or foundation to a natural person;

[RT I, 10.12.2010, 3 - effective 01.01.2011]

4) social services mentioned in Sections 8, 17, 20, 23, 26, 27, 30, 33, 41, 44, 45<sup>5</sup>, 45<sup>15</sup>, 56, 87, 91, 94, 97, 100 and 130<sup>1</sup> of the Social Welfare Act and social services financed from the budget of a state or local government entity referred to in § 45<sup>1</sup>;

[RT I, 03.04.2018, 3 - from force. 01.05.2018]

5) safe house service related to the protection of children and adolescents;

(6) pre-primary, basic, vocational, secondary or higher education, including teaching aids transferred by the training service provider to the recipient of the service, the provision of private lessons related to general education and other training, with the exception of other training for commercial purposes;

7) transport of a sick, injured or disabled person in a vehicle adapted for this purpose and complying with the requirements established on the basis of the Traffic Act;

(8) a service provided by an independent association of persons to its member where the following conditions are met: the service is directly necessary for the member's principal activity, which is exempt or not subject to VAT; the fee paid for the service does not exceed the cost of providing the service and the exemption does not significantly affect competition.

[RT I, 29.04.2016, 6 - from force. 01.07.2016]

(2) Similarly, the turnover of the following goods and services is not subject to VAT:

(1) insurance services, including reinsurance and insurance mediation services;

(2) the letting, letting or usufruct of immovable property or part thereof. The provision of accommodation services and the rental, rental or usufruct of a parking garage or parking space for vehicles, a stationary installation or a machine or a safe shall not be exempted;

[RT I 2008, 58, 324 - from force. 01/01/2009]

3) immovable property or part thereof. The exemption does not apply to immovable property of which an essential part is a building within the meaning of the Building Code or part of a building and which is transferred before the building or part thereof is first put into use, to immovable property of which a substantial part is a substantially improved building or part thereof and which is transferred before the building or part thereof is re-commissioned after improvement, or to building land. A building or part thereof is substantially improved if the cost of the improvements exceeds at least 10 percent of the cost of the building or part thereof before the improvement;

[RT I, 24.04.2018, 2 - from force 01.10.2018]

4) a valid postal payment instrument of the Republic of Estonia, if it is sold at par value;



(5) [invalid - RT I 2008, 58, 324 - effective 01.01.2009]

(6) a security, other than a unit of greenhouse gas emissions within the meaning of section 137(1) of the Atmospheric Air Protection Act, and any security or interest which gives the holder the right of ownership or use and disposal of all or part of the immovable property or part thereof referred to in the second sentence of subsection (2)(3) of this section;

[RT I, 24.04.2018, 2 - from force. 01.05.2018]

7) lottery ticket and the organization of gambling, excluding the organization of a commercial lottery, and the organization of a skill game, the only possible victory of which is the opportunity to participate again in the same game;

[RT I 2009, 24, 146 - effective 01.06.2009]

8) investment gold, a service related to the transfer or conclusion of a contract for the transfer or transfer of investment gold, or a service related to their turnover, provided by an agent acting in the name and on behalf of another person;

(9) goods the acquisition of which did not give rise to a right to deduct input VAT, unless the goods were acquired before the customer was identified for tax purposes or the input VAT has been partially deducted on the acquisition of the goods.

(2<sup>1</sup>) The turnover of the following financial services is not subject to VAT:

(1) deposit transactions to attract deposits and other repayable funds from the public;

(2) lending transactions, including consumer credit, mortgage loans and other commercial financing transactions;

3) leasing transactions;

(4) payment services within the meaning of the Payment Institutions and Electronic Money Institutions Act, with the exception of transactions with collector coins within the meaning of Regulation (EU) No 651/2012 of the European Parliament and of the Council on the issuance of euro coins (OJ L 201, 27.7.2012, p. 135–137) or collector coins of non-Community countries (hereinafter referred to as *collector coins*) which are not investment gold;

[RT I, 09.12.2021, 1 - from force 01.07.2022]

5) issuance and administration of non-cash means of payment such as electronic means of payment, e-money, traveller's cheques and bills of exchange;

[RT I, 08.07.2011, 6 - from force. 18.07.2011]

6) collateral and guarantee transactions and other transactions that create obligations binding on the person in the future;

(7) transactions in negotiable securities and foreign currency as provided for in points 1 to 7 of Paragraph 2(1) of the Securities Market Act and other money market transactions, including transactions in cheques, bills of exchange, certificates of deposit and similar instruments, both for own account and for the account of clients;

[RT I, 24.04.2018, 2 - effective 01.05.2018]

8) transactions and operations related to the issuance and sale of securities specified in clause 7 of this paragraph;

[RT I, 24.04.2018, 2 - from force. 01.05.2018]

9) money brokerage activities;

(10) negotiation services related to the services referred to in points (1) to (9) of this paragraph;

(11) the management of an investment fund provided for in the Investment Funds Act and any other investment fund of a contracting state of the European Economic Area subject to financial supervision, including, in the case of outsourcing of the functions of a management company, the provision to the fund of services related to the management of the fund.

[RT I 2008, 58, 324 - from force. 01/01/2009]

(3) A taxable person who has notified the Tax and Customs Board in writing before the turnover took place in the same tax period or earlier shall add VAT to the taxable amount of the following goods and services:

[RT I, 25.10.2012, 1 - as of 01.12.2012]

1) the granting of immovable property or a part thereof, except for the lease, lease or usufruct of a dwelling;

[RT I 2008, 58, 324 - from force. 01.01.2009]

2) immovable property or part thereof, excluding dwelling;

(3) the service referred to in subparagraphs (2)(6) and (2)(<sup>1</sup>) of this section, unless the service is supplied to a taxable person or a restricted taxable person in another Member State;

[RT I 2008, 58, 324 - effective 01.01.2009]

4) investment gold transferred to another taxable person by a taxable person who, in the course of his business, makes a turnover of gold normally used as an industrial raw material, or by a taxable person who produces investment gold or converts gold used for other purposes into investment gold, or a service related to such turnover, supplied in the name and on behalf of another person acting agent.

(4) If the taxable person adds VAT to the taxable amount of the services under subsection (3) of this section, such turnover shall be taxed for at least two years from the first tax period.

[RT I 2008, 58, 324 - from force. 01/01/2009]

(5) The turnover of the services referred to in subsections (1) to (2)(<sup>1</sup>) of this section, which is regarded as the turnover of electronically supplied services, shall not be subject to VAT.

[RT I, 29.04.2016, 6 - from force. 01.07.2016]

## § 17. Duty-free imports

(1) The importation of the following goods is not subject to VAT:

(1) goods whose turnover is exempt (Paragraph 16);

2) gold imported by Eesti Pank;

(3) banknotes and coins, with the exception of collectors' items within the meaning of Paragraph 41 of this Law and collector coins which are not investment gold;

[RT I, 09.12.2021, 1 - from force. 01.07.2022]

4) tax stamp;

(5) natural gas imported through the grid and gas pumped into the natural gas network with electricity, heating and cooling and a tanker transporting gas;

[RT I, 10.12.2010, 3 - from force. 01.01.2011]

6) goods immediately placed in tax warehousing;

[RT I 2009, 56, 376 - effective 01.01.2010]

7) alcohol and tobacco products delivered to Estonia from a country outside the Union in the traveller's personal luggage within the limits and under the conditions provided for in sections 47 and 57 of the Alcohol, Tobacco, Fuel and Electricity Excise Duty Act;

[RT I, 09.12.2021, 1 - from force 01.07.2022]

8) goods of a non-commercial nature, other than those specified in point (7) of paragraph 1 of this section, delivered to Estonia from a country outside the Union in the personal luggage of a passenger in the value of EUR 300, and in the case of use of air and sea transport, except for private pleasure flights or private pleasure rides at sea, worth EUR 430. Where the total value of the goods or goods exceeds this limit, the value of the goods in excess of the limit as a whole shall be subject to VAT;

[RT I, 18.02.2014, 2 - from force. 01.03.2014]

9) [invalid - RT I, 23.02.2021, 1 - from force. 01.07.2021]

10) a shipment of a non-commercial nature sent from one natural person to another natural person with a value of up to 45 euros, alcohol or tobacco product within the excise-free limits established by the Alcohol, Tobacco, Fuel and Electricity Excise Duty Act and, under the conditions, up to 500 grams of coffee or 200 grams of coffee extract or essence and 100 grams of tea or 40 grams of tea extract or essence, up to a value of EUR 45 per consignment of a non-commercial character;

[RT I, 09.12.2021, 1 - from force 01.07.2022]

11) goods taxed in Estonia or in another Member State under the special scheme for distance sales of goods imported from a non-Community country, provided that the tax authorities have been submitted, at the latest when the import declaration is submitted, for the purposes of the special scheme for a taxable person, a taxable person of another Member State, a person from a non-community country engaged in business or an intermediary acting on their behalf the tax identification number issued;

[RT I, 23.02.2021, 1 - from force 01.07.2021]

12) fuel delivered to Estonia from a non-Union country within the limits and under the conditions provided for in § 68 of the Alcohol, Tobacco, Fuel and Electricity Excise Duty Act.

[RT I, 09.12.2021, 1 - from force. 01.07.2022]

(2) The importation of the goods referred to in Council Regulation (EC) No 1186/2009 setting up a Community system of reliefs from customs duty (OJ L 324, 10.12.2009, p. 23–57), with the exception of those referred to in Articles 23 to 27, 42, 44 to 52, 57, 58, 67(1) (a), 68(1)(a) and 107 to 111, and of the goods referred to in Title 6, Chapter 2 of the Customs Code, shall not be subject to VAT under the conditions laid down for the application of the relief. The importation of goods referred to in Section 1 of Chapter 2 of Title 6 of the Code shall not be subject to VAT where they have been reimported by the person who exported them. Nor shall the importation of the goods referred to in this paragraph be subject to VAT on the imports referred to in Paragraph 6(4) of this Law, provided that they are compatible with the requirements for the application of relief from customs duties.

[RT I, 09.12.2021, 1 - from force. 01.07.2022]

(2<sup>1</sup>) The importation of goods under the customs procedure for release for free circulation of non-Union goods shall not be subject to VAT if the following conditions are met:

[RT I, 18.02.2014, 2 - as of 01.03.2014]

1) the importer of the goods or the customs agency representing them is a taxable person in Estonia;

[RT I, 27.03.2012, 7 - from force 01.04.2012]

2) the goods, after importation, are immediately delivered to another Member State for a taxable person or a limited taxable person in another Member State;

(3) the transfer of goods to another Member State gives rise to an intra-Community turnover of the goods;

(4) the importer of the goods or a customs agency representing him proves, on importation, that he intends to transfer the goods to another Member State to a taxable person established there or to a restricted taxable person and, after transfer, provides the customs authorities with documents certifying the intra-Community turnover of the goods;

[RT I, 27.03.2012, 7 - effective 01.04.2012]

5) a security has been provided to ensure that the tax liability that may arise if the conditions set out in this paragraph are not met. The security shall be provided, released, used and calculated in accordance with the procedure laid down in the customs legislation.

[RT I, 16.06.2017, 1 - from force. 01.07.2017]

(2<sup>2</sup>) Kauba importijat esindava tolliagentuuri poolt kauba toimetamist teise liikmesriigi maksukohustuslasele käsitatakse käesoleva paragrahvi lõike 2<sup>1</sup> punktis 3 sätestatud tingimust arvestades tolliagentuuri ühendusesisese käibena.

[RT I, 27.03.2012, 7 - jõust. 01.04.2012]

(3) Samuti ei maksustata käibemaksuga järgmiste kaupade importi:

1) raamat, perioodiline väljaanne või muu teavik, mis on saadetud raamatukogule, teadus-, arendus- või õppeasutusele;

2) konfiskeeritud võltsitud kaup, mis antakse seaduse alusel üle tervishoiuteenust osutavale asutusele, hoolekandeesutusele või kohalikule omavalitsüksusele.

[RT I 2010, 11, 55 - jõust. 01.05.2010]

## § 18. Kauba ühendusesisene maksuvaba soetamine

The following shall not be subject to VAT:

(1) intra-Community acquisitions of goods whose turnover is exempt (Paragraph 16);

(2) the intra-Community acquisition of goods the importation of which is exempt (Paragraph 17);

(3) the intra-Community acquisition of goods by a foreign taxable person, where the conditions for refund of VAT laid down in points (1) to (3) of Paragraph 35(1) of this Law are fulfilled;

[RT I, 18.02.2014, 2 - from force 01.03.2014]

4) intra-Community acquisition of goods by a taxable person of another Member State in the case of a triangular transaction;

(5) the intra-Community acquisition of goods where they are immediately placed in a tax warehouse (Paragraph 44<sup>1</sup>).

[RT I 2005, 68, 528 - from force. 01/01/2006]

## RIGHTS AND OBLIGATIONS OF THE TAXABLE PERSON

### § 19. Obligation to register as a taxable person

(1) If the taxable turnover of the transactions referred to in points (1) and (3) of Paragraph 1(1) of this Law, other than the transfer of fixed assets and intra-Community distance sales from another Member State to Estonia, exceeds EUR 40 000 from the beginning of the calendar year, he will be obliged to register as a taxable person from the date on which the turnover of that amount is incurred (hereinafter referred to as *the obligation to register*). The obligation to register does not arise where the total taxable turnover of a person is the turnover subject to a zero percentage rate of VAT, with the exception of the intra-Community turnover of goods and the turnover of the services referred to in point (9) of Paragraph 10(4) of this Law, where the service is supplied to a taxable person in another Member State or to a limited taxable person. The provision does not apply to a person who owns an online marketplace in the case provided for in Paragraph 4(1)<sup>(3)</sup> of this Law.

[RT I, 23.02.2021, 1 - from force. 01.07.2021]

(2) If the taxable person's data have been deleted from the register on the basis of the application referred to in Paragraph 22(1) of this Law and if, from the day following the day on which he is removed from the register, the taxable turnover of the transactions referred to in points (1) and (3) of Paragraph 1(1) of this Law, other than the transfer of fixed assets and intra-Community distance sales from another Member State to Estonia, exceeds EUR 40 000 in the same calendar year, he shall be subject to the obligation to register again in respect of the taxable amount from the day the turnover was generated. The obligation to register does not arise where the total taxable turnover of a person is the turnover subject to a zero percentage rate of VAT, with the exception of the intra-Community turnover of goods and the turnover of services referred to in point (9) of Paragraph 10(4) of this Law, where the service is supplied to a taxable person in another Member State or to a limited taxable person.

[RT I, 23.02.2021, 1 - from force. 01.07.2021]

(3) If a foreign person engaged in business who does not have a permanent establishment in Estonia generates a taxable turnover, the place of formation of which is Estonia, but which is not taxed in Estonia upon the acquisition of goods or services by a taxable person or a limited taxable person, he or she shall be subject to registration from the date of the taxable turnover. The obligation to register does not arise where the total taxable turnover of a person is the turnover subject to a zero percentage rate of VAT, with the exception of the intra-Community turnover of goods and the turnover arising from the transfer of goods to a person who owns an online marketplace, where he is considered to be the person acquiring the goods in accordance with Paragraph 4(1)<sup>(3)</sup> of this Law. A taxable person of another Member State and a non-established person engaged in business shall not be subject to the obligation to register in respect of the supply of services, intra-Community distance sales and the supply of goods through an online marketplace where the person is registered in another Member State as a beneficiary of the special VAT scheme for the supply of services, intra-Community distance sales and supplies of goods through an online marketplace and that turnover is subject to that special scheme.

[RT I, 23.02.2021, 1 - from force. 01.07.2021]

(3<sup>1</sup>) In the case referred to in Paragraph 4(1)<sup>(3)</sup> of this Law, where a person from a non-Community country whose business is established outside the Community and who does not have a fixed establishment in the Community who owns an online marketplace generates a taxable turnover in Estonia, but the person has not registered himself as a taxable person or as a beneficiary of the special VAT scheme for the supply of services, intra-Community distance sales or goods through an online marketplace, the person shall be liable to pay VAT to that person. The person from whom he acquired the goods is jointly and severally liable in respect of the turnover incurred up to the time when the person of the non-established country is identified for tax purposes.

[RT I, 23.02.2021, 1 - from force. 01.07.2021]

(4) If the total turnover of the goods and services referred to in Paragraph 10<sup>1(3)</sup> of this Law by a person from another Member State engaged in business exceeds EUR 10 000 in a calendar year, he shall be subject to registration from the date on which the turnover of that amount is generated.

[RT I, 23.02.2021, 1 - from force. 01.07.2021]

(5) [Deleted - RT I, 23.02.2021, 1 - from force. 01.07.2021]

### § 20. Identification for tax purposes

(1) Within three working days from the day on which the obligation to register arises, a person is obliged to submit an application to the tax authorities for registration as a taxable person. A person may submit an application for registration as a VAT payer through the Commercial Register information system with a digital signature or request a notary to prepare an application and submit it through the e-notary information system.

[RT I 2008, 58, 324 - from force. 01/01/2009]

(2) A person may submit an application to the tax authority for registration as a taxable person in the following cases:

(1) the person has not yet become subject to registration under section 19 of this Act;

(2) in the case of intra-Community acquisitions of goods free of tax;

(3) in the case of export.

[RT I, 18.02.2014, 2 - from force. 01.03.2014]

(3) The tax authorities shall register the person as a taxable person by entering his details within five working days of receipt of the application in the register of taxable persons (hereinafter referred to as *registration*) as of the date on which the obligation to register arose.

[RT I, 18.02.2014, 2 - from force. 01.03.2014]

(4) On the basis of an application made under subsection (2) of this section, the tax authority shall register the person as a taxable person within five working days of receipt of the relevant application, either on the day of receipt of the application or, at the request of the petitioner, on a later date.

[RT I, 18.02.2014, 2 - from force. 01.03.2014]

(4<sup>1</sup>) In order to register, a person must prove that they are engaged in business in Estonia or start a business in Estonia. If a person's pursuit of business or starting a business is not sufficiently proven, the tax authorities have the right to request additional evidence from the person or collect them on their own initiative. The tax authorities decide within five working days from the receipt of certificates of registration. The tax authorities will not register a person if the person is not engaged in business or does not start a business.  
[RT I, 18.02.2014, 2 - from force. 01.03.2014]

(5) The tax authority shall notify the person of the decision on registration no later than the working day following the day on which the decision was made.

