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Value-Added Tax Act[1]

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RT I 2003, 82, 554
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Amended by the following acts

Passed	Published	Entry into force
21.04.2004	RT I 2004, 41, 278	01.06.2004
06.05.2004	RT I 2004, 43, 299	20.05.2004, applied retroactively as of 1 May 2004
12.05.2004	RT I 2004, 45, 315	27.05.2004
20.10.2004	RT I 2004, 75, 523	applied retroactively as of 1 May 2004
08.12.2004	RT I 2004, 89, 603	01.01.2005
09.02.2005	RT I 2005, 13, 63	01.05.2005
12.10.2005	RT I 2005, 57, 451	18.11.2005
07.12.2005	RT I 2005, 68, 528	01.01.2006,partially 01.01.2007, part of amendments are applied retroactively as of 01.11.2005 and their entry into force as of 23.12.2005
15.11.2006	RT I 2006, 55, 405	01.01.2007
08.02.2007	RT I 2007, 17, 83	01.03.2007, subsections 50 (3) and (4) are applied retroactively as of 01 July 2006
08.02.2007	RT I 2007, 17, 83	01.01.2008
Full text on hard copy of RT	RT I 2007, 30, 186	
26.09.2007	RT III 2007, 32, 259	26.09.2007
19.11.2008	RT I 2008, 51, 283	01.01.2009
04.12.2008	RT I 2008, 58, 323	01.01.2009
04.12.2008	RT I 2008, 58, 324	31.12.2008, applied retroactively as of 01.12.2008
04.12.2008	RT I 2008, 58, 324	01.01.2009
04.12.2008	RT I 2008, 58, 324	01.01.2010
17.12.2008	RT I 2008, 58, 329	01.01.2009
22.04.2009	RT I 2009, 24, 146	01.06.2009
18.06.2009	RT I 2009, 35, 232	01.07.2009
01.09.2009	RT I 2009, 46, 307	16.09.2009, applied retroactively as of 01.07.2009
11.11.2009	RT I 2009, 56, 376	01.01.2010, partially01.01.2011
25.02.2010	RT I 2010, 11, 55	01.05.2010
22.04.2010	RT I 2010, 22, 108	01.01.2011, entry into force on the date determined in the Decision of the Council of the European Union regarding the abrogation of the derogation established in respect of the Republic of Estonia on the basis provided for in Article 140 (2) of the Treaty on the Functioning of the European Union, Council Decision

		2010/416/EU of 13 July 2010 (OJ L 196, 28.07.2010, pp. 24-26).
25.11.2010	RT I, 10.12.2010, 3	01.01.2011
22.02.2011	RT I, 15.03.2011, 11	01.04.2011
16.06.2011	RT I, 08.07.2011, 6	18.07.2011
07.12.2011	RT I, 20.12.2011, 2	01.01.2012
08.03.2012	RT I, 27.03.2012, 7	01.01.2013, partially01.04.2012
10.10.2012	RT I, 25.10.2012, 1	01.12.2012
15.05.2013	RT I, 01.06.2013, 1	01.07.2013
11.12.2013	RT I, 23.12.2013, 1	01.01.2014, partially01.01.2015 and 01.01.2020
29.01.2014	RT I, 18.02.2014, 2	01.03.2014, partially01.10.2014 and 01.01.2015
07.05.2014	RT I, 29.05.2014, 1	01.11.2014, partially01.07.2014
21.05.2014	RT I, 06.06.2014, 2	01.07.2014
01.07.2014	RT I, 11.07.2014, 3	01.12.2014
01.07.2014	RT I, 11.07.2014, 4	01.08.2014
19.06.2014	RT I, 29.06.2014, 109	01.07.2014, the official titles of the ministers have been replaced on the basis ofsubsection 107^3 (4) of the Government of the Republic Act.
18.12.2014	RT I, 30.12.2014, 4	01.01.2015
18.02.2015	RT I, 23.03.2015, 3	01.07.2015
15.06.2015	RT I, 30.06.2015, 1	01.01.2016, partially01.01.2017
09.12.2015	RT I, 30.12.2015, 5	01.01.2016
17.12.2015	RT I, 31.12.2015, 10	01.01.2016
20.04.2016	RT I, 29.04.2016, 6	01.05.2016, partially01.07.2016 and 01.01.2017
15.06.2016	RT I, 05.07.2016, 1	01.01.2017
26.10.2016	RT I, 08.11.2016, 1	01.01.2017, partially01.01.2018
19.12.2016	RT I, 24.12.2016, 1	01.01.2017
31.05.2017	RT I, 16.06.2017, 1	01.07.2017
14.06.2017	RT I, 27.06.2017, 1	01.07.2017
19.06.2017	RT I, 07.07.2017, 3	01.08.2017, partially 01.01.2018
11.10.2017	RT I, 25.10.2017, 1	01.01.2018
15.11.2017	RT I, 28.11.2017, 2	01.01.2018
21.03.2018	RT I, 03.04.2018, 3	15.04.2018, partially 01.05.2018
04.04.2018	RT I, 24.04.2018, 2	01.05.2018, partially 01.10.2018

Chapter 1
GENERAL PROVISIONS

§ 1. Object of taxation

(1) The following shall be subject to value added tax:
1) supply created in Estonia, except supply which is exempt from tax;
2) import of goods into Estonia (§ 6), except imports exempt from tax (§ 17);
3) provision of services the place of supply of which is not Estonia (subsections 10 (4) and (5)), except supply exempt from tax;
[RT I 2009, 56, 376 - entry into force 01.01.2010]
4) supply of goods or services specified in subsection 16 (3) of this Act if the taxable person has added value added tax to the taxable value of such goods or services;
5) intra-Community acquisitions of goods (§ 8), except intra-Community acquisitions of goods which are exempt from tax (§ 18).

(2) Value added tax is applied as tax on added value, with the exception of special cases arising from this Act.

§ 2. Definitions

(1) In this Act, terms relating to countries and territories are used as follows:
1) "Estonia" means the territory under the jurisdiction of the Republic of Estonia;
2) „Community" means the territory of the Member States specified in clause 3) of this subsection;
[RT I, 18.02.2014, 2 – entry into force 01.03.2014]

3) “Member State” means the territory of a Member State of the European Union (hereinafter the Union) pursuant to Article 5 (2) and Article 7 of Council Directive 2006/112/EC on the common system of value added tax (OJ L 347, 11.12.2006, pp.1-118);
[RT I, 18.02.2014, 2 – entry into force 01.03.2014]
4) “foreign country” means a state or a territory under the jurisdiction thereof, with the exception of Estonia;
5) “third country” means a state or a territory under the jurisdiction thereof, other than those defined in clause 3) of this subsection as Member States.

(2) For the purposes of this Act, “business” means the independent economic activity of a person (§ 3), in the course of which goods are transferred or services provided, whatever the purpose or results of that activity. The professional activities of a notary and bailiff are also deemed to be business. Provision of services between a company and its permanent establishment is not deemed to be business. The activities of state, rural municipality and city authorities and legal persons in public law are deemed to be business only where such authorities or persons engage in economic activities listed in Annex I to Council Directive 2006/112/EC or where their activities involve transactions and acts listed in subsection 1 (1) of this Act which may also be performed by other taxable persons and where non-taxation would lead to significant distortions of competition.
[RT I, 23.12.2013, 1 - entry into force 01.01.2014]

(3) In this Act, the terms “goods” and “services” are used in the following meaning:
1) “goods” means things, livestock, gas, electric power, heat and refrigeration. Immovables, as defined in the General Part of the Civil Code Act, right of superficies, utility networks and utility works, as defined in the Law of Property Act, structures as movables, as defined in the Law of Property Act Implementation Act, and apartment ownership and right of superficies in apartments, as defined in the Apartment Ownership Act and the Apartment Associations Act are deemed to be immovable. Building land is deemed to be such immovable within the meaning of the General Part of the Civil Code Act, thatdoes not contain any construction works, except utility networks or utility works, and which is designed for building pursuant to the design specifications, a detailed spatial plan or special spatial plan of the state or local government or for which a building notice has been submitted or the intended purpose of the cadastral unit of which is over 50 per cent residential land or commercial land or these jointly.Data media that are freely available to all purchasers and which carry standard software or standard information intended to perform the same functions are also deemed to be goods;
[RT I, 24.04.2018, 2 - entry into force 01.10.2018]
2) “goods installed or assembled” are goods which are transferred and installed or assembled by or on behalf of the transferor in another Member State and in the case of which the cost of installation or assembly exceeds 5 per cent of the taxable value of the transaction;
3) “services” means the provision, in the course of business activities, of benefits or the transfer of rights, including securities, which are not goods according to clause 1) of this subsection, and obligations to refrain from economic activity, to waive the exercise of a right or to tolerate a situation for a charge. Software and information transmitted by electronic means, and data media carrying software or information that are especially compiled or adjusted according to the purchaser’s specifications are also services.

