VAT Reclaim on Import and Drop-Shipping

Import VAT
VAT is usually assessed on goods that are imported to Europe and other countries that have a VAT system. The North American company may get a VAT charge on an invoice from a freight forwarder, such as Federal Express or UPS. EuroVAT can assist in assessing if and how the VAT can be claimed back, as well as provide instructions for how to issue the shipping documents in order to maximize the VAT refunds and minimize the VAT issues going forward.

Sample of VAT Charges for a U.S. Company:
- Import VAT, Logistics, and Warranty Products
- Drop-Shipping, Installation and Maintenance Contracts
- Sales by Internet/E-Commerce
- Travel and Related Services
- Hotel and Transportation
- Global Meetings, Conferences and Tradeshows
- Inter-Company (travel, delegation, services, seminars)
- Professional Fees and Marketing
- Global Contracts
- Research & Development
- TV and Motion Production

Sample of VAT rates:
- Austria MwSt/USt 20%
- Czech Republic DPH 21%
- France TVA 20%
- Germany MwSt/USt 19%
- Japan JCT 10%
- Netherlands BTW 21%
- Spain IVA 21%
- Sweden Moms 25%
- United Kingdom VAT 20%

Drop Shipment of Goods
A North American company that purchases goods from a European vendor and ships them to customers in Europe is drop-shipping. Between 17-27% VAT will most likely be charged from the vendor. In order to get the VAT refund, it might be necessary to register for VAT in one or more EU countries and to charge VAT to the customers.

Sample: Shipments within Germany

In general, the North American company has to be registered in order to reclaim their Value Added Tax (VAT). In addition, the VAT is usually also refundable to the customers that the North American company drop-ships to. Please contact EuroVAT for details related to your company’s VAT refund liabilities and possibilities.