



EUROPEAN COMMISSION
DIRECTORATE-GENERAL
TAXATION AND CUSTOMS UNION
TAX POLICY
VAT and other turnover taxes

Brussels, 11 February 2004
TAXUD/C/3/ID D(2003)

VAT in the European Community

**APPLICATION IN THE MEMBER
AND ACCESSION STATES,
FACTS FOR USE BY
ADMINISTRATIONS/TRADERS
INFORMATION NETWORKS ETC....**

Note

This document collates a range of basic information on the application of VAT arrangements in the Member and Accession States which has been obtained from the tax authorities concerned. The information provided by the Accession States is provisional, based on the anticipated application of VAT arrangements once Community legislation has been transposed.

The exchange rates used for the Accession Countries are those for the 1st October 2003, taken from the Official Journal of the European Union.

The sole purpose of distributing details of national provisions is to create a work-tool. In no way does this document necessarily reflect the views of the Commission of the European Communities. Nor does it signify approval of the relevant legislation.

SWEDEN

TABLE OF CONTENTS

GENERAL INFORMATION	3
VAT REGISTRATION OF FOREIGN TRADERS	4
THRESHOLDS	6
APPOINTMENT OF TAX REPRESENTATIVES OF NON-EU FOREIGN TRADERS.....	7
APPOINTMENT OF TAX REPRESENTATIVES OF FOREIGN TRADERS ESTABLISHED IN THE EU	7
INVOICES	8
REGULAR VAT RETURNS.....	13
RECAPITULATIVE STATEMENTS	14
ELECTRONIC INVOICING AND ELECTRONIC RETURNS	14
ADMINISTRATIVE REQUIREMENTS.....	15
RIGHT TO DEDUCT	16
ANNEX 1: THRESHOLDS	18
ANNEX 2: VAT IDENTIFICATION NUMBER.....	20
ANNEX 3: ABBREVIATIONS.....	22

GENERAL INFORMATION

1. IF A FOREIGN TRADER WANTS TO OBTAIN INFORMATION ABOUT YOUR VAT SYSTEM, WHOM SHOULD HE CONTACT (ADDRESS, TELEPHONE, FAX, E-MAIL)?

A lot of information concerning VAT is provided on the National Tax Board's website (www.rsv.se). If the trader has a fixed address in Sweden, he should contact the local tax office where he is registered. Its address and telephone number can be found on the National Tax Board's website or in the local telephone directory under "Skattemyndigheten".

If the trader does not have an address in Sweden or if he has a tax representative in Sweden, he can contact the tax authority in Stockholm at the following address:

Skattemyndigheten i Stockholms län
Skattekontor Riks
S-106 61 Stockholm
Sweden
Tel.: 08-694 1000 (from abroad: +46 8 694 1000)
Fax: 08-642 9261 (from abroad: +46 8 642 9261)
E-Mail: skm@skm01.rsv.se

2. WHAT IS THE ADDRESS OF THE NATIONAL TAX ADMINISTRATION'S WEBSITE? WHAT SORT OF INFORMATION DOES THE WEBSITE PROVIDE (GENERAL INFORMATION, LEGISLATION, CONTACT POINTS, FORMS) AND IN WHAT LANGUAGES?

Website: www.rsv.se

Almost all information produced by the National Tax Board is available on the website: definitions, brochures, forms, handbooks, court cases, official notices and questions and answers. At present the information is provided only in Swedish but some is also available in English and, to a much lesser extent, in Finnish, French and German.

3. WHERE CAN ONE FIND NATIONAL VAT LEGISLATION AND REGULATIONS? IN WHAT LANGUAGES ARE THEY AVAILABLE?

VAT legislation and regulations can be consulted on the following homepages:

www.riksdagen.se

www.notisum.se

<http://www.lagrummet.gov.se>

At present these are only available in Swedish.

VAT REGISTRATION OF FOREIGN TRADERS

4. PLEASE DESCRIBE THE PROCEDURE FOR ISSUING VAT IDENTIFICATION NUMBERS.

An application for VAT registration must be submitted not later than two weeks before trading begins using a special application form obtainable from the tax administration, which must be submitted to the tax office for the area in which the business is established and will be registered. The trader is sent a certificate of registration indicating the VAT identification number, reporting period, etc.

Foreign traders carrying on taxable business via a subsidiary in Sweden are, like Swedish traders, required to register with the local tax office for the place where the business is established in Sweden (e.g. the address of the subsidiary).