(4) For the purposes of this Act, the following are electronically supplied services:
1) website supply;
2) web-hosting;
3) distance maintenance of programmes and equipment;
4) transfer and updating of software transmitted by electronic means;
5) images, text and information transmitted by electronic means, and making electronic databases available;
6) music, films and games, including gambling games, transmitted by electronic means;
7) political, cultural, sporting, scientific and entertainment broadcasts transmitted by electronic means;
8) distance education and other services similar to the services specified above.
Where the provider of a service and the recipient of the service communicate using electronic means, this shall not of itself mean that the service is deemed to be an electronically supplied service.

(5) “Transfer” means the transfer of possession of goods together with the risk of accidental loss of the goods and the right to dispose of the goods and enjoy the economic benefits related to the goods as owner, regardless of the status of the goods in property law. For the purposes of this Act, “transfer” also means the transfer of goods pursuant to a commission contract and the handing over of goods pursuant to a transaction which provides that ownership of the goods is to pass to the contractual user of the goods upon termination of the contract.

(6) “Self-supply” means the transfer without charge of goods forming part of the business assets and provision of services without charge by a taxable person as well as use without charge of goods forming part of the business assets by the taxable person itself, its employee, servant or member of the management or control body for personal purposes or for purposes other than business. Use of an automobile for purposes other than business shall not be deemed self-supply, except in the cases specified in clauses 30 (4) 3)and 4) of this Act. The transfer or use of goods in the abovementioned cases shall be deemed to be self-supply if the taxable person has deducted the input value added tax on the goods or a part of the goods from its calculated value added tax in full or in part.
[RT I, 11.07.2014, 3 - entry into force 01.12.2014]

(7) For the purposes of this Act, “new means of transport” means:
1) a vessel exceeding 7.5 metres in length which is transferred within three months as of the date of first entry into service or which has sailed for less than 100 hours, with the exception of sea-going vessels specified in clause 15 (3) 3) of this Act;
2) aircraft the take-off weight of which exceeds 1,550 kilograms which is transferred within three months as of the date of first entry into service or which has flown for less than 40 hours, with the exception of aircraft specified in clause 15 (3) 4) of this Act;
3) a motorised land vehicle the engine capacity of which exceeds 48 cubic centimetres or the power of which exceeds 7.2 kilowatts and which is transferred within six months as of the date of first entry into service or which has travelled less than 6,000 kilometres;

(8) “Triangular transaction” means a transaction for the transfer of goods, which involves taxable persons from three different Member States and meets all of the following criteria:
1) a taxable person established in Member State A (hereinafter the transferor in the triangular transaction) transfers a good to a taxable person established in Member State B (hereinafter the reseller in the triangular transaction) which then in turn transfers it on to a taxable person established in Member State C (hereinafter the acquirer in the triangular transaction);
2) the goods in question are transported directly from Member State A to Member State C to the acquirer in the triangular transaction;
3) the reseller in the triangular transaction is not registered in Member State C as a taxable person or a taxable person with limited liability;
4) the acquirer in the triangular transaction pays value added tax on the acquisition of goods by the triangular transaction.

(9) “Distance selling” means the transfer and delivery of goods, other than a new means of transport or goods installed or assembled, by or on behalf of the transferor to another Member State to a person who is not registered in that Member State as a taxable person or a taxable person with limited liability.

(10) For the purposes of this Act, “investment gold” means gold, in the form of a bar or a wafer, of a purity equal to or greater than 995 thousandths, and gold coins which are minted after 1800, are or have been legal tender, are of a purity equal to or greater than 900 thousandths and are not sold for numismatic interest.

(11) "Intermediation" means the activity of a taxable person in the name and for the account of another person. At least the following requirements must be met for acting in the name and for the account of another person:
1) the intermediary and the transferor or acquirer of the goods or the provider or recipient of the service have concluded a contract for the intermediation of the goods or services;
2) the transferor of the goods or provider of the service is liable for the transfer of the goods or provision of the service;
3) the goods are transferred or the service is provided at a price established or approved by the transferor of the goods or provider of the service under the terms and conditions established thereby for the recipient of the goods or service;
4) only the commission fee shall be shown in the accounts of the intermediary as supply of the intermediary;
5) if the recipient of the goods or service is entitled to an invoice, such invoice shall be issued by the transferor of the goods or provider of the service or another person, including the intermediary, in the name of the transferor of the goods or provider of the service.
[RT I 2005, 68, 528 - entry into force 01.01.2006]

(12) For the purposes of this Act an automobile means a vehicle of category M1 with a gross weight not exceeding 3,500 kilograms and with no more than eight seats in addition to the driver’s seat.
[RT I, 11.07.2014, 3 - entry into force 01.12.2014]

§ 3. Taxable person and tax liability

(1) A person liable to value added tax (hereinafter taxable person) is a person, including a legal person in public law or a state, rural municipality or city authority (hereinafter person), who is engaged in business and is registered or required to register as a taxable person (§ 19). A person is a natural person or a legal person, including a legal person in public law or a state, rural municipality or city authority. A taxable person of a foreign state or another Member State is a person, including a pool of assets or association of persons without the status of legal person, treated as a person liable to value added tax according to the legislation of the state in question.

(2) A person liable to value added tax with limited liability (hereinafter taxable person with limited liability) is a person, except a natural person not engaged in business, who is registered or required to register as a taxable person with limited liability (§ 21). A taxable person with limited liability of another Member State is a person, including a pool of assets or association of persons without the status of legal person, who is registered for value added tax in that Member State and whose tax liabilities correspond to the tax liabilities of a taxable person with limited liability.

(3) A taxable person or taxable person with limited liability shall pay value added tax as of the date of registration as a taxable person or taxable person with limited liability.

(3[1]) A foreign taxable person is not deemed to be an Estonian taxable person due to its permanent establishment located in Estonia and engaged in business if the foreign person does not participate in a transaction or act subject to taxation through its permanent establishment located in Estonia.
[RT I 2009, 56, 376 - entry into force 01.01.2010]

(4) A taxable person shall calculate value added tax on the transactions and acts specified in subsection 1 (1) of this Act and, in the case of supply specified in clause 1 (1) 1) of this Act, the taxable person shall pay value added tax on the following:
1) supply subject to taxation (hereinafter taxable supply);
2) the services received from a foreign person engaged in business who is not registered as a taxable person in Estonia and who has no permanent business establishment in Estonia through which the person engages in business in Estonia;
[RT I 2009, 56, 376 - entry into force 1.01.2010];
3) the acquisition of goods to be installed or assembled in Estonia from a person of another Member State engaged in business who is not registered as a taxable person in Estonia and who has no permanent business establishment in Estonia through which the person engages in business in Estonia;
[RT I 2008, 58, 324 - entry into force 01.01.2009]
4) the acquisition of goods as the acquirer in a triangular transaction;
5) the acquisition of goods not listed in clauses 3) and 4) of this subsection from a foreign person engaged in business who is not registered as a taxable person in Estonia and who has no permanent business establishment in Estonia through which the person engages in business in Estonia.
[RT I 2009, 56, 376 - entry into force 01.01.2010]
6) From another taxable person on the acquisition of goods listed in subsection 41[1](2) of this Act.
[RT I, 10.12.2010, 3 - entry into force 01.01.2011]

(5) A taxable person with limited liability shall pay value added tax on acts specified in clauses 1 (1) 2) and 5) of this Act and acts listed in clauses (4) 2)-5) of this section.

(6) The following shall also pay value added tax:
1) a debtor within the meaning of Regulation (EU) No 952/2013 of the European Parliament and of the Council laying down the Union Customs Code (OJ L 269, 10.10.2013, pp. 1–101) (hereinafter Customs Code);
[RT I, 16.06.2017, 1 – entry into force. 01.07.2017]
2) a person not registered as a taxable person, on transactions concerning which the person has issued an invoice or other sales document in which the amount of value added tax is indicated;
3) a person not registered as a taxable person or taxable person with limited liability, except the persons specified in subsections 39 (1) and (2) of this Act who acquires a new means of transport from another Member State;
[RT I 2005, 68, 528 - entry into force 01.01.2006]
4) a person not registered as a taxable person or taxable person with limited liability who acquires alcohol, tobacco product or fuel, except within the meaning of the Alcohol, Tobacco, Fuel and Electricity Excise Duty Act (hereinafter excise goods) from another Member State, except for a natural person who acquires excise goods for personal use.
[RT I, 10.12.2010, 3 - entry into force 01.01.2011]
5) the owner of the goods upon the termination thereby of the tax warehousing (§ 44[1]) of the goods without transfer of the goods. This provision does not apply in cases where a person was the owner of the goods already at the time the goods were placed in the tax warehouse, except if the goods were stored at a tax warehouse following the domestic supply, import or intra-Community acquisition of the goods, and the goods were not transferred during the time they were stored at the tax warehouse.
[RT I 2008, 58, 324 - entry into force 01.01.2009]
6) the owner of excise goods under excise duty suspension arrangement upon taking thereby the excise goods out of the excise warehouse without transfer of the excise goods, except upon transporting the excise goods from one excise warehouse to another. This provision does not apply in cases where a person was the owner of the excise goods already at the time the excise goods were placed in the excise warehouse and the excise goods were not transferred in the excise warehouse. If the excise goods under excise duty suspension arrangement taken out of the excise warehouse have also been placed in a tax warehouse, clause 5) of this subsection shall apply.
[RT I, 27.03.2012, 7 - entry into force 01.04.2012]

