

GLOBAL INDIRECT TAX SERVICES

# Global VAT Brief

Insights on local country VAT issues and opportunities on a pan-global basis.

Issue 2, August 2005

TAX

## **Recent ECJ decisions and opinions:**

There are commentary articles from KPMG firms in France, Ireland and U.K. on implications for insurance outsourcing, share issues and tax avoidance.

## **Cost Saving Opportunities**

Possible savings highlighted on product promotions costs in Belgium, purchase of fixed assets in China, the export of services in Columbia and including conferences and conventions in Mexico.

## **Interesting local developments**

Also examined are the problems with the single versus multiple supply rules in Denmark, the possible opportunities arising from the change in the transfer of business rules in Finland, some difficulties for importers in Hungary and changes for the better in the VAT group rules in Italy.

## **In this Issue:**

For full list of articles included [click here](#).

## In this issue:

- 01 Introduction**
- 01 Do you wish to subscribe for future issues of GVB**
- 02 New countries added to KPMG firms' Global Client Web site**
- 02 Australia**  
Paying timely GST refunds to non-residents and financial service providers
- 03 Belgium**  
VAT on Certain Promotion Costs is now fully deductible according the Belgian Supreme Court
- 04 China**  
VAT planning for fixed asset acquisition in China
- 05 Colombia**  
Export of services as an alternative for rendering services in the country without assessing VAT
- 06 Denmark**  
Single or multiple supplies for VAT purposes?
- 07 Finland**  
Transfer of business rules to be changed
- 08 France**  
Scope of the VAT exemption for insurance mediation activities further to the Andersen decision
- 09 Hungary**  
Some Significant VAT changes taking place
- 10 Ireland**  
VAT Treatment – Issue of Shares
- 11 Italy**  
New opportunities under the VAT grouping rules
- 12 Mexico**  
Changes in VAT rate makes Mexico attractive for Conferences and Conventions
- 13 Poland**  
Bad Debt Relief
- 14 Russia**  
Recovery of Input VAT Financed out of Borrowed Funds
- 15 Singapore**  
International Services – applicability of zero rate
- 16 South Africa**  
Direct Exports – New Rules
- 17 Spain**  
Current status of EU Court claim against Spanish VAT regulation on subsidies
- 18 Sweden**  
Third party supplies to VAT Group member outside the scope of VAT
- 19 Switzerland**  
Ten years of Swiss VAT – past, present and future
- 20 The Netherlands**  
Proposed VAT act to introduce normal value
- 21 United Kingdom**  
Tax avoidance – an economic activity?

# Introduction

Welcome to the second issue of Global VAT Brief (GVB). This publication aims to look at local country Value Added Tax (VAT) issues and topics on a pan-global basis.



The items covered are those highlighted by KPMG's Global Indirect Tax network and there really is something for everyone in this edition. There are a number of important European Court of Justice (ECJ) cases concerning the issue of shares, outsourcing in the insurance sector and tax avoidance together with some interesting national case law (e.g. Sweden) which may

have wider effects. Furthermore, there are some interesting changes in Belgium, Spain, Poland, China and Columbia which present cost-reduction opportunities to business while changes in Italy on VAT grouping provide some welcome cash flow opportunities.

We hope you find Global VAT Brief an enjoyable read but if you have any ideas for improvement, please let us know.

**Gary Harley**

Chairman - KPMG's Global VAT network,  
KPMG in the U.K.

Tel: 44 (20) 7311 2783

e-Mail: [gary.harley@kpmg.co.uk](mailto:gary.harley@kpmg.co.uk)

## Do you wish to subscribe for future issues of GVB?

If not already doing so you may wish to receive GVB automatically via KPMG's InfoAlert system.

If so, you will need to use the link <http://listprofile.kpmg.com> and then on instruction complete your e-mail details which should only take you a couple of minutes. You will then receive a password and a link to the Web site where you can enter and select the publication by checking

the box marked 'Global VAT Brief.' Once this is done future issues of GVB will be sent to you electronically by KPMG's Information Alert system thereafter.

You will of course have the option to choose not to receive GVB at any time.

[Click here to get back to cover page](#)

## Australia

# Paying timely Goods and Services Tax (GST) refunds to non-residents and financial service providers

Like other value added tax systems, Australia's GST allows refunds to taxpayers to the extent that "input tax" exceeds "output tax." Significantly, Australia's system of GST provides more opportunities for refunds than the international VAT model.

to ensure that taxpayers do not suffer tax costs, impaired cash flow and competitive disadvantage as a result of refund delays.

In a value added tax, refunds will be claimed where taxpayers:

- Are in the start up stage of an enterprise and sales will not be made for a period.
- Make zero-rated supplies (called GST-free in the Australian GST) such as exported goods and services and food.
- Make large capital or seasonal purchases but little in the way of offsetting sales.

Australia's system also allows for GST refunds to:

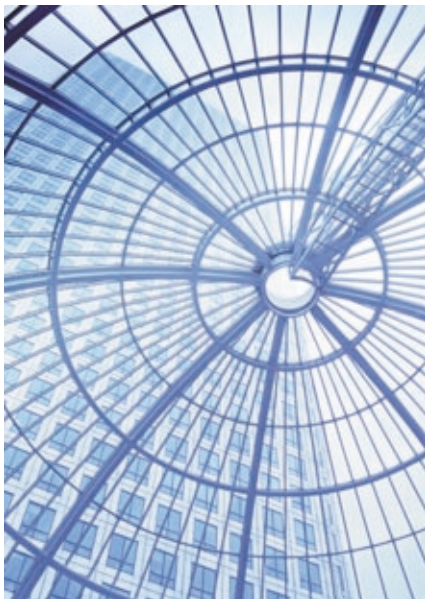
- Nonresidents who are able to register for GST and claim input tax relief for Australian GST on business expenditure. Unlike most other VAT jurisdictions, Australia does not require supplies to be made in Australia. A nonresident entity carrying on a business

anywhere in the world is able to lodge GST returns and claim refunds.

- Providers of exempt financial services who can claim input tax relief for 75 percent of the GST paid on certain outsourced services acquired in making financial supplies.

The Inspector General's review noted that, in FY 2003-4, AUD\$20 billion in claims (4.3 percent in total) were stopped for pre-issuance checking but only AUD\$275 million was recovered as a result. The ATO has accepted the Inspector General's recommendation that it find a better balance between paying refunds in timely manner and preventing fraud.

Nonresident taxpayers and financial service providers should soon notice a benefit from the changed procedures.