If the foreign trader does not have a subsidiary in Sweden but carries on business from a permanent establishment in Sweden, e.g. a branch, he must register with the tax authority of the County of Stockholm. This also applies if the trader does not have a permanent establishment in Sweden.

Foreign traders coming from a country with which Sweden does not have a special agreement on mutual assistance in the collection of tax and the exchange of information on tax must be registered via a representative, i.e. a person who has a permanent address in Sweden or a firm with a permanent establishment or permanent operations in Sweden. The representative must be approved by the tax authority.

5. WHEN IS VAT REGISTRATION UNNECESSARY AS THE PURCHASER IS TAXABLE? ARE FOREIGN TRADERS PERMITTED TO REGISTER FOR VAT VOLUNTARILY IN SUCH CASES?

With effect from 1 July 2002, reverse tax liability will be introduced for cases where a Swedish trader purchases goods from a foreign trader in Sweden who is not registered for VAT in Sweden. This means that the purchaser will be liable for tax on the transaction. The foreign trader will thus not be liable for tax on the transaction but must still be registered in Sweden and record the transfer of the goods in his quarterly accounts in order to avoid taxation in his home country.

Even where the purchaser is liable for tax, a foreign trader is permitted to register voluntarily for VAT in Sweden.

Foreign traders providing the following services commercially to businesses in Sweden are not required to register for VAT:

- (1) transfer or use of copyright, patents, licences, trade marks and the like,
- (2) advertising and publicity,
- (3) consultancy services, product development, planning and design work, construction, legal services, accountancy, clerical services, translation services and similar services,
- (4) EDP and devising of EDP systems or programs,
- (5) supply of information,

- (6) banking and financing services other than rental of storage space,
- (7) manpower,
- (8) renting out of movable goods other than means of transport and transport accessories,
- (9) obligations to refrain partly or fully from using any of the rights referred to in point 1 or from performing a particular activity,
- (10) telecommunication services either in the form of services involving the transmission, broadcasting or reception of signals, texts, images and sound or other information with the aid of cable, radio or optical or other electromagnetic means or in the form of services involving the permanent or temporary transfer of the right to exploit capacity for such transmission, broadcasting or reception, and
- (11) performance on behalf of and in the name of a third party of services of the type referred to in points 1-10 above.

Foreign traders providing the following services commercially to persons who are registered for VAT in Sweden are similarly not required to register for VAT:

- (1) procurement of transport services performed within Sweden,
- (2) transport services involving transport of goods and arrangement of such transport commencing in Sweden and for which the customer uses a Swedish VAT number,
- (3) taking charge of and loading/unloading of goods and such like services performed in connection with the transport of goods (so-called back-up services) in Sweden and for which the customer does not use a VAT number in another EU country,
- (4) back-up services performed in another EU country for which the customer uses a Swedish VAT number,
- (5) procurement on behalf of and in the name of a third party of back-up services where the purchaser uses a Swedish VAT number to obtain such services,
- (6) procurement in the name of a third party of goods where such goods are sold in Sweden and the principal has not used a VAT number in another EU country,
- (7) procurement in the name of a third party of goods where such goods are sold in another EU country on condition that the principal uses a Swedish VAT number.

6. WHOM MUST THE FOREIGN TRADER CONTACT TO REGISTER FOR VAT (DETAILS ON AUTHORITY, INCLUDING ADDRESS, TELEPHONE, TAX AND E-MAIL)?

VAT registration application forms can be obtained by telephoning the Stockholm Tax Authority on (46) (0)8-694 22 00 or via the National Tax Board's website: <http://www.rsv.se>

Forms can also be ordered from the Stockholm Tax Authority at the following address:

Skattemyndigheten i Stockholm
Skattekontor Riks
SE 106 61 Stockholm
Sweden

Tel: 08-694 10 00 (from abroad: +46 8 694 10 00)
Fax: 08 643 52 30 (from abroad: +46 8 643 52 30)
E-mail: skm@skm01.rsv.se

**7. PLEASE DESCRIBE DETAILED PROCEDURE (INCLUDING DOCUMENTS REQUIRED)
FOR OBTAINING VAT REGISTRATION NUMBER, ESPECIALLY FOR FOREIGN TRADERS**

The registration application must be made using the proper form - RSV 4620.

Foreign traders coming from a country with which Sweden does not have a special agreement on mutual assistance in the collection of tax and the exchange of information on tax must have an agent acting on their behalf. If the application is made through an agent, the authorisation for the agent must be attached to the application. The Tax Authority has a standard form (RSV 5703) for this purpose. The authorisation does not entail any right to collect payments via the post office or a bank.

