

Intracommunity Supplies

New regulations as of October 1, 2013



Information for Clients

Intracommunity Supplies

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1. Introduction

No tax exemption without proof! That is the basic principle, especially when it comes to claiming tax exemptions for intracommunity supplies. Although the Federal Fiscal Court (Bundesfinanzhof, or BFH) no longer considers documentary and accounting evidence to be a substantive requirement for tax exemption in its settled case law, it has confirmed that companies are required to use a similar kind of documentary and accounting proof in accordance with the statutory requirements of section 6a of the Value Added Tax Act (Umsatzsteuergesetz, or UStG) and sections 17a to 17c of the Value Added Tax Ordinance (Umsatzsteuer-Durchführungsverordnung, or UStDV).

The Second Ordinance for the Amendment of Tax Ordinances dated December 2, 2011 (Federal Law Gazette I (Bundesgesetzblatt, or BGBl.), p. 2,416), had already reformulated documentary and accounting evidence for intracommunity supplies performed after December 31, 2011. With effect from October 1, 2013, the documentary evidence for intracommunity supplies was again redefined by the Eleventh Ordinance for the Amendment of the Value Added Tax Implementation Ordinance dated March 25, 2013 (BGBl. I, 2013, p. 602). In particular, these new regulations affect internal transactions as well as business relationships between the supplying company and the beneficiary and, if applicable, any third parties charged with transporting goods for delivery, especially in the case of intracommunity supplies.

2. Previously valid regulations

Since January 1, 1993, the intracommunity supply of goods to a customer located in a member state and required to declare tax on purchases has been exempt from tax under section 4, no. 1, letter b and section 6a of UStG. The supplying company is required to prove the requirements for tax exemption with documentary and accounting evidence (section 6a, paragraph 3, sentence 1 of UStG). Under sections 17a and 17c of UStDV, the regulator determined how this proof should be managed with the complete authorization of section 6a, paragraph 3, sentence 2 of UStG, effective as of January 1, 1993. So far, however, different forms of proof have been required, depending on whether the item for delivery is transported into another part of the community area by the supplying company, the customer, or an independent contractor of either the supplying company or the customer:

- with a duplicate invoice;
- in cases of transportation¹:
 - with a commercial document indicating the destination, especially a delivery note,
 - with acknowledgment of receipt by the customer or a representative,
 - in the cases of transportation by the customer, with a guarantee by the customer or a representative to transport the object into another part of the community area;
- in cases of shipping²:
 - with a shipping note or another commercial document, especially a carrier's certificate, or a shipping confirmation note from the supplier.

¹ Transportation: independent transportation by a) the supplier (own transportation) or b) the customer (collection)

² Shipping: transportation by independent representatives such as a freight forwarder, mail service, or courier

In the past, there was evidence that the different requirements for the management of proof and the verification of this proof had caused considerable uncertainty for both the companies concerned and the tax authorities. For example, companies complained that there were significant practical problems regarding documentary and accounting procedures. As a result, the trade of goods within the community was also hampered. For the tax authorities, in many cases it was scarcely possible to verify whether a specific item for delivery had actually arrived in another part of the community area, and what the destination member state was. In many instances, the implementation of sales tax was subject to considerable legal uncertainty.

3. New documentary and accounting evidence

In order to facilitate the management of proof for the supplying company and to improve the level of control for tax authorities, new regulations for evidence were created with effect of January 1, 2012, and were intended to be clearer and more straightforward. As of this date, evidence for the arrival of goods in the destination member state should be produced whenever possible in the form of confirmation by the customer indicating that the item for delivery arrived in another part of the community area (confirmation of arrival), in addition to the duplicate invoice that was already required. It should not matter who actually transports the item for delivery. The confirmation of arrival is designed in such a way that it only contains the information required for transporting the item for delivery into another part of the community area. The document is intended to essentially replace the previous acknowledgment of receipt for the delivery item or a guarantee by the customer to transport the item into another part of the community area. It also replaces the shipping note in cases where the company or the customer sends the item for delivery.

① Note

If the supplying company or the customer transports the item for delivery themselves and the supplying company does not have the required confirmation from the customer, tax exemption for intracommunity supplies subject to the other provisions of section 6a, paragraph 1 of UStG can only be granted if it is clear that the item of delivery has actually entered another part of the community area on the basis of objective evidence.