(6) A person from a non-Member State engaged in business who does not have a permanent establishment in Estonia, but with whose country of residence the Union has concluded an agreement on mutual assistance in the field of administrative cooperation, the fight against fraud and the recovery of claims in the field of VAT, or a person from another Member State who is engaged in business and who does not have a permanent establishment in Estonia, may, when registering as a taxable person, appoint a tax representative specified in the Taxation Act who has been approved by the tax authorities. A person from a non-Member State engaged in business who does not have a permanent establishment in Estonia and whose country of residence has not been the subject of an agreement on mutual assistance in the field of administrative cooperation, the fight against fraud and the recovery of claims in respect of value added tax must be appointed, when registering as a taxable person, a tax representative specified in the Taxation Act who has been approved by the tax authorities. The provision does not apply in the case referred to in Paragraph 43(22) of this Law.  
[RT I, 09.12.2021, 1 - from force. 01.01.2022]

(7) When submitting an application for registration, a natural person, as well as a representative of a legal entity or a state, rural municipality or city authority, must prove his or her identity. The authorised person must additionally submit a document certifying the authorisation.  
[RT I 2008, 58, 324 - from force. 01/01/2009]

(8) [Deleted - RT I, 23.02.2021, 1 - from force. 01.07.2021]

(9) [Deleted - RT I, 23.02.2021, 1 - from force. 01.07.2021]

(10) If the tax authorities have information that a person has become obliged to register, but has not submitted an application for registration on time, the tax authorities register the person on their own initiative as of the day on which the obligation to register arises. The tax authorities notify the person of the decision on his registration within three working days from the date of the decision.

(11) If, after the taxable person has been identified, the tax authorities establish that the application was submitted later than prescribed and that the person should have begun to fulfil the obligations of the taxable person (Paragraph 24) before the date specified in the tax authority's decision, the tax authorities shall retroactively revoke their initial decision, issue a new decision and register the taxable person as at the date on which the obligation to register arose. The tax authorities notify the person of the decision on his registration within three working days from the date of the decision.

(12) The form of the application for the identification of a person for tax purposes and the form of the tax authority's decision on the registration of a taxable person are established by order of the minister responsible for the subject matter.

## **§ 21. Limited tax identification**

(1) An Estonian person and a foreign person operating in Estonia through a permanent establishment who receives the services specified in Section 10(5) of this Act from a foreign person engaged in business activities not registered as a taxable person in Estonia shall be subject to a limited obligation to register as a taxable person from the date of receipt of this service. The provision does not apply to a taxable person or to a natural person not engaged in business.  
[RT I 2009, 56, 376 - from force. 01/01/2010]

(2) If the taxable amount of a person's intra-Community acquisitions of goods (Paragraph 8), other than excise goods and new means of transport, exceeds EUR 10 000 from the beginning of the calendar year, he shall be subject to a limited obligation to register as a taxable person from the date on which that limit is exceeded, except as provided in subsection (2) (1) of this section. The provision does not apply to a taxable person or to a natural person not engaged in business.  
[RT I 2010, 22, 108 - from force. 01/01/2011]

(2<sup>1</sup>) If a foreign person engaged in business who does not have a permanent establishment in Estonia acquires goods within the Community, he or she will be subject to a limited obligation to register as a taxable person from the date of the intra-Community acquisition of the goods. This provision does not apply to the tax-free intra-Community acquisition of goods (Paragraph 18).

(3) Within three working days from the date on which the obligation to register as a limited taxable person arises, the person is required to submit an application to the tax authorities for registration as a limited taxable person.

(4) A person may apply to the tax authority for registration as a limited taxable person before the registration obligation under subsections (1) to (3) of this section arises.

(5) In the case of registration of a restricted taxable person, the provisions on the identification of the taxable person laid down in Paragraph 20 of this Law shall apply.

(6) The form of the application for registration of a restricted taxable person and the form of the decision of the tax authority on registration shall be established by order of the minister responsible for the subject matter.  
[RT I 2005, 68, 528 - from force. 01/01/2006]

## **§ 22. Removal from the register as a taxable person**

(1) If a person is registered as a taxable person and the taxable turnover of the transactions referred to in points (1) and (3) of Paragraph 1(1) of this Law carried out by him does not, according to his calculations, exceed the limit laid down in Paragraph 19(1) of this Law for the following 12 months, he may apply to the tax authority for his removal from the register, except in the case referred to in subsection (2) of this section.

(2) A person from another Member State who is engaged in business may apply to the tax authorities for removal from the register as a taxable person if all of the following conditions are met:

- 1) a person makes intra-Community distance sales from another Member State to Estonia or provides an electronic communications service or an electronically supplied service to a person established or resident in Estonia who is not registered as a taxable person or restricted in any Member State; as a taxable person;
- (2) the person is registered as a taxable person under Paragraph 20(2) of this Law before the obligation to register laid down in Paragraph 19(4) arose;
- (3) the person has been identified for tax purposes for at least two calendar years;
- (4) the taxable turnover of the transactions referred to in points (1) and (3) of Paragraph 1(1) of this Law carried out by a person does not, according to his calculations, exceed the limit laid down in Paragraph 19(1) or (4) for the following 12 months.

[RT I, 23.02.2021, 1 - from force. 01.07.2021]

(2<sup>1</sup>) Where a person from another Member State carrying on a business activity is identified as a taxable person pursuant to Paragraph 19(4) or Paragraph 20(2) of this Law before the obligation to register under Paragraph 19(4) arises and registers himself in another Member State as a taxable person under the special VAT scheme for the supply of services, intra-Community distance sales and goods through an online marketplace, he shall be removed from the register as a taxable person on application by him, provided that Paragraph 1(1) 1 the taxable turnover of the transactions referred to in points 1 and 3 does not, according to its calculations, exceed the threshold laid down in Paragraph 19(1) for the following 12 months.

[RT I, 23.02.2021, 1 - from force. 01.07.2021]

(3) The tax authorities have the right to deregister a taxable person who has not submitted a VAT return for the last six consecutive tax periods.

(3<sup>1</sup>) The tax authorities have the right to delete from the register a taxable person who is not engaged in business in Estonia. Where there is insufficient evidence that the taxable person has been engaged in business activity, the tax authorities shall be entitled to request additional evidence from the taxable person or to collect it on his own initiative. The tax authorities shall inform the taxable person in writing of his intention to deregister and shall set a time limit within which to prove that he has been engaged in business. If the pursuit of business is not proved within the prescribed period, the tax authorities shall remove the taxable person from the register.

[RT I 2005, 68, 528 - from force. 01/01/2006]

(4) If the taxable person or his activity in Estonia has been terminated, the tax authorities shall delete the taxable person from the register of taxable persons.

(5) A taxable person is removed from the register as a taxable person on the basis of a decision of the tax authorities. Before deciding to deregister as a taxable person, except in the cases referred to in paragraphs 3 and 4 of this section, the tax authorities shall, if necessary, check their economic activities. Every taxable person shall be deemed to have been struck off the register on the date specified in the decision.

[RT I, 25.10.2012, 1 - from force. 01.12.2012]

### **§ 23. Removal from the register as a limited taxable person**

(1) Where a restricted taxable person is registered as a taxable person in accordance with Paragraph 20 of this Law, he shall be removed from the register as a restricted taxable person.

(2) If a person has been identified as a limited taxable person for at least two years and the value of the goods acquired by him within the Community did not exceed the limit laid down in Paragraph 21(2) of this Law in the previous calendar year and, according to his calculations, in the calendar year which began, he may apply to the tax authorities for his removal from the register as a limited taxable person.

(3) If a restricted taxable person or his activity in Estonia has been terminated, the tax authorities shall remove him from the register as a limited taxable person.

(4) A restricted taxable person is removed from the register as a limited taxable person on the basis of a decision of the tax authorities. Before deciding on removal from the register, except in the case referred to in paragraph 3 of this section, the tax authorities shall, if necessary, monitor its activities. A restricted taxable person shall be deemed to have been struck off the register on the date specified in the decision.

[RT I, 25.10.2012, 1 - from force. 01.12.2012]

### **§ 24. Rights and obligations of the taxable person**

(1) From the date of identification as a taxable person, the person must fulfil the obligations of the taxable person, including adding VAT to the taxable amount of the goods or services supplied, calculating the amount of VAT due in accordance with the procedure laid down in Paragraph 29 of this Law, paying VAT in accordance with Paragraph 38, keeping records and records in accordance with Paragraph 36 and submitting invoices in accordance with Paragraph 37.

(2) Subsection (1) of this section also applies to a foreign person registered as a taxable person in Estonia whose turnover arises in Estonia, except in the cases specified in subsection 3 (3)<sup>1</sup> of this Act and if a foreign person registered in Estonia does not have a permanent establishment in Estonia through which he or she conducts business in Estonia.

[RT I, 10.12.2010, 3 - from force. 01.01.2011]

### **§ 25. Rights and obligations of a limited taxable person**

(1) From the date of registration as a limited taxable person, the person must fulfil the obligations of the restricted taxable person, including calculating the amount of VAT due as provided for in Paragraph 29(12) of this Law, paying VAT in accordance with Paragraph 38, keeping records and keeping records as provided for in Paragraph 36(3). A restricted taxable person must submit VAT returns in accordance with Paragraph 27 of this Law only if he has carried out, during a tax period, the operations referred to in Paragraph 3(5). A restricted taxable person shall not be entitled to deduct input tax.

(2) A restricted taxable person who was registered pursuant to Paragraph 21(1) of this Law upon receipt of the services referred to in Paragraph 10(5) of this Law from a foreign person engaged in business is not liable to pay VAT on the intra-Community acquisition of goods, with the exception of the intra-Community acquisition of excise goods or a new means of transport, where the taxable amount of the goods acquired during a calendar year does not exceed EUR 10 000. Within three working days of the date on which this threshold is exceeded, the restricted taxable person shall notify the tax authorities in writing that the threshold for intra-Community acquisitions of goods has been exceeded.

[RT I 2010, 22, 108 - from force. 01/01/2011]

(3) A restricted taxable person who, pursuant to subsection (2) of this section, does not pay VAT on the intra-Community acquisition of goods may not use his limited tax identification number when acquiring goods from another Member State. Where a restricted taxable person uses his limited tax identification number when acquiring goods from another Member State, he shall be obliged to comply with all the obligations laid down in paragraph 1 of this paragraph.

## **§ 26. Registration of taxable persons as a single taxable person**

(1) At the joint request of taxable persons, the tax authorities shall register as a single taxable person (hereinafter referred to as the *VAT group*) the parent company and subsidiaries within the meaning of the Commercial Code. Also, economically and organizationally linked taxable persons are registered as a VAT group on the basis of a joint application if the same person owns more than 50 percent of the shares, interests or votes of each of the companies registered in the VAT group, or if the persons are linked under a franchise agreement. Persons who are Estonian taxable persons engaged in business in Estonia are registered as a VAT group.

[RT I 2009, 56, 376 - from force. 01/01/2010]

(2) [Deleted - RT I 2009, 56, 376 - from force. 01.01.2010]

(3) A taxable person may belong to only one VAT group at the same time.

[RT I 2008, 58, 324 - from force. 01/01/2010]

(4) The VAT group shall be registered in the name of the representative chosen by the requesting persons, who represents the VAT group, submits VAT returns and requests for repayment of excess VAT. The representative person is selected from among the persons belonging to the VAT group. The VAT group is assigned a common tax identification number.

[RT I 2009, 56, 376 - from force. 01/01/2010]

(5) The tax authority shall register the VAT group as of the first day of the calendar month. A VAT group which has been struck off the register pursuant to subparagraph 8(3) of this section may be re-registered as a VAT group as of the day following its deletion, if only companies and companies which have been declared bankrupt are excluded from the vat group to be registered.

[RT I 2009, 56, 376 - from force. 01/01/2010]

(6) Overpaid VAT shall be refunded to the representative who represents the VAT group.

[RT I 2008, 58, 324 - from force. 01/01/2010]

(7) Transactions between persons registered as a VAT group are not considered to be turnover. Each transaction of a taxable person in a sales tax group with a person outside the sales tax group is considered to be a transaction of the sales tax group with that person.

[RT I 2008, 58, 324 - from force. 01/01/2010]

(8) The tax authority shall delete a vat group from the register if:

(1) the circumstances specified in subsection (1) of this section no longer exist — as of the first day of the month following the month in which they expire;

2) the representative of the VAT group submits an application for the deletion of the VAT group from the register if the composition of the group changes or for any other reason – as of the first day of the month following the month in which the application is received;

[RT I 2008, 58, 324 - effective 01.01.2010]

3) a company that is part of a VAT group is declared bankrupt or is deleted from the commercial register – as of the date of declaration of bankruptcy or deletion from the commercial register.

[RT I 2009, 56, 376 - from force. 01/01/2010]

(9) The tax authorities shall notify persons belonging to a VAT group of the removal of the VAT group from the register.

[RT I 2008, 58, 324 - from force. 01/01/2010]

(10) From the date on which the VAT group is removed from the register, taxable persons are again deemed to be registered as separate taxable persons.

[RT I 2008, 58, 324 - from force. 01/01/2010]

(11) Persons registered as a VAT group submit a single VAT return. The annex to the VAT return is presented by taxable persons belonging to the VAT group. Persons registered as a sales tax group are jointly and severally liable for payment of VAT on time. In the event of the removal of a VAT group from the register, taxable persons shall be jointly and severally liable for the VAT debt incurred during the period in which they were registered as a VAT group.

[RT I, 29.05.2014, 1 - from force. 01.11.2014]

(12) In the case of transactions between persons registered as a VAT group, invoices are not issued under Paragraph 37 of this Law.

[RT I 2008, 58, 324 - from force. 01/01/2010]

(13) The supply of services between a taxable person in a VAT group and his permanent establishment abroad is regarded as a business activity.

[RT I 2009, 56, 376 - from force. 01/01/2010]

(14) The procedure for registering a VAT group, the form of the application for registration, the form of the decision of the tax authority on registration and the procedure for deleting a VAT group from the register are established by a regulation of the minister responsible for the subject matter.

[RT I 2009, 56, 376 - from force. 01/01/2010]

## **§ 27. Tax period and VAT return**

(1) The tax period is a calendar month. The VAT return and its annex (hereinafter together referred to as the *VAT return*) are submitted to the tax authorities by the 20th day of the month following the tax period. The first tax period for a taxable person and a limited taxable person shall be the period from the date of identification as a taxable person or a restricted taxable person to the end of the same month. Where the number of calendar days in the first tax period is less than 15, the taxable person or a limited taxable person may declare the turnover for the first period together with the turnover for the following tax period by submitting one return for two tax periods. The form of the VAT return shall be established by a regulation of the minister responsible for the subject matter.  
[RT I, 29.05.2014, 1 - from force. 01.11.2014]

(1<sup>1</sup>) The VAT return shall be submitted electronically if the person has been liable for VAT for at least 12 months or if more than five invoices are recorded in an annex to the VAT return. At the motivated request of a taxable person or a restricted taxable person, the tax authorities may allow the VAT return to be submitted on paper.  
[RT I, 29.05.2014, 1 - from force. 01.11.2014]

(1<sup>2</sup>) The annex to the VAT return shows the data of invoices issued to and received from legal persons, self-employed persons and state, rural municipality and city authorities, as well as the registry code issued to the transaction partner in Estonia and, in the case of a notary and a bailiff, the personal identification code. The invoices on which the supplier of goods or services has indicated the turnover subject to VAT at the rate of 22 %, 9 % and 5 % shall be recorded in the annex to the VAT return, with the exception of invoices submitted under the special scheme provided for in Paragraph 40 of this Law, if the total amount of the invoice or invoices, excluding VAT, is at least EUR 1000 per transaction partner during the tax period. The counterparty-based threshold is calculated separately for purchase and sales invoices. Invoices are not aggregated in the annex to the VAT return.  
[RT I, 01.07.2023, 2 - from force. 01.01.2024]

(1<sup>3</sup>) A person may also include in an annex to the VAT return the details of the invoices referred to in paragraph 1<sup>2</sup> of this section, the total amount of which, excluding VAT, is less than EUR 1000 per counterparty.  
[RT I, 29.05.2014, 1 - from force. 01.11.2014]

(1<sup>4</sup>) The annex to the VAT return does not include details of invoices issued and received for transactions and operations which are subject by law to the obligation of professional or professional secrecy. The recipient of the service may include in an annex to the VAT return details of invoices received for the transactions and operations referred to in this paragraph.  
[RT I, 29.05.2014, 1 - from force. 01.11.2014]

(2) The VAT return is required to be submitted by:

(1) the taxable person;

(2) a restricted taxable person who, during a tax period, has carried out the operations referred to in Paragraph 3(5) of this Law, without an annex to the VAT return;

[RT I, 29.05.2014, 1 - effective 01.11.2014]

3) a person referred to in paragraph 3(6)(2) of this Law in the case of a transaction for which he has submitted an invoice or other sales document on which he has indicated the amount of VAT.

(3) [Deleted - RT I 2005, 68, 528 - from force. 01.01.2006]

(4) The tax authorities may, by decision, at the motivated request of the taxable person, impose on him a tax period longer than a calendar month, starting on the first day of a calendar month or the first tax period and ending on the last day of one of the following calendar months. Also in this case, the VAT return is submitted to the tax authorities by the 20th day of the month following the tax period.

[RT I, 25.10.2012, 1 - from force. 01.12.2012]

(5) Where a taxable person or a restricted taxable person amends the particulars in the VAT return submitted for a previous tax period, he is obliged to submit a new VAT return with amended data to the tax authorities for that tax period.

(6) Where a taxable person is declared bankrupt, two VAT returns are submitted for the tax period: for the period before and after the declaration of bankruptcy.

[RT I 2009, 56, 376 - from force. 01/01/2010]

## **§ 28. Report on intra-Community turnover**

(1) A taxable person must submit an intra-Community turnover report if:

(1) he has generated intra-Community turnover of goods during a tax period, has disposed of goods during the tax period as a reseller in a triangular transaction or has delivered a call-off stock from Estonia to another Member State, including where the person acquiring the call-off stock changes or the call-off stock has been returned to Estonia;

[RT I, 19.12.2019, 2 - effective 01.01.2020]

2) he has, during the tax period, supplied to a taxable person or a limited taxable person in another Member State a service referred to in point (9) of Paragraph 10(4) of this Law, which is subject to tax, with the exception of the zero per cent rate, in the Member State of the recipient of the service.

[RT I, 10.12.2010, 3 - from force. 01.01.2011]

(2) The report on intra-Community turnover shall be submitted to the tax authorities by the 20th day of the month following the calendar month.

[RT I 2009, 56, 376 - from force. 01/01/2011]

(3) Where a taxable person amends the data in the intra-Community turnover report submitted for a previous period, he is obliged to submit a report on the change in intra-Community turnover to the tax authorities for that period. Where a taxable person cancels an invoice or issues a credit note in respect of goods or services, the resulting changes shall be reflected in the intra-Community turnover report for the tax period in which the invoice is cancelled or the credit invoice is issued.

[RT I, 10.12.2010, 3 - from force. 01.01.2011]

(4) The format of the report on intra-Community turnover and the format of the report on changes in intra-Community turnover and the procedure for filling them in are established by a regulation of the minister responsible for the subject matter.

(5) A taxable person who has transferred to a person in another Member State a new means of transport to be transferred to another Member State must attach to the statement of intra-Community turnover a copy of the invoice issued on the sale of that means of transport.

[RT I 2009, 56, 376 - from force. 01/01/2010]

(6) The intra-Community turnover report and the report on changes in intra-Community turnover should show the amounts in full euro.

[RT I, 10.12.2010, 3 - from force. 01.01.2011]

## § 29. Calculation of the VAT amount

(1) The amount of VAT to be paid by the taxable person is the value added tax calculated during the tax period on the transactions or transactions referred to in Paragraph 3(4) and points (5) and (6) of Paragraph 6 of this Law, less the taxable turnover, as well as the transactions or transactions referred to in Paragraph 4(2) relating to business or the goods or services used for the purposes of a business carried out abroad other than those treated as exempt turnover (Paragraph 16) in the same tax period. input VAT. The input VAT for the same tax period on goods or services used for the provision of services referred to in points (1) and (6) of Paragraph 16(2) or in subparagraph 2<sup>(1)</sup> of this Law supplied to a person from a non-member State may also be deducted.

[RT I 2009, 56, 376 - from force. 01/01/2010]

(2) The imputed VAT is the value added tax calculated on the taxable amount of the transactions and operations referred to in Paragraph 3(4) and points (5) and (6) of Paragraph 6 of this Law carried out by the taxable person. VAT paid in accordance with customs legislation is not included in the calculated VAT.

[RT I, 16.06.2017, 1 - from force. 01.07.2017]

(3) Input VAT is the value added tax payable by a taxable person:

(1) in respect of goods or services acquired or received from another taxable person;

(2) value added tax paid or payable on imported goods;

[RT I 2005, 68, 528 - effective 23.12.2005, applied retroactively from 1 November 2005]

3) VAT calculated on the taxable value of a service received from a foreign person engaged in business who is not registered as a taxable person in Estonia, the place of turnover of which is Estonia;

[RT I 2005, 68, 528 - effective 01.01.2006]

4) VAT calculated on the taxable amount of intra-Community acquisitions of goods, goods to be installed or assembled, goods acquired in triangular transactions or other goods acquired on which the taxable person is required to account for VAT in accordance with this Law.

(4) If a taxable person uses goods or services both for the purposes of the transactions referred to in subsection (1) of this section and for non-business purposes, only the input VAT on the goods or services used for the purposes of the transactions referred to in subsection (1) of this section shall be deducted. If, in the accounts of the taxable person, it is not possible to distinguish the input VAT on goods or services used for the purposes of the transactions referred to in paragraph 1 of this paragraph from the input VAT on goods or services used for non-business purposes, the procedure for deducting input VAT shall, at the request of the taxable person, be determined by decision of the tax authority on the basis of the actual use made of the goods or services. In the case of the acquisition or use of a passenger car under a contract for the use of a passenger car and the acquisition of goods and services for the use of such a passenger car, the input VAT shall be deducted according to the proportion of the use of that passenger car for business purposes, but not exceeding 50 per cent, taking into account the proportion of taxable and exempt turnover.

[RT I, 11.07.2014, 3 - from force. 01.12.2014]

(5) A taxable person who, before the date on which he is identified as a taxable person, has acquired goods, other than fixed assets, for the purposes of their supply or for the production of goods to be transferred is entitled to deduct the input VAT on those goods in the tax period in which those goods were transferred as taxable turnover.

[RT I, 18.02.2014, 2 - from force. 01.03.2014]

(5<sup>1</sup>) A taxable person who has received services before the date on which he is identified for tax purposes shall be entitled to deduct the input VAT on those services in the tax period in which those services were re-supplied as taxable turnover.

[RT I, 18.02.2014, 2 - from force. 01.03.2014]

(5<sup>2</sup>) The input VAT on fixed assets acquired before the person is identified as a taxable person is entitled to deduct, subject to the provisions of Paragraph 32(4) of this Law.

[RT I, 18.02.2014, 2 - from force. 01.03.2014]

(6) A taxable person is entitled, in the case of the export of goods referred to in Paragraph 5(2) of this Law, to reduce his tax liability by the amount of VAT indicated on a document certified by the customs authorities during the tax period in which the conditions laid down in Paragraph 5(2) are fulfilled, if, at the time when the VAT return is submitted for the tax period for which the goods were supplied, all the conditions under which the supply of goods is to be regarded as an export of the goods were not fulfilled.

(7) Where a taxable person cancels an invoice for goods or services or submits a credit note as a result of a reduction in the price of goods or services after the VAT return for the tax period in which the turnover of the goods or services was incurred, both the seller and the buyer shall record the resulting changes in the VAT return for the tax period in which the invoice was cancelled or the credit invoice was issued. A credit note may be issued only for the specific invoice to which it refers. This provision shall not apply where a credit note is issued for partial or total non-payment of the goods or services.

[RT I, 18.02.2014, 2 - from force. 01.03.2014]

(8) Where the turnover of goods has taken place, but the contract whereby ownership of the goods is transferred to the contractual user of the goods at the end of the contract is interrupted and the goods are returned by the purchaser who is not identified as a taxable person, the seller may adjust the amount of VAT due for the tax period for which the goods are returned to the purchaser by the amount of VAT refunded.



(9) If the seller has received money from the buyer, but the goods have not been transferred or the service has not been provided, the seller may exclude VAT on those goods or services if he has returned the amount to the buyer.

(10) At the time of removal from the register, the taxable person shall pay VAT on the unallocated goods for which he has deducted input VAT on acquisition. The taxable amount of goods shall be their purchase price or, in the absence thereof, the cost price. The input VAT deducted on the acquisition of non-transferred fixed assets shall be adjusted in accordance with the provisions of Paragraph 32(4) of this Law.

[RT I, 10.12.2010, 3 - from force. 01.01.2011]

(11) [Deleted - RT I 2005, 68, 528 - from force. 01.01.2006]

(12) The amount of VAT payable by a limited taxable person is the value added tax levied during the tax period on the transactions referred to in Paragraph 3(5) of this Law.

(13) The amount of VAT is calculated on the basis of the rate in force on the day determined in accordance with Paragraph 11 of this Law. Where, on the importation of goods, the data necessary for calculating the amount of VAT are expressed in a foreign currency, the exchange rate shall be determined in accordance with the provisions of the Code governing the calculation of the customs value. If, in the case of another transaction, the data necessary for the calculation of VAT are expressed in a foreign currency, the euro exchange rate in force on the day determined in accordance with Paragraph 11 of this Law shall apply.

[RT I, 16.06.2017, 1 - from force. 01.07.2017]

## **§ 29<sup>1</sup>. Reduction of tax liability**

(1) A taxable person shall be entitled to reduce his tax liability in respect of goods or services transferred for which there has been partial or total unpayment, calculated by the amount of VAT calculated in accordance with the unpaid part, if all of the following conditions are met: (1) an invoice has been issued in accordance with Paragraph 37 of this Law in respect of the goods or services supplied;

2) the amount of VAT is calculated on the transaction and reflected in the VAT return for the tax period of the transaction;

(3) the claim has not been transferred;

(4) at least 12 months, but not more than three years, have elapsed since the due date for payment of the invoice, except in the case referred to in point 6 of this paragraph;

(5) the claim has been written off in the accounts because it has not been possible to collect the claim despite the efforts of the taxable person to make every effort to collect the claim, or the costs of recovering it exceed the estimated revenue available;

(6) in the case of a claim involving VAT in excess of EUR 30 000, the claim is proved by a court decision that has entered into force;

[RT I, 09.12.2021, 1 - from force 01.01.2022]

(7) the person acquiring the goods or the recipient of the service is not a related person within the meaning of the Income Tax Act;

(8) the taxable person has informed the customer in writing that the claim has been written off in the accounts in the month in which it was written off, indicating the amount of VAT relating to the claim written off.

(2) The taxable person shall, in respect of goods or services supplied under subsection (1) of this section for which all or part of the vat has not been paid, adjust the amount of VAT for which he is liable in the tax period in which the claim was written off in the accounts.

(3) Kui maksukohustuslane on vähendanud tasumisele kuuluvat käbemaksusummat vastavalt käesoleva paragrahvi lõikele 1, kuid vähendamise aluseks olev nõue hiljem osaliselt või täielikult tasutakse, arvestatakse see nõue vastavalt selle tasutud osale maksustatava väärtuse hulka sellel maksustamisperioodil, kui nõue osaliselt või täielikult tasuti.

(4) Kui maksukohustuslane on jätnud kauba või teenuse eest osaliselt või täielikult tasumata, kuid on arvanud osaliselt või täielikult tasumata arves sisalduva käibemaksu sisendkäibemaksuna maha ja saanud käesoleva paragrahvi lõike 1 punktis 8 nimetatud teavituse nõude raamatupidamises mahakandmise kohta, on ta kohustatud selle nõudega seotud käibemaksusumma võrra suurendama oma maksukohustust teavituse saamise maksustamisperioodil.

[RT I, 23.02.2021, 1 - jõust. 01.01.2022]

## **§ 30. Sisendkäibemaksu mahaarvamise piirangud**

(1) The input VAT on goods and services used for the reception of guests or for the catering or accommodation of its employees shall not be deducted from the calculated VAT.

(2) Subsection (1) of this section does not apply to the deduction of input VAT on services used to accommodate employees on a business trip.

(3) 50 per cent of the input VAT shall be deducted from the calculated VAT on the acquisition of a passenger car used for business purposes or its use under a contract for the use of such a passenger car and on the acquisition of goods and services for such a passenger car.

[RT I, 11.07.2014, 3 - from force. 01.12.2014]

(4) The restriction in subsection (3) of this section does not apply if:

(1) a passenger car is acquired for sale on condition that the taxable person is engaged in the sale of passenger cars and the taxable person does not put the passenger cars acquired for sale into service for other purposes;

(2) a passenger car is acquired for use under a contract for use, provided that the taxable person is engaged in the supply of passenger cars and that the taxable person does not put the passenger cars acquired for putting into service for other purposes;

(3) the passenger car is used principally for the carriage of passengers for remuneration, provided that the taxable person holds a Community licence and a certified true copy of the Community licence or, in the case of taxi transport, a taxi licence and a vehicle card;

[RT I, 31.12.2015, 10 - from force. 01.01.2016]

(4) the passenger car is used mainly for driving lessons, provided that the taxable person holds a licence to train a motor vehicle driver or the taxable person provides a service as a teacher of a motor vehicle driver to a person who holds a licence to train a motor vehicle driver;

(5) the passenger car is used exclusively for business purposes, with the exception of the making available of the passenger car for consideration to an employee, servant or member of the management or controlling body of the taxable person.  
[RT I, 11.07.2014, 3 - from force. 01.12.2014]

(4<sup>1</sup>) The transport of employees between their place of residence and place of work under the conditions provided for in Section 48(5)<sup>(1)</sup> of the Income Tax Act is also considered to be the use of a passenger car for business purposes.  
[RT I, 07.07.2017, 3 - from force. 01.08.2017]

(5) In the cases provided for in subsections (3) and (4) of this section, the provisions of Section 32 of this Act shall also be taken into account in the deduction of input VAT in respect of the acquisition or use of a passenger car used for business purposes and the acquisition of goods and services for the use of such a passenger car.  
[RT I, 11.07.2014, 3 - from force. 01.12.2014]

(6) The application of subsections (3) and (4) of this section must be notified to the tax authority on the form of the VAT return established by the minister responsible for the subject matter under section 27 (1) of this Act.  
[RT I, 11.07.2014, 3 - from force. 01.12.2014]

(7) In the cases referred to in subparagraphs (2) to (5) of subsection (4) of this section, the restriction mentioned in subsection (3) of this section shall not apply to the acquisition of a passenger car if the passenger car is used for the purposes specified in subparagraphs (2) to (5) of subsection (4) of this section for a continuous period of at least two years from the date of its acquisition or the use of the passenger car acquired for sale for the purposes specified in subparagraphs (2) to (5) of subsection (4) of this section. If, within two years, the use of a passenger car changes and it becomes used for purposes other than those referred to in subparagraphs (2) to (5) of paragraph 4 of this section, and the taxable person has, during those two years, calculated the VAT on the self-consumption of a passenger car used in the cases referred to in subparagraphs (3) and (4) of paragraph 4 of this section, the tax liability incurred shall be reduced by the amount of VAT calculated on the self-consumption of such passenger car during those two years. This provision shall not apply if the passenger car is disposed of within two years of its being put into service for the purposes specified in subparagraphs (2) to (5) of subsection (4) of this section.  
[RT I, 07.07.2017, 3 - from force. 01.01.2018]

(8) If the basis for the application of subsection (4) of this section ceases to exist, the limitation on the deduction of input tax mentioned in subsection (3) of this section shall apply for a period of at least one year from the first day of the tax period in which the basis ceases to exist.  
[RT I, 07.07.2017, 3 - from force. 01.01.2018]

(9) For the purposes of subsection (4) of this section, the taxable person must ensure that the use of the relevant passenger car other than that provided for in subsection (4) is excluded.  
[RT I, 07.07.2017, 3 - from force. 01.01.2018]

### **§ 31. Conditions for deduction of input VAT**

(1) In the case of the acquisition of goods or services from another taxable person, the input VAT shall be deducted on the basis of an invoice in accordance with the requirements laid down in Paragraph 37 of this Law.

(2) In the case of an intra-Community acquisition of goods, the acquisition of goods to be installed or assembled, the acquisition of goods under the terms of a triangular transaction (Paragraph 3(4)(4)) and any other acquisition of goods from a foreign person engaged in business, on which the taxable person is required to account for VAT under this Law, the invoice is not required, subject to other evidence, for the deduction of input VAT.  
[RT I 2008, 58, 324 - from force. 01/01/2009]

(3) In the case of the receipt of a service from a foreign person engaged in business, on which the taxable person is required to account for VAT under this Law, the invoice is not required, subject to other evidence, for the deduction of input VAT.  
[RT I 2008, 58, 324 - from force. 01/01/2009]

(4) In the case of the importation of goods, the input VAT is deducted on the basis of the customs declaration. Where goods are imported from a non-Community country which is part of the customs territory of the Union, the input VAT shall be deducted on the basis of the customs declaration form (Paragraph 38(2)) of the invoice received from a person in a non-Community country carrying out business activities and the particulars of the imported goods.  
[RT I, 18.02.2014, 2 - from force. 01.03.2014]

(4<sup>1</sup>) Where the amount of VAT due on the importation of the goods is paid on the basis of a decision taken by the customs authorities following a subsequent verification, the input VAT shall be deducted on the basis of a decision of the customs authorities.  
[RT I 2005, 68, 528 - effective 23.12.2005, applied retroactively from 1 November 2005]

(5) [Deleted - RT I 2005, 68, 528 - from force. 01.01.2006]

(6) Where the taxable person who imported the goods pays the VAT through a customs agency, he is entitled to deduct the input VAT after the goods have been released by the customs authorities.  
[RT I, 18.02.2014, 2 - from force. 01.03.2014]

(7) A customs agency may not treat VAT paid or payable on behalf of another person as VAT paid or payable on goods imported for the purposes of its business.  
[RT I 2005, 68, 528 - effective 23.12.2005, applied retroactively from 1 November 2005]

(7<sup>1</sup>) VAT paid or payable on goods or services received for the repair and maintenance of the object under lease shall not be regarded as input tax of the lessor. This provision does not apply if:

- 1) the lessor has the obligation to repair and maintain the property that is the subject of the leasing contract and the leasing transaction is taxed for both goods and financial services, or
- 2) the lessor provides repair and maintenance services.

[RT I, 27.03.2012, 7 - from force. 01.04.2012]

(8) In the case of the importation of goods, the input VAT is deducted in the tax period in which the goods are released by the customs authorities. In other cases, the input VAT shall be deducted in the tax period in which the goods or services were acquired or received in accordance with Paragraph 11 of this Law.

[RT I 2005, 68, 528 - effective 23.12.2005, applied retroactively from 1 November 2005]

(9) Upon receipt of the goods acquired or services received and the invoice issued in respect thereof in different tax periods, the input VAT shall be deducted in the tax period in which the transferor of goods or the supplier of the services incurred turnover in accordance with Paragraph 11 of this Law. If, at the time of filing the VAT return for the tax period, the invoice serving as the basis for the deduction of input VAT has not been received, the input VAT shall be deducted in the tax period in which the invoice is received.

[RT I 2005, 68, 528 - from force. 01/01/2006]

(10) In the case of the acquisition of goods or services from a taxable person subject to the cash-based VAT accounting scheme, the input VAT is deducted in the tax period in which the taxable person applying the special cash-based scheme generates a turnover of those goods or services.

[RT I, 09.12.2021, 1 - from force. 01.07.2022]

### § 32. Partial deduction of input VAT

(1) Where a taxable person uses goods and services for the purposes of both taxable and exempt turnover, the input VAT shall be partially deducted from the calculated VAT. The partial deduction is based on the taxable person's turnover in Estonia and abroad during the calendar year, the input VAT of which is deductible pursuant to Paragraph 29(1) of this Law, and the ratio of his total turnover in Estonia and abroad (hereinafter the *ratio of taxable turnover to total turnover*). The ratio of taxable turnover to total turnover shall be rounded up to one hundredth or full percentage.

(2) In calculating the ratio of taxable turnover to total turnover, the supply of fixed assets shall not be taken into account, including where the taxable person has added VAT to the taxable amount of the goods in accordance with Paragraph 16(3) of this Law. Similarly, the occasional supply of services referred to in point (6) of Paragraph 16(2) and in subparagraph 2<sup>(1)</sup> of this Law or the occasional transfer of immovable property as goods shall not be taken into account.

[RT I 2008, 58, 324 - from force. 01/01/2009]

(3) In the case of partial deduction of input VAT, the taxable person is authorised, at his reasoned request, to alter, with the written permission of the tax authorities, during a calendar year the ratio between the taxable turnover referred to in Paragraph 33(2) of this Law and the total turnover, if the actual ratio between the taxable turnover for the current calendar year and the total turnover differs significantly from it.

[RT I, 25.10.2012, 1 - from force. 01.12.2012]

(4) The deduction of input VAT on goods and services acquired for the use of fixed assets and fixed assets is based on the estimated proportion of the use of fixed assets for taxable purposes. The input VAT shall be adjusted according to the proportion of the actual use of the goods and services acquired for the purposes of fixed assets and fixed assets for taxable purposes during the period during which the input VAT is adjusted. Input VAT is adjusted only for those goods and services acquired for fixed assets that increase the book value of the fixed assets. In the case of a passenger car used for business purposes, the proportion of the use of the passenger car for business purposes shall be calculated in accordance with the procedure provided for in Paragraphs 29(4) and 30 of this Law.

[RT I, 07.07.2017, 3 - from force. 01.01.2018]

(4<sup>1</sup>) The period for the adjustment of input VAT shall be ten calendar years for immovable property and related goods and services and five calendar years for other fixed assets and related goods and services. The first calendar year shall be deemed to be the period from the date on which goods or services acquired for fixed assets or fixed assets are entered in the accounts as fixed assets in use until the end of the current calendar year.

[RT I 2008, 58, 324 - from force. 01/01/2009]

(4<sup>2</sup>) The input VAT shall be adjusted at the end of each calendar year on the basis of the actual proportion of the use of fixed assets for taxable turnover in that calendar year, except in the case referred to in paragraph 5 of this paragraph.

