

Attention E-Commerce (B2C) and media companies!

Your company may be required to register and charge EU VAT on sales, if the following conditions are true:

- Does your company sell [electronically supplied services](#) over the internet?
- Are your clients private individuals or non-business organizations residing within the EU countries?
- Is your company resident outside of the European Union?

If your answers are all YES, then the following applies to your company:

- According to the EC-directive 2002/38, effective July 1, 2003, companies engaging in E-Commerce are now required to be VAT-registered in one of the European Union countries in order to sell electronically supplied services within the EU.
- This special scheme provides that your company needs to register in only a single country, even though your company may have sales in several EU countries. Your company is allowed to discharge all VAT obligations through a single administration.
- Your company must charge and account for VAT on sales in the EU countries.
- VAT rates vary among the [twenty five European Union states](#). VAT must be paid to the VAT authorities in each country, where customers reside.
- Your company may deduct VAT on purchases from EU vendors.
- If your company does not comply with the new regulations, a penalty and stiffer regulations may apply to your business.

GVS will make your company's web business compliant with new EU VAT regulations by:

- Assisting your company with VAT registration in the EU.
- Assisting your company with monthly VAT declarations.

Regulations regarding electronically supplied services are complex and continuously under review by the EU VAT authorities. Please contact us with any questions your company may have.

[Electronically supplied services include:](#)

Website supply, web hosting and distant maintenance of programs and equipment

Software and updating

Images, text and information

Music, films, broadcasts and games

Distant teaching

On-line auction services

Internet Service Packages (ISPs)

[The twenty five European Union states are:](#)

Austria, Belgium, Denmark, Finland, France, Germany, Greece, Republic of Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden, United Kingdom, Poland, Czech Republic, Hungary, Slovakia, Slovenia, Malta, Latvia, Lithuania, Estonia, Cyprus