The best-practice provisions that were valid until December 31, 2011, then became mandatory requirements. Tax exemption for intracommunity supplies may only be granted with the required documents. Here the existing interpretation of the law by the tax authorities is applied.

① Note

Even after September 30, 2013, the regulations for evidence remain mandatory requirements. As a rule, tax exemption for intracommunity supplies may only be granted with the required documents.

On the whole, the new regulation should simplify matters for companies and financial authorities. In practice, however, the application of this regulation was problematic. For this reason, the Eleventh Ordinance for the Amendment of the Value Added Tax Implementation Ordinance dated March 25, 2013, redefined section 17a of UStDV. As a result, in addition to the simplifications made regarding the confirmation of arrival, the forms of proof that were valid until December 31, 2011, were once again permitted in the majority of cases. The aim here was to make it possible for the companies concerned to manage proof in a simple and more legally compliant manner as of October

1, 2013. For intracommunity supplies carried out after September 30, 2013, documentary evidence can be provided as set out in the following section.

3.1 Confirmation of arrival

The supplying company is required to provide proof that the item for delivery has entered another part of the community area by issuing a duplicate invoice, as was the case prior to September 30, 2013 (as of July 1, 2013, the invoice must be issued by the 15th day of the month following the month in which the intracommunity supply takes place, and the invoice must always include an indication of tax exemption due to intracommunity supply). Alternatively, the supplying company can use a confirmation of customer receipt to prove that the item has entered another part of the community area. Such a confirmation must include all the necessary information for this purpose, specifically:

- the name and address of the customer as well as the customer's signature. The signature may also be provided by anyone with instructions to receive deliveries on behalf of the customer. If the confirmation of arrival is sent electronically, a signature is not required when it is evident that the electronic transfer originated on the domain of the customer or a representative party. It may be assumed that this is the case for the transmission of confirmation of arrival by e-mail if there is no reasonable doubt that the information contained in the header section can be attributed to the customer (in particular, the sender's name and the date on which the e-mail was sent),
- the date on which the confirmation is issued, and

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- the commercial name and quantity of the item for delivery. In addition, in the case of motor vehicles, the confirmation must contain the vehicle identification number. The inclusion of this number in the confirmation does not create additional effort because such information is already detailed in the invoice in most instances;
- the month and place in which the customer received the supplied goods or the month in which transportation of the goods into another part of the community area was completed. This information makes it clear whether, and at what point in time, the requirements for claiming tax exemption due to intracommunity supplies were met for the arrival of the goods within the community area.

① Note

In a letter from the German Federal Ministry of Finance (Bundesministerium der Finanzen, or BMF) dated September 16, 2013, the tax authorities provided companies with sample documents in German, English, and French to show what a confirmation of arrival might look like.

The confirmation of arrival can be issued as a collective confirmation. The collective confirmation can be used to summarize sales over a period of up to three months. It is therefore not necessary to issue a confirmation of arrival for each item delivered. For deliveries that include several items and for invoices that bill customers for multiple deliveries, it is generally sufficient for the confirmation of arrival to contain a reference to the respective delivery or consolidated invoice.

Example: A German company has an ongoing business relationship with an Austrian customer based in Salzburg. Between the months of October and December 2013, the German company supplies goods that are billed on a total of 30 invoices.

The Austrian customer may use a single confirmation of arrival to acknowledge the receipt of the goods by referencing each of the invoice numbers. Separate months can be entered for the date on which goods were received.

The confirmation of arrival can be provided in any form containing the necessary information; it can also consist of several documents that collectively contain all of the required information. For instance, it may consist of a copy of the invoice for an intracommunity supply, supplemented by the remaining information required. In cases where the item of delivery for an intracommunity supply is sent by the supplying company or the customer, the details for the confirmation of arrival may also be included on a shipping note.

① Note

Confirmation by the customer with respect to a third party does not have to be included in the documents of the supplying company. However, the supplying company must provide these to the tax authorities in a timely manner upon request – for example, as part of an external audit.

The confirmation of arrival therefore offers companies various options in terms of documentary evidence.

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Example: A German company provides refrigerators to an Austrian customer based in Salzburg. A carrier is commissioned to transport the refrigerators to Salzburg on October 4, 2013. The refrigerators arrive at their destination on this day.