The application should be submitted not later than two weeks before trading begins. It must be signed by the foreign trader or the agent and sent to:

Skattemyndigheten i Stockholm
Skattekontor Riks
SE 106 61 Stockholm
Sweden

The application must be accompanied by a certificate or equivalent proof of the foreign trader's registration in his home country. An agent must likewise show proof of registration. A natural person acting as agent must be able to produce proof of residence in Sweden. Proof of registration must date from within the previous three months.

When registration has been approved by the tax authority, a registration certificate is issued. Tax declaration forms are sent out automatically. Where a foreign trader is registered via an agent, the forms are sent to the agent.

For further information see brochure "Skattekonto för företagare" (Traders' tax accounts) (RSV 409)

THRESHOLDS

8. WHAT THRESHOLD DO YOU APPLY AS REGARDS INTRA-COMMUNITY DISTANCE SELLING UNDER ARTICLE 28B(B)(2) OF THE SIXTH VAT DIRECTIVE?

SEK 320 000.

9. WHAT THRESHOLD DO YOU APPLY AS REGARDS ACQUISITIONS BY NON-TAXABLE LEGAL PERSONS OR EXEMPT PERSONS UNDER THE SECOND SUBPARAGRAPH OF ARTICLE 28A(1)(A) OF THE SIXTH VAT DIRECTIVE?

SEK 90 000.

APPOINTMENT OF TAX REPRESENTATIVES OF NON-EU FOREIGN TRADERS

10. IN WHAT CASES DOES A TAX AGENT HAVE TO BE APPOINTED?

Foreign traders coming from a country with which Sweden does not have a special agreement on mutual assistance in the collection of tax and the exchange of information on tax must have an agent acting on their behalf in all matters of VAT.

11. WHAT ARE THE CONDITIONS GOVERNING THE APPOINTMENT OF A TAX AGENT?

The representative must be a natural or legal person resident or with a registered office in Sweden and approved by the tax authorities. If a foreign trader is registered via an agent in Sweden, it is still the trader who is liable for the payment of the VAT.

12. WHAT ARE THE RIGHTS AND OBLIGATIONS OF A TAX AGENT?

The agent must submit VAT returns and recapitulative statements on the foreign trader's behalf. The trader's accounts must be immediately accessible at the premises of the Swedish agent. The rights are similar to those of a duly registered trader.

The agent has right of access to documents concerning the principal.

13. WHAT ACTION CAN YOU TAKE IN THE EVENT OF FAILURE BY A TRADER IN ANOTHER MEMBER STATE TO DESIGNATE A TAX REPRESENTATIVE IN YOUR TERRITORY?

Where a foreign trader coming from a country with which Sweden does not have a special agreement on mutual assistance in the collection of tax and the exchange of information on tax carries out taxable transactions in Sweden without having been registered via a Swedish agent, a report will be made on the matter, possibly giving rise to additional tax, interest and fines.

14. IS THE ISSUE OF A BANK GUARANTEE REQUIRED?

The Swedish tax administration may require a foreign trader to lodge a security for future VAT payments. It is the foreign trader's financial position that determines whether or not a security will be required. If the foreign trader can demonstrate that his financial position is healthy by means of references, e.g. from a Swedish bank, no special security should be required.

APPOINTMENT OF TAX REPRESENTATIVES OF FOREIGN TRADERS ESTABLISHED IN THE EU

15. ARE FOREIGN TRADERS ESTABLISHED IN THE EU PERMITTED TO APPOINT TAX REPRESENTATIVES/AGENTS?

Yes

16. WHAT ARE THE CONDITIONS GOVERNING THE APPOINTMENT OF A TAX AGENT?

The person concerned must have a permanent address in Sweden or, in the case of a legal person, its board of directors or a fixed place of business in Sweden

17. WHAT ARE THE RIGHTS AND OBLIGATIONS OF A TAX AGENT?

The VAT agent must submit VAT returns and recapitulative statements on the foreign trader's behalf. The trader's accounts must be immediately accessible at the premises of the Swedish agent. The rights are similar to those of a duly registered trader.

18. ARE THERE CIRCUMSTANCES WHERE A BANK GUARANTEE IS REQUIRED?

The Swedish tax administration may require a foreign trader to lodge a security for future VAT payments. It is the foreign trader's financial position that determines whether or not a security will be required. If the foreign trader can demonstrate that his financial position is healthy by means of references, e.g. from a Swedish bank, no special security should be required.(See Question 14)

INVOICES

19. RULES ABOUT INVOICING

a) Where can the relevant rules (Laws, regulations, instructions, guidelines...) be found?