The Australian Inspector General of Taxation has reviewed the administration of GST refunds by the Australian Taxation Office ("ATO")

### Stephen Frost

KPMG in Australia

Tel: 61 (2) 9335 8894

e-Mail: [sfrost@kpmg.com.au](mailto:sfrost@kpmg.com.au)

### New Countries added to KPMG firms' Global Client Web site

In case you are not aware KPMG firms' have a global VAT Web site aimed at clients. Access is FREE and NO REGISTRATION is required.

There are around 40 countries profiled on the site at present

including some new joiners from Central and South America. You can access information relating to the relevant KPMG firm's VAT practice and individual country fact files providing you with "at your fingertips" information about the local VAT regime with KPMG firm contact details etc, by accessing the Country

Selector portion of the site. If you visit the site you will find interesting analysis and comment in relation to a variety of VAT issues including recent ECJ findings.

The Web site can be accessed at:

<http://www.kpmgtax.com/go/globalvat>

[Click here to get back to cover page](#)

## Belgium

# VAT on Certain Promotion Costs is now fully deductible according to the Belgian Supreme Court

Belgian VAT law make a distinction between “advertising or publicity” costs, eligible for VAT recovery, and business entertainment costs, not eligible for VAT recovery. VAT is generally not recoverable on business “entertainment” costs, which are costs incurred for hosting the reception, entertainment and the recreation of persons from outside the company (public relations). Persons from outside the company are persons who do not work in the company as a board or staff member. The VAT authorities always applied a broad definition of “business entertainment” costs, which resulted in promotion costs often being qualified by the VAT authorities as business entertainment costs.

The Supreme Court case (Cass. 8 April 2005 ‘Samoma – case’) relates to a publishing house organizing an event with the purposes to promote a new product. The VAT authorities refused input VAT deduction on certain promotion costs such as the opening reception, buffet dinner, music entertainment, etc, arguing that those costs were made under circumstances that offered entertainment or relaxation to visitors of the events and that the costs were incurred at end-use stage and thus not strictly professional.

The Court ruled that entertainment costs (on which VAT is not deductible) are restricted to real entertainment costs incurred for the benefit of guests and customers with the

sole purposes of creating a generally favorable climate for the company.

Costs made for the purpose of direct sales or publicity of certain products are considered as advertising costs (on which VAT is deductible). So, if the main and direct purpose of the activity in relation with which the promotion costs are incurred is to inform the customers about the existence, quality or characteristics of a product or service with the ultimate purposes to increase the sales, the costs are (VAT deductible) advertising costs. Therefore, entertainment costs have as a purpose to enhance and strengthening professional relations, while publicity costs are incurred to promote the sales of goods or services. The fact that guests and customers are offered entertainment does not jeopardize the strictly professional nature of the costs incurred.

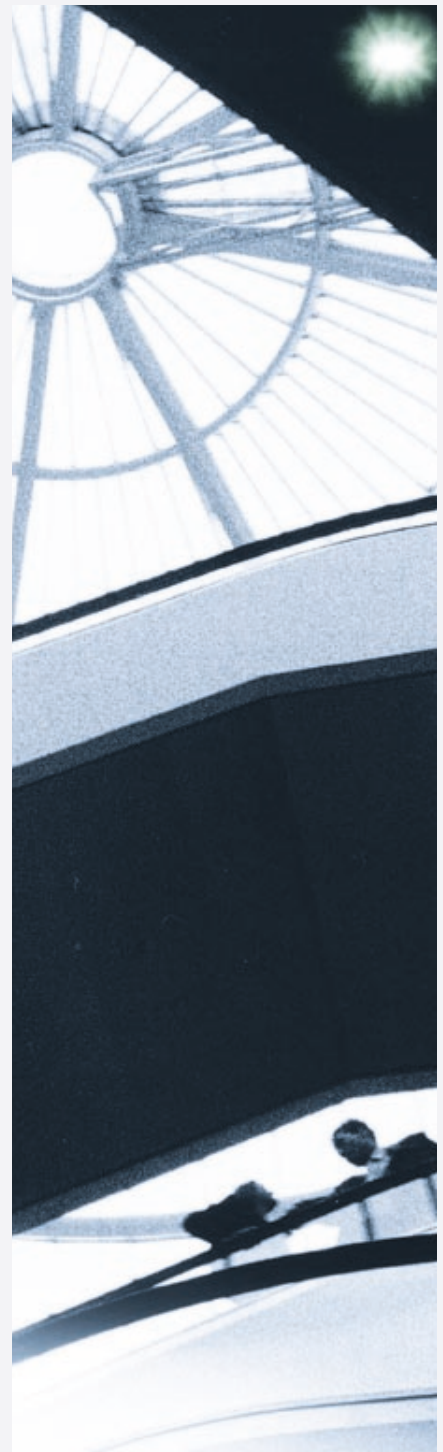
The interpretation of “publicity or advertising” costs given by the Supreme Court opens a real opportunity to recover 21 percent VAT, even retroactively from June 2000, for a business that organises events to promote their products and services.

**Peter Ackerman**

KPMG in Belgium

Tel: 32 (2) 708 38)13

e-Mail: peter.ackerman@kpmg.be



[Click here to get back to cover page](#)

# China

## VAT planning for fixed asset acquisition in China



Under the current Chinese VAT regulations, no input tax credit is given for fixed assets. China is in the process of converting such production-type VAT regime into a consumption-type one so that input tax credit will be available on fixed assets in full. A pilot arrangement has been introduced in the northeast of China (see below). Another may be rolled out in the western part of China in 2006. It is however not clear how long it will take to effect a full conversion. In the meantime, careful planning is necessary to minimize the VAT cost of fixed assets. The following are some of the key VAT planning ideas for fixed asset acquisition for foreign invested enterprises ("FIEs") in China:

[Click here to get back to cover page](#)

- **VAT exemption for imported equipment.** An FIE whose operations qualify as an "Encouraged Project" may apply for VAT and customs duty exemption on import of qualified equipment that falls within its total investment. "Encouraged Projects" are those designated as such in the Foreign Investment Industrial Catalogue.
- **VAT refund for locally sourced equipment.** Similar to above except that the buyer may apply for a full VAT refund rather than exemption.
- **VAT exemption for used equipment.** Equipment that has been booked and used as a fixed

asset by the seller may be exempt from VAT provided that it is sold at a price lower than its original cost. Otherwise, a reduced 2 percent VAT should be charged.

- **Business Acquisition Relief.** Where fixed assets are sold as part of a business as a whole or a stand-alone segment thereof, it is possible to apply for a ruling for exemption from indirect taxes including VAT and Business Tax.
- **Split contracts.** Overall indirect tax burden may be reduced by means of split contracts. While the supply of tangible goods is generally subject to VAT at 17 percent, the provision of services is generally liable for Business Tax at 3 percent or 5 percent. As such, services such as installation, consulting, training and technical services may be carved out. However, repair and maintenance services are VATable.
- **Full VAT credit under Northeast Pilot Scheme.** Starting from July 1, 2004, on a trial basis, companies in the northeast of China that are in one of the eight selected industries may obtain full input tax credit on their fixed assets. These industries are equipment manufacturing, petrochemical, metallurgical, shipbuilding, automotives, agro-products processing, military equipment and high-tech products.