The German company can handle the documentary evidence as follows:

The Austrian customer issues a confirmation of arrival for the German company containing the following information:

- the name and address of the Austrian customer and the customer's signature or that of a representative,
- the date of issue of the confirmation,
- the commercial name and quantity of refrigerators,
- the month (October 2013) and place (Salzburg) in which the refrigerators were received.

Alternatively:

- The Austrian customer sends a confirmation to the German company explaining that the refrigerators invoiced by the German company on October 4, 2013, arrived in Salzburg in October 2013. The Austrian company sends this confirmation in an e-mail whose content shows that the communication originated from the Austrian company.
- On the (printed) confirmation, the German company refers to the copy of the invoice dated October 4, 2013, which contains the name and address of the Austrian company as well as the commercial name and quantity of the refrigerators supplied.

The confirmation of arrival does not have to be issued to the sender by mail; it can also be sent electronically, for instance by e-mail (perhaps with a PDF or text file attachment), by computer fax, server fax, Internet download, or using electronic data interchange (EDI). In any case, the legibility requirements of the confirmation and its archiving are subject to the principles of electronic bookkeeping systems (Grundsätze ordnungsmäßiger DV-gestützter Buchführungssysteme, or GoBS) and the principles of data access and auditing of digital documents (Grundsätze zum Datenzugriff und zur Prüfbarkeit digitaler Unterlagen, or GDPdU). If the confirmation of arrival is sent by e-mail, this e-mail must also be archived.

If the item for delivery is transported to the customer on behalf of the supplying company or the customer by a third party (especially by a carrier), the required information can be entered in the confirmation of arrival by the customer with respect to the independent third party commissioned to transport the item for delivery (e.g. on a shipping note or the confirmation of delivery provided by the commissioned carrier). In these cases, the supplying company must be in possession of a written guarantee from the independent third party commissioned to transport the goods stating that it has a corresponding document with the details of the customer. The supplying company bears the burden of proof and is liable for any improper conduct on the part of the independent third party.

3.2 Other documentary evidence in place of the confirmation of arrival

In most cases, the supplying company may provide documentary evidence for tax exemption due to intracommunity supply using other forms of proof instead of the confirmation of arrival. These are set out in detail for individual circumstances in section 17a, paragraph 3 of UStDV in the version valid from October 1, 2013.

3.2.1 Shipping note in case of shipping

If the supplying company or the customer sends the item for delivery into another part of the community area, the supplying company can provide evidence of intracommunity supply in accordance with section 17a, paragraph 3, sentence 1, no. 1, letter a of UStDV as follows:

- with a shipping note, especially a legal waybill signed by the company employing the forwarding agent and bearing the recipient's signature as confirmation that the item for delivery has been received (box 22 for the CMR (Convention on the Contract for the International Carriage of Goods by Road) waybill),
- with a bill of lading, or
- with copies of the waybill or bill of lading.

The signature of a third party commissioned to take care of goods delivery is not required.

3.2.2 Carrier's certificate

If the supplying company or the customer sends the item for delivery into another part of the community area, the supplying company can also provide evidence of intracommunity supply with a commercial document other than a shipping note (→3.2.1), in particular with a confirmation issued by the commissioned carrier (carrier's certificate) as per section 17a, paragraph 3, sentence 1, no. 1, letter b of UStDV. This confirmation must contain the following information:

- the name and address of the contracted shipping company and the date of issue,
- the name and address of both the supplying company and the ordering party of the shipment,
- the quantity of items in the delivery and their commercial name,

- the receiver of the delivery and the destination of the consignment within the community area,
- the month in which transportation of the item for delivery within the community area was completed,
- a guarantee by the contracted shipping company that the details given in the document are based on business documents that can be verified within the community area, and
- the signature of a representative of the contracted shipping company.

Similar to the confirmation of arrival, if the carrier's certificate is sent electronically to the supplying company, a signature by the contracted shipping company is not required when it is evident that the electronic transfer originated on the domain of the contracted shipping company.

① Note

In a letter from the BMF dated September 16, 2013, the tax authorities provided companies with a sample document to show what a carrier's confirmation might look like.