(5) In the case of disposal of fixed assets, the input VAT is adjusted in the month in which the fixed assets are transferred. An adjustment to the input VAT does not have to be made in the case of the transfer of immovable property used for business purposes to a credit or financial institution if the person who transferred the immovable property has contractually taken the immovable property into use from a credit or financial institution in the same tax period and continues to use it for business purposes until at least ten years from the start of its use in business.

(5<sup>1</sup>) Where input VAT is adjusted on the disposal of fixed assets, the use of fixed assets and of goods or services acquired for that purpose is accounted for in the year in which the fixed assets are transferred until the end of the adjustment period is fully accounted for as use for taxable turnover. If, when a fixed asset is disposed of, its taxable amount is less than half of the cost of the asset, the period from the month following the disposal of the fixed assets to the end of the adjustment period is not taken into account when adjusting the input VAT. Where input VAT is adjusted on the tax-free transfer of immovable property, the use of the immovable property and of the goods or services acquired for that purpose is accounted for in the year in which the immovable property is transferred until the end of the adjustment period is calculated as a use for the purposes of turnover which is entirely exempt from tax.

[RT I, 29.04.2016, 6 - from force. 01.07.2016]

(6) The procedure for the inclusion in the VAT return of a partially deducted input VAT credit and the procedure for adjusting the input VAT on acquired fixed assets and goods or services acquired for that purpose shall be established by order of the minister responsible for the subject matter.

(7) A taxable person who carries out a tax-free turnover of investment gold is authorised to deduct

: (1) the input VAT paid on the purchase of investment gold from a taxable person who has exercised the right referred to in point (4) of Paragraph 16(3) of this Law;

(2) the input VAT paid on his importation, intra-Community acquisition or acquisition from another taxable person of gold not used as investment gold, where he converts that gold into investment gold;

(3) input VAT paid on receipt of services relating to changes in the form, weight or gold content of gold.  
[RT I 2005, 68, 528 - from force. 01/01/2006]

### **§ 33. Methods of partial deduction of input VAT**

(1) For the purposes of partial deduction of input VAT in the case referred to in Paragraph 32(1) of this Law, the taxable person is authorised, in the same calendar year, to use either the proportional deduction method or the mixed method of direct accounting and proportional deduction.

(2) Proportsionaalse mahaarvamise puhul rakendatakse maksustatava käibe ja kogu käibe suhet kogu sisendkäibemaksu mahaarvamisel. Maksustatava käibe ja kogu käibe suhe määratakse maksukohustuslase eelmise kalendriaasta käibe põhjal. Tulemust korrigeeritakse kalendriaasta lõpul, lähtudes selle kalendriaasta maksustatava käibe ja kogu käibe suhtest. Kui ettevõtte on kestnud alla ühe kalendriaasta, määrab maksustatava käibe ja kogu käibe suhte maksuhaldur oma otsusega maksukohustuslase taotluse alusel tema esimese kalendriaasta maksustatava käibe ja kogu käibe prognoositava suhte põhjal.  
[RT I, 25.10.2012, 1 - jõust. 01.12.2012]

(3) Otsearvestuse ja proportsionaalse mahaarvamise segameetodi puhul arvatakse arvestatud käibemaksust maha maksustatava käibe tarbeks soetatud kauba või saadud teenuse sisendkäibemaks. Maksuvaba käibe tarbeks soetatud kauba või saadud teenuse sisendkäibemaksu arvestatud käibemaksust maha ei arvata. Nii maksustatava kui ka maksuvaba käibe tarbeks soetatud kauba või saadud teenuse sisendkäibemaks arvatakse maha vastavalt maksustatava käibe ja kogu käibe suhtele käesoleva paragrahvi lõikes 2 sätestatud korras. Maksukohustuslane peab raamatupidamises eraldi kajastama maksustatavat ja maksuvaba käivet ning nende tarbeks soetatud kaupu ja saadud teenuseid, samuti kaupu ja teenuseid, mis on soetatud või saadud nii maksustatava kui maksuvaba käibe tarbeks.

(4) Kui maksukohustuslasel on mõnes tegevusvaldkonnas üksnes maksuvaba või üksnes maksustatav käive ja mõnes tegevusvaldkonnas nii maksustatav kui maksuvaba käive, võib maksukohustuslane maksuhalduri kirjalikul loal selle tegevusvaldkonna nii maksustatava kui maksuvaba käibe tarbeks soetatud kauba või saadud teenuse sisendkäibemaksu maha arvata, lähtudes maksustatava käibe ja kogu käibe suhtest samas tegevusvaldkonnas. Muus osas rakendatakse sellisel juhul käesoleva paragrahvi lõikes 3 sätestatud.  
[RT I, 25.10.2012, 1 - jõust. 01.12.2012]

### **§ 34. Sisendkäibemaksu tagastamine maksukohustuslasele**

(1) If the VAT calculated in a tax period is less than the input VAT deductible by the taxable person in the same tax period, the overpaid VAT shall be refunded to the taxable person in accordance with the procedure laid down in the Taxation Act.

(2) The tax authority may, in connection with the examination of the claim for refund, extend the time limit for the enforcement of the claim for refund by up to 60 calendar days on the basis of a motivated decision if there are reasonable grounds for suspecting that it may be impossible to recover the amount paid upon satisfaction of the claim for refund and if:  
[RT I, 11.07.2014, 4 - from force 01.08.2014]

1) the taxable person has been ordered to provide additional evidence, or

2) In order to verify the claim for refund, an inquiry has been made to a third party or to a foreign tax authority.  
[RT I 2005, 68, 528 - from force. 01/01/2006]

(3) The deadline for fulfilling the return claim may be extended by up to 30 calendar days at a time. A motivated decision in writing on extending the deadline for fulfilling the claim for refund shall be made by the tax authority no later than five calendar days before the expiry of the deadline for fulfilling the claim for refund.  
[RT I 2005, 68, 528 - from force. 01/01/2006]

(4) In verifying the correctness of a return claim without a request for a refund, the provisions of subsections (2) and (3) of this section apply.  
[RT I 2008, 58, 323 - from force. 01/01/2009]

(5) The tax authorities of another Member State shall refund to a taxable person the VAT paid in another Member State on the importation or acquisition of goods or services used for the purposes of his taxable turnover in Estonia and the VAT paid in another Member State on the importation or acquisition of goods or services used for the purposes of his taxable turnover in accordance with Paragraph 43 of this Law. An application for a refund of VAT must be submitted electronically to the Estonian tax authorities by 30 September of the calendar year following the refund period at the latest.  
[RT I, 18.02.2014, 2 - from force. 01.01.2015]

### **§ 35. Refund of input VAT in other cases**

(1) At the request of a taxable person of another Member State, the VAT paid in Estonia on the importation or acquisition of goods or services used for business purposes in the country in which he is established shall be refunded in accordance with the procedure laid down by order of the minister responsible for the subject matter if:

(1) he is obliged to pay VAT as a trader in the country in which he is established;

(2) he is entitled, in the country in which he is established, to deduct from his calculated VAT the input VAT paid on the importation or acquisition of goods or services under the same conditions;

(3) A taxable person in Estonia shall have the right to deduct the input VAT paid on the importation or acquisition of goods or services under the same conditions from his calculated VAT in accordance with this Law;

(4) the amount of VAT to be refunded is at least EUR 50 per calendar year or at least EUR 400 if the application is made for a period which is less than a calendar year but covers at least three months;

[RT I 2010, 22, 108 - effective 01.01.2011]

5) the application has been submitted electronically via the tax authorities of the country of residence of the taxable person of another Member State to the Estonian tax authorities by 30 September of the calendar year following the refund period at the latest.

[RT I 2009, 56, 376 - from force. 01/01/2010]

(1<sup>1</sup>) Where a taxable person of another Member State who, in the Member State in which he is established, is entitled to a partial deduction of input tax on his taxable turnover, submits a request for a refund of the VAT during the refund period, in the event of a change in the proportion of the partial deduction of input tax, the taxable person must submit a corrigendum to the request for refund of the VAT during the calendar year following the refund period.

[RT I 2009, 56, 376 - from force. 01/01/2010]

(1<sup>2</sup>) The tax authorities shall inform the taxable person of the other Member State of the acceptance or refusal of the request for refund within four months or of the receipt of the request for further information, such as an invoice or an import document, within six months of receipt of the request. Where additional information is requested, the tax authorities shall notify the decision on the application for refund within eight months of the date of receipt of the request. The tax authorities transmit the documents to the applicant electronically. If the request for refund is granted, the VAT shall be refunded no later than ten working days after the decision granting the application is notified to the taxable person.

[RT I 2009, 56, 376 - from force. 01/01/2010]

(1<sup>3</sup>) Where the VAT is refunded to a taxable person of another Member State after the expiry of the period laid down in paragraph 1(2) of this section, the tax authority shall pay the person interest at the rate laid down in Paragraph 117 of the Taxation Act.

[RT I 2009, 56, 376 - from force. 01/01/2010]

(2) At the written request of a taxable person of a non-established country, the VAT paid in Estonia on the importation or acquisition of goods, other than immovable property, or services used for his business, shall be refunded to him in accordance with the procedure established by the regulation of the minister responsible for the field, if:

(1) he is obliged to pay VAT as a trader in the country in which he is established;

(2) the amount of VAT to be refunded in a calendar year is at least EUR 320;

[RT I 2010, 22, 108 - effective 01.01.2011]

3) A taxable person in Estonia has the right to deduct the input VAT paid on the importation or acquisition of goods or services under the same conditions from his calculated VAT in accordance with this Law;

4) in the country of residence of the taxable person of a non-established country, a resident of Estonia is entitled to a refund of VAT.

[RT I 2009, 56, 376 - from force. 01/01/2010]

(3) [Deleted - RT I 2009, 56, 376 - from force. 01.01.2010]

(4) The VAT to be refunded shall be credited to the bank account specified in the application in the form established by order of the minister responsible for the subject matter.

(5) The Government of the Republic has the right to establish by regulation a list of movables and services, the VAT paid on the acquisition or receipt of which shall not be refunded to a taxable person of a non-member state even if the requirements of subsections (1) and (2) of this section are met.

(6) The input VAT paid on the acquisition or importation of goods in Estonia shall be refunded to the person who exports the goods by way of humanitarian aid, if the export of such goods is proved by the documents specified in Paragraph 5(5) of this Law. Humanitarian aid is non-repayable assistance provided to an international organization, a foreign government, a foreign local government, or a foreign NGO intended to alleviate deprivation.

(7) A person who does not have the right to deduct input VAT provided for in Paragraph 29 of this Law shall be refunded the VAT paid on the acquisition of a new means of transport or calculated on the purchase price after the new means of transport has been transferred to another Member State, if he proves that VAT has been paid on the intra-Community acquisition of those goods in another Member State. The refund of VAT shall not exceed the amount of VAT normally calculated on the value fixed at the time of transfer of the new means of transport to another Member State.

[RT I 2008, 58, 324 - from force. 01/01/2009]

(8) A person who is not entitled to deduct input tax and who is unable to claim a refund under subsection (1) of this section shall be refunded the VAT paid on the importation of the goods if he proves that VAT has been paid in another Member State on the intra-Community acquisition of those goods.

(9) [Deleted - RT I, 10.12.2010, 3 - from force. 01.01.2011]

(10) The procedure for the refund of VAT to a foreign taxable person and the form of the application for reimbursement of VAT, as well as the procedure for the refund of VAT to a person exporting goods in the form of humanitarian aid, are laid down in a regulation of the minister responsible for the subject matter.

(11) The procedure for refunding the VAT paid on the acquisition of a new means of transport in a special case is laid down in a regulation of the minister responsible for the subject matter.

(12) [Deleted - RT I 2009, 56, 376 - from force. 01.01.2010]

(13) Subject to the conditions set out in paragraphs 1 and 2 of this section, with the exception of points (1) of paragraph 2, and 4 conditions.

[RT I, 09.12.2021, 1 - from force. 01.01.2022]

### **§ 36. Obligations of the taxable person and the restricted taxable person for record-keeping**

(1) A taxable person is required to: (1) keep, in chronological order, copies of invoices issued by him or on his behalf (Paragraph 37(1)) and invoices relating to goods and services acquired for a period of seven years from the date of their issue or receipt. The information on the invoice must be stored in its original form. Customs declarations certifying the importation of goods must be kept for a period of seven years from the beginning of the calendar year following the customs formalities;

(2) to keep the taxable and exempt turnover, the value added tax calculated and the taxable turnover received from another registered taxable person or the input VAT payable in respect of the goods or services referred to in Paragraph 4(2) of this Law used for business purposes, and the input VAT calculated on the taxable amount of the services or goods acquired, as referred to in points 2 to 5 of

Paragraph 3(4) of this Law, and the input VAT paid or payable on the imported goods. the daily accounting of the input VAT in accordance with the procedure established by the regulation of the minister responsible for the field;

(3) to keep records of goods delivered to or on behalf of another Member State which are not regarded as intra-Community turnover of goods pursuant to Paragraph 7(2) of this Law;

4. keep records of the movables referred to in Paragraph 8(3)(3) of this Law which have been delivered to it from another Member State to Estonia with an accuracy which enables them to be identified;

5) keep records of transactions related to reusable packaging referred to in Paragraph 11(7) of this Law and keep records of reusable packaging for at least seven years;

(6) to keep records of transactions and operations relating to call-off stocks, taking into account the provisions of paragraphs 7(1)(4) and 7(2)(12) to (14) and 8(6) and (7) of this Law;

[RT I, 19.12.2019, 2 - effective 01.01.2020]

7) keep records of the supply of goods and services provided through its online marketplace to a person not identified as a taxable person or a limited taxable person and, by way of derogation from point 1 of this paragraph, keep these records for ten years from the end of the year in which the turnover took place;

[RT I, 23.02.2021, 1 - effective 01.07.2021]

8) to keep records of partially or fully unpaid invoices specified in § 29<sup>1</sup> of this Act.

[RT I, 23.02.2021, 1 - from force. 01.01.2022]

(2) The seller of investment gold registered as a taxable person is obliged to keep records of all transactions involving investment gold and buyers of investment gold and to keep records of each transaction for a period of five years from the date of the transaction.

(3) A restricted taxable person is required to:

(1) keep, in chronological order, the invoices for the goods acquired and services received, as referred to in points (2) to (5) of Paragraph 3(4) of this Law, for a period of seven years from the date of their issue or receipt. The information on the invoice must be stored in its original form;

(2) to keep a daily record of the VAT calculated on the taxable amount of the services received and the goods acquired and imported, referred to in points (2) and (5) of Paragraph 1(1) and points 2 to 5 of Paragraph 3(4) of this Law, in accordance with the procedure laid down by order of the minister responsible for the sector;

(3) to keep records of goods delivered to or on behalf of another Member State which are not regarded as intra-Community turnover of goods pursuant to Paragraph 7(2) of this Law;

4. keep records of the movables referred to in Paragraph 8(3)(3) of this Law which have been delivered to it from another Member State to Estonia with an accuracy which enables them to be identified.

(4) A taxable person or a restricted taxable person may choose the place and method of storage of invoices provided that he makes the invoices or the information stored on the invoices available without delay at the request of the tax authorities and, where the amount of VAT calculated on the transaction or activity covered by the invoice is due in another Member State, also at the request of the competent authority of another Member State.

[RT I, 27.03.2012, 7 - from force. 01.01.2013]

(5) The procedure for keeping the daily accounts of VAT of a taxable person shall be laid down by order of the Minister responsible for the subject matter.

[RT I, 19.12.2019, 2 - from force. 01.01.2020]

### **§ 36<sup>1</sup>. Record-keeping obligations of the payment service provider**

(1) A payment service provider which, for a period of one quarter, provides payment services involving more than 25 payments with the payer in one Member State and the payee in another Member State or non-Community country in relation to the same payee (hereinafter referred to as the *cross-border payment*) is obliged to store and transmit to the tax authorities in relation to the payment services rendered to the payee and, where the payee is established in a non-Community country, in relation to payment services provided to the payer, for the payee of cross-border payments and for payments, the following information (hereinafter referred to as "*information*"):

(1) the BIC or other company identification code identifying the payment service provider;

(2) the name or business name of the payee;

(3) the tax identification number of the payee or another number identifying the payee, if any;

(4) the IBAN or, failing that, any other identifier which unambiguously identifies the payee and his location;

(5) the identification code of the BIC or other company identifying the payment service provider acting on behalf of the payee and its location where the payee receives funds but does not have a payment account himself;

(6) the address of the payee, if any;

(7) an indication of the refund;

(8) the date and time of payment or refund;

(9) the amount and currency of the payment or refund;

(10) the Member State of origin of the payment received by or on behalf of the payee, the Member State of destination of the refund where applicable, and the information used to establish the origin or destination of the payment or refund in accordance with paragraph 7 of this section;

(11) a reference unambiguously identifying the payment;

(12) information to that effect if the payment is initiated at the trader's premises.

(2) The number of cross-border payments is calculated on the basis of the payment services provided by the payment service provider to the payee or the payer located in Estonia if the payee is established in a non-Community country. The number of payments shall be calculated per payee, including where the payment service provider has information that the payee has more than one location identifier.

(3) The payment service provider is obliged to store the information electronically for three calendar years from the end of the calendar year in which the payment was made.

(4) The information is submitted to the tax authorities for each quarter by the end of the month following the quarter in the e-service environment of the tax authority. If the obligation to provide information for the relevant quarter has not arisen, it will be confirmed by the end of the month following the quarter in the e-service environment of the tax authority. The obligation to provide such confirmation shall lie with the person referred to in point (1) of paragraph 6 of this section who is entitled to provide the payment services covered by the obligation to provide information.

(5) The requirement to store and transmit information to the tax authorities does not apply to payment services provided by the payer's payment service provider in relation to payments where at least one of the payee's payment service providers is located in a Member State, in accordance with the payment service provider's BIC or other company identifier code identifying the payment service provider and its location. However, this payment service is taken into account when calculating the number of cross-border payments.

(6) For the purposes of this section, the terms relating to payments shall have the following meanings:

- (1) the payment service provider is a person specified in section 3(6)(1) to (4) of the Payment Institutions and Electronic Money Institutions Act;
- 2) the payment service is a service specified in points 3 to 6 of Paragraph 3(1) of the Payment Institutions and Electronic Money Institutions Act;
- 3) the payment is a payment transaction within the meaning of the Law of Obligations Act, taking into account the differences provided for in § 4 of the Payment Institutions and Electronic Money Institutions Act;
- 4) the payer or the payee is the payer or the payee within the meaning of the Law of Obligations Act;
- 5) a payment account is a payment account within the meaning of the Law of Obligations Act;
- (6) "IBAN" means an international payment account identifier as defined in Article 2(15) of Regulation (EU) No 260/2012 of the European Parliament and of the Council establishing technical and business requirements for credit transfers and direct debits in euro and amending Regulation (EC) No 924/2009 (OJ L 94, 30.3.2012, p. 22–37);
- (7) The BIC is the payment service provider's identifier code as defined in point (16) of Article 2 of Regulation (EU) No 260/2012 of the European Parliament and of the Council.

