VAT rules relating to taxable persons who facilitate distance sales of imported goods and the application of the special scheme for distance sales of goods imported from third territories or third countries and special arrangements for declaration and payment of import VAT

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The Council reached a **general approach** on the draft directive amending Directive 2006/112/EC as regards VAT rules relating to taxable persons who facilitate distance sales of imported goods and the application of the special scheme for distance sales of goods imported from third territories or third countries and special arrangements for declaration and payment of import VAT.

The European Parliament is consulted on the agreed text and invited to give its opinion.

The text of the directive on which the Member States have reached a general approach aims to advance the principle of a single VAT registration in the Union and focuses on measures to **encourage the use of the one-stop shop for imports (IOSS).**

Under the proposed directive, foreign traders or platforms will be made liable for import VAT and VAT on the distance sales of imported goods in the member state of the final destination of the goods. This will encourage use of the IOSS, as foreign traders or platforms that do not use it will need to be registered in each Member State.

The IOSS serves as a point of contact for importers of goods from third countries into the European Union. It aims to simplify the declaration and payment of VAT when importing goods into the EU, since it is only necessary to register in one Member State even when making sales throughout the EU.

In order to protect Member States' tax revenues, traders not established in the Union and not availing themselves of the use of the IOSS, should be obliged to designate a tax representative assuming all VAT obligations related to all eligible import consignments. However, that obligation should not apply if the trader is established in a country listed in Commission Implementing Decision (EU) 2021/9423 with which the Union or the Member State of importation has concluded an agreement on mutual assistance.