3.2.3 Courier service consignment records

If the supplying company or the customer ships the item for delivery into another part of the community area, proof of intracommunity supply may also be provided in the form of a written or electronic order together with records issued by the contracted shipping company (e.g. a courier service) that contains evidence of every stage of transport up to and including delivery to the recipient – as was previously the case until December 31, 2011 (section 17a, paragraph 3, sentence 1, no. 1, letter c of UStDV). It is sufficient, even for exports

(→section 6.9, paragraph 6 of the German VAT application decree (*Umsatzsteuer-Anwendungserlass*, or *UStAE*), to produce a written or electronic order that includes the following content:

- the name and address of the company issuing the document,
- the name and address of the sender,
- the name and address of the recipient,
- the commercial name and quantity of the items being shipped,
- the value of each item being shipped, and
- the day the items being shipped were dispatched by the contracted shipping company.

The records issued by the contracted shipping company that are required to contain evidence for every stage of transport up to and including delivery of the goods to the recipient (track and trace records) must indicate both the month and the place within the community area in which shipping to the recipient was completed. There is no requirement for proof in the form of confirmation by the receipt that the goods have been handed over (e.g. signed proof by the recipient with respect to the local carrier). The supplying company is required to keep an electronic copy of the records for the transport of goods if these are supplied in an electronic format.

3.2.4 Acknowledgment of receipt from a mail service provider

If the supplying company or the customer ships the item for delivery into another part of the community area by mail and documentary evidence is not possible in the form of consignment records from the courier service provider (→3.2.3), proof of intracommunity supply may also be provided in the form of a confirmation of receipt by the mail service provider indicating that the consignment addressed to

the customer has been received in combination with proof of payment for the delivery – as was previously the case until December 31, 2011 (section 17a, paragraph 3, sentence 1, no. 1, letter d of UStDV).

A confirmation of receipt by a mail service provider regarding the delivery of an item sent by mail should contain the following information:

- the name and address of the company issuing the document,
- the name and address of the sender,
- the name and address of the recipient,
- the commercial name and quantity of the items being shipped, and
- the day the items being shipped were dispatched by the mail service provider.

Concerning the details in the confirmation of receipt detailing the recipient and the delivered items, a corresponding reference to the invoice for the supply is sufficient.

Proof of payment for the item of delivery can be provided using the corresponding bank account statement or, in the case of cash payment, a duplicate copy of the payment receipt.

3.2.5 Guarantee from the carrier contracted by the customer

If the goods to be supplied are shipped by the customer, the documentary evidence of intracommunity supply can be provided in the form of proof of payment detailing the compensation for the supply of goods from a bank account belonging to the customer and by a confirmation from the contracted carrier (carrier guarantee) in accordance with section 17a, paragraph 3, sentence 1, no. 2 of UStDV.

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This carrier guarantee must contain the following information:

- the name and address of the contracted shipping company and the date of issue,
- the name and address of both the supplying company and the ordering party of the shipment,
- the quantity of items in the delivery and their commercial name,
- the receiver of the delivery and the destination of the consignment within the community area,
- a guarantee from the contracted shipping company to transport the object of delivery to its destination in another part of the community area, and
- the signature of a representative of the contracted shipping company.

In contrast to the provision in place until December 31, 2011, evidence in the form of a carrier guarantee is only considered if the customer sends the item for delivery, not in the case of collection. In addition to evidence in the form of a carrier guarantee, the supplying company must also provide proof of payment for the delivered goods that is traceable to a bank account of the customer. The customer's bank account may be a foreign or a domestic account (for example, a domestic consolidated clearing account). The statutory regulations do not indicate whether it can also be a foreign bank account in a different country to that where the item for delivery arrives with the customer.

① Note

In a letter from the BMF dated September 16, 2013, the tax authorities provided companies with a sample document to show what a carrier's guarantee might look like.

3.2.6 Confirmation of departure point in the community transit procedure

If the supplying company transports or ships the item for delivery to another part of the community area using the community transit procedure, proof of intracommunity supply may still be provided – as previously – in the form of a confirmation from the point of departure regarding the intracommunity supply (section 17a, paragraph 3, sentence 1, no. 3 of UStDV) when such a confirmation is issued after proof of termination for the transit system has been received and indicates that delivery has been made within the community.

In contrast, it is no longer possible to provide proof in the form of a dispatch confirmation from the point of departure in connection with a delivery receipt from the destination in another part of the community area. Such documentary evidence is no longer used in practice.