(7) The Member State which corresponds to the IBAN or other identifier of the payer's payment account which unambiguously identifies the payer and his location or, in the absence of such identifiers, the Member State which corresponds to the BIC or other identification code which unambiguously identifies the payment service provider acting on behalf of the payer and his location. The place of establishment of the payee shall be deemed to be a Member State or a non-Community country which corresponds either to the IBAN of the payee's payment account or to any other identifier which unambiguously identifies the payee and his location or, in the absence of such identifiers, to a Member State which corresponds to a BIC or other identification code which unambiguously identifies the payment service provider acting on behalf of the payee and its location.

[RT I, 21.11.2023, 1 - from force. 01.01.2024]

### § 37. Invoices

(1) A taxable person is required to issue an invoice in the case of supplies of goods or services within seven calendar days from the date on which the goods are dispatched or made available to the purchaser or the services are rendered, or from the last day of the tax period referred to in Paragraph 11(4) of this Law, or to ensure that it is issued within the same period by a person acting in the name and on behalf of the taxable person or by the customer of the goods or services, except as provided in subsection (3) of this section.

(1<sup>1</sup>) If the place of turnover is Estonia, the taxable person is obliged to issue an invoice in accordance with the requirements of this section in the case of supply of goods and services. A taxable person shall issue an invoice in accordance with the requirements of this paragraph even where the place of turnover is in a non-community country and where a person identified as a taxable person or a restricted taxable person in another Member State supplies goods or services which are subject to tax in the Member State of the customer of the customer or the customer unless the customer in another Member State issues an invoice in respect of the goods or services transferred to him on behalf of the taxable person.

[RT I, 27.03.2012, 7 - from force. 01.01.2013]

(1<sup>2</sup>) A taxable person and a person from a non-member state engaged in business shall issue an invoice in accordance with the requirements of this section if he applies the special scheme provided for in Paragraph 43 of this Law to the provision of services.

[RT I, 23.02.2021, 1 - from force. 01.07.2021]

(2) If the turnover arises from the receipt of partial or full payment for the goods or services, the invoice must be issued within seven calendar days from the date of receipt of the partial or full payment for the goods or services.

(2<sup>1</sup>) In the case of intra-Community turnover of goods or the supply of services referred to in point 9 of Paragraph 10(4) of this Law to a taxable person or a restricted taxable person in another Member State, the taxable person is required to issue an invoice by the 15th day of the calendar month following the dispatch or making available of the goods or the supply of services.

[RT I, 27.03.2012, 7 - from force. 01.01.2013]

(3) An invoice meeting the requirements of this section need not be issued when goods are transferred or a service is supplied to a natural person for personal use, except in the case of intra-Community distance sales, the transfer of a new means of transport and the treatment of goods sold to a natural person in a non-Community country as exports. An invoice need not be issued in the case of intra-Community distance sales where the taxable person applies the special scheme provided for in Paragraph 43 of this Law, nor in the case of the supply of goods or services referred to in Paragraph 16(1), (2) or (2)<sup>1</sup> of this Law, provided that the turnover concerned is not subject to VAT.

[RT I, 23.02.2021, 1 - from force. 01.07.2021]

(4) A document, including a credit note, modifying the original invoice and bearing a reference to that invoice shall be treated as an invoice.

(5) The customer may issue an invoice in respect of goods or services transferred to him by a taxable person or a foreign taxable person if, before the turnover takes place, a written agreement has been concluded between the parties to the effect that the invoice will be issued by the customer and accepted by the taxable person or the foreign taxable person. The agreement must contain the

procedure for the acceptance of invoices by the taxable person or by a foreign taxable person.

[RT I 2008, 58, 324 - from force. 01/01/2009]

(6) The invoice may be issued on paper or, with the consent of the customer of the goods or services, electronically.

(7) The invoice must indicate:

(1) the serial number of the invoice and the date of issue;

(2) the name, address, tax identification number of the taxable person;

(3) the name and address of the customer of the goods or services;

(4) the tax identification number of the customer where he is liable to tax on the acquisition of goods or services;

(5) the name or description of the goods or services;

(6) the quantity of goods or the volume of services;

(7) the date of issue of the goods or the provision of the service, or the date of receipt of all or part of the payment for the goods or services, if this is identifiable and different from the date of issue of the invoice;

[RT I 2008, 58, 324 - effective 01.01.2009]

(8) the price of the goods or services excluding VAT and the discount if it is not included in the price;

(9) the taxable amount, broken down by rate of VAT, together with the applicable rates of VAT, or the amount of turnover exempt from VAT;

(10) the amount of VAT payable, except in cases provided for by law. The amount of VAT shall be indicated in euro.

[RT I 2010, 22, 108 - from force. 01/01/2011]

(8) In addition to what is listed in subsection (7) of this section, the invoice must indicate:

(1) in the case of turnover subject to a zero percentage rate of VAT or exempt turnover, a reference to the relevant clause of Paragraph 15(3) or (4) or the corresponding paragraph and clause of Paragraph 16 of this Law or to the corresponding paragraph and clause of Article 132, 135, 146, 148, 151 or 156 of Council Directive 2006/112/EC or to Article 136 of Council Directive 2006/112/EC, 142, 152, 153, 159, 160, 346, 347 or 382 or Article 37(3), Article 138 in the case of intra-Community trade in goods and Article 142 in the case of transport of goods to or from the Azores or Madeira. A reference to the provision on which the rate is based need not appear on the invoice in the case of exportation of goods;

[RT I, 27.03.2012, 7 - from force 01.01.2013]

(2) in the case of the tax liability of the person acquiring the goods or the recipient of the service, the notation "reverse charge" if the place of turnover is not Estonia and in the cases specified in § 41<sup>1</sup> of this Act;

[RT I, 27.03.2012, 7 - effective 01.01.2013]

(3) in the case of the treatment as an export of goods sold to a natural person in a non-Community country (Paragraph 5(2)), reference is made to Paragraph 5(2) of this Law or to Article 147 of Council Directive 2006/112/EC;

[RT I 2008, 58, 324 - effective 01.01.2009]

(4) in the case of intra-Community transfer of a new means of transport, particulars proving that the goods to be transferred are a new means of transport and a reference to point (2) of Paragraph 15(3) of this Law or Article 138(2)(a) of Council Directive 2006/112/EC;

[RT I 2008, 58, 324 - effective 01.01.2009]

(5) [invalid - RT I, 18.02.2014, 2 - effective 01.03.2014]

(6) in the case of the application of the special scheme for the taxation of travel services with VAT (Paragraph 40), the indication "margin scheme - travel agents";

[RT I, 27.03.2012, 7 - effective 01.01.2013]

(7) in the case of the application of the special scheme for charging VAT on the resale of second-hand goods, original works of art and collectors' items and antiques (Paragraphs 41 and 42), the indication 'margin scheme – second-hand goods', 'margin scheme – works of art' or 'margin scheme – collectors' items and antiques' respectively;

[RT I, 18.02.2014, 2 - effective 01.03.2014]

(8) if a foreign person engaged in business has appointed a tax representative (§ 20), the tax identification number, name and address of that tax representative and a reference to paragraph 20(6) of this Law or Article 204 of Council Directive 2006/112/EC;

[RT I 2008, 58, 324 - effective 01/01/2009]

(9) when preparing an invoice under subsection (5) of this section, the notation "self-invoicing";

[RT I, 27.03.2012, 7 - effective 01.01.2013]

(10) in the case of the application of the special cash-based VAT accounting scheme (§ 44), the indication "cash-based VAT accounting".

[RT I, 09.12.2021, 1 - from force. 01.07.2022]

(8<sup>1</sup>) The references referred to in points (1), (3) to (5) and (8) of paragraph 8 of this section may be replaced by another clear and unambiguous indication.

[RT I, 27.03.2012, 7 - from force. 01.01.2013]

(9) A simplified invoice may be issued if the amount on the invoice does not exceed EUR 160 excluding VAT, in the following cases:

(1) for the supply of passenger transport services;

[RT I 2010, 22, 108 - from force. 01.01.2011]

(2) in the case of a printable invoice for a parking machine, automatic filling station payment terminal and other similar apparatus.

[RT I 2008, 58, 324 - from force. 01/01/2009]

(10) In the cases provided for in subsection (9) of this section, the invoice shall include at least the following information:

(1) the date of issue of the invoice;

(2) name of the taxable person, tax identification number;

(3) the name or description of the goods or services;

(4) the taxable amount;

(5) the amount of VAT due.

(11) A taxable person to whom an invoice meeting the requirements listed in subsection (10) of this section is issued is required to indicate his name and tax identification number on that invoice.

## § 38. Payment and receipt of VAT



(1) The taxable person or the restricted taxable person shall pay the amount of VAT due by the date of submission of the VAT return. In accordance with the same procedure, he must pay the amount of VAT that he has indicated on the invoice or other sales document in contravention of the provisions of the law.

(2) VAT on the importation of goods shall be paid in accordance with the procedure laid down in the customs legislation. When importing goods in the case referred to in Paragraph 6(4) of this Law, the person shall provide information on the importation of the goods on the customs declaration form and pay VAT in accordance with the procedure laid down in the customs legislation.

[RT I, 16.06.2017, 1 - from force. 01.07.2017]

(2<sup>1</sup>) A taxable person may, by giving prior written notice to the tax authorities, declare the VAT on the importation of the goods in the VAT return if the tax authority has confirmed, in accordance with paragraph 2(3) of this section, that the taxable person meets the following conditions:

(1) he has been registered as a taxable person for at least the preceding 12 months in succession;

2) [invalid - RT I, 29.11.2018, 2 - from force. 01.01.2019]

3) [invalid - RT I, 29.11.2018, 2 - from force. 01.01.2019]

4) he has not had any tax returns not filed by the deadline in the previous 12 months;

(5) he has not had any tax arrears in the previous 12 months.

[RT I, 29.04.2016, 6 - from force. 01.07.2016]

(2<sup>2</sup>) In the case of the importation of fixed assets, the taxable person is not required to satisfy the condition referred to in paragraph 2(1)(1) of this section. If the taxable person does not satisfy that condition, he must lodge a security with the tax authorities at the latter's request. The tax authority shall notify the taxable person in writing of the request for security within five working days of receipt of the written notice pursuant to paragraph 2(1) of this section.

[RT I, 29.11.2018, 2 - from force. 01.01.2019]

(2<sup>3</sup>) The tax authorities shall verify the compliance of the taxable person with the conditions referred to in paragraph 2(1) of this section, subject to the exceptions provided for in paragraphs 2(2) and 2(7), and shall, within 30 days of receipt of the written notification under paragraph 2(1), confirm that the taxable person has fulfilled the conditions or notify him of non-compliance.

[RT I, 29.11.2018, 2 - from force. 01.02.2019]

(2<sup>4</sup>) The tax authorities shall verify on a monthly basis that the taxable person continues to satisfy the conditions referred to in paragraph 2(1) of this section, subject to the exceptions provided for in paragraphs 2(2) and 2(7), from the confirmation of the taxable person's compliance with the conditions set out in paragraph 2(3), and, if he does not comply with them, the tax authorities shall be entitled to suspend the right to declare the VAT due on the importation of the goods in the VAT return until the end of the following calendar month. The tax authorities have the right to suspend the right to declare the VAT on the importation of goods in the VAT return for the duration of the tax procedure.

[RT I, 29.11.2018, 2 - from force. 01.02.2019]

(2<sup>5</sup>) The right to declare the VAT on the importation of goods in the VAT return shall be revoked on the basis of a written notification by the taxable person or upon removal of the taxable person from the register as a taxable person.

[RT I, 29.04.2016, 6 - from force. 01.07.2016]

(2<sup>6</sup>) The tax authorities may revoke the right to declare the VAT on the importation of goods in the VAT return by means of a tax assessment or if that right has been suspended for six consecutive months under paragraph 2(4) of this section.

[RT I, 29.04.2016, 6 - from force. 01.07.2016]

(2<sup>7</sup>) In the case of the importation of fuel, a taxable person who is the seller of fuel within the meaning of the Law on liquid fuel is not required to satisfy the conditions set out in paragraph 2(1) of this section if he is obliged to provide security for the importation of fuel.

[RT I, 29.11.2018, 2 - from force. 01.02.2019]

(3) The person referred to in point (2) of Paragraph 3(6) of this Law must pay the VAT by the 20th day of the month following the month in which the invoice or other sales document is issued.

(4) The person referred to in point (3) of Paragraph 3(6) of this Law shall, in accordance with the procedure laid down by the minister responsible for the field, pay VAT to the tax authorities within ten calendar days from the date of delivery to Estonia of the new means of transport acquired from another Member State, but not later than the day on which the means of transport is registered.

[RT I, 10.12.2010, 3 - from force. 01.01.2011]

(5) The person referred to in point (4) of Paragraph 3(6) of this Law shall pay the VAT on the acquisition of excise goods from another Member State by the due date for payment of the excise duty provided for in the Law on excise duty on alcohol, tobacco, fuel and electricity.

[RT I, 09.12.2021, 1 - from force. 01.07.2022]

(5<sup>1</sup>) A person referred to in points (5) and (6) of Paragraph 3(6) of this Law who is not identified as a taxable person shall pay VAT without the supply of goods on termination of the tax warehousing or on the removal of the excise goods from the excise warehouse.

[RT I, 09.12.2021, 1 - from force. 01.07.2022]

(6) VAT is collected in the state budget.

(7) The arrangements for the payment of VAT on the intra-Community acquisition of a new means of transport by a person not identified as a taxable person or a restricted taxable person shall be laid down by a regulation of the minister responsible for the sector.

(8) The procedure for declaring and paying VAT on the acquisition of excise goods from another Member State by a person not identified as a taxable person or a restricted taxable person and by a person not identified as a taxable person upon termination of the

tax warehousing of goods without the supply of goods or on the removal of excise goods from an excise warehouse shall be laid down by order of the Minister responsible for the sector.  
[RT I, 09.12.2021, 1 - from force. 01.07.2022]

## **Chapter 5 SPECIAL PROVISIONS ON TAXATION**

### **§ 39. Tax advantages**

**applicable to a foreign mission, diplomat, Union institution or agency or body established under Union law and foreign armed forces**[RT I, 09.12.2021, 1 - from force 01.01.2022]

(1) Imports of goods into a diplomatic mission and consular post of a foreign country, a special mission, a representation or headquarters of an international organisation recognised by the Ministry of Foreign Affairs, an institution of the Union or an agency or body established under Union law, a diplomatic representative and consular officer of a foreign country accredited to Estonia (with the exception of an honorary consul), a representative of a special mission and an international organisation, as well as a diplomatic mission, consular and special mission administrative staff. In the case of the acquisition of goods, other than foodstuffs, and the receipt of services in Estonia, the agency, agency, special mission, headquarters and natural person, other than an institution of the Union or an agency or body established under Union law, referred to in the first sentence of this paragraph, shall be refunded the VAT paid on them on the basis of an invoice complying with the requirements laid down in Paragraph 37 of this Law, if the total cost of the goods and services, including VAT, is at least EUR 64 according to the invoice. In the case of utility bills, communication services and fuel within the meaning of the Liquid Fuel Act, VAT is also refunded in the case of a smaller amount.  
[RT I, 09.12.2021, 1 - from force. 01.01.2022]

(1<sup>1</sup>) The importation of goods into the European Commission or any office or body established under Union law in response to the COVID-19 pandemic in the performance of the tasks conferred on it by Union law shall not be subject to VAT, unless those goods are imported for resale against payment.  
[RT I, 09.12.2021, 1 - from force. 01.01.2022]

(1<sup>2</sup>) If the conditions for exemption set out in paragraph 1(1) of this section no longer apply, the European Commission, agency or agency which imported the goods duty-free shall notify the tax authorities thereof and shall pay the tax on the goods in question when the conditions for exemption from VAT cease to apply, in accordance with the procedure and under the conditions laid down pursuant to Paragraph 39(3) of this Law.  
[RT I, 09.12.2021, 1 - from force. 01.01.2022]

(2) The importation of goods to the international military headquarters, if the tax relief is provided for in an international agreement ratified by the Riigikogu, and the importation of the necessary goods to the armed forces of a NATO member state participating in the common defence effort or of a Member State participating in defence activities for the implementation of Union measures within the framework of the Common Security and Defence Policy, with the exception of Estonia, and the civilian staff accompanying them, and their members, are not subject to VAT. A member of the armed forces and civilian staff of a foreign country and his dependants, an employee of a contracting partner of a foreign armed forces, a member of the international military headquarters and his dependants, and an employee of a headquarters contractor and his dependant, and the armed forces and civilian staff of a foreign country which is not a member state or a member of NATO, an international military training institution shall be exempt on the importation of goods and a refund of VAT on the receipt of goods or services from Estonia, if the tax deduction is provided for in an international agreement ratified by the Riigikogu. Members of the International Military Headquarters and their dependants shall be subject to the minimum rate of total cost specified in paragraph 1 of this section for the refund of VAT paid in Estonia upon receipt of goods or services.  
[RT I, 09.12.2021, 1 - from force. 01.07.2022]

(3) The exemption from value added tax of an agency, agency, special mission, institution or agency or agency established under Union law referred to in subsections (1) to (1)<sup>(2)</sup> of this section, and the armed forces referred to in subsection (2) and the civilian staff accompanying them, and their member and dependant, an employee of a contracting partner in the armed forces, a member of the headquarters, a member of the headquarters and his dependants, and an employee of the contractor of the headquarters and his dependant, and goods imported for the needs of an educational institution. The procedure and conditions and the procedure and conditions for the refund of VAT shall be established by a regulation of the minister responsible for the subject matter.  
[RT I, 09.12.2021, 1 - from force. 01.01.2022]

(3<sup>1</sup>) The application form for the refund of VAT paid on goods purchased in Estonia is established by a regulation of the minister responsible for the field.  
[RT I, 01.06.2013, 1 - from force. 01.07.2013]

(4) Exceptions to subsection (1) of this section may be made on the basis of reciprocity on the proposal of the Minister of Foreign Affairs by a regulation of the Government of the Republic.

(5) The right of an agency, agency, special mission, institution or agency and natural person established under Union law referred to in subsections (1) and (1)<sup>(1)</sup> of this section, and of the members of the international military headquarters referred to in subsection (2) and their dependants, to apply for exemption or refund of value added tax shall be certified by the Minister for Foreign Affairs or an officer authorised by him.  
[RT I, 09.12.2021, 1 - from force. 01.01.2022]

(6) The right of the armed forces referred to in subsection (2) of this section and the civilian staff accompanying them, and their member and dependant, an employee of a contracting partner in the armed forces, an employee of the headquarters, an employee of the headquarters contractor and his or her dependant, and the educational institution to apply for exemption or refund of value added tax shall be certified by the minister responsible for the organisation of national defence or an officer authorised by him.  
[RT I, 27.06.2017, 1 - from force. 01.07.2017]

### **§ 40. Reisisiteenuse käibemaksuga maksustamise erikord**

(1) Reisisiteenuse käibemaksuga maksustamise erikorda (edaspidi käesolevas paragrahvis *erikord*) kohaldatakse juhul, kui maksukohustuslane osutab oma nimel reisijale, sealhulgas juriidilisele isikule või asutusele, reisiga otseselt seotud teenust (edaspidi *reisiteenus*) ning kasutab reisiteenuse osutamisel ettevõtlusega tegelevalt Eesti või välisriigi isikult soetatud kaupa või saadud teenust. [RT I, 10.12.2010, 3 - jõust. 01.01.2011]

(2) Eriorda ei pea kohaldama, kui maksukohustuslane osutab oma nimel reisiteenust teisele Eesti või välisriigi maksukohustuslasele edasiosutamiseks.