**Khoonming Ho**

KPMG in China

Tel: 86 (10) 8518 9213

e-Mail: [khoonming.ho@kpmg.com.cn](mailto:khoonming.ho@kpmg.com.cn)

## Colombia

# Export of services as an alternative for rendering services in the country without assessing VAT

In Colombia, like many other countries, the provision of a service in-country which has not been expressly excluded will give rise to a VAT charge. As a consequence the person who supplies the service would be required to assess and invoice the tax, regardless of who the beneficiary of the service is.

For domestic transactions this does not cause a major problem since the VAT can be deducted by the purchaser of the service through the bimonthly VAT return process. The treatment is not as clear when it comes to foreign purchasers of services not having residence or not domiciled in the country. Such purchasers would not have the opportunity to deduct the tax incurred in their home countries and this circumstance would give rise to a greater cost for them.

The Colombian fiscal legislation includes the notion of exports of services, by virtue of which it is possible to treat the service as zero-rated. This means that the transaction would be taxable but at a zero rate and the person rendering the service will be able to validly deduct the input VAT for the acquisition of goods and services required for rendering of the respective service, as long as the following requirements are fulfilled:

- The one who renders the service must be registered as an exporter of services before the tax authorities in Colombia.
- The service must be used exclusively abroad.
- The contracting company must not have a business establishment or business activities in Colombia.
- The service must be rendered as part of a written agreement on behalf of a contracting company that does not have business or activities in Colombia.

Surprisingly, the application of this alternative and less costly mechanism is not as widespread as it could be. Perhaps this is due to a lack of awareness by business, particularly among non-Colombian business customers but there is no doubt that it should be utilized more frequently bearing in mind the cost saving benefits of implementation.

### Juan Murcia

KPMG in Colombia

Tel: 57 (1) 618 8100

e-Mail: [jpmurcia@kpmg.com](mailto:jpmurcia@kpmg.com)



# Denmark

## Single or multiple supplies for VAT purposes?

Often a delivery will consist of different elements. In some cases, the VAT treatment depends on the nature of the delivery being goods or services. The place of taxation might change and the qualification of the delivery could affect the VAT deductibility.

supply. A supply is ancillary if it does not amount to an aim in itself, but merely enhances the principal supply. However, these guidelines prove difficult to work in practice. Recent Danish cases concerning the VAT treatment of credit assessments show

some insurance companies have insured this activity. Therefore, upon request from the policyholder the insurance company supplies this assessment service itself using independent credit agencies as subcontractors. The policyholder pays a separate fee for the credit assessment. During proceedings it was established that the credit assessment was for the sole use of the policyholder and did not influence on the level of the premium payments. Notwithstanding this the Danish authorities decided that these credit assessments were ancillary to the VAT exempt credit insurance. The credit assessment was not considered an aim in itself. Also, as a result of considering the credit assessment ancillary to insurance, the companies lost VAT deductibility. Therefore, this illustrates that in certain circumstances the trading of services as a “middleman” might prove problematic and a careful analysis is required.



The ECJ's decision in the case of Card Protection Plan (C-349/96) does give valuable guidelines on how to decide whether a delivery should be considered as a single supply or as consisting of multiple supplies. What is commercially clearly a single supply must not be artificially split into several supplies. Does the customer receive an independent supply or is it merely a component of an aggregate supply? In other words, can a supply be considered a principal supply or is it ancillary to a principal

supply. As a result, credit assessment being clearly a taxable supply changes into a VAT exempt service when supplied by an insurance company. That, in any event, is what the Danish authorities have decided.

The companies concerned in these cases supplied credit insurance. To obtain insurance cover, the credit standing of the purchaser must be assessed. Instead of requesting the policyholder to present an assessment by a credit agency,

**Benny Hjortkaer Hansen**  
KPMG in Denmark  
Tel: 45 (-) 3818 3457  
e-Mail: bhansen@kpmg.dk

[Click here to get back to cover page](#)

## Finland

# Transfer of business rules to be changed



The Government in Finland presented on April 21, 2005 a bill to change the provisions in the VAT Act which relate to transfers of business.

Like a number of other EU states, Finland has made use of the option in the first sentence of Article 5(8) of the Sixth Directive to exempt from VAT the transfer of business or parts of business when the transferee continues to use the transferred assets for deductible business purposes. However, rather than stating that the transfer of assets under these circumstances is not a supply at all, the VAT Act has established that such a transfer is deemed as a VAT exempt supply. As a consequence, the transferor may in practice have been liable to adjust the VAT deductions made on the construction of new buildings or on fundamental improvements of buildings. Furthermore, taxable dealers in second-hand goods (e.g. second-hand car dealers) cannot

have applied the Article 26a margin scheme to the assets transferred.

However, when the Central Tax Board in February 2005 disregarded the provisions in the VAT Act and ruled that the transfer of business of a car dealer had no VAT consequences even as regards the applicability of the margin arrangement, it became apparent that the wording of the VAT Act was in this respect incompatible with Article 5(8) of the Directive. Consequently, the VAT Act will now be amended and transfers of business or part of business will not be considered as supplies for VAT purposes at all. Instead the transferee will be treated as the successor to the transferor.

Asset purchase agreements and other contracts in business rearrangement situations need to be reviewed as far as VAT clauses are concerned to reflect the change in VAT legislation. Furthermore, it will

be compulsory for the transferee to issue a written clarification to the transferor confirming that the assets will be used for a purpose which entitles a deduction of VAT (in the past such clarification needed to be produced only at the express request of the transferor).

The new provisions are meant to come into effect immediately once enacted by the Parliament. However, taking into consideration that the old provisions were apparently not compatible with the Directive there may be an opportunity for retrospective refund claims if the old rules have resulted in unnecessary payments of VAT by transferors of business assets.

**Mika Kallio**

KPMG in Finland

Tel: 358 (2) 0760 3375

e-Mail: [mika.kallio@kpmg.fi](mailto:mika.kallio@kpmg.fi)

[Click here to get back to cover page](#)



## France

# Scope of the VAT exemption for insurance mediation activities further to the Andersen decision

Insurance companies typically outsource several types of activity to outside service providers. Some of these activities are upstream of the insurance contract (marketing, actuarial services, risk calculations, premium calculations) while others are downstream (loss appraisal, claims administration, legal assistance, etc.).

