



VAT Communicator

— a UVS Quarterly Newsletter

Do you know?

- * According to an Organization for Economic Co-operation and Development (OECD) report, **50% of companies recover less than 50% of the foreign VAT they incur.** If you think your Organization could be among those who are not recovering VAT fully, call us. We can maximize VAT recovery for you.
- * Austria is one of the countries that refunds VAT most quickly. Germany on the other hand, takes time. VAT recovery from the Country can often take a whole year!
- * South Korea will only refund when invoices are settled with a Credit Card. We have to submit the Point of Sale slips along with the documents to successfully recover your VAT.



Note From The President

Over the last year or so, we have felt a greater need to communicate with you, our clients, on a regular basis. We would like to keep you informed about the various changes, in the VAT recovery business, and also share some of our success stories with you. It will allow you to think differently about potential VAT opportunities you may be missing out on. From experience, we know that everyone misses cashing in on one invoice or another: it is almost always the result of not being aware about the opportunity to collect. We hope this newsletter will fill the gaps and also encourage you to share more invoices with us. Please do not write your invoices off before checking with us. Let us decide which invoices are VAT refund eligible.

Another opportunity many clients miss out on, are Accounts Payable invoices. If any such invoices have VAT on them, do check with us: we may be able to assist you in recovering VAT there as well.

The key to maximizing your VAT refunds is to get your invoices correct in the first place. As many of you know, we quite often step in to correct invoices that will not otherwise pass the test with VAT Authorities. We call the process, "Restyling". We initially call vendors and then follow up via email, to have the corrections made. It takes time and effort; but we manage to get the invoices corrected and the VAT refunded. Most of our competitors would just dump such invoices; and of course, there is a charge for the restyling process. The key is to get your original invoices correctly issued. Later, in this issue, we will reproduce one of our leaflets to demonstrate the requirements of a refund eligible invoice.

We have had some good news from Spain. They now refund VAT on Trade Shows, Fairs and Exhibitions. We have successfully recovered Spanish VAT for several clients.

Many clients in the USA also seem to recover VAT only on their USA Travel and Entertainment expenses; but please note that we are able to recover VAT for you globally. We can also assist your European and Asian branches to recover VAT.

We thank you for your patronage over the years and look forward to working more closely with you, as we look ahead to the future.

Raj Shah

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UVS VAT Communicator

VAT refunds on Accounts Payable invoices

UVS has successfully recovered VAT on Accounts Payable Invoices for several clients. This does not fall under the regular category of VAT refunds on Business Travel. Many VAT recovery companies do not go into this area at all.

With some clients, UVS has recovered significant amounts of VAT on imports, where VAT had been charged. With others, we have recovered VAT on telecommunication invoices.

We urge you to keep an eye on all VAT you incur when dealing with foreign companies. All you will need to do is send us a scanned copy of the invoice for review and we will return it to you, with relevant action items

Swiss VAT refund

The Swiss process allows a client only one filing per annum. We usually file in January of every year, for the preceding calendar year. It must be noted that the Swiss Authorities are very particular. In addition to the client's name, the name of the company and correct company address must be included on the invoice. We request our clients to inform travelers to Switzerland about these requirements.

Spain refunds VAT on Exhibitions



Spain normally only refunds VAT on a reciprocal basis. In other words, if Country A refunds VAT to Spain, they will refund to Country A. This rule of reciprocity had excluded many countries from being able to recover any VAT from Spain. They however made a change to their regulations that became effective

from 1st January 2015. They now refund VAT on Fairs, Exhibitions and Trade shows. This has opened up a new opportunity for several clients of ours.

The documentation for Spanish VAT recovery, is a little different from other VAT refund processes. There are a couple of additional requirements: they need a Power of Attorney that must also be authenticated according to the Hague Apostille Convention. Additionally, the company's registered VAT number must be mentioned on the invoice. In the case of USA clients, they will accept the Taxpayer Identification Number (TIN). Once these are in place, you can leave the rest of the recovery to us. We have successfully recovered VAT for our clients in Europe, and Latin America.

Spanish invoices corrected

If you find that some of your Spanish VAT invoices are not in perfect shape for the recovery process, we have a solution. We have a Spanish-speaking member of staff on our VAT recovery team. She has had less than perfect invoices successfully corrected. It took some effort - several phone calls and email exchanges were necessary - but we managed to have the invoices corrected. After the corrections, they were eligible for the refund process. For one large European client alone, we had over €13,000 refunded recently.

UVS appoints representative in S. Korea

UVS has appointed International Tax and Air as our marketing representative in South Korea. They will handle VAT recovery for both clients traveling into, and out of South Korea.

We have seen that many clients seem to misplace the Credit Card slips that are required to recover the VAT. It is possible that the slips are never collected from employees. In addition to providing services locally, our Korean representative will also be able to contact hotels and recover copies of the Credit Card slips. You will need to formally authorize the Company to do it for you. There is an additional charge involved, but we will be successful.

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Maximize VAT Reclaims

Bring back proper invoices/receipts



Your company can recover substantial sums of money by ensuring that employees traveling to VAT refunding countries, bring back invoices that are compliant with the VAT authority requirements. Here are some important points to remember.

VAT Recovery - a correct invoice ensures maximum returns

- **Hotel and Car rental Invoices/Receipts** - travelers must always check in with their full names along with correct company address. It is as simple as giving the check in clerk a business card, asking the person to ensure they've got it all right. Always insist on a final Tax Invoice/Receipt when checking out. A photocopy, fax or Invoice/Receipt that says, "Copy", "Information Only", "Preliminary Statement", or more obviously, "This is not a VAT Invoice/Receipt", is not acceptable to the tax authorities
- **Express Checkout Invoices/Receipts** - may not be the final Tax Invoice/Receipt.
- **Adequate description of goods and services provided** - This is particularly important for restaurant Invoices/Receipts. It is also important to record names and affiliations of all the diners on the reverse side of the Invoices/Receipts.
- **Credit Card point of sale receipts** are generally not acceptable, as they do not contain all the required information.
- **S. Korea** - VAT will be refunded only on hotel accommodation expenditure. Proof of payment of the bill (Credit Card point of sale receipts), must be attached to each Invoice/Receipt.

Please ensure that all original VAT/GST/HST invoices are submitted with employee Expense Reports, even though internal company regulations may not require

Standard VAT rates

Country	Tax	Rate	Country	Tax	Rate
Austria	MwST	20%	Liechtenstein	MwST	7.60%
Belgium	MwST	21%	Luxembourg	IVA	15%
Canada \$	GST	5%	Malta	VAT	18%
Croatia	PDV	23%	Monaco	IVA	19.6%
Denmark	MOMS	25%	Netherlands	BTW	19%
Finland	ALV	23%	Norway	MVA	25%
France	IVA	20%	S. Korea	VAT	10%
Germany	MwST	19%	Spain X	IVA	18%
Iceland	VSK	25.5%	Sweden	MOMS	25%
Ireland	VAT	21%	Switzerland	MwST	8%
Italy	IVA	20%	Taiwan	VAT	5%
Japan \$	C. Tax	10%	United Kingdom	VAT	20%

NB. Rates may be changed without notice
X: Spain refunds only on Exhibitions and Trade Fairs,
unless reciprocal VAT refund arrangements exist
§ Prior registration required

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