The relevant rules can be found in the Swedish Value Added Tax Act (1994:200), (hereafter called the VAT Act), especially in Chapter 11 of the VAT Act. There are also rules that are pertinent to this issue in the Accounting Act and the Tax Payment Act regarding the storage of invoices. The Swedish Tax Agency has been given powers to issue regulations concerning simplified invoices and transmission of invoices by electronic means. The Swedish Tax Agency (Skatteverket) has not yet issued such regulations.

b) In case the office referred to in the first part of the vademecum is not competent to provide information on national invoicing rules, please indicate the name, address, telephone number and email address of the competent office.

The competent office for information is the Swedish Tax Agency:

Tel: +46 771 778 778

E-mail: servicejouren@skatteverket.se

20. ISSUANCE OF INVOICES

a) Cases where an invoice needs to be issued:

Is an invoice to be issued only in cases referred to in Article 22 paragraph 3 point a) (supplies made by taxable persons to other taxable persons or non-taxable legal persons, distance sales and sales of new means of transport and payments on account) or also in other cases? If so, in which cases and under which specific rules?

An invoice is to be issued according to the cases mentioned in article 22.3 a, i.e. supplies made by taxable persons to other taxable persons or non-taxable legal persons, and also distance sales and sales of new means of transport irrespective of to whom the supply is made. Invoices are also to be issued in respect of payment on account.

Is there an exemption from the obligation to issue invoices in specific situations (such as exempt or zero-rated supplies)?

Under certain circumstances, there are exemptions from the obligation to issue invoices in the following situations:

- supplies and letting of buildings according to annex F16 (Chapter 3 section 2 of the VAT Act);
- services concerning medical care, dental care and social welfare (Chapter 3 section 4 of the VAT Act);
- educational services (Chapter 3 section 8 of the VAT Act);
- banking and financial services (Chapter 3 section 9 of the VAT Act);
- insurance transactions (Chapter 3 section 10 of the VAT Act);
- certain cultural services (Chapter 3 section 11 of the VAT Act);
- admission to sporting events and participating in sporting activities (Chapter 3 section 11 a the VAT Act);
- advertising in VAT-exempt periodical members' bulletins, staff newspapers and periodical publications issued by non-profit-making organisations/associations (Chapter 3 section 19 paragraph 1 point 1 the VAT Act);
- production and broadcasting of radio and television programmes (Chapter 3 section 20 the VAT Act);
- supply of pharmaceuticals on prescription, breast milk, human blood or organs (Chapter 3 section 23 points 2 and 3 the VAT Act);
- lotteries, betting and other forms of gambling (Chapter 3 section 23 point 5 the VAT Act);
- services supplied by independent groups of persons whose activities are free from VAT for the purpose of their members (cf. Article 13.A.1.f of the 6th VAT-directive, Chapter 3 section 23 a the VAT Act); or
- passenger transports that are deemed to be supplied outside Sweden (Chapter 5 section 5 paragraph 1 the VAT Act).

b) What are the rules on corrective invoices (credit / debit notes)?

A corrective invoice must refer specifically and unambiguously to the initial invoice. It should contain information about the tax, the correction of the tax and, where appropriate, information that the customer is liable to pay the tax.

c) What is the time limit for issuing invoices?

At the moment there is no provision in the VAT Act that stipulates a time limit for issuing of invoices. The Accounting Act refers to generally accepted accounting principles (Chapter 5 section 2).

d) What are the rules for summary invoicing?

The same rules that apply for separate invoices apply for a summary invoice, with the exception of the information on individual sequential numbers for each supply of goods or services that are included in the summary invoice.

e) What are the conditions imposed on self-billing?

Self-billing is permitted on condition that there is, at the outset, an agreement between the two parties, and on condition that a procedure exists for the acceptance of each invoice by the taxable person supplying the goods or services. Furthermore, the invoice must state that it is the buyer who issues the invoice.

f) Is there any specific rule in relation to outsourcing of invoices to a person who is established outside the EU?

No, there are no specific rules in relation to outsourcing of invoices to a person who is established outside the EU.

21. CONTENT OF INVOICES

a) Is the VAT number of the customer to be mentioned in all cases or only in relation to intra-Community supplies of goods and situations in which the customer is the person liable to pay the VAT on the supply of the goods or the services (supplies referred to in the 4th indent of Article 22 paragraph 3 point b)?