Chapter 2
TAXABLE TRANSACTIONS AND ACTS

§ 4. Supply

(1) The following are supply:
1) the transfer of goods and provision of services in the course of business activities;

2) self-supply of goods or services;
3) the transport of goods to another Member State, without transferring them, for them to be used for business purposes there (clause 7 (1) 3)).
4) expropriation of goods for a charge.
[RT I 2009, 56, 376 - entry into force 01.01.2010]

(2) The following are not deemed to be supply:
1) the transfer of an enterprise or a part thereof within the meaning of the Law of Obligations Act.
[RT I 2008, 58, 324 - entry into force 01.01.2009]
2) the owner taking goods out of Estonia without transferring them, except in the case specified in clause (1) 3) of this section;
3) granting use of state assets without charge within the meaning of the State Assets Act and privatisation of state, rural municipality or city assets;
4) handing over the assets of a company, non-profit association or foundation to another company, non-profit association or foundation upon the merger, division or transformation of the company, non-profit association or foundation;
5) [Repealed - RT I 2008, 58, 324 – entry into force 1.01.2010]
6) handing over, in business interests, goods free of charge as product samples not for sale or handing over goods the taxable value of which does not exceed 10 euros for advertising purposes;
[RT I 2010, 22, 108 - entry into force 01.01.2011]
7) [Repealed - RT I 2008, 58, 324 - entry into force 1.01.2009]
8) granting of use of an automobile used for business purposes for a charge to an employee, servant or member of the management or control body of a taxable person, except in the cases specified in clauses 30 (4) 3) and 4) of this Act.
[RT I, 11.07.2014, 3 - entry into force 01.12.2014]

§ 5. Export of goods

(1) The export of goods means the following:
1) the transfer of Union goods by the transferor of the goods or foreign acquirer of the goods with transport of the goods to a destination outside the customs territory of the Union;
2) the re-export of non-Union goods placed under the temporary importation customes procedure with partial relief from import duties from the Union customs territory;
[RT I, 16.06.2017, 1 – entry into force 01.07.2017]
3) the re-export of non-Union goods placed under the inward processing customs procedure from the Union customs territory, or the delivery as take-away supplies, spare parts, accessories or consumption supplies on board a vessel or aircraft bound for a third country;
[RT I, 16.06.2017, 1 – entry into force 01.07.2017]
4) the transfer of goods exported from the Union customs territory under the outward processing procedure and the discharge of the procedure for the goods;
5) the transfer of goods by the transferor of the goods or foreign acquirer of the goods to a third country which belongs to the customs territory of the Union.
[RT I, 18.02.2014, 2 – entry into force 01.03.2014]

(2) The transfer of goods to a third country natural person for transportation to the third country in baggage with which the person is travelling may also be treated as the export of goods, if all of the following criteria are met:
1) the natural person is resident in the third country;
2) the sales price of the goods transferred to a person by the same taxable person at the same point of sale on the same date, together with value added tax, exceeds 38 euros;
[RT I, 20.12.2011, 2 - entry into force 01.01.2012]
3) the purchaser takes the goods in unopened packaging out of the Community not later than by the end of the third month following the transfer of the goods;
4) the taxable person has a document with the confirmation of the customs or the Police and Border Guard Board certifying that the purchaser has taken the goods out of the Union.
[RT I, 29.04.2016, 6 – entry into force 01.07.2016]

(3) The procedure for treating goods transferred to third country natural persons as exports shall be established by a regulation of the minister responsible for the area.

(4) The transfer of goods to a traveller bound for a third country only at sales facilities located in the passenger zone of an airport open for international passenger traffic is also treated as the export of goods.
[RT I, 16.06.2017, 1 – entry into force 01.07.2017]

(5) The export of goods is certified by the documents in proof of taking the goods out of the Community and transfer of the goods. The tax authority has the right to request additional documents in proof of the export of goods.

(6) The procedure for treating of goods transferred at sales facilities located in the passenger zone of an international airport as exports shall be established by a regulation of the minister responsible for the area.
[RT I, 16.06.2017, 1 – entry into force 01.07.2017]

§ 6. Import of goods

(1) The import of goods means the following:
1) the placing of non-Union goods under the customs procedure of release for free circulation or the temporary importation customs procedure with partial relief from import customs duties;
[RT I, 16.06.2017, 1 – entry into force 01.07.2017]
2) the placing of goods covered by the outward processing procedure under the customs procedure of release for free circulation;
3) other cases which result in a customs debt within the meaning of the Customs Code.
[RT I, 16.06.2017, 1 – entry into force 01.07.2017]

(2) The placing of non-Union goods under the customs procedure of release for free circulation is not deemed to be import if it:
[RT I, 18.02.2014, 2 – entry into force 01.03.2014]
1) was preceded by the placing of the goods under the temporary importation procedure with partial relief from import cusotms duties;
[RT I, 16.06.2017, 1 – entry into force 01.07.2017]
2) is directly followed by the transport of the goods to a third country which is a part of the customs territory of the Union, and the goods are to remain under customs supervision until they are carried out of Estonia.
[RT I, 18.02.2014, 2 – entry into force 01.03.2014]

(3) The goods are deemed to be imported in Estonia if the goods are placed under the customs procedures specified in subsection (1) of this section in Estonia.
[RT I, 2005, 68, 528 - entry into force 01.01.2006]

(4) The transport of goods which have been assigned customs status as being Union goods from a third country to Estonia is also deemed to be import of goods in Estonia.
[RT I, 18.02.2014, 2 - entry into force 01.03.2014]

§ 7. Intra-Community supply of goods

(1) Intra-Community supply of goods means the following:
1) the transfer of goods to a taxable person or taxable person with limited liability of another Member State together with the transport of the goods from Estonia to the other Member State, except in the cases specified in subsection (2) of this section;
2) the transfer of excise goods or a new means of transport to a person of another Member State together with the transport of the goods or means of transport from Estonia to the other Member State;
3) the transport of goods from Estonia to another Member State for them to be used for business purposes there, including the transfer of goods between a company and its permanent establishment located in another Member State, except in the cases specified in subsection (2) of this section.

(2) The following are not deemed to be intra-Community supply of goods:
1) temporary transport of goods from Estonia to another Member State for the provision of services there, including the transport of a movable to another Member State for hiring or leasing of the movable or establishment of a usufruct on the movable;
2) temporary transport of goods from Estonia to another Member State for up to twenty-four months for purposes which comply with the purposes of applying the temporary importation procedure with total relief from import duties;
3) the transport of movables from Estonia to another Member State for the purposes of them to be used in work, including for repair, evaluation, processing or installation (hereinafter work with movable) if, after the provision of the service, the movable is returned to the taxable person in Estonia who transported the movable to the other Member State;
4) the transfer of goods to be installed or assembled in another Member State;
5) distance selling of goods from Estonia to another Member State;
6) delivery of goods to a vessel or aircraft specified in clauses 15 (3) 3) or 4) of this Act to be consumed or sold on board;
7) the transport of goods from Estonia to another Member State for the purpose of taking them out of the Community if the goods are placed under the customs procedure of export in Estonia and the goods are taken out of the Community within two months after the goods were conveyed to the other Member State;
8) the transfer of goods to the acquirer in a triangular transaction;
9) the transport of natural gas or electricity, heating or cooling energy transmitted via network from Estonia to another Member State;
[RT I, 10.12.2010, 3 - entry into force 01.01.2011]
10) the transport of goods from Estonia to another Member State if the goods are transported to Estonia temporarily for up to twenty four months for a purpose which complies with the purposes of applying the temporary importation procedure with total relief from import duties;
11) the transport of movables from Estonia to another Member State if the movables are transported to Estonia temporarily for the purpose of work with the movables.

(3) Where the grounds for a transaction or act specified in subsection (2) of this section cease to exist, the transaction shall be deemed to constitute an intra-Community supply of goods in accordance with subsection (1) of this section and the intra-Community supply of goods shall be deemed to have been created on the date on which the grounds ceased to exist.