(3) The place of turnover of travel services subject to the special scheme is Estonia. The place of turnover of the travel service is not Estonia if the service received from another taxable person or a person engaged in business used in the provision of the travel service is provided by that other person in a non-Community country. If part of the travel service is provided in a non-Community country, Estonia is not considered to be the place of turnover only in respect of travel services related to a service provided in a non-Community country.

(4) The taxable amount of a travel service subject to the special scheme is the difference between the total amount of the travel service payable by the customer to the taxable person for the service and the total value, less the VAT, of the goods and services acquired by the taxable person from other taxable persons or persons engaged in business directly for the purpose of servicing the customer, reduced by the VAT included therein.

(5) At the reasoned written request of the taxable person, the tax authorities may authorise the taxable person to use the average margin for the calendar year preceding the supply of the service for the purpose of calculating the taxable amount of the travel service. The margin shall be the ratio of the total value, inclusive of VAT, of the goods and services acquired by the taxable person from other taxable persons for the purpose of servicing the recipient of the travel service to the total amount payable by the customer to the taxable person for the service. A taxable person who, with the permission of the tax authorities, uses the average margin for the preceding calendar year to calculate the taxable amount of a travel service shall be obliged to use that margin until the end of the calendar year and to adjust the taxable amount of the travel service at the end of the calendar year for the whole calendar year on the basis of the taxable amount of the travel service calculated in accordance with paragraph 4 of this section.

(6) A taxable person making use of the special scheme shall not be entitled to deduct from the VAT calculated under subsection (4) or (5) of this section the input VAT which he has paid to another taxable person on the acquisition of goods or services directly for the purpose of servicing the recipient of the travel service.

(7) The taxable person treats the services and goods supplied under the special scheme to the recipient of the travel service as a single travel service.

(8) The taxable person making use of the special scheme shall not indicate on the invoice issued for travel services subject to the special scheme the amount of VAT paid on the acquisition of goods or services or calculated on the taxable amount calculated in accordance with subsection (4) or (5) of this section.

(9) A taxable person who supplies travel services subject to the special scheme and services which are not covered by the special scheme is obliged to keep separate accounts for the travel services provided under the special scheme and for goods acquired or received for the purposes of those services, and for other services and for goods or services acquired for the purposes of those services.

(10) [Deleted - RT I 2005, 68, 528 - from force. 01.01.2008]

(11) The procedure for adjusting the taxable amount of a travel service by a taxable person using an average margin is laid down by a regulation of the minister responsible for the sector.

[RT I 2005, 68, 528 - from force. 01/01/2006]

#### **§ 41. Special arrangements for levying VAT on the resale of second-hand goods, original works of art and collectors' items and antiques**

(1) A taxable person who acquires second-hand goods, original works of art or collectors' items and antiques for the purpose of resale and does not use such goods may, for the purposes of resale, follow the procedure for calculating the taxable amount set out in subsection (3) of this section if he has acquired those goods:

- (1) from a person in Estonia or another Member State who is not a taxable person;
- (2) a taxable person in Estonia or another Member State who did not add VAT to the price of the goods on the supply of goods and who was not in a position to deduct the input VAT paid on the acquisition of those goods;
- (3) a taxable person of Estonia or of another Member State who, when reselling second-hand goods, original works of art and collectors' items and antiques, complies with the special arrangements for levying VAT provided for in this section.

(2) Second-hand goods are movables in use and usable as such or after repair, with the exception of original works of art, collectors' items and antiques, precious metals and precious stones. The original work of art is the goods referred to in Annex IX, Part A, to Council Directive 2006/112/EC, whereby the taxable person may exclude as original works of art the goods referred to in points 5 to 7 of Part A of Annex IX to Council Directive 2006/112/EC. A collector's item is a philatelic item with CN code 9704 00 00 and a zoological, botanical, mineralogical, anatomical, historical, archaeological, paleontological, ethnographic or numismatic collection or part thereof with CN code 9705 00 00. An antique is an object more than 100 years old with CN code 9706 00 00.

[RT I 2008, 58, 324 - from force. 01.01.2009]

(3) In the case of resale of second-hand goods, original works of art, collectors' items or antiques, the taxable amount of turnover is the difference between the selling price and the purchase price of the goods, reduced by the VAT included therein. Where the procedure for calculating the taxable amount laid down in the first sentence of this paragraph is difficult to follow for each individual second-hand goods, the tax authorities may, on a reasoned written request, authorise the taxable person to calculate, in the case of resale of those goods, the taxable amount to be declared in a tax period on the basis of the difference between the selling and purchase prices of those goods resold and acquired throughout the tax period, reduced by the VAT included. If the taxable amount to be declared in a tax period is negative, it shall not be included in the VAT return and shall be entered in the taxable person's daily accounts for VAT in the following tax period. Where the taxable amount calculated in accordance with the procedure laid down in this

paragraph is positive, it shall be reduced by the negative taxable amount carried forward from previous tax periods up to zero.  
[RT I, 09.12.2021, 1 - from force. 01.01.2022]

(4) A taxable person who follows the procedure for calculating the taxable amount set out in subsection (3) of this section shall not indicate on the invoice or other sales document issued the amount of VAT paid on the acquisition of the goods or calculated on the taxable amount calculated in accordance with subsection (3) of this section.

(5) If the taxable person has notified the tax authority to that effect, he may also follow the procedure for calculating the taxable amount set out in subsection (3) of this section for the resale of the following goods: (1) an original work of art, collectors' items or antiques imported by himself;

(2) an original work of art sold to a taxable person by the author or copyright holder.

(6) A taxable person who exercises the option provided for in subsection (5) of this section must, in the case of resale of goods mentioned in that section, follow the procedure for calculating the taxable amount set forth in subsection (3) of this section for at least two calendar years from the date of application of the option under subsection (5) of this section.

(7) In the case of turnover of original works of art, collectors' items or antiques imported by the taxable person, the purchase price is deemed to be the taxable amount calculated in accordance with Paragraph 13(1) of this Law, plus VAT calculated on the taxable amount.

(8) [Deleted - RT I 2008, 58, 324 - from force. 01.01.2009]

(9) A taxable person shall not be entitled, for the purposes of taxing the turnover which he carries out, to deduct, under the procedure for calculating the taxable amount set out in subsection (3) of this section, the value added tax which he has paid:

(1) on the importation of an original work of art, collectors' item or antique;

2) when acquiring an original work of art from the author or copyright holder.

(10) A taxable person is required to keep separate accounts for the acquisition and supply of goods transferred, in accordance with the procedure for calculating the taxable amount set out in subsection (3) of this section. The taxable person must have documents proving the acquisition of goods from the person referred to in paragraph 1 of this section and the compliance of the goods with the conditions specified in paragraph 2 of this section.

#### **§ 41<sup>1</sup>. Special scheme**

**for the taxation of immovable property, metal waste, precious metals and metal products with VAT**[RT I, 08.11.2016, 1 - from force 01.01.2017]

(1) Where a taxable person transfers goods referred to in subsection (2) of this section to another taxable person, the person acquiring the goods shall pay to the transferor the selling price of the goods, exclusive of VAT. The person acquiring the goods shall calculate the amount of VAT indicated on the invoice issued for the transaction as the amount of VAT payable by himself instead of the transferor.

[RT I, 10.12.2010, 3 - from force. 01.01.2011]

(2) The special scheme provided for in this section applies to the turnover of the following goods:

(1) immovable property or part thereof for which the taxable person is required to notify the tax authority in accordance with section 16(3) of this Act of the addition of VAT to the taxable amount;

2) metal waste within the meaning of Section 104 of the Waste Act;

(3) investment gold, the addition of VAT to the taxable amount of which the taxable person is required to notify the tax authorities in accordance with Paragraph 16(3) of this Law;

[RT I, 06.06.2014, 2 - from force 01.07.2014]

4) precious metal within the meaning of the Precious Metal Products Act, except investment gold, and metal material containing precious metal, including waste containing precious metal, if transferred to a taxable person who does not have a waste permit;

[RT I, 06.06.2014, 2 - from force 01.07.2014]

5) metal products with CN codes 7208-7220 (excluding products with code 721691, welding wire and welding rods), 7222, 7225, 7226, 7228 (excluding welding rods), 73011000, 730300-7306 (excluding ventilation, aspiration, smoke and gutter pipes), 73081000, 73082000, 73121061, 73121069, 731420 and 73143900 mentioned in Commission Implementing Regulation (EU) No 1754/2015 amending Annex I to Council Regulation (EEC) No 2658/87 on the tariff and statistical nomenclature and on the Common Customs Tariff (OJ L 285, 30.10.2015, p. 1-926).

[RT I, 24.04.2018, 2 - from force. 01.05.2018]

(3) In the case of the acquisition of goods referred to in subsection (2) of this section, the taxable transaction and the amount of VAT due shall be recorded by the person acquiring the goods in his VAT return during the tax period of receipt of the invoice for those goods.

[RT I, 10.12.2010, 3 - from force. 01.01.2011]

(4) In the case referred to in subsection (1) of this section, the purchaser shall deduct the input VAT from the calculated VAT in accordance with the provisions of this Act in the same tax period in which he accounts for the amount of VAT he is payable.

[RT I, 10.12.2010, 3 - from force. 01.01.2011]

(5) The transaction referred to in subsection (1) of this section must be specifically mentioned on the invoice, together with the indication "reverse charge". If, at the time of the invoice, the turnover has not fully taken place in accordance with Paragraph 11 of this Law, a separate invoice must be issued for the transaction referred to in subsection (1) of this section, together with the indication "reverse charge".

[RT I, 24.04.2018, 2 - from force. 01.05.2018]

#### **§ 42. Special arrangements for the levying of VAT on the sale by public auction of second-hand goods, original works of art, collectors' items and antiques**

(1) Where second-hand goods, original works of art, collectors' items or antiques are sold at public auction, the taxable amount of the turnover of the organizer of the sale by auction shall be the difference between the selling price of the goods and the price payable to the collector, reduced by the VAT included therein.

(2) The selling price of goods is the amount paid by the buyer to the auctioneer on the basis of an invoice or other sales document issued by him. The selling price of goods shall include the auction price of the goods and any other amounts which the buyer of the goods is obliged to pay to the auctioneer in connection with the acquisition of the goods.

(3) The price to be paid to the commission is the difference between the auction price of the goods and the commission received or to be received by the auctioneer from the suitor under the contract.

(4) The auctioneer shall not indicate on the invoice or other sales document to be submitted to the purchaser the amount of VAT calculated on the taxable amount calculated in accordance with subsection (1) of this section.

(5) The procedure for calculating the taxable amount set out in subsection (1) of this section applies if the auctioneer is acting under a commission contract with a person referred to in points (1) to (3) of section 41(1) of this Act under which a commission is payable on the sale of goods at a public auction.

(6) A taxable person acting as an auctioneer to whom the goods have been delivered under a contract mentioned in subsection (5) of this section must submit to the committee a report indicating the auction price of the goods and the result obtained by deducting the commission paid by the suitor from the auction price. The report shall also be treated as an invoice to the auctioneer.

### **§ 43. Special VAT scheme**

**for the supply of services, intra-Community distance sales and goods through an online marketplace**[RT I, 23.02.2021, 1 - from 01.07.2021]

(1) For the purposes of VAT treatment of services, intra-Community distance sales and goods supplied through an online marketplace (hereinafter referred to as the *goods and services covered by the special scheme* in this section), a taxable person and a person of a non-member state engaged in business (hereinafter referred to as the *person making use of the special scheme* in this section) may apply the special scheme for the taxation of value added tax provided for in this section (hereinafter referred to as the *special scheme* in this section), provided that:

(1) a taxable person established in Estonia supplies a service whose place of turnover is in another Member State to a person who is not identified as a taxable person or a restricted taxable person;

(2) a taxable person who has established his business outside the Community but has a fixed establishment in Estonia supplies a service whose place of turnover is in another Member State to a person who is not identified as a taxable person or a restricted taxable person;

(3) a person from a non-Community country engaged in business who has established his business outside the Community and who has no fixed establishment in the Community supplies a service to a person in a Member State who is neither identified as a taxable person nor a restricted taxable person;

(4) a taxable person established in Estonia makes intra-Community distance sales;

(5) a taxable person established in Estonia allows a taxable person who has established his business outside the Community and who does not have a fixed establishment in the Community to make intra-Community distance sales through an online marketplace;

(6) a taxable person who has established his business outside the Community but has a fixed establishment in Estonia makes intra-Community distance sales;

(7) a taxable person who has established his business outside the Community but has a fixed establishment in Estonia allows a taxable person who has established his business outside the Community and who has no fixed establishment in the Community to make intra-Community distance sales through an online marketplace;

(8) a taxable person who has established his business outside the Community and who has no fixed establishment in the Community makes intra-Community distance sales from Estonia;

(9) a taxable person who has established his business outside the Community and who does not have a fixed establishment in the Community allows a taxable person who has established his business outside the Community and who has no fixed establishment in the Community to make intra-Community distance sales from Estonia through an online marketplace;

(10) a taxable person established in Estonia shall, through an online marketplace, allow a taxable person who has established his business outside the Community and who has no fixed establishment in the Community to supply goods to a person not identified as a taxable person or a restricted taxable person, where the delivery of the goods to the customer begins and ends in the same Member State, including Estonia;

(11) a taxable person who has established his business outside the Community but has a fixed establishment in Estonia allows a taxable person who has established his business outside the Community and who has no fixed establishment in the Community through an online marketplace to supply goods situated in the Community to a person not identified as a taxable person or a restricted taxable person, where the delivery of the goods to the customer begins and ends in the same Member State, including Estonia;

(12) a taxable person who has established his business outside the Community and who has no fixed establishment in the Community shall, through an online marketplace, allow a taxable person who has established his business outside the Community and who has no fixed establishment in the Community to supply goods located in Estonia to a person who is not identified as a taxable person or a limited taxable person in Estonia.

(2) The special scheme must apply to the taxation of all goods and services covered by the special scheme.

(3) A taxable person who has a registered office or a permanent establishment in Estonia does not apply the special scheme to the supply of services whose place of turnover is in Estonia or in another Member State in which he has a permanent establishment.

(4) Where a taxable person who has established his business outside the Community and has a fixed establishment in Estonia and in another Member State has opted for the application of the special scheme in Estonia, the taxable person shall be bound by such a decision in respect of the calendar year in which the special scheme begins to apply and the two calendar years thereafter.

(5) Where a taxable person who has established his business outside the Community and who does not have a fixed establishment in the Community makes intra-Community distance sales from Estonia and another Member State, or allows a taxable person who has established his business outside the Community and who has no fixed establishment in the Community to transfer goods situated in

Estonia and in another Member State to a person who is not identified as a taxable person or a restricted taxable person, and is having opted for the application of the special scheme in Estonia, such a decision shall be binding on the taxable person in the calendar year in which the special scheme commences and in the two calendar years following that date.

(6) A taxable person who wishes to benefit from the special scheme or a person from a non-member state engaged in business activities referred to in subsection (1)(3) of this section who wishes to be registered in Estonia under the special scheme shall submit an application to that effect on the website of the tax authority via the electronic portal.

(7) The tax authorities shall issue a registration number to a person from a non-Member State engaged in business in order to implement a specific special scheme and notify him thereof electronically within five working days of receipt of the application.

(8) The special scheme begins to apply from the first day of the quarter following the quarter in which the taxable person submitted an application to the tax authorities for the application of the special scheme or the person from a non-Member State engaged in business was registered.

(9) If a person disposes of goods covered by the special scheme or provides a service covered by the special scheme before the day referred to in subsection (8) of this section, the special scheme shall apply from the first day of the transaction covered by the special scheme, provided that the person has applied for the special scheme not later than the tenth day of the month following the month in which the goods or services covered by the special scheme are supplied.

(10) The person making use of the special scheme shall submit a quarterly VAT return for the goods and services covered by the special scheme via an electronic portal on the website of the tax authorities. The VAT return for the goods and services covered by the special scheme shall be submitted by the end of the first month of the following quarter. The person making use of the special scheme shall pay the amount of VAT due by the date of submission of that VAT return.

(11) Where a taxable person making use of the special scheme has a fixed establishment in another Member State from which he supplies services to a person not identified as a taxable person or a restricted taxable person whose place of turnover is in another Member State in which the taxable person has no fixed establishment, the turnover of such services should be declared on the VAT return for the goods and services covered by the special scheme.

(12) Where payment for the goods and services covered by the special scheme has been made in a currency other than the euro, the exchange rate to be applied for expressing in euro the data required in the VAT return for the goods and services covered by the special scheme shall be that in force on the last day of the quarter preceding the quarter in which the VAT return is submitted or, if the rate on that day has not been published, on the next day of publication.

(13) Amendments to the particulars in the VAT return for the goods and services covered by the special scheme should be included in the relevant VAT return for the current quarter within three years of the date of submission of the initial return, indicating the Member State in which the goods or services covered by the special scheme were transferred and the period and amount of VAT for which the change is necessary.

(14) The person making use of the special scheme may not, in respect of the taxable activities covered by the special scheme, deduct from the VAT for which he is liable the input VAT the VAT paid in the Member State to which the special scheme applies, but is entitled to claim a refund from the tax authorities of that Member State.

(15) The person making use of the special scheme is obliged to keep the following information for a period of ten years from 31 December of the year in which the transaction took place:

- (1) the Member State to which the goods or services were transferred;
- (2) a description and quantity of the goods transferred or the type of service provided;
- (3) the date on which the goods were transferred or the services were provided;
- (4) the taxable amount and the currency to be used;
- (5) a subsequent increase or decrease in the taxable amount;
- (6) the VAT rate applicable;
- (7) the amount of VAT payable and the currency used;
- (8) the date of receipt and the amount of payments received;
- (9) advances received prior to the supply of goods or services;
- (10) where an invoice is issued, the information contained in the invoice;
- (11) in the case of a service, the information used to determine the place where the customer is established or resident and, in the case of goods, the information used to determine the place where delivery of the goods to the consignee begins and ends;
- (12) evidence of any refund of the goods, including the taxable amount and the VAT rate applicable.

(16) The person making use of the special scheme is obliged, at the request of the tax authority, to make the information referred to in subsection (15) of this section available electronically without delay.