Article 22.3 b the fourth indent in the invoice directive states that, where the customer is liable to pay tax on goods supplied or services rendered, or has been supplied with goods as referred to in Article 28c(A), the VAT identification number under which the goods were supplied or the services rendered to him is required for VAT purposes on the invoice. This article is implemented in the VAT Act. Thus, the VAT number of the customer is not to be mentioned in other cases.

b) Is there any specific rule concerning the number which needs to be mentioned (VAT or tax number)? If so, please specify the rules.

No, there is no specific rule concerning the number that needs to be mentioned on the invoice.

c) Any other specific rules in relation to the content of the invoice.

No.

22. ELECTRONIC INVOICING

a) As regards invoices sent with advanced electronic signatures, is it obligatory to use qualified certificated and secure-signature-creation devices? If so, please give details.

See answer to question 22(c) below

b) As regards invoices sent by electronic data interchange, is an additional summary document on paper obligatory? If so, please give details about its content and procedure.

See answer to question 22(c) below

c) Do you allow invoices issued pursuant to Article 22 paragraph 3 point c) 3rd subparagraph ("by using any other electronic means")? If so, under which conditions and formalities?

Yes, the VAT Act accepts that electronic invoices are sent by other electronic means according to Article 22 paragraph 3, point c) 3rd subparagraph. The underlying condition according to the Accounting Act and the Tax Payment Act for both paper based and electronic invoices are that they must be correct and not altered. The legislation does not indicate any specific method for the safety of the content of the invoice. The Swedish Tax Agency has been given the powers to issue regulations concerning invoices by electronic means if needed. The Swedish Tax Agency has not yet issued such regulations.

d) Is prior notification to the tax administration before using electronic invoicing an obligation? If so, what are the specific rules?

No, there is no obligation to notify the tax administration before using electronic invoicing.

e) Any other specific rule in relation to electronic invoicing.

No, there are no other specific rules in relation to electronic invoicing.

23. STORAGE OF INVOICES

a) What are the rules on the place of storage of invoices?

Storage of accounting material, including invoices, is permitted outside Sweden but within EU if:

- prior to the storage, the company notifies the Swedish Tax Agency (and in certain cases the Swedish Financial Supervisory Authority, Finansinspektionen) of the place of storage and all changes to the place of storage;
- during the storage period, the company allows immediate electronic access to the accounting material on request from The Swedish Tax Agency or Swedish Customs; and
- the company is able, by immediate print-out, to present the accounting material in Sweden on paper or on microfilm.

The Accounting Act also permits storage of accounting material in a country outside the EU with which there exists legal instruments relating to mutual assistance similar in scope to that laid down by Directives 76/308/EEC, 77/799/EEC and by Regulation (EEC) No 218/92 and to the right of access by electronic means, download and use referred to in Article 22a under the same conditions as mentioned above.

b) Is prior notification of invoices stored in another country an obligation? If so, please specify.

Yes, there is an obligation of prior notification to the Swedish Tax Agency of invoices stored in another country, and to any change of such place. For companies under the Swedish Financial Supervisory Authority, the notification should be made to that authority.

c) What is the obligatory storage period for invoices?

The obligatory storage period for invoices according to the Tax Payment Act is seven years. For companies for which the Accounting Act is applicable, a storage period of ten years is required.

d) What are the specific rules on storage form and possible conversions?

According to the main rule in the Accounting Act, the invoices must be stored in the same form as they were received. The accounting material that the company has issued must be stored in the form it had when it was compiled. Received accounting material can be converted from electronic form to paper document after three years from the end of the financial year, under the condition that this is performed in a secure way.

e) Any other specific rule in relation to invoices storage.

Generally accepted accounting principles are accepted as a complement to the Accounting Act. For specific questions regarding storage, it is advisable to contact the Swedish Tax Agency.

24. SIMPLIFIED INVOICES: WHAT ARE THE SITUATIONS WHERE SIMPLIFIED INVOICING IS ALLOWED PURSUANT TO ARTICLE 22 PARAGRAPH 9 POINT D) AND WHAT ARE THE SPECIFIC RULES?

Invoices do not have to fulfil all the regulations concerning the content of invoices if:

- the amount of the invoice is minor, or
- when commercial or administrative practice in the business sector concerned or the technical conditions under which the invoices are issued make it difficult to comply with all the requirements regarding the content of invoices.

These simplified invoices must contain:

- the date of issue;
- identification of the type of goods supplied or services rendered; and
- the tax due or the information needed to calculate it.