In the Dutch Arthur Andersen case (C-472/03), the insurance company in question had delegated all such “back office” activities to a single service provider. In that case, the ECJ refused to extend the benefit of the exemption, provided by Article 13 B (a) of the Sixth VAT Directive for insurance agents, to the “back office” activities performed by the subcontractor, Arthur Andersen. In coming to this conclusion, the Court focused on the very nature of the activities performed, in light of the definitions of insurance mediation activities provided by Directive 77/93

of 1976. The ECJ found that the activities carried out in the case at hand did not qualify as mediation activities within the meaning of the above-cited Directive and that, in particular, Arthur Andersen did not perform the essential activity characteristic of an insurance agent: seeking out prospective customers and introducing them to insurers.

But this Directive (77/93 of December 13, 1976) was replaced in 2002, and a new broader definition has been adopted at the European level. In France, however, the legislative bill transposing this Directive does not incorporate its exact terms and would appear to contain a narrower definition of the insurance mediation activity.

In delineating the scope of the VAT exemption, French administrative doctrine has, to date, relied upon the regulatory definition of these activities. A narrowing of this definition at the legislative level would automatically

narrow the scope of the doctrine and the extent of the VAT exemption available in France.

Service providers that do not have the status of either insurer or insurance agent will, in most cases, be denied the benefit of this exemption, unless they can demonstrate that their activity does, in fact, correspond to an insurance or insurance mediation activity.

It is therefore important for insurance companies to analyze their VAT policy regarding outsourcing in light of these case law criteria, and to make any adjustments that may be necessary in order to continue to benefit from the exemption.

**Gwenaëlle Bernier**

[Fidal in France](#)

Tel: 33 (1) 5568 1418

e-Mail: [gbernier@fidalininternational.com](mailto:gbernier@fidalininternational.com)

Fidal is an independent legal identity that is separate from KPMG International and its firms.

[Click here to get back to cover page](#)

## Hungary

# Some Significant VAT changes taking place

Companies active in Hungary have been faced with a wave of detailed VAT audits over the past number of months. Apart from the heavy focus on formal requirements, tax authorities have focused on the following basic business structure.

The Hungarian tax authorities have first of all been paying extra attention to transactions where the goods are not delivered from the Hungarian supplier (A) to the buyer indicated on the invoice (B) but to an EU or third country entity (C) to whom B sells. This unwelcome attention was based on the wording of the Hungarian VAT law indicating that a supply of goods can only be exempt if “as a direct result of the supply, the goods are shipped to another country”.

Based on this “direct result” wording, the Hungarian tax authorities argue that under Incoterms, the product is still in Hungary when title transfers from A to B and, thus, the sale does not directly result in the shipment of the goods. In other words, the first transaction is a local supply subject to Hungarian VAT. The tax authorities also argue that B then makes a sale

deemed to take place in Hungary and should register for VAT purposes. Extensive protests by business and intensive lobbying with the Hungarian tax authorities, resulted in a VAT law change effective as from July 1, 2005 confirming (under certain conditions) the VAT exemption of the first-sale.

Other tax law changes introduced include the reintroduction of the old practice for imports from third countries. The Hungarian importers will have to actually pay the VAT amount to the customs authority before being entitled for a reclaim from the tax authority. The change has obviously negative impact on the cash-flow of importers. It appears that only companies having very significant exports or intra-community supplies themselves can avoid the prefinancing based on a special authorization that had to be requested before June 15, 2005. Other companies could avoid the prefinancing by adapting their business flow model and importing into other EU member states before bringing the goods to Hungary.

A further cash-flow issue can arise from the new rule in case of goods acquired from the EU, the input VAT will be deductible only if the supplier’s invoice meets all the criteria of the Invoicing Directive. As long as the suppliers do not issue proper invoices, the Hungarian customer will need to finance the VAT amount.

Overall, among a number of simplification measures, there are, unfortunately, a number of provisions in the VAT amendment that will cause significant financial burdens to enterprises.

**Philippe Norre**

KPMG in Hungary

Tel: 36 (1) 887 7449

e-Mail: philippe.norre@kpmg.hu



## Ireland VAT Treatment - Issue of Shares

The ECJ decision in the case of *Kretztechnik AG* issued on May 26, 2005. It will impact significantly on the way that VAT is operated in relation to share issue costs in Ireland and, indeed, other member states that treated the issue of shares in the same way as Ireland.

In Ireland, the issue of shares was regarded as a VAT exempt activity, with no VAT recovery entitlement on related share issue costs, except to the extent that shares are issued on non-EU exchanges or to non-EU investors, (which gives an entitlement to pro-rated VAT recovery). Therefore, a significant irrecoverable VAT cost arose for companies that issued new shares – potentially up to 21 percent of total deal fees.

In *Kretztechnik* it was decided that the issue of shares is not a transaction within the scope of VAT, and therefore not capable of being either taxed or exempt. Furthermore it was also held that share issue costs should be treated as general business overheads, with related VAT being recoverable in accordance with the issuing company's usual VAT recovery entitlement. This could be very good

news for some companies, but not so good for others. For example, under the rules operating before this case was decided, if a (fully taxable) Irish retail business or a (VAT exempt) Irish lending bank each incurred professional fees of €1 million (plus VAT at 21 percent of €210,000) while issuing new shares on the Irish and London Stock Exchanges, neither company would have any VAT recovery entitlement on these costs as they relate directly to the VAT exempt issue of shares. However, if the same fees were incurred by either company in connection with the issue of new shares on NASDAQ in New York, they would be entitled to full input VAT recovery on fees, as the shares were issued outside the EU.

However, as a result of the *Kretztechnik* decision, the VAT recovery positions outlined above is altered. All share issue costs are treated as general overhead costs of each business, with VAT recovery entitlements based on the usual VAT recovery entitlement of each business. For the taxable retail business, this means all VAT would likely be reclaimable, regardless of whether shares are issued on the London Stock

Exchange (in the EU) or NASDAQ (outside the EU). However, for the bank, as its general business activities are VAT exempt, it would have no VAT recovery entitlement on general overhead costs and therefore VAT on deal fees, regardless of whether the shares are issued within or outside the EU. The Irish Revenue have announced that they are considering the position but accepts it will need to change its approach on the matter and in the meantime invites the submission of claims arising from the decision.

**Niall Campbell**  
KPMG in Ireland  
Tel: 353 (1) 410 1174  
e-Mail: [niall.campbell@kpmg.ie](mailto:niall.campbell@kpmg.ie)

[Click here to get back to cover page](#)

## Italy

# New opportunities under the VAT grouping rules

Italian VAT grouping rules allow for limited benefits: transactions between members are not disregarded, as happens in other EU countries. Instead, the group pooler can off-set the monthly VAT credit and debit positions of each participating company and either pay the output balance or carry forward the input excess to the following month.