(4) An intra-Community supply of goods shall be certified by documents certifying the transfer of the goods and the transport of the goods to another Member State.
[RT I 2005, 68, 528 - entry into force 01.01.2006]

§ 8. Intra-Community acquisition of goods

(1) Intra-Community acquisition of goods is the acquisition of goods from a taxable person of another Member State together with the transportation of these goods from the other Member State to Estonia and the acquisition of a new means of transport from a taxable person of another Member State together with the transportation of that means of transport from the other Member State to Estonia, except in the cases specified in subsection (3) of this section.

(2) Intra-Community acquisition of goods also includes the transport of goods used for business purposes from another Member State to Estonia for the purpose of business being carried out in Estonia, except in the cases specified in subsection (3) of this section.

(3) The following are not deemed to be intra-Community acquisition of goods:
1) temporary transport of goods to Estonia for the provision of services, including the transport of a movable to Estonia for it to be hired or leased;
2) temporary transport of goods to Estonia for up to twenty-four months for purposes which comply with the purposes of applying the temporary importation procedure with total relief from import duties;
3) temporary transport of movables to Estonia for the purpose of work with the movables if the movables are transported to Estonia for the purposes of taking the movables out of the Community;
4) the acquisition of goods installed or assembled in Estonia from a taxable person of another Member State;
5) the transport of goods to Estonia for distance selling;
6) the acquisition of goods, except a new means of transport, by a natural person for personal use;
7) the acquisition of goods from a person not registered as a taxable person for a total amount not exceeding the threshold specified in subsection 21 (2) of this Act;
8) the acquisition of second-hand goods, original works of art, collectors' items or antiques from a taxable person of another Member State who applies the procedure for the calculation of taxable value provided in § 41 of this Act when calculating the tax liabilities of that person in the other Member State;
9) the acquisition of goods by the acquirer in a triangular transaction.
10) the transport of natural gas or electricity, heating or cooling energy transmitted via a network from another Member State to Estonia;
[RT I, 10.12.2010, 3 - entry into force 01.01.2011]
11) the transport of goods from another Member State to Estonia for the purpose of taking them out of the Community if the goods are placed under the customs procedure of export in the other Member State and the goods are taken out of the Community within two months after the goods were conveyed to Estonia;
12) the transport of goods to Estonia if the goods are transported to another Member State temporarily for up to twenty four months for a purpose which complies with the purposes of applying the temporary importation procedure with total relief from import duties;
13) the transport of movables from another Member State to Estonia if the movables are transported to Estonia temporarily for the purposes of work with the movables.

(4) Where the grounds for an act specified in subsection (3) of this section cease to exist, the act shall be deemed to constitute intra-Community acquisition of goods in accordance with subsection (1) of this section and the intra-Community acquisition of goods shall be deemed to have been effected on the date on which those grounds ceased to exist.

(5) Intra-Community acquisition of goods also includes the acquisition of goods from a taxable person of another Member State if the taxable person uses its number of registration as a taxable person in Estonia when acquiring the goods and if the goods are transported from the Member State of the transferor to another Member State, unless the taxable person proves that:
1) value added tax on the intra-Community acquisition of goods will be paid in the Member State to which the goods are transported, or
2) the taxable person was the reseller in a triangular transaction.
[RT I 2005, 68, 528 - entry into force 01.01.2006]

Chapter 3
GENERAL PRINCIPLES OF TAXATION

§ 9. Place of supply of goods

(1) The place of supply of goods is Estonia if:

1) the goods are transported or made available to the recipient in Estonia, are exported from Estonia or if intra-Community supply of goods is effected or distance selling takes place from Estonia to a person of another Member State who is not a taxable person or taxable person with limited liability of the other Member State, except in the case specified in subsection (2) of this section;
2) a person of another Member State engaged in business who is registered as a taxable person in Estonia engages in distance selling to a person of Estonia who is not a taxable person or a taxable person with limited liability;
3) a person of another Member State engaged in business transfers goods to be installed or assembled, and installs or assembles them in Estonia or such goods are installed or assembled in Estonia on the person's behalf;
4) the goods, including goods consumed or sold on board, are transferred on board a vessel or aircraft departing on an international route from Estonia.
5) natural gas or electricity, heating or cooling energy is transferred via a network to a reseller who is an Estonian taxable person located in Estonia;
[RT I, 10.12.2010, 3 - entry into force 01.01.2011]
6) natural gas or electricity, heating and cooling energy transmitted via a network is transferred to the acquirer of the goods who will use the goods in Estonia. If the acquirer of the goods does not use all or a part of the goods, the unused goods are still deemed to be goods used in Estonia if the acquirer of the goods has a seat or permanent business establishment in Estonia for which the goods were transferred. This provision does not apply in the case specified in clause 5) of this section.
[RT I, 10.12.2010, 3 - entry into force 01.01.2011]

(2) The place of supply of goods is not Estonia if the taxable person:
1) is registered as a taxable person in another Member State and is engaged in distance selling to a person of that other Member State who is not a taxable person or taxable person with limited liability of another Member State;
2) transfers goods and installs or assembles the goods in another Member State.
3) transfers natural gas or electricity, heating or cooling energy transmitted via a network to a reseller or another person of another Member State who will not use the goods in Estonia.
[RT I, 10.12.2010, 3 - entry into force 01.01.2011]

(3) For the purposes of clause (1) 5) and (2) 3) of this section, "reseller" means a person engaged in business who generally transfers the natural gas or electricity, heating and cooling energy acquired thereby and uses such goods for own purposes only to an insignificant extent.
[RT I, 10.12.2010, 3 - entry into force 01.01.2011]

§ 10. Place of supply of services

(1) The place of supply of services is Estonia if the services are provided to a taxable person or taxable person with limited liability registered in Estonia or if the services are provided through a seat or permanent establishment located in Estonia to a person who is not registered as a taxable person or taxable person with limited liability in any of the Member States or who is not a third country person engaged in business, except in the cases specified in subsections (2), (4) and (5) of this section.

(2) The place of supply of services is Estonia if:
1) the services are connected with an immovable located in Estonia, including construction, valuation or maintenance, or services for the transfer of the immovable, for preparing or co-ordinating construction works, and accommodation services are provided;
2) cultural, artistic, sporting, educational, scientific or entertainment services or services connected with trade fairs or exhibitions are provided in Estonia to a person who is not registered as a taxable person or taxable person with limited liability in any of the Member States or who is not a third country person engaged in business. The services also include the organisation of the related events and provision of ancillary services;
[RT I 2009, 56, 376 - entry into force 01.01.2011]
2^1) entrance services to cultural, artistic, sporting, educational, scientific or entertainment events or trade fairs or exhibitions or ancillary services related to entrance services are provided in Estonia to a taxable person or taxable person with limited liability of another Member State or to a third country person engaged in business;
[RT I 2009, 56, 376 - entry into force 01.01.2011]
3) transport services related to the carriage of passengers, including their personal luggage and personal means of transport is provided in Estonia;
4) restaurant and catering services are provided in Estonia, except in cases provided in clause 5) of this subsection and clause (4) 5) of this section;
5) restaurant or catering services are provided during the carriage of passengers taking place within the Community territory on board of such a vessel or aircraft departing on an international route from Estonia.
6) means of transport are hired or leased or a usufruct is established thereon in Estonia on a short-term basis;
6^1) means of transport are hired or leased or a usufruct is established thereon to a person who is not registered as a taxable person or taxable person with limited liability in any of the Member States or who is not a third country person engaged in business whose seat or place of residence is in Estonia, except in the cases provided in clauses 6) and 6^2) of this subsection and clause (4) 4^1) of this section;

[RT I, 27.03.2012, 7 - entry into force 01.01.2013]

6[2]) pleasure or recreational craft are hired or leased or a usufruct is established thereon in Estonia to a person who is not registered as a taxable person or taxable person with limited liability in any of the Member States or who is not a third country person engaged in business and the service provider's seat or permanent business establishment is in Estonia, except in the cases provided in clause 6) of this subsection;
[RT I, 27.03.2012, 7 - entry into force 01.01.2013]

7) work is performed with movables located in Estonia or movables located in Estonia are valued and the services specified in this clause are provided to a person who is not registered as a taxable person or taxable person with limited liability in any of the Member States or who is not a third country person engaged in business;

8) transport services for goods are provided in Estonia, including the carriage of means of transport related to the carriage of goods, or such transport of goods is organised to a person who is not registered as a taxable person or taxable person with limited liability in any of the Member States or who is not a third country person engaged in business. This provision does not apply to the cases provided in clause 9) of this subsection and clause (4) 6) of this section.

9) transport services for transporting goods from Estonia to another Member State are provided, including the carriage of means of transport related to transport of goods or such transport of goods is organised to a person who is not registered as a taxable person or taxable person with limited liability in any of the Member States or who is not a third country person engaged in business;

10) ancillary services related to transport of goods are provided in Estonia to a person who is not registered as a taxable person or taxable person with limited liability in any of the Member States or who is not a third country person engaged in business;

11) a transaction or other act the place of supply of which is Estonia is mediated and the intermediation service is provided to a person who is not registered as a taxable person or taxable person with limited liability in any of the Member States or who is not a third country person engaged in business.