(17) The person making use of the special scheme shall notify, via an electronic portal on the website of the tax authority, the cessation of the supply of goods or services covered by the special scheme, the change in his activities so that he no longer fulfils the conditions necessary for the application of the special scheme, and the change in the information given in the application referred to in paragraph 6 of this section by the tenth day of the month following the month in which the change occurs. The termination of the special scheme, where a person continues to dispose of goods covered by the special scheme or provides a service covered by the special scheme, must be notified to the tax authorities at least 15 days before the end of the quarter in which he intends to discontinue the special scheme.

(18) The tax authorities shall cease to apply the special scheme to the taxable person or remove from the register a person from a non-established country engaged in business where at least one of the following circumstances is present:

- (1) the person making use of the special scheme has declared that he will no longer supply goods or services covered by the special scheme;
- (2) the person making use of the special scheme has not, for a period of two years, transferred goods or services subject to the special scheme;
- (3) the person making use of the special scheme no longer fulfils the conditions for the application of the special scheme;

(4) the person making use of the special scheme has repeatedly failed to comply with the requirements laid down for the implementation of the special scheme.

(19) The tax authorities shall send the decision to terminate or delete the special scheme to the person making use of the special scheme electronically. It shall enter into force on the first day of the quarter following that in which the decision was sent. Where the termination of the special scheme is linked to a change in the registered office or permanent establishment of a person, the decision shall take effect on the date of that change. Where the termination of the special scheme or the removal from the register of the person making use of the special scheme is linked to a repeated failure by that person to comply with the requirements laid down for the implementation of the special scheme, the decision shall take effect on the day following that on which it is transmitted electronically.

(20) Where the tax authorities cease to apply the special scheme to a taxable person or remove a person from the register of a non-established country engaged in business because he has repeatedly failed to comply with the requirements laid down for the application of the special scheme, the person is not entitled to apply the special scheme and the special scheme provided for in Paragraph 43<sup>1</sup> of this Law for a period of two years from the quarter following the quarter in which the decision to terminate the special scheme takes effect.

(21) For the purposes of this section, non-compliance with the requirements for the application of the special scheme is repeated where at least one of the following circumstances occurs:

- (1) the tax authorities have electronically issued to the person applying the special scheme reminders of the obligation to submit VAT returns for the goods and services covered by the special scheme for the three quarters immediately preceding it, but those returns have not been submitted for any of the quarters concerned within ten days from the time the reminder was sent;
- (2) the tax authorities have electronically issued to the person applying the special scheme reminders of VAT arrears for the three quarters immediately preceding it, but the person has not paid the amount of VAT due for any of the quarters concerned within ten days of sending the reminder, unless the amount unpaid is less than EUR 100 for each quarter;
- (3) following a request from the tax authority and one month after the reminder sent by the tax authority, the person applying the special scheme has not made available electronically the information specified in subsection (15) of this section.

(22) A person from a non-Member State engaged in business referred to in subsection (1)(3) of this section who has opted for the special scheme cannot appoint a tax representative.

[RT I, 23.02.2021, 1 - from force. 01.07.2021]

### **§ 43<sup>1</sup>. Special scheme for the levying of VAT on distance sales of goods imported from a non-Community country**

(1) The special scheme for the levying of VAT on distance sales of goods imported from a non-Community country (hereinafter referred to as the *special scheme* in this section) applies to distance sales of goods imported from a non-Community country to a consignment the intrinsic value of which does not exceed EUR 150. The special scheme shall not apply to excise goods.

(2) The special scheme may be applied by the following persons (hereinafter referred to as *the person applying the special scheme* in this section):

- (1) a taxable person who has his business in Estonia and who makes distance sales of goods imported from a non-Community country;
- (2) a taxable person who has established his business outside the Community but has a fixed establishment in Estonia and who makes distance sales of goods imported from a non-Community country;
- (3) a taxable person established in Estonia who enables distance sales of goods imported from a non-Community country through an online marketplace;
- (4) a taxable person who has established his business outside the Community but has a fixed establishment in Estonia and who enables distance sales of goods imported from a non-Community country through an online marketplace;
- (5) a taxable person and a person from a non-Community country who is engaged in business and who is not established or has a fixed establishment in the Community, as referred to in points (1) to (4) of this paragraph, or a taxable person from another Member State who makes distance sales of goods imported from a non-Community country or who makes distance sales of goods imported from a non-Community country through an online marketplace, and who is represented by an intermediary;

[RT I, 09.12.2021, 1 - from force. 01.01.2022]

(6) a person from a non-Member State engaged in business who has no establishment or fixed establishment in the Community, with whose country the Union has concluded an agreement on mutual assistance in the field of administrative cooperation, fight against fraud and recovery of claims in the field of value added tax, which corresponds in scope to Council Directive 2010/24/EU on mutual assistance in respect of taxes, duties and others for the recovery of claims relating to measures (OJ L 84, 31.3.2010, p. 1–12) and Council Regulation (EU) No 904/2010 on administrative cooperation and combating fraud in the field of value added tax (recast) (OJ L 268, 12.10.2010, p. 1–18), and who makes distance sales of goods from the country in which he is established.

[RT I, 21.11.2023, 1 - from force. 01.12.2023]

(3) For the purposes of this section, an intermediary is a taxable person whose business is established in Estonia and who has been designated by the person applying the special scheme as a person who, on his behalf and on his behalf, is obliged to perform the obligations provided for in the special scheme. A person who is solvent and of impeccable repute and who does not have tax arrears has the right to act as an intermediary.

(4) The person making use of the special scheme is obliged to apply the special scheme to all distance sales of goods imported from a non-Community country.

(5) Where a taxable person who has established his business outside the Community but has a permanent establishment in Estonia and in another Member State has opted for the application of the special scheme in Estonia, the taxable person shall be bound by such a decision in the calendar year in which the special scheme begins to apply and in the two calendar years thereafter.

(6) The person making use of the special scheme may appoint one intermediary at a time.

(7) The time at which the turnover in respect of distance sales of goods subject to special taxation under the special scheme arises on the day on which the person making use of the special scheme has received a confirmation of payment or payment or authorisation of payment.

(8) A taxable person, a person from a non-established country or an intermediary wishing to start applying the special scheme shall submit an application to that effect on the tax authority's website via the electronic portal.

(9) In order to implement the special scheme, the tax authorities shall allocate a tax identification number to the taxable person, to a person from a non-established country and to an intermediary for each person whom they are appointed to represent. The intermediary shall be given a tax identification number for and on behalf of the person making use of the special scheme in order to fulfil the obligations laid down in the special scheme. The tax authorities notify the registration number to the person electronically. A specific registration number shall only be used for a specific specific procedure.

(10) The special scheme may be applied from the day on which the person making the special scheme or the intermediary has been assigned the tax identification number referred to in subsection (9) of this section.

(11) The person making use of the special scheme or the intermediary shall submit a monthly VAT return on distance sales of goods imported from a non-Community country via an electronic portal on the tax authorities' website. The VAT return for distance sales of imported goods shall be submitted by the end of the month following that in which the turnover arose. The person making use of the special scheme or the intermediary shall be obliged to pay the amount of VAT due by the date of submission of the VAT return for distance sales of imported goods.

(12) Amendments to the VAT return for distance sales of imported goods should be included in the relevant VAT return of the current month within three years of the date of submission of the original return, indicating the Member State, the period for which the VAT return is to be amended and the amount of VAT for which the change is necessary.

(13) Where the goods covered by the special scheme have been paid for in a currency other than the euro, the exchange rate to be applied to express in euro the information required in the VAT return for distance sales of goods imported from a non-Community country is to be applied in force on the last day of the month preceding the month in which the VAT return is submitted or, if the rate on that day is not published, on the next day of publication.

(14) The person making use of the special scheme may not, in respect of the taxable activities covered by the special scheme, deduct from the VAT for which he is liable the input VAT the VAT paid in the Member State to which the special scheme applies, but is entitled to claim a refund from the tax authorities of that Member State.

(15) The person making use of the special scheme and the intermediary are obliged to keep the following information for a period of ten years from 31 December of the year in which the transaction takes place:

- (1) the Member State to which the goods are to be delivered;
- (2) the description and quantity of the goods;
- (3) the date on which the turnover of the goods arose;
- (4) the taxable amount in euro;
- (5) a subsequent increase or decrease in the taxable amount;
- (6) the VAT rate applicable;
- (7) the amount of VAT payable in euro;
- (8) the date of receipt of payments received and the amount in euro;
- (9) where an invoice is issued, the information contained in the invoice;
- (10) information used to determine the place where delivery of the goods to the consignee begins and ends;
- (11) evidence of any refund of the goods, including the taxable amount and the VAT rate applicable;
- (12) order number or transaction number;
- (13) the number of the consignment, if the person making use of the special scheme is directly involved in the delivery of the goods.

(16) The person making use of the special scheme or the intermediary is obliged, at the request of the tax authority, to make the information referred to in subsection (15) of this section available electronically without delay.

(17) The person making use of the special scheme or the intermediary shall notify, via the electronic portal on the website of the tax authority, the termination of the application of the special scheme, the change in his activities in such a way that he no longer fulfils the conditions laid down for the application of the special scheme, and the change in the information given in the application referred to in paragraph 8 of this section by the tenth day of the month following the month of the change. Notification of the termination of the special scheme must be given to the tax authorities at least 15 days before the end of the month preceding that in which it intends to discontinue application of the special scheme.

(18) The tax authorities shall remove from the register the person making use of the special scheme if at least one of the following circumstances is present:

- (1) the person making use of the special scheme has informed the tax authorities that he will not make distance sales of goods imported from a non-Community country;
- (2) the person making use of the special scheme has not made distance sales of goods imported from a non-Community country under the special scheme for two years;
- (3) the person making use of the special scheme no longer fulfils the conditions for the application of the special scheme;
- (4) the person making use of the special scheme has repeatedly failed to comply with the requirements laid down for the implementation of the special scheme.

(19) The tax authorities shall remove the intermediary and the person represented by that intermediary from the register if at least one of the following circumstances is present:

- (1) the intermediary has not acted as an intermediary for two consecutive quarters;
- (2) the intermediary does not fulfil the conditions for acting as an intermediary;
- (3) the intermediary has repeatedly failed to comply with the requirements laid down for the implementation of the special scheme.

(20) The tax authorities shall remove the person represented by the intermediary from the register if at least one of the following circumstances is present:

- (1) the intermediary has informed the tax authorities that the person he represents no longer makes distance sales of goods imported from a non-Community country;
- (2) the person has not made distance sales of goods imported from a non-Community country under the special scheme for two years;



- (3) the person no longer fulfils the conditions for the application of the special scheme;
- (4) the person has repeatedly failed to comply with the requirements laid down for the implementation of the special scheme;
- (5) the intermediary has informed the tax authorities that he no longer represents the person concerned.

(21) The tax authorities send the decision to remove them from the register electronically to the person making use of the special scheme and to the intermediary. It shall enter into force on the first day of the month following that in which it is issued. Where the removal from the register of the person making use of the special scheme, or of the intermediary, relates to a change in the domicile or permanent establishment of the person making use of the special scheme or of the intermediary, the decision shall take effect on the date of that change. Where the removal from the register of the person making use of the special scheme, or of the intermediary, is linked to repeated failure by the person making use of the special scheme or by the intermediary to implement the special scheme, the decision shall take effect on the day following that on which it is transmitted electronically.

(22) If the tax authorities remove from the register a person making use of the special scheme because the latter has repeatedly failed to comply with the requirements laid down for the implementation of the special scheme, the person is not entitled to apply the special scheme and the special scheme provided for in Paragraph 43 of this Law within two years of the month following the month in which the decision to remove from the register takes effect. If the tax authorities remove an intermediary from the register because the latter has repeatedly failed to comply with the requirements for the implementation of the special scheme, the person is not entitled to act as an intermediary for a period of two years from the beginning of the month in which he was removed from the register.

(23) The number allocated under subsection (9) of this section for the application of the special scheme shall be valid for a period not exceeding two months after the entry into force of the decision to remove the person from the register only in respect of transactions covered by the special scheme which were entered into before the decision takes effect. This provision shall not apply to a person making use of the special scheme who has been removed from the register for repeated failure to comply with the requirements for the implementation of the special scheme, including a person who has been removed from the register by the intermediary representing him for repeated failure to comply with the above requirements.

(24) For the purposes of this section, non-compliance with the requirements for the application of the special scheme is repeated if at least one of the following circumstances occurs:

- (1) the tax authorities have electronically issued to the person applying the special scheme or to the intermediary reminders of the obligation to submit a VAT return for distance sales of imported goods for the three months immediately preceding it, but these returns have not been recalled within ten days for any of the months concerned. submitted from the time of shipment;
- (2) the tax authorities have electronically issued reminders of VAT arrears to the person or intermediary applying the special scheme for the three months immediately preceding them, but the person has not paid the amount of VAT due for any of the months concerned within ten days of sending the reminder, unless the amount unpaid is less than EUR 100 per month;
- (3) following a request from the tax authority and one month after the reminder sent by the tax authority, the person applying the special scheme or the intermediary has not made available electronically the information specified in subsection (15) of this section.

[RT I, 23.02.2021, 1 - from force. 01.07.2021]

#### **§ 43<sup>2</sup>. Special arrangements for declaring and paying VAT on imported goods**

(1) The special arrangements for declaring and paying VAT on goods imported from a non-Community country (hereinafter referred to as the *special scheme* in this section) apply to imported consignments of goods the intrinsic value of which does not exceed EUR 150 and which is not subject to the special scheme for distance sales of goods imported from a non-Community country in Estonia or in another Member State. The special scheme shall not apply to excise goods.

(2) A taxable person (hereinafter referred to as the *person applying the special scheme* in this section) who:

- (1) submits to the customs authorities a customs declaration for imported goods as an indirect representative on behalf of the consignee of the goods is entitled to apply the special scheme;
- (2) is the holder of the goods within the meaning of the Code;
- 3) delivers the goods to the consignee in Estonia.

(3) The person making use of the special scheme collects VAT from the person to whom the goods are sent and on whose behalf the customs declaration is made.

(4) The person making use of the special scheme shall pay, on behalf of the consignee of the goods, the amount of VAT due on the customs declarations submitted to the tax authorities during a calendar month on the basis of a summary declaration by the 16th day of the following month. The summary declaration shall be drawn up by the tax authorities on the basis of the customs declarations made by the person during a calendar month and shall be submitted to that person no later than the first day of the month following the month in which the customs declarations were made. On the summary declaration, the amount due shall be adjusted in accordance with changes in the particulars of the customs declarations made by the person in previous periods.

(5) A VAT rate of 22 per cent is applied to the taxation of imported consignments under the special scheme.

[RT I, 01.07.2023, 2 - from force. 01.01.2024]

(6) The person making use of the special scheme is obliged, at the request of the tax authority, to make the supporting documents relating to the customs declaration referred to in subsection (4) of this section available electronically.

[RT I, 23.02.2021, 1 - from force. 01.07.2021]

#### **§ 44. Special arrangements for cash-based VAT accounting**

(1) A taxable person whose taxable turnover did not exceed EUR 200 000 in the previous calendar year or from the beginning of the current calendar year may apply a special scheme for cash-based VAT accounting (hereinafter referred to as the *special scheme* in this section). A person shall inform the tax authorities in writing of the tax period from which he will apply the special scheme, either when he submits his application for identification as a taxable person or at the latest in the tax period preceding the application of the special scheme. The calculation of the threshold referred to in this paragraph shall be kept by the taxable person on a cash basis. In calculating the threshold of taxable turnover, the disposal of fixed assets and the occasional disposal of immovable property as goods shall not be taken into account.

[RT I, 10.12.2010, 3 - from force. 01.01.2011]

(2) A person who wishes to apply the special scheme shall keep a cash record of the limit on the registration obligation specified in section 19(1) of this Act. A transaction that exceeds this threshold must be subject to VAT for the entire transaction.  
[RT I, 10.12.2010, 3 - from force. 01.01.2011]

(3) For the purposes of applying the special scheme, the time when the turnover occurs is deemed to be the day on which the act referred to in point (2) or (3) of Paragraph 11(1) of this Law was performed.  
[RT I, 10.12.2010, 3 - from force. 01.01.2011]

(4) In the case of the supply of goods free of charge by the taxable person making use of the special scheme, the time when the turnover occurs is the day on which the goods are dispatched or made available to the recipient.  
[RT I, 10.12.2010, 3 - from force. 01.01.2011]

(5) [Deleted - RT I, 09.12.2021, 1 - from force. 01.07.2022]

(6) Where no payment has been made for the goods and services dispatched and the taxable person making use of the special scheme is removed from the register of taxable persons, the turnover is deemed to have occurred in the tax period in respect of which the last VAT return is to be submitted.  
[RT I, 10.12.2010, 3 - from force. 01.01.2011]

(7) Under the special scheme, the right to deduct input VAT on the acquisition of goods or services arises after payment for the goods or services. In the case of partial payment for the acquisition of goods or the receipt of services, the input VAT may be deducted in respect of the part paid for the goods or services.  
[RT I, 10.12.2010, 3 - from force. 01.01.2011]

(8) In order to waive the special scheme, the taxable person shall notify the tax authority in writing not later than the tax period preceding the waiver and, in the case provided for in subsection (9) of this section, not later than the first tax period in which the special scheme was waived.  
[RT I, 10.12.2010, 3 - from force. 01.01.2011]

(9) A taxable person is obliged not to benefit from the special scheme where his taxable turnover exceeds EUR 200 000 from the beginning of the calendar year. No special arrangements shall be made from the first day of the calendar month following that in which the turnover of this amount arose. In calculating the threshold of taxable turnover, the disposal of fixed assets and the occasional disposal of immovable property as goods shall not be taken into account.  
[RT I, 10.12.2010, 3 - from force. 01.01.2011]

(10) Following the end of the application of the special scheme, the taxable person shall account for VAT on the goods and services dispatched and made available during the period of application of the special scheme, as well as the input VAT on the goods and services acquired, in accordance with the procedure laid down in this paragraph. The calculation of input VAT on turnover made before the application of the special scheme and on goods acquired and services received shall be subject to the general rules for calculating VAT.  
[RT I, 10.12.2010, 3 - from force. 01.01.2011]

(11) The special arrangements do not apply to the following transactions and operations:

- (1) the importation of goods;
- (2) intra-Community turnover and intra-Community acquisitions of goods;
- (3) the supply to a taxable person of another Member State or to a limited taxable person, of a service referred to in point (9) of Paragraph 10(4) of this Law, the turnover of which is not in Estonia;
- 4) receiving a service from a foreign person engaged in business, the place of turnover of which is Estonia.
- 5) [deleted - RT I, 09.12.2021, 1 - from force. 01.07.2022]

(12) [Deleted - RT I, 29.05.2014, 1 - from force. 01.11.2014]

## **§ 44<sup>1</sup>. Tax warehousing**

(1) Tax warehousing is the placing of Union goods referred to in Annex V to Council Directive 2006/112/EC in a place approved by the tax authorities for the purpose of applying a VAT concession. A tax warehouse is a place where tax warehousing takes place.  
[RT I, 18.02.2014, 2 - from force. 01.03.2014]

(2) The tax warehousekeeper must have security to ensure compliance with the tax liability which may arise on the goods placed in tax warehouses. In cases not regulated by the Taxation Act, the provisions of the customs legislation on customs debt apply to the provision, acceptance, release, use of security and the calculation of its amount.  
[RT I, 16.06.2017, 1 - from force. 01.07.2017]

(3) The operation of a tax warehouse requires the permission of the tax authorities. A person wishing to operate a tax warehouse shall submit a written application containing the information necessary to obtain permission to operate a tax warehouse.