Tax authorities had always taken a restrictive view as regards the residency of the persons entitled to become a member of an Italian VAT group, limiting the participation to Italian based corporations. With a recent ruling (RM n. 22/E on February 21, 2005), in accordance with the free establishment principle, authorities have abandoned this approach thereby allowing the availability of VAT grouping to non Italian based companies.

EU companies can now be part of an Italian VAT group, either as controlling or controlled entities, provided that they have a legal form that, in their jurisdiction, is equivalent to an Italian corporation and have registered for VAT purposes in Italy. Other conditions, such as the existence

of the group since the first day of the year prior to that in which the grouping procedures are activated and a minimum level of control, must also be met.

There is therefore scope for cash flow planning opportunities when multinational groups have subsidiaries both in Italy and in other EU countries where those non-Italian, EU subsidiaries intend to carry out VATable activity in the Italian territory.

The formation of a VAT group will allow to off-set any VAT credit of an EU company trading in Italy against any debit position of other domestic group members, thus shortening or even canceling the chronic repayment delays companies usually suffer in Italy.

**Eugenio Graziani**

**KPMG in Italy**

Tel: 39 (-) 04 58 05 16 11

e-Mail: [egraziani@kstudioassociato.it](mailto:egraziani@kstudioassociato.it)





## Mexico

# Changes in VAT rate makes Mexico attractive for Conferences and Conventions

Mexico may now be a more attractive location choice for organizations looking to arrange a conference, convention or trade fair since a reform to the Mexican Value Added Tax Law establishes that hotel trade services supplied to foreign residents who come to Mexico exclusively to attend congresses, trade fairs, conventions and expositions celebrated in Mexico would be subject to a zero percent value added tax (VAT) rate.

The services included at the zero percent VAT rate are lodging, transportation from bus station, airport or harbor to the hotel, and the journey back, and hotel complimentary services. Meals and beverages could be considered subject to a zero percent VAT rate if they are part of a lodging package.

Moreover, this treatment was extended through administrative rules issued by the Mexican tax authorities to the organizers of congresses, trade fairs, conventions and expositions, by regarding services supplied as hotel trade services. The services included under this concept are: leasing payments for congress, trade fairs, conventions and expositions places, the assistance with assembly registration, key note speaker, translators, hostesses, audiovisual equipment, decorations, security and cleaning services rendered for the organizational benefit of the events. These organizational services do not include meals and beverages served at the function.

There are a number of requirements that must be met including attendees having the requisite immigration

documents, all the negotiations of the event must be made through an organizer or Mexican hotel, and all the services rendered at these events must be paid with a foreign credit card or by fund transfer from a foreign bank or financial institution.

Mexican residents providing this kind of services must comply with specific fiscal requirements.

It is anticipated that this zero rate regime will lead to an increase flow of this kind of business into Mexico in the future.

**Eduardo Rodriguez**  
KPMG in Mexico  
Tel: 52 (55) 5246 8502  
e-Mail: [rodriguez.eduardo@kpmg.com.mx](mailto:rodriguez.eduardo@kpmg.com.mx)

[Click here to get back to cover page](#)

# Poland

## Bad Debt Relief

Starting from June 1, 2005 bad debt relief was introduced into the Polish VAT law.

The taxpayer (creditor) will be entitled to reclaim from the tax authorities its output VAT charged on the supply of goods or provision of services, if the purchaser of the goods or services (debtor) does not settle his debt on time. However the creditor can only be entitled to reclaim his VAT, if the debt is classified as uncollectible according to the Polish CIT regulation.

The uncollectability of the debt must be proved by one of the documents listed in the Polish CIT law (e.g. court decision regarding the debtor's bankruptcy, decision on uncollectability of debt issued by the authority competent for the execution proceedings; or a protocol prepared by the creditor stating that the expected costs of execution proceedings might be equal or higher than the amount of this debt).

The creditor can reclaim output VAT if the following conditions are met:

- The debtor was a registered VAT-payer when the supply of goods or provision of services took place and was not in the course of the bankruptcy or liquidation procedure.
- The creditor previously reported the claimed amounts as his taxable sales and output VAT.
- Both creditor and debtor are registered VAT-payers at the time the reclaim is submitted.
- The creditor was not paid in any form or has not sold the debt.
- The notice regarding the claimed amount was issued no later than five years from the start of the year in which the invoice was issued.
- The creditor informed the debtor about the reclaim and the debtor did not pay the debt in any form within 28 days from receiving this notification.

The reclaim is made by decreasing output VAT in the VAT return for the month following the month in which the debtor received the notification. If the debtor then pays the debt, the creditor should calculate output VAT again.

The creditor should notify the reclaim to the debtor and his tax office. The debtor after receipt of this notification has to decrease his input VAT respectively, by correcting his VAT return for the period, in which he initially deducted this VAT. If after that he pays his debt, he is entitled to deduct this VAT again.

The bad debt relief can apply to the supply of goods and provision of services performed since June 1, 2005.

**Tomasz Grunwald**  
KPMG in Poland  
Tel: 48 (22) 528 1178  
e-Mail: tgrunwald@kpmg.pl



## Russia

# Recovery of input VAT Financed out of Borrowed Funds



In 2004 the Constitutional Court of the Russian Federation in its Ruling No. 169-O de facto gave a new interpretation of the VAT chapter of the RF Tax Code. According to this Ruling, a taxpayer has no right to recover input VAT if the cash transferred as payment to the supplier has been received under a loan agreement and the loan has not been repaid.

Following Ruling No. 169-O the Russian tax authorities started to make additional tax assessments in similar cases. Subsequently, the Constitutional Court clarified that using borrowed funds to pay for input VAT per se is not sufficient grounds for additional tax assessments and that it is vital to determine whether the taxpayer's behaviour indicates bad-faith behaviour. As an example of bad-faith behaviour, the Constitutional Court indicated instances when it is evident that the loan used to purchase an asset will not be repaid.

The practice of Russian arbitration courts has been uneven, with the courts in different regions adopting different positions with respect to this issue. The Supreme Arbitration Court in its ruling on December 14, 2004 further clarified this issue. Having

considered a specific case where the tax authorities challenged the recovery of input VAT on the basis that the loan used to purchase equipment was not repaid, the Supreme Arbitration Court confirmed the right of the taxpayer to recover input VAT. Specifically, the Supreme Arbitration Court stated that the position of Ruling No.169-O was directed against bad faith taxpayers, while the tax authorities did not give any evidence of bad faith actions by the taxpayer to obtain an illegal VAT deduction.

Following this decision, it is anticipated that the arbitration courts when considering this question will adopt a decision in favor of the taxpayers unless the tax authorities manage to demonstrate in court the bad faith intent of the taxpayer. However, uncertainty remains because there is no definition as to what constitutes bad faith behavior. Therefore, while helpful the decision of the Supreme Arbitration Court does not entirely eliminate the risk for taxpayers.

