

Transactions worth reviewing by the end of this year to recover VAT

• 17 OCTOBER 2024 •

On 31 December 2024, the time limitations period for VAT settlements from December 2018 to November 2019 will expire. Therefore, it is advisable to verify your documents allowing to reduce output tax or include input tax before the expiry a possibility to adjust VAT settlements expires. In our experience, verification should cover the following areas.

Correcting invoices

If you have not made an output VAT reduction based on 'in minus' correcting invoices, it is worth verifying your documentation. All in-minus corrective invoices issued up to the end of 2020 are accounted for under according to the previous regulations. It means that they may be included in VAT settlements if either a taxpayer has a **proof of receipt** or **documentation of the attempted delivery together with its clearing by the purchaser**.

Applying 0% VAT rate to the intra-EU supplies of goods

If you reported the intra-EU supplies of goods as local transactions, supplementing the evidence of delivery of goods to the purchaser in another EU country (e.g. transport documents, statements, confirmations of receipt) will allow the application of the 0% VAT rate, also by correcting VAT returns.

0% VAT rate in case of the export of goods

When the export of goods was reported as a local transactions, collecting documents allows to apply zero-rated VAT. What is important, to apply the 0% VAT rate the **receipt of document IE-599** (confirmation of export) is not the only possibility. Taxpayers may use the so-called **substitute proofs of export**, if the goods have left the customs territory of the EU. The collection of the aforementioned documents makes it possible to apply the 0% VAT rate, also through the correction of VAT returns for earlier periods.

Deduction of VAT on unsettled cost invoices

If a taxpayer has not accounted at all for input tax on a given transaction, although he is entitled to do so, he is limited in this respect by a shorter time limit than the statute of limitations mentioned above. In this case, a taxpayer is limited by five years, counting from the beginning of the year in which the right to deduct arose (most cases when the invoice was received). This means that at the end of 2024, it will no longer be possible to deduct VAT by adjusting the returns for the period January to December 2020. It is important to verify if you received domestic purchase invoices that were not included in the input VAT deduction, despite such possibility.

In case you are interested in the above information and its impact on your business, please contact:

Tomasz Michalik

tomasz.michalik@mddp.pl

(+48) 501 733 720

Janina Fornalik

janina.fornalik@mddp.pl

(+48) 660 440 141

Marek Przybylski

marek.przybylski@mddp.pl

(+48) 509 567 231

or your adviser from MDDP.

This Tax Alert does not provide legal or tax advice. MDDP Michalik Dłuska Dziedzic & Partners spółka doradztwa podatkowego spółka akcyjna is not responsible for the use of the information provided in the Alert without the prior consultation with legal or tax advisers.

#MORE about MDDP: [link](#)