(4) The tax authority shall issue a permit to operate a tax warehouse if the following conditions are met:

- (1) the applicant's accounting allows the tax authority to control the applicant's activities;
- (2) the applicant has accurate records of the movements of the goods;
- 3) the applicant has no tax arrears;
- 4) the applicant has provided the tax authorities with true information;
- (5) the request is economically justified.

(5) The tax authority may refuse to issue a permit to operate a tax warehouse if the applicant has been punished for a misdemeanour under Section 154 or 156 of the Taxation Act during the six months preceding the date of submission of the application, or if he has committed an offence under Section 389<sup>(1)</sup> or 389<sup>(2)</sup> of the Penal Code, the criminal record of which has not been erased from the criminal record.  
[RT I 2009, 56, 376 - from force. 01/01/2010]

(6) The tax warehousekeeper shall keep stock records of goods placed in tax warehouses in a form approved by the tax authorities. The goods shall be entered in the stock records as soon as they are brought to the tax warehouse by the person concerned. The stock records must enable the tax authorities to identify the goods and must record the transactions and movements of the goods.

(7) Goods are placed in a tax warehouse when they are entered in the stock records. Tax warehousing shall end when the goods are removed from the stock records.

(8) Where, as a result of the processing, goods are no longer included in the list of goods listed in Annex V to Council Directive 2006/112/EC, the tax warehousing of those goods should be terminated immediately.  
[RT I 2008, 58, 324 - from force. 01/01/2009]

(9) Goods placed in tax warehouses can be transferred from one tax warehouse to another without interrupting the tax warehouse. The operator of the source tax warehouse is responsible for fulfilling the tax liability until the goods are registered in another tax warehouse. Where goods are unlawfully removed from a place intended for tax warehousing, the warehousekeeper shall be jointly and severally liable for compliance with the tax liability laid down in Paragraph 3(6)(5) of this Law with the person who delivered the goods.

(10) Goods which have disappeared from a tax warehouse are to be regarded as having been unlawfully removed from a place of tax warehousing. When comparing the measurement result of bulk liquid and bulk material with data on goods, the tax authorities may take into account the measurement uncertainty of the metering process. In the event of a shortage of goods in excess of the uncertainty of measurement, the storekeeper must prove to the tax authorities that the shortfall has arisen as a result of an unforeseen situation, a natural process or the peculiarities of the goods.

(11) The tax authorities may suspend the authorisation to operate a tax warehouse for a period not exceeding two calendar months and may set a time limit for the removal of the circumstances giving rise to the suspension, for compliance with the requirements of the tax authorities or for the removal of the goods from the tax warehouse if:

(1) the warehousekeeper has been punished for a misdemeanour under Section 154 or 156 of the Taxation Act during the six months preceding the date on which the authorisation was suspended, or if he has committed a misdemeanour under Section 389<sup>1</sup> or 389<sup>2</sup> of the Penal Code. set out the offense;  
[RT I 2009, 56, 376 - from force. 01/01/2010]

2) the storekeeper has tax arrears;

(3) false information has been made in the application for authorisation;

(4) the operation of the tax warehouse does not comply with the requirements for the operation of a tax warehouse;

5) the requirements for security in the tax warehouse are not met.

(12) Authorisation to operate a tax warehouse is withdrawn at the written request of the warehousekeeper or on the initiative of the tax authorities. The tax authority may revoke the permit if:

(1) the permit was suspended prior to the revocation for the reason specified in subsection (11)(1) of this section;

2. the storekeeper has not remedied, within the prescribed period, the circumstances which gave rise to the suspension of the authorization.

(13) The requirements of the tax warehouse, the procedure for issuing, suspending and revoking the authorisation to operate a tax warehouse, the storage and transport of goods in tax warehouses are established by a regulation of the minister responsible for the field.

[RT I 2005, 68, 528 - from force. 01/01/2006]

## **§ 44<sup>2</sup>. Guarantees**

(1) The tax authority has the right to require the operator of alcohol, the handler of tobacco products and the fuel handler to provide a guarantee in accordance with the procedure established by the Taxation Act in order to ensure compliance with the tax liability that may arise.

[RT I 2009, 56, 376 - from force. 01/01/2010]

(2) The seller of liquid fuel shall submit a guarantee to the tax authorities in accordance with the procedure established by the Liquid Fuel Act.

[RT I, 15.03.2011, 11 - from force. 01.04.2011]

## **Chapter 6 FINAL PROVISIONS**

### **§ 45. Taxation of turnover on the basis of a contract concluded before the entry into force of the law**

(1) This Act shall also apply to the taxation of turnover under a contract concluded before its entry into force if the turnover was incurred during the period of validity of this Act.

(2) Turnover shall be deemed to have been incurred at the time arising from the Value Added Tax Act in force until the entry into force of this Act in the following cases:

(1) in the case of turnover arising under the Value Added Tax Act in force until the entry into force of this Act before the entry into force of this Act, but as arising from this Act on or after the entry into force of this Act;

(2) in the event of turnover arising under the Value Added Tax Act in force until the entry into force of this Act, on or after the entry into force of this Act, but as a result of this Act before the entry into force of this Act. In both cases, the taxable person fulfils his obligations relating to VAT in accordance with the Law on VAT, which was in force until the entry into force of this Law.

### **§ 46. Implementation of the Law**

(1) From the date of entry into force of this Law, a person who has been identified as a taxable person under the Law on VAT in force until the entry into force of this Law and has not been removed from the register shall be regarded as a taxable person. From the entry into force of this Law, taxable persons who have been identified as a single taxable person under the Law on VAT in force until the entry

into force of this Law and whose decision to register as a single taxable person has not been revoked shall be regarded as a single taxable person.

(2) A person referred to in subsection (1) of this section is required to submit a VAT return and pay VAT for the tax period preceding the entry into force of this Act in accordance with the provisions of the Value Added Tax Act in force before the entry into force of this Act.

(3) [Deleted - RT I, 24.04.2018, 2 - from force. 01.10.2018]

(4) A taxable person who, before 1 January 2004, has informed the tax authorities in writing of his wish to be taxed on the turnover of his dwelling or the turnover of the service of letting his dwelling and of the land tax and building insurance costs charged to him by the lessor of the dwelling from the recipient of the service, may continue to tax those turnovers until 1 May 2014.

(5) The period for conversion of input VAT (Section 32) of immovable property which the taxable person has used for his business for less than five calendar years at the time of the entry into force of this Law shall be extended to ten calendar years from the date on which the immovable property is put into use in his business. The number of calendar years from the moment the immovable property is put into operation in its business until the entry into force of the law is multiplied by two when calculating the period of conversion.

(6) The right to apply an exemption from VAT and a zero percentage rate of VAT granted by the tax authorities pursuant to Paragraph 31 of the Law on VAT, in force until the entry into force of this Law, shall also apply where the transaction or act in respect of which the decision of the tax authority has been taken is carried out after the entry into force of this Law. The VAT paid on goods or services until the entry into force of this Law shall be refunded under the conditions and pursuant to the procedure established on the basis of Section 31 of the Value Added Tax Act in force until the entry into force of this Law.

(7) The supply of goods under a financial lease agreement concluded before the entry into force of this Law is subject to the provisions of the Law on VAT in force until the entry into force of this Law, provided that the goods have been placed in the possession of the contractual user of the goods before the entry into force of this Law.

(8) [Deleted - RT I, 11.07.2014, 3 - from force. 01.12.2014]

(9) [Deleted - RT I, 10.12.2010, 3 - from force. 01.01.2011]

(10) Community goods delivered to Estonia or goods in free circulation in the Czech Republic, the Republic of Cyprus, the Republic of Latvia, the Republic of Lithuania, the Republic of Hungary, the Republic of Malta, the Republic of Poland, the Republic of Slovenia or the Slovak Republic (hereinafter referred to as the *acceding countries*) for which customs export formalities have been completed in the Community or in the acceding country before the entry into force of this Law are subject to the provisions of the Law on VAT in force until the entry into force of this Law until the entry into force of this Law. on the importation of goods until payment of VAT.

(11) A person who is not entitled to deduct input tax and who is unable to claim a refund under Paragraph 35(1) of this Law shall, from the date of entry into force of this Law, be refunded the VAT paid on the importation of goods placed under the temporary importation procedure with total exemption from import duties if he proves that the earlier exportation of those goods from a Member State of the Community or from an acceding State has not led to the application of a zero rate, exemption from VAT or VAT refund.

(12) Where goods which, on the entry into force of this Law, are placed under the outward processing procedure in the Community or in an acceding country are brought to Estonia under customs supervision, the provisions of the Law on VAT in force until the entry into force of this Law shall apply to the goods until the payment of VAT on the importation of those goods.

(13) Where, before the entry into force of this Law, Estonian goods which, before the entry into force of this Law, had been delivered to a Member State of the Community or to an acceding State with total relief from import duties for a purpose which complies with the principles governing the application of the temporary importation procedure, are delivered to Estonia under customs supervision, the provisions of the Law on VAT in force until the entry into force of this Law shall apply to the goods until the importation of those goods. [RT I 2005, 68, 528 - from force. 01/01/2006]

(14) Where goods which were under the customs procedure for processing under customs control in Estonia on 1 January 2009 are placed under the customs procedure of release for free circulation, the provisions of this Law in force on 31 December 2008 apply to the importation of such goods. [RT I 2008, 58, 324 - from force. 01/01/2009]

(15) Single tax identification decisions taken before 31 December 2009 are repealed with effect from 1 January 2010. [RT I 2008, 58, 324 - from force. 01/01/2009]

(16) Until 31 December 2011, the supply of goods to a natural person of a non-Community country for the purpose of conveying to a non-Community country in luggage moving with him to a non-Community country is to be regarded as an export if the selling price, inclusive of VAT, of the goods transferred to that person on the same date at the same place of sale by the same taxable person exceeds EUR 38.35 and the conditions laid down in points (1), (3) and (4) of Paragraph 5(2) of this Law are fulfilled. [RT I 2010, 22, 108 - from force. 01/01/2011]

(17) By way of derogation from point (5) of Paragraph 35(1) of this Law, a taxable person of another Member State has the right to submit an application for the refund of VAT paid in Estonia on the importation or acquisition of goods or services used for business purposes in the country in which he is established in 2009 by 31 March 2011 at the latest. [RT I, 10.12.2010, 3 - effective 01.01.2011, applied retroactively from 1 October 2010 pursuant to § 50(6)]

(17<sup>1</sup>) The tax authorities may, at the motivated request of the taxable person, authorise the non-submission of an annex or part of the supplement to the VAT return until 20 June 2015. The authorisation shall be granted if, upon entry into force of the obligation laid down in Paragraph 27(1)(<sup>2</sup>) of this Law on 1 November 2014, the administrative burden on the taxable person to carry out IT developments would increase unreasonably high. The application must be submitted to the tax authorities by August 31, 2014. The tax authorities make a decision on granting permission within 30 calendar days of receiving the application. [RT I, 29.05.2014, 1 - from force. 01.07.2014]

(17<sup>2</sup>) The extension of the deadline for the execution of a refund claim submitted until 31 July 2014 is subject to the procedure for extending the deadline for fulfilling the refund claim in force until 31 July 2014.

[RT I, 11.07.2014, 4 - from force. 01.08.2014]

(18) From 1 October 2014, a taxable person or a person from a non-member state engaged in business who wishes to benefit from the special VAT scheme for electronic communications services and electronically supplied services may, from 1 October 2014, submit an application for this purpose on the website of the tax authorities via the electronic portal.

[RT I, 18.02.2014, 2 - from force. 01.10.2014]

(19) The tax authority shall assign a registration number to a person from a non-Member State engaged in business and notify him thereof electronically within five working days of receipt of the application referred to in subsection (18) of this section.

[RT I, 18.02.2014, 2 - from force. 01.10.2014]

(20) The annex to the VAT return referred to in Paragraph 27(1) of this Law must be submitted for the first time by 20 December 2014.

[RT I, 29.05.2014, 1 - from force. 01.11.2014]

(21) Until 20 January 2016, the taxable person is entitled to record in an annex to the VAT return the amounts of the invoices, aggregated by counterparty in accordance with the procedure established by the regulation of the minister responsible for the subject matter.

[RT I, 29.05.2014, 1 - from force. 01.11.2014]

(22) The rules on the taxation of vouchers laid down in Paragraphs 2(13), 4(1)<sup>(1)</sup>, 11(2)<sup>(1)</sup> and 12(1)<sup>(1)</sup> of this Law apply only to vouchers issued from 1 January 2019.

[RT I, 29.11.2018, 2 - from force. 01.01.2019]

(23) In the event of the performance of the tasks conferred on it by Union law by the European Commission or by an agency or body established under Union law in response to the COVID-19 pandemic, the VAT paid in Estonia on goods or services acquired or imported goods in response to the COVID-19 pandemic will be refunded, unless those goods have been acquired or imported for resale against payment or the service has been received for the purpose of onward transportation for consideration. VAT shall be refunded in accordance with the procedure and under the conditions laid down pursuant to Paragraph 39(3) of this Law on the basis of an application approved by the minister responsible for the subject matter or an official authorised by him. If the conditions for the refund of VAT no longer apply, VAT shall be payable on such goods or services. The principles set out in Paragraphs 15(8) and 39(1)<sup>(2)</sup> of this Law shall apply to the payment of VAT.

[RT I, 09.12.2021, 1 - from force. 01.01.2022]

(24) Until 31 December 2025, a taxable person who, for the purposes of calculating VAT, complies with the special scheme provided for in Paragraph 44 of this Law, may, until 31 December 2025, pay VAT at the rate of 20% on the turnover of goods or services subject to the rate of VAT provided for in Paragraph 15(1) if an invoice was issued to the purchaser and the goods were dispatched or made available or the service was provided before 1 January 2024.

[RT I, 01.07.2023, 2 - from force. 01.01.2024]

(25) Until 31 December 2025, a taxable person is entitled, on the basis of a written contract concluded before 1 May 2023, to apply the rate of VAT provided for in Paragraph 15(1) of this Law in force until 31 December 2023 to the supply of taxable goods or services, where that contract provides that the price of the goods or services is to include VAT or that the price is supplemented by VAT at a rate of 20% and the contract does not provide for a rate of VAT on the possible a change in price resulting from the change.

[RT I, 01.07.2023, 2 - from force. 01.01.2024]

**§ 47–49.** [Deleted from this text.]

## **§ 50. Entry into force of the Act**

(1) This Law shall enter into force upon accession to the European Union.

(2) Section 48 of this Act shall enter into force on 1 January 2004.

(3) [Deleted - RT I 2007, 17, 83 - from force. 01.03.2007]

(4) [Deleted - RT I 2007, 17, 83 - from force. 01.03.2007]

(5) Paragraph 40(10) of this Law is valid until 31 December 2007.

[RT I 2005, 68, 528 - from force. 01/01/2006]

(6) Section 46(17) of this Act applies retroactively from 1 October 2010.

[RT I, 10.12.2010, 3 - from force. 01.01.2011]

<sup>1</sup> Thirteenth Council Directive 86/560/EEC on the harmonisation of the laws of the Member States relating to turnover taxes — Arrangements for the refund of value added tax to taxable persons not established in Community territory (OJ L 326, 21.11.1986, p. 40–41);  
Council Directive 2006/79/EC on the exemption from taxes of imports of small consignments of goods of a non-commercial character from third countries (OJ L 286, 17.10.2006, p. 15–18);  
Council Directive 2006/112/EC on the common system of value added tax (OJ L 347, 11.12.2006, p. 1–118), as amended by Directives 2006/138/EC (OJ L 384, 29.12.2006, p. 92–93), 2007/75/EC (OJ L 346, 29.12.2007, p. 13–14), 2008/8/EC (OJ L 44, 20.2.2008, p. 11–22), 2008/117/EC (OJ L 14, 20.1.2009, p. 7–9), 2009/47/EC (OJ L 116, 09.5.2009, p. 18–20), 2009/69/EC (OJ L 175, 4.7.2009, p. 12–13), 2009/162/EU (OJ L 10, 15.1.2010, p. 14–18), 2010/23/EU (OJ L 72, 20.03.2010, p. 1–2), 2010/45/EU (OJ L 189, 22.07.2010, p. 1–8), 2010/88/EU (OJ L 326, 10.12.2010, p. 1–2), 2013/42/EU (OJ L 201, 2013/2013, 2013/42/EU (OJ L 201, 26.07.2013, p. 1–3), 2013/43/EU (OJ L 201, 26.7.2013, p. 4–6), 2013/61/EU (OJ L 353, 28.12.2013, p. 5–6), (EU) 2016/856 (OJ L 142, 31.5.2016, p. 12–13), (EU) 2016/1065 (OJ L 177, 01.07.2016, p. 9–12), (EU) 2017/2455 (OJ L 348, 29.12.2017, p. 7–22), (EU) 2018/912 (OJ L 162, 27.06.2018, p. 1–2), (EU) 2018/1695 (OJ L 282, 12.11.2018, p. 5–7), (EU) 2018/1713 (OJ L 286, 14.11.2018, p. 20–21), (EU) 2018/1910 (OJ L 311, 07.12.2018, p. 3–7), (EU) 2018/2057 (OJ L 329, 27.12.2018, p. 3–7), (EU) 2019/475 (OJ L 83, 25.03.2019, p. 42–43), (EU) 2019/1995 (OJ L 310, 02.12.2019, p. 1–5), (EU) 2019/2235 (OJ L 336, 30.12.2019, p. 10), (EU) 2020/284 (OJ L 62, 2.3.2020, p. 7–12),

(EU) 2021/1159 (OJ L 250, 15.7.2021, p. 1–3);

Council Directive 2007/74/EC on the exemption from value added tax and excise duty of goods imported by persons travelling from third countries (OJ L 346, 29.12.2007, p. 6–12);

Council Directive 2008/9/EC laying down detailed rules for the refund of value added tax, provided for in Directive 2006/112/EC, to taxable persons not established in the Member State of refund but established in another Member State (OJ L 44, 20.2.2008, p. 23–28), as amended by Directive 2010/66/EU (OJ L 275, 20.10.2010, p. 1–2);

Council Directive 2009/132/EC determining the scope of Article 143(b) and (c) of Directive 2006/112/EC as regards exemption from value added tax on the final importation of certain goods (OJ L 292, 10.11.2009, p. 5–30), as amended by Directive 2017/2455 (OJ L 348, 29.12.2017, p. 7–22).

[RT I, 21.11.2023, 1 - from force. 01.01.2024]