The Swedish Tax Agency has been given the powers to issue regulations concerning simplified invoices if needed, but has not yet issued such regulations.

REGULAR VAT RETURNS

25. UNDER WHAT CIRCUMSTANCES IS A TRADER OBLIGED TO SUBMIT A VAT RETURN?

Registered traders must, without exception, submit regular VAT returns or, in some cases, declare VAT in their income-tax return.

26. AT WHAT INTERVALS ARE VAT RETURNS AND THE ASSOCIATED PAYMENTS TO BE MADE?

There are two ways of declaring VAT: in a VAT return or in an income-tax return. The former is a joint declaration of VAT, employer taxes and tax deducted on wages.

Two periods exist for submitting VAT returns: one month and one year. Some traders with a turnover of not more than SEK 200 000 per annum may submit their return annually. However, traders with an annual turnover of not more than SEK 1 million must declare VAT in their income tax return unless the tax authority decides otherwise on the basis of the application from the person liable. Other traders must submit a monthly return. The last day for payment of tax is the same as the last day for submission of the return. If the trader's turnover exceeds SEK 40 million per annum, the return must be submitted and tax paid not later than 26 days following the end of the period covered by the return. If the trader's turnover is equal to or less than SEK 40 million per annum, the return must be submitted and tax paid not later than one month and twelve days following the end of the period covered by the return.

27. DOES A SPECIAL REGIME AS REGARDS PERIODIC VAT RETURNS EXIST FOR SMALLER TRADERS AND/OR CERTAIN CATEGORIES OF BUSINESS?

No, see question 22.

28. DO YOU OPERATE SIMPLIFIED CALCULATIONS OF TAX LIABILITY?

No.

RECAPITULATIVE STATEMENTS

29. AT WHAT INTERVALS ARE RECAPITULATIVE STATEMENTS TO BE SUBMITTED?

Statements are normally submitted for each calendar quarter. Annual recapitulative statement may be allowed by the National Tax Board on the following conditions:

- the trader's accounting year coincides with the calendar year,
- the basis of assessment for the calendar year does not exceed SEK 200 000 in total,
- the value of goods supplied to purchasers registered for VAT in other EU countries does not exceed SEK 120 000 per calendar year.

A recapitulative statement relating to the full calendar year must be submitted not later than 5 February of the following year. Should this date fall on a Friday, Saturday or Sunday, the documents must be submitted not later than the following working day.

30. IS ANY ADDITIONAL INFORMATION REQUIRED OTHER THAN THAT SET OUT IN ARTICLE 22(6) OF THE SIXTH VAT DIRECTIVE AS AMENDED BY DIRECTIVE 91/680/EEC?

No.

31. WILL YOU OPERATE SIMPLIFIED PROCEDURES AS REGARDS RECAPITULATIVE STATEMENTS AS PROVIDED FOR IN ARTICLE 22(12) OF THE SIXTH VAT DIRECTIVE AS AMENDED BY DIRECTIVE 91/680/EEC? IF SO, WHAT ARE THE THRESHOLDS FOR REQUESTING SUCH PROCEDURES?

No.

ELECTRONIC INVOICING AND ELECTRONIC RETURNS

32. IS ON-LINE INVOICING PERMITTED? IF SO, IN WHAT CIRCUMSTANCES AND USING WHAT PROCEDURES?

On-line invoicing is permitted in Sweden. The rules governing the issue and content of on-line invoices are the same as for ordinary invoices (See Question 19)

33. CAN VAT RETURNS BE SUBMITTED ON-LINE? IF SO, HOW AND USING WHAT TECHNOLOGY? WHO SHOULD BE CONTACTED FOR PERMISSION TO DO SO?

Tax returns can be submitted on line in Sweden. The taxpayer does however have to obtain approval from the National Tax Board first. Nearly all traders and employers can submit tax returns on line but there are still restrictions, the most important being:

- a Swedish address and Swedish identity number is needed to obtain an approval certificate;
- on-line returns cannot be used where supporting documents to the return have to be submitted;
- on-line returns cannot be used by those with a seasonal registration and who make tax declarations only at some point in the year.

The application for an approval certificate is sent to the tax authority together with the trader's application to use an on-line return. The tax authority forwards the data contained in the application for an approval certificate to Posten Sverige AB, which is the body responsible for issuing the approval certificate. The data remain confidential.

Application forms are available on the National Tax Board website (<http://www.rsv.se>) or from the tax authorities themselves.

