



Ask our VAT Experts

Ask our VAT experts a question. We are here to assist you

[\[Ask a question\]](#)

Frequently Asked Questions

What is VAT?

Value Added Tax (VAT) is a consumption tax levied on goods and services in many countries around the world. The national tax systems of Europe, Canada, Japan and Australia allow for a refund of VAT to most non-resident business entities worldwide. For VAT not related to travel and entertainment, registration for VAT may be required in order to get a refund, and in some cases registration must be done prior to the business transaction.



Who is entitled to a VAT refund?

Most business entities around the world will qualify for a refund. However, the VAT refund rules vary significantly from country to country and are very complex. Contact Euro VAT Refund to verify your business entity's eligibility.

Can a private person qualify for a VAT refund?

Non-EU resident tourists can, in most cases, apply for a refund of the VAT paid on gifts and merchandise bought for export out of the country. The refund should be requested at the last port before departure from the EU. Private persons are not entitled to a refund of the VAT incurred on services, such as hotel and car rental. This refund opportunity is only available to corporate entities. For more information regarding tourist VAT refund go to www.globalblue.com.

What items are eligible for a VAT refund?

Typical Recoverable Expenses are:

- [Hotel and Transportation](#)
- [Conferences and Tradeshows](#)
- [TV and Motion Picture Production](#)
- [Inter-Company \(travel delegations, services, seminars\)](#)
- [Import VAT, Logistics and Warranty Products](#)
- [Drop-shipping, Installations and Maintenance contracts](#)
- [Global Contracts](#)
- [Telecom and Network Services](#)
- [Professional Fees and Marketing](#)
- [Research and Development](#)

How do the VAT refund procedures work?

Most companies that incur the VAT are entitled to apply for a refund. A claim has to be filed with the local tax authorities, usually in the local language. The original invoices must be submitted with the claim, including signed refund forms. The tax authorities will process the claim, and grant the refund. For more information: [VAT Refund Steps](#)

Our Expense Reports are scanned and we no longer keep the originals. Can we still file for VAT refund?

It is required that the original invoices, such as hotel and car rental invoices, are submitted with the VAT refund claim. If your company does not require its travelers to send in the originals with their T&E expense reports, you need to change the instructions so that the international travelers must submit original invoices.

How can we know how much VAT refund our company may be able to claim?

Estimates of the VAT refund potential can be done and in most cases EuroVAT can provide your company with a free estimate.

Import VAT: Federal Express charged VAT to our company. Can we claim it back?

VAT and import fees charged by a carrier, such as FedEx and UPS, can sometimes be claimed back. Often, it will be necessary to change document preparation routines for how to fill out the export documents before the shipments are made. Contact EuroVAT for assistance.

VAT was charged on goods purchased in Europe. How do we claim it back?

VAT is usually assessed by the vendor in Europe if they shipped goods to a location in

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- [Conferences and Tradeshows](#)
 - [Drop-shipping](#)
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Europe. You can usually claim it back, but VAT registration in one of the EU countries is likely required.

What does "VAT registration" mean?

A North American company sometimes conducts business, such as selling goods or services within the European Union, that may require VAT registration with the local tax authorities.

VAT registration should be done prior to the business activity if possible. However, in some cases it can be done retroactively. VAT registration means that the non-EU company is required to:

1. Register for VAT in the European country where the business activity takes place.
2. Assess (charge) VAT on all or some of the invoices issued to the customer.
3. Deduct most of the VAT incurred from the European vendors.

If a company does not register when required, the VAT incurred from the European vendors is not refundable.

Examples of business activities that may require VAT registration are:

- [Electronically Supplied Services to Private Persons](#)
- [Conferences and Tradeshows](#)
- [Importing of Goods](#)
- [Drop-shipment of Goods](#)
- [Installations and Maintenance Services](#)
- [Global Contracts](#)
- [Telecom and Network Services](#)

Why should we use Euro VAT Refund's reclaim and management services?

The VAT refund rules are very complex and vary from country to country. The local tax authorities sometimes require that the application and the communication are done in their own language. By acting as your single-source VAT services provider, Euro VAT Refund makes it convenient for your firm to collect its refunds and manage its VAT registration. We communicate with the local tax authorities, and we understand and have experience with their unique requirements and rules. EuroVAT has the necessary knowledge, processes and procedures to expedite your claims for prompt returns and maximized payment. We can also assist with efficiently structuring your organization's financial and operational processes for on-going VAT refunds and management.

What is our company's VAT number?

A vendor or customer in the European Union or another of the VAT countries may sometimes ask you for your company's VAT number. There can be several reasons for the question. Sometimes it is a routine question that they ask to all new vendors/customers, and it might not necessarily apply to your company. Other times, it can be an important question related to if they will charge VAT or not. Contact a EuroVAT expert for assistance on how to answer that question.

How does our company get a VAT number?

A North American company sometimes can and should get a VAT registration number in a European country, Australia or Japan.

If you conduct business within a country that required registration, such as drop-shipment of goods, importation, installation or organizing of a tradeshow or conference, then you should get a VAT registration number. In addition to being a requirement it also means that most of the VAT you incurred can be reclaimed and is not a cost to you. The VAT number has to be requested from the local tax authorities. Once a company is registered for VAT, it will have to file VAT returns on a regular basis. In some countries, the VAT registration may lead to permanent establishment status or other liabilities.

Upon completion of the business activities, the company can de-register for VAT.

[[Learn more about VAT numbers](#)]