



VAT Standart rate

The standard VAT rate in Belgium in 2023 is 21%.

VAT Reduced rates

An intermediate rate is 12%.

Reduced rate of 6% is for digital books, digital daily, and weekly newspapers, and daily and weekly periodicals.

VAT registration thresholds

Companies incorporated or having a permanent establishment in the EU can use the rules for low annual turnovers. In this case, the threshold is €10,000.

Companies established outside the European Union cannot benefit from the intra-EU threshold. The threshold for registration for companies outside of the EU is zero. It means that they are obliged to register from the first sale. Such businesses may register for non-Union OSS instead of registration in Belgium.

The threshold for registration for local businesses is €25,000.

Pieces of evidence

There is a list of basic criteria to determine the location of the buyer. It is extremely important for determining tax obligations.

- Customer's address;
- Billing address (bank or electronic payment operator);
- Internet Protocol (IP) address;
- Telephone number;
- The location of the customer's fixed landline through which the service is supplied to him;
- Other commercially relevant information.

And if two of them are in Belgium, the customer may be determined as Belgian.

E-services list

A digital product is any product that is stored, delivered, and used in an electronic format. These are goods or services that a customer can receive by e-mail, by downloading them from the Internet, or by logging into a website. In particular, the law names the following as digital services:

- Electronic books, images, movies, and videos, whether buying a copy from Shopify or using a service (for example Amazon Prime). In tax materials, these products are referred to as “Audio, visual or audiovisual products”;
- Downloadable and streaming music, whether buying an MP3 or using music services;
- Cloud-based software and as-a-Service products (SaaS, PaaS, IaaS);
- Websites, site hosting services, and Internet service providers;
- Online ads and affiliate marketing.

Registration procedure

To register, you need to fill out a registration application. To do this, you will need the following information about the company:

- Full information about the company;
- Company’s name, a trading name of the company (If applicable), full postal address, email address and website of the taxable person, name and phone number of the contact person;
- National tax number (If applicable);
- Country in which the taxable person has his place of business;
- International bank account number or IBAN number and BIC;
- An electronic declaration that the taxable person is not registered for VAT within the Union;
- Date of commencement of using the scheme.

Documents need to be accompanied by a sworn translation into Belgian.

Tax representative

Sellers who sell digital services have no obligation to appoint a tax representative in Belgium.

Keeping records

It is necessary to keep the records of the transactions for 10 years from the end of the year in which the transaction was made – the tax authorities have the right to request them.

Filling VAT returns

The standard reporting period in Belgium is a month or a quarter. Taxpayers are required to submit the VAT return no later than on the 20th of the month following the month or quarter in which the transactions took place.

For example, the VAT return for January must be submitted by 20 February at the latest, and for the first quarter – by 20 April at the latest.

VAT payment date

The VAT payment deadlines correspond with the deadlines for submitting VAT returns – no later than on the 20th of the month following the month or quarter in which the transactions took place.



www.vatcompliance.co