34. CAN RECAPITULATIVE STATEMENTS BE SUBMITTED ON LINE? IF SO WHO SHOULD BE CONTACTED FOR PERMISSION TO DO SO?

Yes, by file transfer using the ELDA program, which can be obtained free of charge from the tax office (form RSV 2695) or via the National Tax Board website (<http://www.rsv.se>).

ADMINISTRATIVE REQUIREMENTS

35. DO YOU OPERATE A FLAT-RATE SCHEME? IF SO, WHAT PROCEDURES APPLY?

No.

36. DO YOU OPERATE SIMPLIFIED ADMINISTRATIVE REQUIREMENTS APART FROM THOSE ALREADY MENTIONED?

No.

37. IN WHAT LANGUAGES ARE DOCUMENTS (VAT RETURNS AND RECAPITULATIVE STATEMENTS) AVAILABLE?

VAT returns and recapitulative statements are available only in Swedish.

RIGHT TO DEDUCT

38. FOR WHAT CATEGORIES OF GOODS AND SERVICES IS THERE NO RIGHT TO DEDUCT?

- Purchase and renting of property, with certain exceptions
- health care, dental care and social welfare except where certain conditions are met
- training except where certain conditions are met
- Banking and finance
- Insurance
- Investment gold
- Cultural activities, with certain exceptions
- In certain cases, admission charges to sporting events and cost of participating in sporting activity
- Members' newsletters or staff newspapers except where certain conditions are met
- Organisation-based magazines issued at least four times a year whose main purpose is to promote religious, party-political or ecological ideas, combat alcohol abuse, serve sporting interests or promote national defence or to represent the interests of handicapped members
- Sales of programmes and catalogues relating to own activity not involving any tax liability or entitlement to refunds
- Advertisements in VAT-free magazines, programmes or catalogues
- Production of organisation-based magazines and members' newsletters' or staff newspaper except where certain conditions are met
- Radio and TV programmes funded by licence
- Ships, aircraft etc. except where certain conditions are met
- Lifeboats except where certain conditions are met
- Banknotes and coins which are legal tender but not collectors' items
- Human organs, blood or breastmilk
- Aviation petrol or kerosene
- Lotteries, betting and gambling
- Grave-digging and maintenance
- Gold deliveries to the National Bank of Sweden

- Assets other than liquid assets if they are sold by someone not entitled to either deduction or refund of VAT when the assets were purchased - some exceptions
- Warehouses, stores and other assets belonging to the business if they are transferred as part of the transfer of the business or part thereof or the merger of the business or any similar procedure, on condition that the purchaser is liable for tax or entitled to refunds.
- Sale of motor vehicles to foreign embassies and their staff except where certain conditions are met
- Cost of own use of goods for representation purposes subject to entitlement to deduct for such purposes against income tax
- Central and local government own use of goods and services
- Imports entailing tax exemption under the Act (1994:1551) on freedom to pay tax on imports
- Certain sales relating to trade between EC countries
- Mail delivery services, transport services and connected services performed by mail delivery businesses for a foreign mail delivery businesses in delivering mail or parcels to recipients in Sweden
- Importing costs
- Certain sales and imports not made for the purpose of end use or consumption. VAT exemption ceases when the goods are removed from storage.
- Sales of services performed within a free association of natural or legal persons if the activity does not otherwise entail tax liability;
- Persons employed by the EC institutions and bodies or by international organisations with headquarters in another EC countries are entitled, subject to certain conditions, to make tax-free purchases in Sweden.

35. FOR WHAT CATEGORIES OF GOODS AND SERVICES IS THERE A PARTIAL RIGHT TO DEDUCT? AT WHAT PERCENTAGE?

For the leasing (hire) of cars, the deduction for input VAT is limited to 50 percent.

ANNEX 1: THRESHOLDS

Member State	Threshold for application of the special scheme for acquisitions by taxable persons not entitled to deduct input tax and by non-taxable legal persons ¹		Threshold for application of the special scheme for distance selling ²		Exemption for small enterprises ³	
	National currency	Euro equivalent	National currency	Euro equivalent	National currency	Euro equivalent
Belgium	€11.200		€35.000		€5.580	
Czech Republic		10.000		35.000		35.000
Denmark	80.000 DKK	10.722	280.000 DKK	37.528	50.000 DKK	6.667
Germany	€12.500		€100.000		€16.620	
Estonia	160.000 EEK	10.226	550.000 EEK	35.151		16.000
Greece	€10.000		€35.000		€9.000 or €4.000	
Spain	€10.000		€35.000		None	
France	€10.000		€100.000		€76.300 or €27.000	
Ireland	€41.000		€35.000		€51.000 or €25.500	
Italy	€8.263		€27.889		None	None
Cyprus	6.000 CYP	10.226	20.000 CY Pounds	34.220		15.600
Latvia	7.000 LVL	10.778	24.000 LVL	36.952		17.200
Lithuania	35.000 LTL	10.138	125.000 LTL	36.207		29.000
Luxembourg	€10.000		€100.000		€10.000	
Hungary		10.000		35.000		35.000
Malta		10.000		35.000		37.000 ⁴ 24.300 ⁴ 14.600 ⁴