**Boris Masterenko**

KPMG in Russia

Tel: 7 (095) 937 4477

e-Mail: [bmasterenko@kpmg.ru](mailto:bmasterenko@kpmg.ru)

# Singapore

## International Services - applicability of zero rate

Singapore adopted New Zealand's approach (as opposed to Europe's) in zero-rating the supply of goods and services. While the European VAT model allows the zero-rating of certain local supplies, Singapore only allows the zero-rating of goods exported out of Singapore and the provision of international services.

Historically, in order for a supply of services to be treated as an international service for zero-rating in Singapore, generally, it had to be rendered "for and to" a person belonging outside Singapore and it cannot be directly in connection with goods or land in Singapore. The Inland Revenue Authority of Singapore (IRAS) had interpreted "for and to" to mean "for the benefit of" and "contractually made to". This led to some uncertainty as to whether the services had to be provided both for and to the same person and the need to ascertain the identity of the ultimate beneficiary.

The GST legislation was amended on December 8, 2004 to replace the expression "for and to" with "under a contract with" and "directly benefit", thus laying out clearly that a supply of services has to be "under a contract with" and "directly benefit" person(s) belonging outside Singapore before it can be zero-rated. To assess the presence of a contract, the IRAS would rely on generally established contract and case laws. The amended GST

legislation also clarifies that the person to whom the contract is made and the person who directly benefits from the services may be the same person or different persons. The IRAS has issued guidelines on the tests that a supplier should apply in identifying the beneficiaries of his services in situations where there is no specific contractual provision listing the beneficiaries.

It is noteworthy that the IRAS would consider all recipients of the services who are stipulated in the contract to "directly benefit" from the services supplied. It is common for an overseas holding company to contract its Singapore affiliate to render support services to related entities in the Asia Pacific region, including related entities in Singapore. The contract would normally make reference to the territory, countries or entities that are covered by the contract signed between the overseas holding company and the Singapore affiliate. In such cases, even though the contract is signed with an entity belonging outside Singapore, the services rendered under the contract would not be zero-rated in its entirety, since a portion of the services are rendered for the direct benefit of Singapore entities.

In such situations, the Singapore affiliate must ascertain the correct GST treatment and, where applicable, apportion the value of the services

into standard-rated supplies and zero-rated supplies. The contract governing the supply of services by the Singapore affiliate should state the basis of apportionment clearly. As part of the record-keeping requirements as a GST-registered person, the Singapore affiliate is required to keep records that explain the apportionment method chosen and details of all transactions and other acts it engaged in and which are relevant to the supplies made. In the absence of clear and proper documentation to substantiate the zero-rated supplies, the IRAS might, for the protection of revenue, regard all the services provided by the Singapore affiliate to be standard-rated supplies. Therefore, when in doubt, businesses engaged in such arrangements should seek the advice of a GST specialist.

### **Kok Shang Lam**

KPMG in Singapore

Tel: 65 (-) 6213 2596

e-Mail: kokshanglam@kpmg.com.sg



# South Africa

## Direct Exports - New Rules

Under South African VAT legislation where goods are sold or supplied under an installment credit agreement and the goods are consigned or delivered by the vendor to an address outside of South Africa then the supply is subject to VAT at the zero rate, provided that the vendor obtains and retains documentary evidence acceptable to the South African Revenue Service (SARS). This type of export is often referred to as a "direct export".

During 1998 SARS published a practice note setting out certain acceptable documentary evidence, together with other requirements. However, with effect from April 1, 2005 new rules are applicable in respect of direct exports.

### Documentary evidence

The supplier must obtain and retain the following documents:

- The recipient's order or contract.
- Proof that the supplier paid the transport costs.

- Relevant transport documents.
- Proof that the goods have been received in an export country.
- Prescribed South African Customs documentation, bearing an original stamp.
- Copy of import documentation.
- Proof of payment.

The main addition to previously required documentation is the copy of import documentation into the foreign country. Depending on the specific terms used, this could prove to be the most onerous requirement.

### Further requirements

- The transporter must be VAT registered.
- The goods must be exported within one month of the date of invoice.
- The required export documentation must be obtained within a period of three months of the date of any invoice.
- Payment received must be in compliance with Reserve Bank foreign exchange regulations.

- The goods must be exported via a Designated Commercial Port.

The new rules also seek to provide more clarity with respect to different export arrangements, by providing specific examples, e.g. sales-on-high seas and the sale of consignment stock.

Based on the fact that all previous rulings with respect to direct exports have been withdrawn, vendors are advised to ensure that they are adhering to the new rules. Non-compliance could lead to the payment of VAT, penalties and interest.

### Ferdie Schneider

KPMG in South Africa

Tel: 27 (11) 647 8686

e-Mail: [ferdie.schneider@kpmg.co.za](mailto:ferdie.schneider@kpmg.co.za)



[Click here to get back to cover page](#)

## Spain

# Current status of EU Court claim against Spanish VAT regulation on subsidies



In the conclusions published on March 10, 2005, the Attorney General of the European Community Court submitted some extremely harsh allegations against Spanish regulations on VAT. These regulations at present oblige Spanish businesses to limit the recovery of their VAT borne merely because they are recipients of subsidies that are not linked to the price. These allegations are derived from a claim filed by the European Commission against Spain in the European Court of Justice.

The Attorney General has proposed that the Court of Justice declares Spain's breach of the provisions of the Sixth VAT Directive, due to the incompatibility of the local Spanish regulations with said Directive.

In the event that the Court of Justice upholds all of the recommendations made by the Attorney General, the immediate consequences would be the following:

- The obligation for the Spanish Tax Administration to abolish the rules limiting the right to deduct VAT borne based solely on the fact that the VAT taxpayer receives subsidies, thus changing Spanish VAT Law.
- An additional argument in favor of VAT taxpayers that have been restricting the recovery of its input VAT based on this rule in order to file claims requesting the corresponding refund of VAT in relation to the last four years, as well as excellent news for those who have already filed claims for VAT borne in years 1998 and onwards, when this rule was introduced.

In view of the above, there is a clear opportunity for Spanish VAT taxpayers which have received subsidies and have limited the recovery of their input VAT to claim this cost from the Spanish Tax Authorities based on the fact that the Spanish legislation was against the Sixth Directive.

### **Natalia Pastor Caballero**

KPMG in Spain

Tel: 34 (-) 91 4563 400

e-Mail: npastor@kpmg.es

[Click here to get back to cover page](#)

## Sweden

# Third party supplies to VAT Group member outside the scope of VAT

The Council for Advanced Rulings ("Skatterättsnämnden" or "SRN") has recently published an advanced ruling, which can have a major impact on VAT exempt or partly exempt financial businesses seeking to reduce its VAT costs.

