

Renewal fees and VAT

Individual Members or IRRA members in Sweden

- Svenska företag och privatpersoner betalar alltid 25% moms på inköp i Sverige. Momsregistrerade företag reglerar momsen i sin skattedeklaration, på sedvanligt sätt.

Individual Members or IRRA members outside of Sweden

The Swedish tax agency has decided that the following products apply to the VAT law chapter 5 § 8, due to which all turnover of services to customers outside of Sweden should be charged with Swedish VAT, since the seller (PADI Nordic) has a permanent establishment in Sweden.

This apply to all customers both within EU and outside of EU.

This also applies to customers that are registered for VAT within EU, VAT can only be excluded on the invoice, regarding purchase of Goods. Services should still be charged with 25% VAT.

Products classified as Services (not goods)

- Renewal fees
- Application fees
- Instructor Examination fees
- PICs on paper.
- Lost cards

The VAT amount that you have paid can be refunded to your company, if you meet the requirement as described below.

Who is eligible for a refund?

If you are a foreign entrepreneur not required to be registered for Value Added Tax (VAT) in Sweden you can get a refund on goods and services that you buy in Sweden if the following conditions are fulfilled:

- The VAT must refer to acquisition or import for your turnover in business in other countries than Sweden.
- If your sale (turnover) takes place in another EC country then it would be subject to VAT or entitle you to a refund in that country.
- Your turnover would have been subject to VAT or would have entailed the right to a refund if it took place in Sweden.

As a foreign entrepreneur, you can also get a VAT refund for goods or services that you will sell in Sweden when a VAT-registered buyer is tax-liable for the turnover. This is known as "reversed charge". The regulations for refunds to foreign entrepreneurs are found in Chapters 10 and 19 of the VAT Act (1994:200).

Limitations on the right to a refund

You are not entitled to repayment if the Swedish VAT regulations prohibit deduction. The limitations apply, among other things, to the sale of travel services. Refunds are not given to a travel agency for goods and services that have directly benefited the traveller. If you act as an agent for goods and services, a refund will be given only if the principal would have been entitled to a refund if he had acted in his own name. If the agency work took place in several stages, each stage must have been entitled to a refund. As the person applying for a refund, you must show that this right existed.

When are you entitled to repayment?

If you are entitled to a refund, you are entitled to receive payment when:

- goods have been delivered to you or brought into the country.
- a service has been provided to you
- you have paid in advance for ordered goods or services.

Minimum amounts

If the application refers to a full calendar year or the remainder of the year until the turn of the year, the VAT is refunded if it amounts to at least SEK 250. In other cases, the VAT is refunded if it amounts to at least SEK 2 000.

Application for a refund

The application must be received by the Swedish Tax Agency no later than 30 June of the following calendar year. Client numbers are issued by the Swedish Tax Agency on your first application.

Your application is to be accompanied by your VAT registration certificate or equivalent document.

The certificate or its equivalent must not be older than 12 months. The application is to cover at least three and no more than twelve consecutive calendar months.

An application must never refer to different years.

If the application applies to the period up to the turn of a year, it may refer to a shorter period than three months. You must show the amount applied for with **original invoices**. Where an invoice refers to underlying invoices, these are also to be attached. Swedish VAT is to be specified in the invoice.

All sums are to be shown in **Swedish kronor (SEK)**. Other currencies may appear in invoices from Swedish companies. When you apply for a refund, the amount is to be recalculated in SEK. Use the exchange rate applying on the date of delivery in your calculation. The exchange rate on the invoice date may be used if invoicing took place near the time of delivery. VAT referring to **reversed charge**, VAT for passage over **the Öresund Link** and **other VAT** are to be shown separately.

In your application for a refund of VAT applying to sale involving **reversed charge** in Sweden, you are to prove that onward sale took place in Sweden. You can do this using copies of your invoices for onward sale. You can choose to receive payment to a bank account, Swedish postal giro account or a Swedish bank giro account. If you do not supply an account number, repayment will be made to the address you have given in the application. If goods or services are used both in VAT-liable and non-VAT-liable business within EC, the VAT is to be distributed in proportion to their use. You are to state the proportion of VAT that pertains to the VAT-liable business.

As a service to IRRRA Members, our staff can take care of the whole procedure regarding your application for a VAT refund. It is important that your receipt/invoice also consists of your company's name, the same name as on your VAT registration in your country.

The original receipt/invoice should be attached to the VAT-refund application.

Individual Members with a valid VAT no can also be assisted by our staff. This is free of charge.

Please contact marie.daun@padi.se for further assistance with your VAT application.