

Issue

Earlier this year the Polish Supreme Administrative Court referred to the Court of Justice of the EU (CJEU) with a request for a preliminary ruling relating to the charging of electric vehicles: whether such supplies are to be treated for VAT as a supply of goods or a supply of services.

Background

As a rule, sale of energy is treated as a supply of goods for VAT purposes. Companies who run charging points sometimes argue that they provide additional services apart from energy sales.

The additional services include technical support and should therefore classify as a provision of services.

VAT consequences

The above distinction has a huge impact on the VAT treatment of charging electric cars.

For example, if the transaction is classified as a supply of goods, then international companies that are running charging points should (in principle) register for VAT purposes in a country in which the charging point is located.

Take away

Taxpayers who operate electric cars charging points should analyze the VAT treatment of their sale transactions. The expected judgement of the CJEU may significantly impact VAT implications of their activity.

The CJEU will probably issue a judgement within two years (case no. C-282/22).

Questions

If you have any questions, please contact:

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