12) electronic communications services for the purposes of the Electronic Communications Act (hereinafter electronic communications service) or electronically supplied services are provided to a person whose seat or place of residence is in Estonia, who is not registered as a taxable person or taxable person with limited liability in any of the Member States.
[RT I, 18.02.2014, 2 – entry into force 01.01.2015]

(3) [Repealed - RT I, 18.02.2014, 2 – entry into force 01.01.2015]

(4) The place of supply of services is not Estonia if:

1) services connected with an immovable located in a foreign country, including construction, valuation and maintenance, and services for the transfer of the immovable, for preparing or coordinating construction works, and accommodation services are provided;

2) cultural, artistic, sporting, educational, scientific or entertainment services or services connected with trade fairs or exhibitions are provided in a foreign country to a person who is not registered as a taxable person or taxable person with limited liability in any of the Member States or who is not a third country person engaged in business. The services also include the organisation of related events and provision of ancillary services;
[RT I 2009, 56, 376 - entry into force 01.01.2011]

2[1]) entrance services to cultural, artistic, sporting, educational, scientific or entertainment events or trade fairs or exhibitions or ancillary services related to entrance services are provided in a foreign country to a taxable person or taxable person with limited liability or to a third country person engaged in business;
[RT I 2009, 56, 376 - entry into force 01.01.2011]

3) work is performed with movables located in a foreign country or movables located in a foreign country are valued and the services specified in this clause are provided to a person who is not registered as a taxable person or taxable person with limited liability in any of the Member States or who is not a third country person engaged in business;

4) transport services related to the carriage of passengers, including their personal luggage and personal means of transport is provided outside Estonia;

4[1]) means of transport is hired or leased or a usufruct is established thereon in a foreign state on a short-term basis;
[RT I, 10.12.2010, 3 - entry into force 01.01.2011]

4[2]) means of transport is hired or leased or a usufruct is established thereon to a person who is not registered as a taxable person or taxable person with limited liability in any of the Member States or who is not a third country person engaged in business and whose seat or place of residence is in a foreign country, except in the cases provided in clauses 4[1]) and 4[3]) of this subsection and clause (2) 6) of this section;
[RT I, 27.03.2012, 7 - entry into force 01.01.2013]

4[3]) pleasure or recreational craft are hired or leased or a usufruct is established thereon in a foreign country to a person who is not registered as a taxable person or taxable person with limited liability in any of the Member States or who is not a third country person engaged in business and the service provider's seat or permanent business establishment is in a foreign country in Estonia, except in the cases provided in clause 4[1]) of this subsection;
RT I, 27.03.2012, 7 - entry into force 01.01.2013]

5) restaurant or catering services are provided during the carriage of passengers taking place in the Community territory on board of such a vessel or aircraft or in a train departing on an international route from another Member State;

5[1]) restaurant or catering services are provided in a foreign state, except in the cases provided in clause 5) of this subsection and clause (2) 5) of this section.
[RT I, 10.12.2010, 3 - entry into force 01.01.2011]
6) transport services for goods from another Member State to Estonia or outside Estonia are provided, including the carriage of means of transport related to the carriage of goods, or such carriage of goods is organised to a person who is not registered as a taxable person or taxable person with limited liability in any of the Member States or who is not a third country person engaged in business;
7) ancillary services related to transport of goods are carried out outside Estonia to a person who is not registered as a taxable person or taxable person with limited liability in any of the Member States or who is not a third country person engaged in business;
8) a transaction or other act the place of supply of which is not Estonia is mediated and the intermediation service is provided to a person who is not registered as a taxable person or taxable person with limited liability in any of the Member States or who is not a third country person engaged in business;
9) services are provided in the cases not specified in clauses 1)-8) and subsection (2) of this section through a seat or permanent establishment in Estonia to a taxable person or taxable person with limited liability registered in another Member State or to a third country person engaged in business.
10) electronic communications services or electronically supplied services are provided to a person whose seat or place of residence is in another Member State, who is not registered as a taxable person or taxable person with limited liability in any of the Member States.
[RT I, 18.02.2014, 2 – entry into force 01.01.2015]

(5) The place of supply is not Estonia if a taxable person provides to a third country person not engaged in business the following services:
1) grant of the use of intellectual property or transfer of the right to use intellectual property;
2) advertising services;
3) services of consultants, accountants, lawyers, auditors and engineers, translation services, as well as data processing or the supplying of information;
4) financial services, except for leasing safes, or insurance services, including reinsurance and insurance intermediation services;
5) allowing use of manpower;
6) the hiring or leasing of or establishment of a usufruct on movables, except means of transport;
7) electronic communications services, including assignment of rights to use transmission lines;
8) electronically supplied services;
9) allowing access to natural gas or electricity, heating and cooling energy network connections, and transmission of natural gas or electricity, heating or cooling energy through networks and services directly related thereto;
[RT I, 10.12.2010, 3 - entry into force 01.01.2011]
10) transfer of permitted limit values of emissions of greenhouse gases regulated by the Atmospheric Air Protection Act;
[RT I, 05.07.2016, 1, 2 – entry into force 01.01.2017]
11) refraining from the services specified in clauses 1)-10) of this subsection, waiving the exercise of a right or tolerating a situation for a charge.

(6) For the purposes of this section, “means of transport” means a vehicle, aircraft, vessel or other means of transport with a code in the Combined Nomenclature (hereinafter CN-code) established by Council Regulation No 2658/87/EEC on the tariff and statistical nomenclature and on the Common Customs Tariff (OJ L 256, 7.09.1987, pp.1-675) beginning with the numbers 86, 87, 88 or 89.

(7) For the purposes of this section, a means of transport, except a vessel, is deemed to have been hired or leased or a usufruct is deemed to have been established thereon on a short-term basis if the service is provided within a period not longer than 30 calendar days. A vessel is deemed to have been hired or leased or a usufruct is deemed to have been established thereon on a short-term basis if the service is provided within a period not longer than 90 calendar days.

(8) Ancillary transport services include the loading, unloading, handling and warehousing of goods within the framework of carriage, as well as insurance, the preparation and obtaining of documents relating to goods and the completion of customs formalities.
[RT I 2009, 56, 376 - entry into force 01.01.2010]

§ 11. Time of supply, import of goods, receipt of services and intra-Community acquisition of goods

(1) The time of supply or the time of receipt of services is deemed to be the date on which the first of one of the following acts is performed:
1) the goods are dispatched or made available to the purchaser, or the services are provided;
2) full or partial payment is received for the goods or services or, in the case of the receipt of services, full or partial payment is made;

3) in the case of self-supply, the transfer of goods or provision of services or putting the goods of an enterprise into service by a taxable person or an employee, servant or a member of the management or control body of the person or for purposes other than business.
[RT I 2008, 58, 324 - entry into force 01.01.2009]

(2) The Intra-Community supply of goods is created or intra-Community acquisition of goods is effected on the fifteenth day of the month following the month in which the goods obtained by intra-Community acquisition of goods are dispatched or made available or on the date on which an invoice is issued for the goods if the invoice is issued prior to the fifteenth day of the month following the month in which the goods are dispatched or made available to the purchaser, except in the cases specified in subsections 7 (3) and 8 (4) of this Act.
[RT I, 24.04.2018, 2 - entry into force 01.05.2018]

(3) If, according to subsection (1) of this section, the time of supply is the time at which full or partial payment is received or made for the goods or services, supply is deemed to have been effected in the amount of the payment. Receipt of a grant for the transfer of goods or services for a price lower than their usual value shall not be considered as receipt of payment for the goods or services.

(4) If the provision of services continues for longer than a period of taxation, the services are deemed to have been provided and received during the taxable period in which the provision of the services terminates. In the case of the provision of services or regular transfers of goods to the same purchaser, the time at which the goods are dispatched or made available to the purchaser or the time at which the services are provided and received is deemed to be the taxable period overlapping with the end of the period of time for which an invoice is submitted or during which payment for goods or services received is to be made as agreed, but not later than after twelve calendar months. Upon provision of service, in the case of which a tax liability arises for the recipient of the service, within a longer period of time than one year, the supply of the service shall be deemed to have been created or the service received, as of the commencement of the provision of the service, on 31 of December of each calendar year if the services have not been paid for and the provision of the services has not been completed within the period.
[RT I, 29.04.2016, 6 - entry into force 01.07.2016]

(5) If any of the acts specified in subsection (1) of this section are performed before the obligations of a taxable person (§ 24) arise, the taxable person is required to calculate value added tax on the taxable value of the transaction only if the goods are dispatched or made available to the purchaser or the services are provided during the period in which such obligations apply to the taxable person.

