

L.N. 298 of 2018

**VALUE ADDED TAX ACT
(CAP. 406)**

**Value Added Tax Act (Amendment of Twelfth Schedule)
Regulations, 2018**

BY VIRTUE of the powers conferred by articles 50 and 75 of the Value Added Tax Act, the Minister for Finance has made the following regulations:-

1. (1) The title of these regulations is the Value Added Tax Act (Amendment of Twelfth Schedule) Regulations, 2018, and these regulations shall be read and construed as one with the Twelfth Schedule to the Value Added Tax Act, which Twelfth Schedule is hereinafter in these regulations referred to as "the Schedule".

Citation, scope and commencement.

Cap. 406.

(2) These regulations implement the provisions of article 1 of Council Directive (EU) 2017/2455 of the 5th December 2017 amending Directive 2006/112/EC and Directive 2009/132/EC as regards certain value added tax obligations for supplies of services and distance sales of goods.

(3) These regulations shall come into force on the 1st January 2019.

2. Paragraph (2) in item 2 of the Schedule shall be substituted by the following:

Substitutes paragraph (2) in item 2 of the Schedule.

"(2) (a) Invoicing shall be subject to the rules applying in the Member State in which the supply of goods or services is deemed to be made, in accordance with the provisions of the Third Schedule.

(b) By way of derogation from sub-paragraph (a), invoicing shall be subject to the following rules:

(i) the rules applying in the Member State in which the supplier has established his business or has a fixed establishment from which the supply is made or, in the absence of such place of establishment or fixed establishment, the Member State where the supplier has his permanent address or usually resides, where:

A. the supplier is not established in the

Member State in which the supply of goods or services is deemed to be made, in accordance with the provisions of the Third Schedule, or his establishment in that Member State does not intervene in the supply within the meaning of the proviso to article 20(2) of the Act, and the person liable for the payment of the VAT is the person to whom the goods or services are supplied unless the customer issues the invoice (self-billing);

B. the supply of goods or services is deemed not to be made within the Community, in accordance with the provisions of the Third Schedule;

(ii) the rules applying in the Member State where the supplier making use of one of the special schemes referred to Parts Seven and Eight of the Fourteenth Schedule is identified."
