



Joint Press Release

6 October 2021

Single VAT ID Registration Towards a Unified VAT Solution

Ecommerce Europe and EuroCommerce today jointly launched an awareness campaign on the importance of a Single VAT ID Registration.

On 1 July 2021, new VAT rules for e-commerce sales to consumers entered into application, extending the VAT **One Stop Shop** system to e-commerce distance selling and introducing an Import One-Stop Shop (IOSS). Both Ecommerce Europe and EuroCommerce warmly welcomed the introduction of these simplification measures. However, one of the flaws of the new rules is that they do not address the issue of VAT registration for sellers holding stock in multiple Member States in order to be as close as possible to the consumers. In practice, e-merchants still have to maintain their foreign VAT registrations in every EU country where they are sending or holding stock. To address this issue, Ecommerce Europe and EuroCommerce recommend policymakers to **extend the existing VAT OSS to all shipments of merchandise where the seller of record is not located in the EU country of taxation**, and in particular to:

1. cross-border movement of own inventory across the EU,
2. domestic sales from distribution hubs by a seller that is not established in that EU country.

Luca Casseti, Secretary-General of Ecommerce Europe, commented: *“The new VAT OSS and IOSS are a success story and a milestone in the EU efforts to simplify VAT legislation. However, businesses with multiple warehouses in EU countries still need to VAT-register in each country of storage. This is costly and burdensome, especially for SMEs. Introducing a Single VAT ID Registration Number by extending the existing VAT OSS would greatly reduce administrative procedures and help businesses thrive in the EU Single Market.”*

Christian Verschueren, Director-General of EuroCommerce, commented: *“As retailers are major collectors of VAT we have always supported any efforts to facilitate VAT compliance across the EU. The VAT e-commerce package has delivered much, but some barriers remain. We look forward to the Commission VAT in the Digital Age initiative to be presented in the coming months, and hope that they will use the opportunity to remove remaining barriers to digital trade and expand the VAT OSS to pan-EU storage and onward sales.”*



Ecommerce Europe and EuroCommerce fully support the European Commission's ambition, outlined in its Fair and Simple Taxation Package¹, to further reduce VAT-related barriers for cross-border trade in the EU and publish a legislative initiative to amend the EU VAT Directive² and move towards a single EU VAT registration.

Ecommerce Europe and EuroCommerce have jointly launched a [new website](#) with materials, an [informative video](#) and communication tools to raise awareness on the benefits of a Single VAT ID in Europe and prioritise the publication of the Commission's legislation already in 2022.

END

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¹ European Commission's [Fair and Simple Taxation Action Plan](#), 15 July 2020

² Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax