

VAT rules and rates

Value Added Tax (VAT) is a consumption tax that is applied to nearly all goods and services that are bought and sold for use or consumption in the EU.

The **EU has standard rules on VAT**, but these rules may be applied differently in each EU country. In most cases, you have to pay VAT on all goods and services at all stages of the supply chain including the sale to the final consumer. This includes from the beginning to the end of a production process, e.g. buying components, transport, assembly, provisions, packaging, insurance and shipping to the final consumer.

When is VAT charged?

For EU-based companies and for private persons VAT is chargeable on most sales and purchases of goods within the EU. In such cases, VAT is charged and due in the EU country where the goods are consumed by the final consumer. Likewise, VAT is charged on services at the time they are carried out in each EU country.

VAT isn't charged on exports of goods to countries outside the EU.

In these cases, VAT is charged and due in the country of import and you don't need to declare any VAT as an exporter. However, when exporting goods you will need to provide documentation as **proof that the goods were transported** outside the EU. Such proof could be provided by presenting a copy of an invoice, a transportation document or an import customs record to your tax authorities.

You will need to provide this proof to be able to **fully deduct** any receivable VAT that you have paid in a previous related transaction leading up to the export. Insufficient documentation may mean you won't have the right to a [VAT reimbursement](#) when exporting goods.

VAT rates

There are various types of VAT rates that are applied in EU countries. The rate depends on the product or service involved in the transaction. There are also special rates which were set according to VAT rates implemented in EU countries before they joined the EU.



VAT rates applied in EU countries

Although VAT is charged throughout the EU, each EU country is responsible for setting its own rates.

You can consult the rates that currently apply in the table below. You should check the latest rates with the VAT authority of your country.

VAT rates applied in EU member countries		
Member State	Country code	Standard rate
Austria	AT	20
Belgium	BE	21
Bulgaria	BG	20
Cyprus	CY	19
Czechia	CZ	21
Germany	DE	19
Denmark	DK	25
Estonia	EE	20
Greece	EL	24
Spain	ES	21
Finland	FI	24
France	FR	20
Croatia	HR	25
Hungary	HU	27
Ireland	IE	23
Italy	IT	22
Lithuania	LT	21
Luxembourg	LU	17
Latvia	LV	21
Malta	MT	18
Netherlands	NL	21
Poland	PL	23
Portugal	PT	23
Romania	RO	19
Sweden	SE	25
Slovenia	SI	22
Slovakia	SK	20