(6) Upon the import of goods, in the cases specified in clauses 6 (1) 1) and 2) of this Act, the time of supply is the date of release of the goods within the meaning of the Customs Code or, in the cases specified in clause 6 (1) 3) of this Act, the date on which the customs debt is incurred and, in the case specified in subsection 6 (4) of this Act, the date on which the goods are transported to Estonia.
[RT I, 16.06.2017, 1 – entry into force 01.07.2017]

(7) The supply of returnable packaging on which a deposit has been established pursuant to the Packaging Act which is not included in the taxable value of the goods and which is not returned to the producer who is a taxable person within a calendar year is deemed to be effected on 31 December. The supply shall be equal to the sum total of the deposits of returnable packages not returned during a calendar year.
[RT I 2005, 68, 528 - entry into force 01.01.2006]

§ 12. Taxable value of supply, intra-Community acquisition of goods and services received

(1) The taxable value of supply or the taxable value of the intra-Community acquisition of goods and services received is comprised of the sales price of the goods or services and anything else which is deemed to be fee that the transferor of the goods or the provider of the services has received or will receive from the purchaser of the goods, the recipient of the services or a third party for the goods or services. This provision does not apply to cases specified in subsections (3), (6), (7^1), (10), (13) and (14) of this section.
[RT I, 07.07.2017, 3 - entry into force 01.01.2018]

(2) Grants allocated to a taxable person for the transfer of goods or services for a price lower than their usual value shall be included in the taxable value. The procedure for including grants in taxable value and for the taxation thereof shall be established by a regulation of the minister responsible for the area.

(3) In the case of the transfer of goods without charge and intra-Community acquisition of goods without charge as well as the transport of goods to another Member State which is deemed to be intra-Community supply (clause 7 (1) 3)), the taxable value shall be the value determined on the basis of the purchase price or, in the absence thereof, the cost price of the goods or other similar goods during the performance of the aforementioned acts.
[RT I 2008, 58, 324 - entry into force 01.01.2009]

(3^1) [Repealed - RT I 2008, 58, 324 - entry into force 1.01.2009]

(4) [Repealed - RT I 2008, 58, 324 - entry into force 1.01.2009]

(5) [Repealed - RT I 2008, 58, 324 - entry into force 1.01.2009]

(6) In the case of self-supply, the taxable value shall be the purchase price or, in the absence thereof, the cost price of the goods or the cost price of the services, except in the case provided in subsection (7^1) of this section.
[RT I, 07.07.2017, 3 - entry into force 01.01.2018]

(6^1) Taxable value shall also include other amounts, including accessory expenses, fees and taxes, except value added tax payable in Estonia or a foreign country that the transferor of the goods or the provider of the services requires from the acquirer of the goods or the recipient of the services with regard to the transaction.
[RT I 2008, 58, 324 - entry into force 01.01.2009]

(7) [Repealed - RT I, 11.07.2014, 3 - entry into force 01.12.2014]

(7^1) If self-supply is the granting of use of a lorry of the employer with a gross weight not exceeding 3,500 kilograms for the purposes of the Traffic Act or, in the cases specified in clauses 30 (4) 3) and 4) of this Act, the granting of use of the automobile of the employer for purposes other than a task, duty or function or activity related to business, the taxable value of the specified supply, including the value added tax, is the price of a fringe benefit calculated on the basis of the Income Tax Act.
[RT I, 07.07.2017, 3 - entry into force 01.01.2018]

(8) Taxable value shall not include price discounts allowed to the customer if such discounts are applied for commercial purposes at the time of selling the goods or providing the services. Neither shall the interest payable upon the transfer of the goods be included in the taxable value of the supply of the goods.
[RT I 2008, 58, 324 - entry into force 01.01.2009]

(9) Taxable value shall not include the amounts received from the purchaser of goods or the recipient of services as repayment for expenses incurred in the name and for the account of the purchaser or recipient which are entered in the books in a suspense account. Proof of the actual amount of this expenditure must be furnished. A taxable person shall not deduct the input value added tax included in the expenses paid out in the name and for the account of the purchaser of goods or the recipient of services.

(10) The taxable value of a factoring service shall be the contract fee and the fee for handling the accounts.

(11) The value of returnable packaging specified in subsection 11 (7) of this Act is not included in the taxable value of goods if the producer who is a taxable person does not transfer the returnable packaging.

(12) Deposits established on packaging pursuant to the packaging Act are not included in the taxable value of goods.

(13) In the case of termination of the tax warehousing of goods or the transport of excise goods under excise duty suspension arrangement out of the excise warehouse without transfer of the goods (clause 3 (6) 5) and 6)), the taxable value of supply shall be the purchase price or the cost price of the goods, or the usual value of the goods if this is lower than the purchase price or cost price. Only in justified cases, the taxable value of goods may be lower than the value of the goods entered in the warehouse stock at the time of placing such goods in the tax warehouse or excise warehouse.
[RT I, 27.03.2012, 7 - entry into force 01.04.2012]

(14) If goods are transferred or services provided to related persons for the purposes of the Income Tax Act, the taxable value shall be the market value provided that the fee payable for the transfer of the goods or provision of the services is:
1) lower than the market value and the acquirer of the goods or the recipient of the services has no right for deduction of input value added tax in full;
2) lower than the market value and the transferor of the goods or the provider of the services has no right for deduction of input value added tax in full and the transfer of the goods or the provision of the service is supply exempt from tax;
3) higher than the market value and the transferor of the goods or the provider of the services has no right for deduction of input value added tax in full.
[RT I 2008, 58, 324 - entry into force 01.01.2009]

(15) Subsection (14) of this section shall be applied to prevent tax evasion or tax avoidance. The aforementioned subsection shall also be applied in the case of intra-Community acquisition of goods.
[RT I 2008, 58, 324 - entry into force 01.01.2009]

(16) For the purposes of this Act, “market value” means the total amount that the acquirer of the goods or the recipient of the services should pay under the terms of free competition for the acquisition of the goods and the receipt of the services at the same marketing stage, when the goods are transferred or the services provided, to an independent transferor of the goods or provider of the services in a Member State where the transfer of the goods or the provision of the services is taxed.
[RT I 2008, 58, 324 - entry into force 01.01.2009]

(17) If no comparable transfer of goods or provision of services is found, the market value shall be:
1) in the case of goods an amount that is not lower than the purchase price of the goods or similar goods or, in the absence thereof, the cost price thereof, which shall be determined during the transfer of the goods or the provision of the services;
2) in the case of services an amount that is not lower than the total costs of the taxable person in the provision of the services.
[RT I 2008, 58, 324 - entry into force 01.01.2009]

§ 13. Taxable value of imported goods

(1) The taxable value of imported goods, except in the cases specified in subsections (3)-(6) of this section, is comprised of the customs value of the goods according to the Customs Code and all duties payable upon import (hereinafter import duties), as well as other costs related to the carriage of the goods to destination, including commission, packing, transportation and insurance costs which have not been included in the customs value, up to the first place of destination in the territory of Estonia
[RT I, 16.06.2017, 1 – entry into force 01.07.2017]

(2) The first place of destination in the territory of Estonia is the place indicated on the accompanying documents or other documents on the basis of which the goods are imported. If this is not indicated, the first place at which the goods are loaded in the territory of Estonia is deemed to be the first place of destination.
[RT I 2008, 58, 324 - entry into force 01.01.2009]

(3) If a traveller imports goods in excess of the duty-free cost limit, the taxable value of the imported goods is comprised of the purchase price of the goods and all import duties. The traveller shall prove the purchase price on the basis of the payment documents. If such documents are missing or the customs authorities have reason to believe that the declared value does not correspond to the price actually paid, the customs value shall be determined using other methods specified in Article 74 of the Customs Code.
[RT I, 16.06.2017, 1 – entry into force 01.07.2017]

(4) If the goods conveyed into the customs territory are imported after being placed under a special procedure, the taxable value of the imported goods shall not, in general, be less than the taxable value of the imported goods would have been upon the import directly after having been conveyed into the customs territory. If a lower taxable value is declared upon import of the goods which have been placed under a special procedure, the customs authorities shall act according to the provisions of Article 140 of Commission Implementing Regulation (EU) 2015/2447 laying down detailed rules for implementing certain provisions of Regulation (EU) No 952/2013 of the European Parliament and of the Council laying down the Union Customs Code (OJ L 343, 29.12.2015, pp. 558–893). When the conditions laid down in Articles 69-76 of the Customs Code and Articles 127-146 of Commission Implementing Regulation (EU) 2015/2447 are fulfilled and the justification of the decrease in value satisfies the customs authorities, the customs authorities shall accept the declared taxable value. If the justification of the decrease in taxable value does not satisfy the customs authorities, the customs authorities shall determine the customs value pursuant to Article 74 of the Customs Code.
[RT I, 16.06.2017, 1 – entry into force 01.07.2017]

(5) In the case of the import of goods covered by the outward processing procedure into the Union by the person who exported the goods from the Union, the taxable value is comprised of the value added during such processing and the loading, packing, transportation and insurance costs added to the value of the goods, including all import duties. Under the standard exchange system, the taxable value of the replacement product shall be determined pursuant to the provisions of subsection (1) of this section and it shall not be less than the taxable value of the exported goods.
[RT I, 18.02.2014, 2 – entry into force 01.03.2014]

(6) Where goods are transported into Estonia from a third country which is part of the Union customs territory (subsection 6 (4)), the taxable value of the goods shall be determined pursuant to the provisions of § 12 of this Act.
[RT I, 18.02.2014, 2 - entry into force 01.03.2014]

(7) The tax established by this Act is not included in the taxable value of imported goods

§ 14. Taxable value of exported goods

(1) In the case of export, the taxable value of the goods shall be determined pursuant to the provisions of § 12 of this Act but, in the case of the transfer of goods for a price higher than their usual value, the usual value of the goods is deemed to be the taxable value of the goods.

