

OECD Global Forum on VAT

A focus on e-commerce
related reforms

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EU Import One Stop Shop (IOSS) scheme

Since 1 July 2021: New rules abolished the VAT exemption for imported low value goods (<€10/€22)



Since July 2021: VAT applicable on all imports of commercial goods, irrespective of their value



Introduction of simplifications for collection of VAT

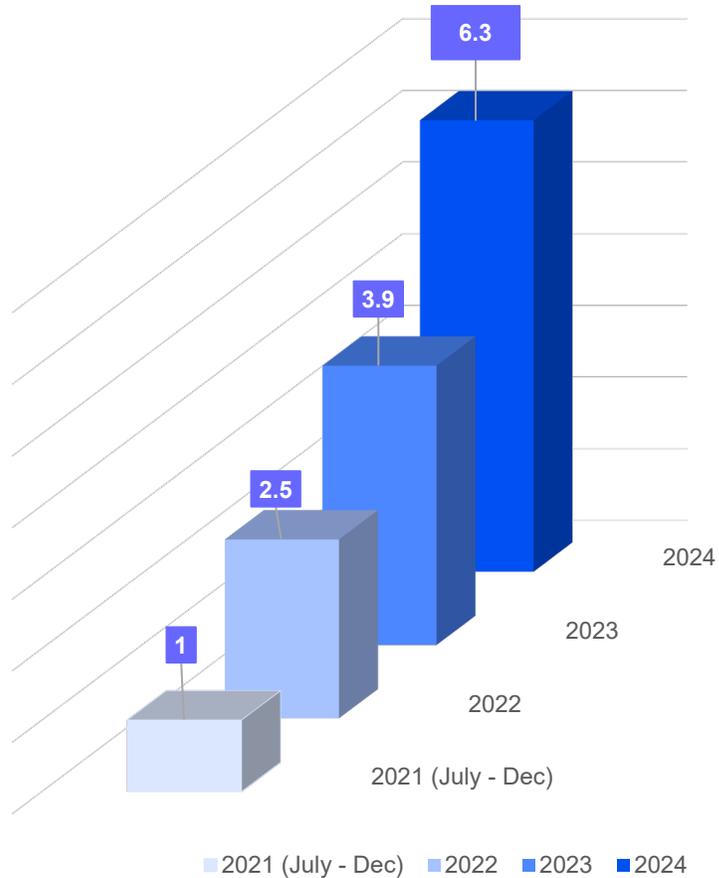
- **IOSS: Optional for business.** Simplifies the declaration and payment of VAT on **business to consumer** imported goods **not exceeding €150**
- **Special Arrangements** : Optional simplification designed for postal operators, when IOSS is not used

- Simplification that avoids the need for multiple VAT registrations across the EU.
- When the IOSS is used, the corresponding import into the EU is exempt from import VAT, as VAT has already been collected upfront at the time of the sale and remitted monthly via the IOSS.
- Platforms become liable for the collection of VAT on these supplies, which further streamlines compliance.

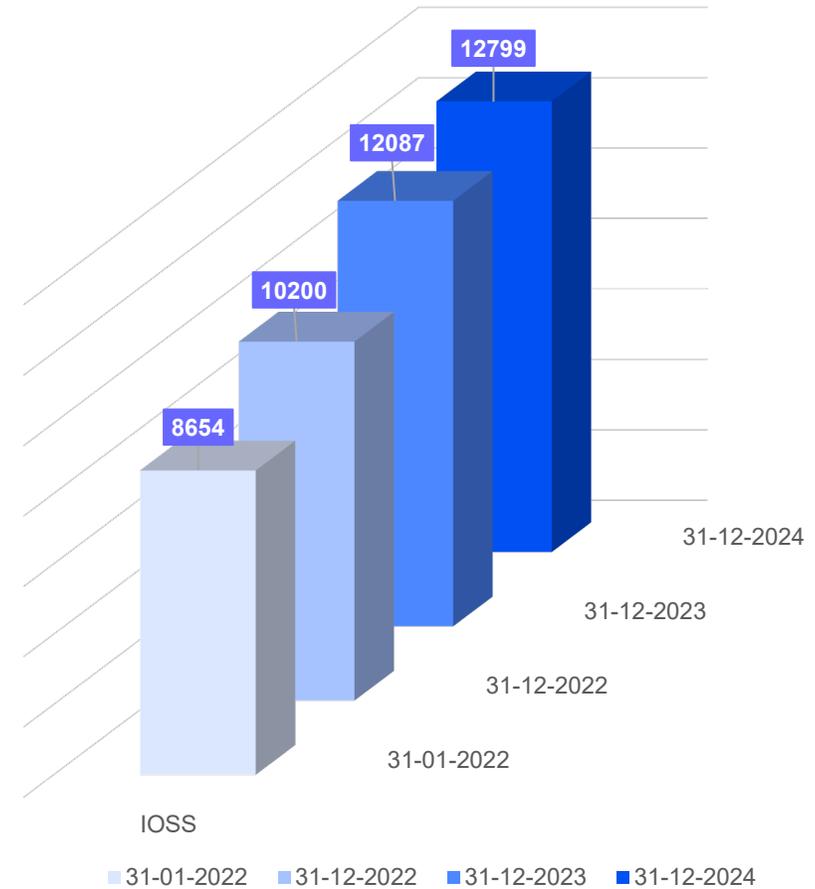


Results: VAT registrations and VAT revenues collected via the IOSS scheme

Yearly comparison of amount of VAT declared in the IOSS (EUR Billion)



Evolution of IOSS registration figures



Initiative to incentivise businesses to use IOSS

- **Why:**

- The EU intends to ensure that VAT is consistently collected on imports of e-commerce goods
- It marks a significant step towards broader customs reforms, ensuring a more efficient and compliant e-commerce import environment

- **When:**

- The incentivized IOSS approach was adopted on 18 July 2025 and will come into force on 1 July 2028

- **How:**

- The platform/supplier becomes **systematically** liable for the import VAT on these supplies instead of the consumer
- The “non-use” of the IOSS becomes very burdensome
- Fall-back: Member States may allow the customer to pay the import VAT on behalf of the supplier/deemed supplier when they fail to fulfil their obligations



Measures to secure the IOSS

- **Why:**

- To prevent potential misuse of IOSS numbers and exploitation of the VAT exemption at import

- **Objective:**

- To ensure for the customs and tax authorities that the parcel for which the VAT exemption is claimed at importation is actually supplied by the IOSS holder mentioned in the import declaration.

- **Approach:**

- Digital token that would travel through the e-commerce chain, allowing customs authorities to verify its authenticity and the rightful use of the IOSS number at the time of import
- Pilot to test practical and secure solution for the verification of IOSS numbers



Recent policy developments related to IOSS

Customs fee:

- New fixed €3 customs duty on low-value IOSS imports and postal consignments from 1 July 2026
- The removes the longstanding duty-free exemption for low value consignments

EU Customs reform – Remaining VAT related elements:

The following VAT-related elements remain to be agreed under the (pending) customs reform :

- Removal of the €150 threshold for use of the IOSS
- Removal of the €150 threshold for platform liability and
- Inclusion of supplies of goods from certain customs warehouses within the scope of the IOSS



Thank You

Q&A

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