A Swedish insurance company ("Company A") is part of a Swedish VAT group. Company A and an asset management company established in the UK ("Supplier Ltd") become jointly owners of a limited partnership in Sweden ("Kommanditbolag" or "KB"). The limited partnership, KB, joins the Swedish VAT group. Supplier Ltd will supply asset management

services to KB according to the partnership agreement met between Supplier Ltd and Company A. Supplier Ltd will receive a fee for the services supplied. KB in turn will provide the aforementioned services to the rest of the VAT group companies ("A", "B" and "C") for consideration.

Company A applied for an advanced ruling by which Company A asked whether the services supplied by Supplier Ltd will be subject to Swedish VAT either when KB purchases the services (under the reverse charge mechanism) or when KB provides the services to Company A, B and C.

In its judgment SRN refers to previous case law by which the Supreme Administrative Court (SAC) has held that a transaction by an owner of a limited partnership to its limited partnership is a transaction outside the scope of VAT, as long as the transaction is carried out in accordance with the partnership agreement. Consequently, the services provided by Supplier Ltd to KB are outside the scope of VAT. Furthermore, the services provided by KB to Company A, B and C are supplied within a VAT group and are as such also outside the scope of VAT. As a result no Swedish VAT is due on services provided by Supplier Ltd.



The ruling is obviously very interesting for all financial companies forming a VAT group, as the arrangement should in principle be able to use for purchases of all kinds of services, e.g. management, IT and consultancy.

**Susann Lundstrom**

KPMG in Sweden

Tel: 46 (8) 723 9698

e-Mail: [susann.lundstrom@kpmg.se](mailto:susann.lundstrom@kpmg.se)

[Click here to get back to cover page](#)

## Switzerland

# Ten years of Swiss VAT - past, present and future

The Swiss VAT system was introduced on January 1, 1995 so, this year marks the 10th birthday of VAT in Switzerland. After ten years of Swiss VAT, the Swiss Federal Court was requested to prepare a report, together with contributions from industry, academics, and practitioners, to look back on the operation of VAT during the past ten years and present recommendations on how VAT should function in the future. This report was officially released on the January 27, 2005.

Having obtained opinions on the operation of VAT, from three very different viewpoints, the aim of the report is to provide feedback on:

- Whether the implementation of Swiss VAT, as it currently stands, reflect the original intentions when the tax was introduced ten years ago.
- The practical and technical difficulties which have emerged for both the VAT Authority and various businesses sectors.
- How steps can be taken to simplify Swiss VAT in the future while, of course, safeguarding the tax.

Steps have already been taken to simplify the Swiss VAT system. The simplifications announced in the first edition of Global VAT Brief (April 2005) were the first wave of changes introduced as a direct recommendation from this report.

The second wave of changes were formally announced on May 31, 2005 and are effective from July 1, 2005.

The main changes are summarized below:

- Simplification to allow a full deduction of VAT on costs for partially exempt supplies if the whole turnover (included exempt turnover) is subject to 7.6 percent VAT.
- For certain transactions with a multiple VAT rate, one composite rate of VAT can be applied if the value of the incidentals does not exceed 30 percent (previously 10 percent).
- Fees charged by sport federations to organizers of sport events are now taxable at 7.6 percent (previously exempt).
- The de-minimize threshold for re-calculation of input VAT needed for change of use increased from 10 percent to 20 percent.
- The scope of VAT on services for technical control of burnt gas has been extended to all suppliers.
- For charges between related parties, VAT needs to be calculated on the market price of these services.
- Holding companies can now use a simplified method for the calculation of the non-deductible part of VAT on costs for mixed usage.
- For take-away businesses with eating facilities, the Swiss VAT Authority will now accept a simplified calculation of VAT, provided the business does not have more than 20 seats / spots to stand.

**Maria Menzel**

KPMG in Switzerland

Tel: 41 (44) 249 21 45

e-Mail: [mmenzel@kpmg.com](mailto:mmenzel@kpmg.com)

# The Netherlands

## Proposed VAT act to introduce normal value



The Dutch government recently proposed to change the Dutch VAT legislation to discourage the use of certain VAT structures in relation to capital goods and services used in the non-profit sector. These structures regard large investments, such as the lease or sale of immovable property (e.g. offices, school buildings, fully equipped operating rooms in hospitals), renovations, movable capital goods and investments in expensive services (e.g. new software). These structures are mainly used by VAT exempt entrepreneurs that cannot (fully) deduct input VAT, and aim to lower their costs by using these structures. The Dutch government deems these structures abuse of law and has decided not to await the outcome of the pending European Court of Justice cases (i.e. Halifax) on this subject. The government proposes the following changes:

- The introduction of a so-called “normal value” regarding the sale or rent to non-taxable legal bodies and entrepreneurs that can recover less than 10 percent of their input VAT, in cases where the customer can influence the price, especially when it concerns related parties.
- The introduction of a capital goods scheme regarding services that can be amortized for income tax and corporate tax purposes.
- A change of the current Official Guidance on the treatment of lease transactions as either supplies of goods or supplies of services. Although, the details are yet to be provided, it is expected that the rules will involve a shift to treating finance lease transactions as a supply of goods rather than a supply of services. This would affect all lease transactions, irrespective of whether or not the lessee has a limited right to recover input VAT.

The changes are supported by a proposal from the European Commission dated June 29, 2005 to grant The Netherlands specific derogations regarding the introduction of the normal value and the extension of the capital goods scheme. This derogation requires approval by the Council.

This change in legislation was initially intended to take effect as of July 1, 2005, but this will probably be delayed to this autumn. There will be no retroactive effect and there will be no transition period. Therefore this change in legislation not only affects future investments, but may affect current investments, too, due to the proposed extension of the capital goods scheme.

**Leo Mobach**  
 KPMG in The Netherlands  
 Tel: 31 (10) 4536 814  
 e-Mail: mobach.leo@kpmg.nl

[Click here to get back to cover page](#)

# United Kingdom

## Tax avoidance – an economic activity?

### Background

On April 7, 2005 the Advocate General (AG) released his Opinion in the joined cases of Halifax, the University of Huddersfield, and BUPA each of which have been referred to the ECJ. The cases concern whether there is any rule in EU law that prevents transactions carried out by a taxpayer for the purpose of avoidance of VAT from having the effect intended by the taxpayer. It is expected that the ECJ will issue its decision in the next few months however, it is anticipated that the judgment is likely to follow the opinion.