(2) Upon the re-export of goods brought to Estonia under the inward processing customs procedure or upon prior export of products produced from equivalent goods under the authorisation for inward processing, the value of goods imported for processing or the value of equivalent goods shall not be included in the taxable value.
[RT I, 16.06.2017, 1 – entry into force 01.07.2017]

§ 15. Value added tax rates

(1) The rate of value added tax shall be 20 per cent of the taxable value, except in the cases provided in subsections (2)-(4) of this section.
[RT I 2009, 35, 232 - entry into force 01.07.2009]

(2) The rate of value added tax on the following goods and services shall be 9 per cent of the taxable value:
1) books and workbooks used as learning materials, excluding learning materials specified in clause 16 (1) 6) of this Act;
2) medicinal products, contraceptive preparations, sanitary and toiletry products and medical devices intended for the personal use of disabled persons for the purposes of the Medical Devices Act and technical aid for the purposes of the Social Welfare Act which are specified in the list established by a regulation of the minister responsible for the area and the grant of use of such medical devices to disabled persons;
[RT I, 30.12.2015, 5 - entry into force 01.01.2016]
3) periodic publications, excluding publications mainly containing advertisements or personal announcements, or publications the content of which is mainly erotic or pornographic;
[RT I, 27.03.2012, 7 - entry into force 01.04.2012]
4) accommodation services or accommodation services with breakfast, excluding any goods or services accompanying such services;
[RT I 2008, 51, 283 - entry into force 01.01.2009]

(3) The rate of value added tax on the following goods shall be 0 per cent of the taxable value:
1) exported goods, excluding cases where the supply of such goods is exempt from tax pursuant to § 16 of this Act;
2) goods where their transfer and transport to another Member State or transport to another Member State without transfer is deemed to be intra-Community supply of goods. This provision does not apply in cases where the supply of goods is exempt from tax pursuant to § 16 of this Act or the acquirer of the goods, except for new means of transport or excise goods, or the transferor of own goods to another Member State has no valid number of registration as a taxable person or taxable person with limited liability issued in the other Member State;
3) sea-going vessels navigating in international waters, except pleasure craft used for purposes other than those of business interests, and equipment, spare parts, fuel and other supplies used on such sea-going vessels and goods to be transferred to passengers for consumption on board, except goods sold on board sea-going vessels during passenger transport in Union waters to be taken away;
[RT I, 18.02.2014, 2 – entry into force 01.03.2014]
4) aircraft used by an air carrier operating mostly on international routes and equipment, spare parts, fuel and other supplies used on such aircraft and goods to be transferred to passengers for consumption on board, except goods sold on board of such aircraft during intra-Community passenger transport to be taken away;
5) goods transferred and transported to another Member State to a diplomatic representative, a consular agent (except an honorary consul), a representative or representation of a special mission or an international organisation recognised by the Ministry of Foreign Affairs, headquarters of an international organisation, a diplomatic representation, a consular post, a special mission or a Union institution;
[RT I, 29.04.2016, 6 – entry into force 01.05.2016]
5^1) goods transferred to a Union institution located in Estonia on condition that the total value of the goods without value added tax makes up at least 53 euros pursuant to the invoice, except in the case of public utility services and fuel within the meaning of the Liquid Fuel Act;
[RT I, 29.04.2016, 1 – entry into force 01.01.2017]
6) goods transferred and transported to another Member State which is a Member State of the North Atlantic Treaty Organisation (hereinafter NATO) and intended for the performance of the duties of the armed forces of any other NATO Member State or the civilian staff accompanying them if such armed forces take part in the common defence effort, or to international military headquarters;
[RT I, 29.04.2016, 6 – entry into force 01.05.2016]
6^1) goods transferred to international military headquarters located in Estonia if the tax incentives are laid down in an international agreement ratified by the Riigikogu, or for the performance of the duties to the armed forces of a NATO Member State participating in the common defence effort, except Estonia, and the civilian staff accompanying them;
[RT I, 29.04.2016, 6 – entry into force 01.05.2016]
7) [Repealed - RT I, 16.06.2017, 1 – entry into force 01.07.2017]]
8) non-Union goods placed under the customs procedure of customs warehousing, free zone, inward processiong, transit or temporary importation with total relief from import duties or non-Union goods in temporary storage on the condition that the goods have not been unlawfully removed from under customs supervision and have not been consumed or used in the cases other than those prescribed in the customs legislation within the meaning of the Customs Code;
[RT I, 16.06.2017, 1 – entry into force 01.07.2017]
9) Union goods transferred and transported to a free zone for export purposes and Union goods placed in a free zone which are exported directly from the free zone within two months as of the transportation to the free zone;
[RT I, 16.06.2017, 1 – entry into force 01.07.2017]
10) gold transferred to Eesti Pank;

11) the goods specified in Annex V to Council Directive 2006/112/EC if the goods are immediately placed in a tax warehouse or have been placed in a tax warehouse (§ 44^1) and the transaction does not involve termination of tax warehousing. The provision shall not apply to fuel released for consumption for the purposes of the Alcohol, Tobacco, Fuel and Electricity Excise Duty Act if the fuel has been placed in the excise warehouse.
[RT I, 27.03.2012, 7 - entry into force 01.04.2012]
12) excise goods under excise duty suspension arrangement placed in an excise warehouse if the transaction does not involve taking the goods out of the excise warehouse, except transporting the excise goods from one excise warehouse to another.
[RT I, 27.03.2012, 7 - entry into force 01.04.2012]
13) goods that are transferred in a canteen, cafeteria or mess of an international military headquarters under the condition prescribed in an international agreement ratified by Riigikogu.
[RT I, 01.06.2013, 1 - entry into force 01.07.2013]

(4) The rate of value added tax on the following services shall be 0 per cent of the taxable value:
1) services where the place of supply is not Estonia, excluding cases where the supply of such services is exempt from tax pursuant to § 16 of this Act;
2) the provision of services necessary for the journey to passengers on board vessels or aircraft during the international transport of passengers;
3) the provision of port services to meet the direct needs of vessels navigating international waters;
4) the provision of navigation services and airport services directly connected to provision of service to aircraft used by an air carrier operating mostly on international routes;
[RT I, 10.12.2010, 3 - entry into force 01.01.2011]
5) [Repealed – RT I 2005, 68, 528 - entry into force 1.01.2006]
6) the repair, maintenance, chartering and hiring of or establishment of a usufruct on sea-going vessels navigating in international waters, except pleasure craft used for purposes other than business, and aircraft used by an air carrier operating mostly on international routes, and the repair, maintenance and hiring of or establishment of a usufruct on equipment used on such vessels or aircraft;
7) intermediation, if the place of supply of the transaction being mediated is a third country, or the goods being mediated are the goods specified in clauses (3) 1), 3)-6) and 10) of this subsection, or the services being mediated are the services specified in clauses 2)-4), 6), 9), 10) 12) and 14) of this subsection;
8) transport service for goods placed under an external transit procedure, services for the organisation of such transport of goods and ancillary services related to such transport of goods if the carriage is a part of the carriage which begins or ends in a third country;
[RT I, 18.02.2014, 2 – entry into force. 01.03.2014]
9) transport services for the export of goods, services for the organisation of transport of goods and ancillary services related to such transport of goods;
10) transport services for the import of goods, services for the organisation of transport of goods and ancillary services related to such transport of goods, if the cost of such services is included in the taxable value of the goods to be imported;
11) carriage of goods to the Azores or Madeira or from the Azores or Madeira to Estonia or another Member State;
12) work with movables which are acquired from Estonia or brought to Estonia for the purpose of provision of such service and which are taken out of the Community after the service has been provided;
[RT I 2008, 58, 324 - entry into force 01.01.2009]
13) carriage of passengers specified in clause 10 (2) 3) of this Act, including their personal luggage and personal means of transport, if the carriage of passengers in Estonia constitutes a part of international transport of passengers;
[RT I 2009, 56, 376 - entry into force 01.01.2010]
14) service provided to a person, representation, agency, special mission, Union institution or armed forces or headquarters located in a foreign state and specified in clause (3) 5) or 6) of this section;
[RT I, 29.04.2016, 6 – entry into force. 01.05.2016]
14^1) service provided to international military headquarters located in Estonia if the tax incentives are laid down in an international agreement ratified by the Riigikogu or for the performance of the duties to the armed forces specified in clause (3) 6^1) of this section and the civilian staff accompanying them.
[RT I, 29.04.2016, 6 – entry into force. 01.05.2016]
14^2) service provided to a Union institution located in Estonia on condition that the total value of the goods without value added tax makes up at least 53 euros pursuant to the invoice, except in the case of public utility services and telecommunications services;
[RT I, 29.04.2016, 1 – entry into force 01.01.2017]
15) service that is provided by a canteen, cafeteria or mess of an international military headquarters under the condition prescribed in an international agreement ratified by Riigikogu.
[RT I, 01.06.2013, 1 - entry into force 01.07.2013]