3.2.7 EMCS notification of receipt for the supply of excisable goods

If the supplying company transports or ships excisable goods to the customer with tax deferral and using the Excise Movement and Control System (EMCS), an IT transport and control system for excisable goods, proof of intracommunity supply may be provided in the form of a validated EMCS notification from the responsible authorities in the other EU member state (the destination member state) in accordance with section 17a, paragraph 3, sentence 1, no. 4, letter a of UStDV. This is a complete and correctly filled-out notification of receipt according to the requirements of table 6, appendix I to Commission Regulation 684/2009 of July 24, 2009, regarding the implementation of Council Directive 2008/118/EC with respect to computer-assisted procedures for the transport of excisable goods with tax deferral (OJ 2009, no. L 197, p. 24).

3.2.8 Third copy of the simplified accompanying document for the delivery of excisable goods fulfilling the conditions for free movement

If the supplying company transports or ships excisable goods that fulfill the conditions for free movement to a customer in another EU member state, the supplying company may also provide proof of intracommunity supply in the form of a third copy of the simplified accompanying document submitted to the responsible main customs office for excise tax relief in accordance with section 17a, paragraph 3, sentence 1, no. 4, letter b of UStDV. This is a complete and correctly filled-out third copy of the accompanying document according to the example provided in the appendix to Commission Regulation 3649/92 of December 17, 1992, regarding a simplified accompanying document for the transport of excisable goods that already meet the requirements for free circulation in the departure member state (OJ 1992, no. L 369, p. 17).

3.2.9 Registration of a vehicle to the purchaser for transport by the customer

If the customer transports a vehicle as part of an intracommunity supply and a road license is required for this vehicle, proof of intracommunity supply can also be provided in the form of proof of vehicle registration to the purchaser in the destination member state for the delivery (section 17a, paragraph 3, sentence 1, no. 5 of UStDV). Such documentary evidence must include the vehicle identification number.

Proof of vehicle registration to a person other than the purchaser (i.e. customer for the delivery) in another part of the community area is not sufficient proof.

3.3 Other forms of documentary evidence

If the supplying company does not have the documents listed under →3.1 and →3.2 (section 17a, paragraphs 2 and 3 of UStDV as amended by the decree of March 25, 2013), the company may also meet the conditions for tax exemption due to intracommunity supply with other documents or forms of evidence. If there is no such documentary evidence or other proof, if the company does not meet its burden of proof or only does so in part, or if an inspection reveals the details of the evidence to be incorrect or subject to at least reasonable doubt regarding their correctness that are not clarified by the company, the company must assume tax liability for the intracommunity supply. Despite such shortcomings, however, the intracommunity supply is exempt from tax according to the settled case law of the Court of Justice of the European Union (ECJ) and the BFH if it can be established objectively beyond doubt that the conditions for tax exemption are met (especially the arrival of the item for delivery in another part of the community area for the supply in question) (→e.g. *BFH dated December 14, 2011, XI R 32/09, HFR 2012, p. 785*).

However, tax exemption will not be granted, not even in the presence of objective evidence, if an improper form of evidence is used to conceal the identity of the customer for the intracommunity supply in order to evade value added tax in the destination member state (→*BFH ruling of February 17, 2011, V R 30/10, Federal Tax Gazette (Bundessteuerblatt, or BStBl.) 2011 II, p. 769*, and *ECJ ruling of December 7, 2010, Rs. C-285/09, R, BStBl. 2011 II, p. 846*).

3.4 Accounting evidence

If a company transports or ships the item for delivery to another part of the community area, accounting records must be maintained in accordance with section 17c of UStDV in order to claim tax exemption for intracommunity supplies. The scope of these accounting records was extended slightly with effect on January 1, 2012. The

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decree of March 25, 2013, does not change the regulations for accounting evidence.

As was the case before December 31, 2011, companies must indicate the VAT identification number of customers in accounting records. The corresponding VAT identification number for the correct customer must be shown. It is only for the purposes of clarification that foreign VAT identification numbers for customers have been included in accounting documents since January 1, 2012.

There is basically no change to the accounting records for intracommunity supplies that were required before December 31, 2011. Only for the supply of new vehicles does the company also have to indicate the vehicle identification number in addition to the commercial name and quantity of the items for delivery. This regulation does not result in any additional effort for the supplying company because such information is readily available and must often be included on the invoice.

Similarly, there is basically no change to the accounting records for the intracommunity sourcing of an item by a company for its own use. Only for the transport of new vehicles does the company also have to indicate the vehicle identification number in addition to the commercial name and quantity of the items for transportation. This additional regulation does not result in any additional effort for the supplying company either because such information is readily available and must often be included on the invoice (i.e. internal document).