### The issues

There are two key questions the ECJ has been asked to answer:

- Is a transaction carried out for the purposes of tax avoidance an “economic activity”?
- Is there is a general principle of “abuse of rights” in European VAT law that prevents taxpayers from applying the strict terms of the legislation, to achieve a purpose not intended by the legislature?

### Key points of the opinion

On the question of economic activity, the AG supported earlier cases and decided that the subjective purpose of the taxpayer is irrelevant. All the transactions which took place under each of the arrangements were in fact carried out and were properly carried out in pursuit of the business activities of the taxpayers concerned and were not unlawful. Accordingly, they were within the scope of VAT.

The AG considers that the principle of ‘abuse’ rather than ‘abuse of rights’ is a general interpretive principle of European law. As a general

principle, no legislation is required for it to be applied but it will be used by the courts and tribunals to determine whether planning arrangements are effective. The general principle will apply along side any legislative anti-avoidance rules enacted by member states, whether specific or general; these rules may, and frequently will, be more restrictive than the general interpretive rule. However, the European Court has consistently held that taxpayers may properly choose to structure their business so as to limit their tax liability and abuse must be considered in that context.

The rule itself is essentially a two-stage test. The first stage involves the purposive determination of the aims and objectives of the community rules allegedly being abused, and to compare that with the results achieved by the activity in issue. Where the result of the activity is inconsistent with the purpose of the Community rules it will be necessary to go on to consider the second test. Where however the result of an arrangement is specifically envisaged or contemplated within the purposes of the rules it will be irrelevant why the arrangements were implemented.

The second stage is to identify on an objective basis whether there is any economic justification for the activity other than the creation of a tax advantage. This exercise is to be determined by reference to objective criteria and not by reference to the subjective intentions of the taxpayer concerned. The AG refers to this test as the test of autonomy; national courts must determine “whether the activity at issue has some autonomous basis which, if the tax considerations were left aside,

is capable of endowing it with some economic justification”.

### What now?

The next stage in the process is for the ECJ to give their final decision on the questions that have been referred. If the AGO is followed, taxpayers will not be prevented from structuring their businesses in a tax efficient manner. The more recent history of VAT planning advice has sought to focus very much on the direction of the business and its overall needs and objectives, and to align tax planning accordingly. If the AG's view is correct, such structuring will be likely to meet the requirement for autonomy and is less likely to be viewed as abusive. Over time it will become clearer whether, when determining the purpose of the legislation, it is the very general purpose of the directive which is to be considered or the more specific provisions and articles of the directive and the domestic legislation. However, businesses which face alternative ways of doing business which give rise to differing tax treatments should be able to choose the least costly route provided that they fully implement that means of doing business. Structures likely to fall foul of the principle of abuse will be those which aggressively seek to undermine the fundamental principles of VAT neutrality. Much, however, will depend on how the domestic courts and tribunals apply and develop the outline provided by the AG / ECJ.

### Gary Harley

KPMG in the U.K.

Tel: 44 (20) 7311 2783

e-Mail: [gary.harley@kpmg.co.uk](mailto:gary.harley@kpmg.co.uk)

**Talk to us**

If you have any comments or suggestions in relation to KPMG's Global VAT Brief, please contact:

**Tony Collins, KPMG in Ireland**

Tel: **353 (1) 410 1260**

e-Mail: **tony.collins@kpmg.ie**

Web Site: **http://www.kpmgtax.com/go/globalvat**

**International VAT Network**

**Contact Details**

**Core team contacts:**

**Gary Harley**  
**Chair**  
**KPMG LLP (U.K.)**  
gary.harley@kpmg.co.uk  
44 (20) 7311 2783

**Tom Boniface**  
**KPMG LLP (U.S.)**  
tboniface@kpmg.com  
1 (212) 872 3898

**Deborah Taylor**  
**KPMG LLP (Canada)**  
djtaylor@kpmg.ca  
1 (416) 777 8727

**Claudia Hillek**  
**KPMG Deutsche Treuhand-**  
**Gesellschaft Aktiengesellschaft**  
**Wirtschaftsprüfungsgesellschaft,**  
**(Germany)**  
chillek@kpmg.com  
49 (89) 9282 1528

**Leo Mobach**  
**KPMG Netherlands (Netherlands)**  
mobach.leo@kpmg.nl  
31 (10) 453 6814

**Phillipe Norre**  
**KPMG Tanacsado Kft.**  
philippe.norre@kpmg.hu  
36 (1) 887 7449

**Regional contacts:**

**Asia Pacific**  
**Kok Shang Lam**  
**KPMG (Singapore)**  
kokshanglam@kpmg.com.sg  
65 (-) 6213 2596

**Europe**  
**Graeme Ross**  
**KPMG LLP (U.K.)**  
graeme.ross@kpmg.co.uk  
44 (20) 7311 3372

**The Americas**  
**Tom Boniface**  
**KPMG LLP (U.S.)**  
tboniface@kpmg.com  
1 (212) 872 3898

**Practice Manager:**

**Maria Carr**  
**KPMG LLP (U.K.)**  
maria.carr@kpmg.co.uk  
44 (161) 838 4075

**Fidal contact:**

**Gwenaëlle Bernier**  
**Fidal (France)**  
gbernier@fidalininternational.com  
33 (1) 5568 1418

[Click here to get back to cover page](#)

KPMG International is a Swiss cooperative that serves as a coordinating entity for a network of independent firms operating under the KPMG name. KPMG International provides no audit or other client services. Such services are provided solely by member firms of KPMG International (including sublicensees and subsidiaries) in their respective geographic areas. KPMG International and its member firms are legally distinct and separate entities. They are not and nothing contained herein shall be construed to place these entities in the relationship of parents, subsidiaries, agents, partners, or joint venturers. No member firm has any authority (actual, apparent, implied or otherwise) to obligate or bind KPMG International or any other member firm, nor does KPMG International have any such authority to obligate or bind any member firm, in any manner whatsoever.

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

The material contained in this publication draws on the experience of KPMG tax personnel and their knowledge of local tax law in each of the countries covered. While every effort has been made to provide information current at the date of publication, tax laws around the world change constantly. Accordingly, the material should be viewed only as a general guide and should not be relied on without consulting your local KPMG tax adviser for the specific application of a country's tax rules to your own situation.

Fidal is an independent legal entity that is separate from KPMG International and its member firms.

© 2005 KPMG International. KPMG International is a Swiss cooperative that serves as a coordinating entity for a network of independent firms operating under the KPMG name. KPMG International provides no services to clients. Each member firm of KPMG International is a legally distinct and separate entity and each describes itself as such. All rights reserved.

KPMG and the KPMG logo are registered trademarks of KPMG International, a Swiss cooperative.

Designed and produced by KPMG LLP (U.K.)'s Design Services

Publication name: Global VAT Brief - Issue 2

Publication number: 213-851

Publication date: August 2005