¹ See second subparagraph of Article 28(a)(1) of Directive 77/388/EEC, as amended.

² See Article 28b, (2) of Directive 77/388/EEC, as amended.

³ See Article 24(2) of Directive 77/388/EEC, as amended. This scheme is reserved for taxable persons established within the territory of the country.

⁴ €37 000 when the economic activity consists principally in the supply of goods, €24 300 when the economic activity consists principally in the supply of services with a low value added (high inputs), and €14 600 in other cases, namely service providers with a high value added (low inputs)

ANNEX 1: THRESHOLDS

Netherlands	€10.000		€100.000		None	None
Austria	€11.000		€100.000		€22.000	
Poland		10.000		35.000		10.000
Portugal	€8.978		€31.424		€9.976 or €12.470	
Slovenia		10.000		35.000		25.000
Slovak Republic		10.000		35.000		35.000
Finland	€10.000		€35.000		€8.500	
Sweden	90.000 SEK	10.071	320.000 SEK	35.809	None	None
United Kingdom	56.000 GBP	87.678	70.000 GBP	109.598	55 000 GBP	86.112

ANNEX 2: VAT IDENTIFICATION NUMBER

- BE** le numéro d'identification à la taxe sur la valeur ajoutée
BTW - identificatienummer
- CZ**
- DK** momsregistreringsnummer
- DE** Umsatzsteuer - Identifikationsnummer
- EE** käibemaksukohustuslasena registreerimise number
- EL** Αριθμός Φορολογικού Μητρώου ΦΠΑ
Arithmos Forologikou Mitroou FPA
- ES** el número de identificación a efectos del Impuesto sobre el Valor Añadido
- FR** le numéro d'identification à la taxe sur la valeur ajoutée
- IE** value added tax identification no.
- IT** il numero di registrazione IVA
- CY** Αριθμός Εγγραφής Φ.Π.Α.
Arithmos Egrafis FPA
- LV** pievienotās vērtības nodokļa (PVN) reģistrācijas numurs
- LT** PVM mokėtojo kodas
- LU** le numéro d'identification à la taxe sur la valeur ajoutée
- HU**
- MT** numru ta' l-identifikazzjoni tat-taxxa fuq il-valur miújud
value added tax identification number
- NL** BTW - identificatienummer
- AT** Umsatzsteuer - Identifikationsnummer
- PL**
- PT** o número de identificação para efeitos do imposto sobre o valor acrescentado

ANNEX 2: VAT IDENTIFICATION NUMBER

- SI** identifikacijska številka za DDV
- SK** identifikačné číslo pre daň (IČ DPH)
- FI** arvonlisäverorekisteröintinumero
Mervärdesskatteregistreringsnummer (momsregistreringsnummer)
- SE** Mervärdesskatteregistreringsnummer (momsregistreringsnummer)
- GB** value added tax (VAT) registration no.

ANNEX 3: ABBREVIATIONS

	COUNTRY	CURRENCY
BELGIUM	BE	EUR
CZECH REPUBLIC	CZ	CZK
DENMARK	DK	DKK
GERMANY	DE	EUR
ESTONIA	EE	EEK
GREECE	EL	EUR
SPAIN	ES	EUR
FRANCE	FR	EUR
IRELAND	IE	EUR
ITALY	IT	EUR
CYPRUS	CY	CYP
LATVIA	LV	LVL
LITHUANIA	LT	LTL
LUXEMBOURG	LU	EUR
HUNGARY	HU	HUF
MALTA	MT	MTL
NETHERLANDS	NL	EUR
AUSTRIA	AT	EUR
POLAND	PL	PLN
PORTUGAL	PT	EUR
SLOVENIA	SI	SIT
SLOVAK REPUBLIC	SK	SKK
FINLAND	FI	EUR
SWEDEN	SE	SEK
UNITED KINGDOM	GB	GBP