Furthermore, for the supply of new vehicles to a customer without a VAT identification number, the supplying company must also indicate the vehicle identification number in addition to commercial name as of January 1, 2012. Again, this regulation should not result in any additional effort for the supplying company because the vehicle registration number is readily available and must often be included in the invoice.

① Note

As a rule, accounting evidence should be recorded in a timely manner and without changes. However, it is sufficient for there to be a basic amount of accounting records. Full accounting evidence can be submitted to the tax court until the final hearing.

4. Transitional provisions

To facilitate the transition to the rules in force since January 1, 2012, the tax authorities did not object at first if a company presented proof of tax exemption for an intracommunity supply carried out on or before March 31, 2012, using documents drawn up in compliance with the legal situation as of December 31, 2011. This transitional arrangement was initially valid until June 30, 2012, and was then extended until September 30, 2013 pending the further amendment of section 17a of UStDV.

The new provisions introduced by the decree of March 25, 2013, regarding documentary evidence must be applied for all intracommunity supplies carried out after September 30, 2013. However, according to section 74a, paragraph 3 of UStDV as amended by article 1, no. 2 of the decree March 25, 2013, companies may use documentary and accounting evidence following the documentation outlined in sections 17a to 17c of UStDV, which were valid until December 31, 2011, during the period from January 1, 2012 to September 30, 2013. The provision set out in section 74a, paragraph 3 of UStDV protected these transitional arrangements of the tax authorities by law.

In a letter from the BMF dated September 16, 2013, the tax authorities extended the period of nonobjection that was limited until September 30, 2013, for intracommunity supplies carried out on or before December 31, 2013. Alternatively, the tax authorities recognize the

situation when a company has already applied the simplifications contained in section 17a of UStDV and in force as of October 1, 2013, for intracommunity supplies carried out after December 31, 2011 and before October 1, 2013 (in particular electronic transmission of the confirmation of arrival, the use of a collective confirmation, and the indication of the month instead of the day for the completion of transportation to the destination member state).

As a result, companies are able to choose according to which rules the conditions for claiming tax exemption are met for intracommunity supplies in terms of documentary evidence: either with proof such as customer confirmation, transport confirmation, a waybill (without the signature of the customer), or a carrier's certificate or with the confirmation of arrival in accordance with the provisions of section 17a of UStDV in the version valid from January 1, 2012, to September 30, 2013.

5. Conclusion

As of October 1, 2013, companies are required to prove the conditions for tax exemption for intracommunity supplies with documentary evidence as set out in sections 17a to 17c of UStDV in the then valid version. Essentially, companies can maintain documentary evidence using the so-called confirmation of arrival, which was newly introduced on January 1, 2012. This confirmation of arrival is not a document based on an officially prescribed template; instead, what matters is that one or more documents provide all of the necessary information. There are new, more straightforward regulations, such as those concerning the issue of collective confirmations and electronic transmission. In addition, the authorities have permitted further forms of proof, in particular the waybill, carrier's certificate, and the track-and-trace records of courier services, most of which companies could also use before January 1, 2012. Companies are also required to indicate the vehicle identification number in documentary evidence as well as in accounting records.

The new documentation requirements must be applied for intracommunity supplies carried out after September 30, 2013. For the period from January 1, 2012, to September 30, 2013, companies are able to choose whether to provide proof in the form of a confirmation of arrival – applicable at that time – or with another form of proof mentioned in section 17a of UStDV and valid until December 31, 2011.

The tax authorities have also established a regulation of nonobjection for the new provisions. This legislation states that companies may continue to use proof in the form of documentary and accounting evidence that was valid until December 31, 2011, for intracommunity supplies carried out between October 1 and December 31, 2013.

To protect their own interests, companies should also process documentary evidence as soon as possible. This way, very few objections should arise during an audit. However, it is sufficient if documentary evidence can be presented to the tax court no later than in the final hearing. If there is no such evidence, companies may not be eligible for tax exemption as a rule. In a best-case scenario, this privilege can still be granted based on proof in the form of objective evidence. There are no changes in the area of accounting evidence: it should be processed in a timely manner, and it must exist in the minimum form for the period in which a company claims tax exemption; otherwise, the privilege is lost. It is therefore important to ensure that a change-over to the new documentation requirements is made immediately in order to avoid financial risk.

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E-mail: literatur@service.datev.de