

Import One Stop Shop scheme (IOSS) and One Stop Shop scheme (OSS)

The 22 EUR value limit for goods from third countries will be abolished with the coming into force of new legislation. From a customs point of view, this means that as of July all cross-border shipments, regardless of the value of the goods, sent to private individuals within the EU will have to be cleared through customs.



IOSS scheme

Following the abolition of the value limit, a new law will come into force on 1 July 2021 to simplify online trading, prevent VAT fraud and ensure a fair competitive environment for EU businesses. The IOSS scheme, also known as the special taxation procedure, can be used by businesses established in third countries that make distance sales to end customers in the EU, as well as their representatives. To be exempt from import VAT, the value of the imported goods must not exceed 150 EUR.

To make use of the procedure, companies must register online with the competent authority. The registration must be done once and is valid for all EU member states. The application for participation has been possible since 01 April 2021. Once registered, the companies will receive an IOSS registration number.

OSS scheme

The Union One-Stop Shop (OSS) is the scheme businesses can use to comply with their VAT obligations on e-commerce sales within the EU to consumers from 1 July 2021. For B2C shipments cleared for free circulation in the EU and resold to a private customer, a non established trader can use the OSS scheme. If the EU-wide turnover exceeds EUR 10,000, the seller is obliged to invoice and pay the respective national VAT of the Member State of destination. From 1 July 2021, optional participation in the OSS scheme will simplify the process by allowing VAT to be declared centrally. This also requires a registration in a single Member State for all intra-EU distance sales.