(5) Provision of services with the 0 per cent value added tax rate shall be certified by a contract concluded for the provision of such service, a written order, invoice or other document in proof of the provision of the service. The tax authority has the right to request additional documents in proof of the provision of the service.

(5^1) In the cases specified in clauses (3) 5)-6^1) and clauses (4) 14)-14^2) of this section, the document in proof of the provision of a service with the 0 per cent value added tax rate shall be the value added tax exemption certificate established by Council Implementing Regulation (EU) No 282/2011 laying down implementing measures for Directive 2006/112/EC on the common system of value added tax (OJ L 77, 23.03.2011, pp. 1-22)

[RT I, 29.04.2016, 6 – entry into force 01.01.2017]

(5^2) In the cases specified in clauses (3) 5^1) and 6^1) and clauses (4) 14^1) and 14^2) of this section the right of a Union institution located in Estonia and the armed forces of a NATO Member State participating in the common defence effort and of the accompanying civilian staff and of the international military headquarters to apply for the acquisition of goods and receipt of services with the 0 per cent value added tax rate shall be approved on the value added tax exemption certificate, specified in subsection (5^1) of this section, by the minister responsible for the area or an official authorised by him or her..
[RT I, 29.04.2016, 6 – entry into force 01.01.2017]

(6) Regardless of the provisions of clause (3) 1) of this section, tax exemption is applied instead of the 0 per cent value added tax rate in the following cases:
1) export of similar goods replacing goods which were returned to Estonia after export within the meaning of the Customs Code if the goods to be replaced were returned to Estonia under a tax exemption on the basis of subsection 17 (2) of this Act;
[RT I, 16.06.2017, 1 – entry into force 01.07.2017]
2) export of goods imported into Estonia under the 0 per cent value added tax rate on the basis of subsection (3) of this section or under a tax exemption on the basis of § 17 of this Act.
($6^{1)}$Regardless of the provisions of clause (4) 1) of this section, tax exemption is applied instead of the 0 per cent value added tax rate to services whose place of supply is another Member State if, upon provision of the service, the taxable person uses the number of registration of the person as a taxable person in another Member State.

(7) [Repealed - RT I 2009, 46, 307 - entry into force 16.09.2009, applied retroactively as of 1.07.2009]

§ 16. Supply exempt from tax

(1) Value added tax shall not be imposed on the supply of the following goods and services of a social nature:
1) universal postal services within the meaning of the Postal Act and payment of state pensions, benefits, support and compensation pursuant to the procedure prescribed by the State Pension Insurance Act by means of post;
2) health services within the meaning of the Health Service Organisation Act and the supply of an organ or tissue of human origin, human blood or blood product made from human blood and breast milk, as specified in the list approved by a regulation of the minister responsible for the area;
[RT I, 29.04.2016, 6 – entry into force 01.07.2016]
$2^{1)}$ service provided by dental technicians in their professional activities and dentures transferred by dentists or dental technicians;
[RT I 2007, 17, 83 - entry into force 01.03.2007]
3) services provided by a non-profit association to its members free of charge or for a membership fee, and services provided by a non-profit association or foundation to natural persons relating to the use of sports facilities or sports equipment;
[RT I, 10.12.2010, 3 - entry into force 01.01.2011]
4) social services specified in §§ 8, 17, 20, 23, 26, 27, 30, 33, 41, 44, 45^5, 45^{15}, 56, 87, 91, 94, 97, 100 and $130^1$and social services financed out of the state or local government budget specified in § $45^1$of the Social Welfare Act;
[RT I, 03.04.2018, 3 - entry into force 01.05.2018]
5) services relating to shelters for the protection of children and young persons;
6) pre-school, basic, vocational, secondary and higher education, including learning materials transferred by the education service provider to the recipient of the services, private tuition relating to general education and other training services, except other training services provided for business purposes;
7) transportation of sick, injured or disabled persons in vehicles which are specially designed for such purpose and which correspond to the requirements established on the basis of the Traffic Act.
8) service provided by an independent association of persons to their members provided that the following conditions are met: the service is directly necessary for the main activity of the member, which is exempt from tax or is not subject to value added tax; the fee paid for the service does not exceed the costs incurred upon the provision of the service and the tax exemption of the service does not affect competition significantly.
[RT I, 29.04.2016, 6 – entry into force 01.07.2016]

(2) Value added tax shall also not be imposed on the supply of the following goods and services:
1) insurance services, including reinsurance and insurance mediation;
2) the leasing or letting of immovables or parts thereof, establishment of a usufruct on immovables or parts thereof. Tax exemption is not applied on the provision of accommodation services, the leasing or letting of or establishment of a usufruct on multi-storey car parks and premises for parking vehicles, and the hiring or leasing of or establishment of a usufruct on permanently installed equipment or machinery or safes;
[RT 2008, 58, 324 - entry into force 01.01.2009]
3) immovables or parts thereof. Tax exemption is not applied to an immovable if an essential part thereof is a construction works within the meaning of the Building Act, or a part of a construction works and which is to

be transferred prior to the commencement of use of the construction works or a part thereof;to an immovable if an essential part thereof is a construction works which has been significantly improved, or of such construction works which is to be transferred prior to the post-improvement resumption of use of the construction works or the part thereof, and to a building land. A construction works or a part thereof is deemed to be significantly improved if the costs related to the improvements exceed at least 10 per cent of the acquisition value of the construction works or the part thereof before the making of the improvements;
[RT I, 24.04.2018, 2 - entry into force 01.10.2018]
4) valid postal payment means of the Republic of Estonia if sold at their nominal value;
5) [Repealed - RT 2008, 58, 324 - entry into force 01.01.2009]
6) securities, except a greenhouse gas emission allowance for the purposes of subsection 137 (1) of the Atmospheric Air Protection Act and such securities or holdings, which grant the holders thereof the right of ownership of the immovables or parts thereof specified in the second sentence of clause (2) 3) of this section or the right to use and dispose of the aforementioned as an owner;
[RT I, 24.04.2018, 2 - entry into force 01.05.2018]
7) lottery tickets and the organisation of gambling, except the organisation of commercial lotteries and the organisation of such games of skill the only possible prize of which is the possibility to participate again in the same game;
[RT I 2009, 24, 146 - entry into force 01.06.2009]
8) investment gold, services relating to the transfer of investment gold or entry into a corresponding transfer agreement, or services relating to the supply thereof which are provided by an agent acting in the name and for the account of another person;
9) goods, upon the acquisition of which there was no right for deduction of input value added tax, unless the goods were acquired before the registration of the acquirer as a taxable person or if, at the time of acquisition of the goods, the input value added tax had been deducted in part.

($2^{1)}$Value added tax shall not be imposed on the supply of the following financial services:
1) deposit transactions for the receipt of deposits and other repayable funds from the public;
2) borrowing and lending operations, including consumer credit, mortgage credit and other transactions for financing business transactions;
3) leasing transactions;
4) settlement, cash transfer and other money transmission transactions;
5) issue and administration of non-cash means of payment, such as electronic payment instruments, electronic money, traveller's cheques and bills of exchange;
[RT I, 08.07.2011, 6 - entry into force 18.07.2011]
6) guarantees and commitments and other transactions creating binding obligations to persons;
7) transactions for their own account or for the account of clients in traded securities provided in clauses2 (1) 1)-7) of the Securities Market Act and in foreign exchange and other money market instruments, including transactions in cheques, exchange instruments, certificates of deposit and other such instruments;
[RT I, 24.04.2018, 2 - entry into force 01.05.2018]
8) transactions and acts related to the issue andsales of securities specified in clause 7) of this subsection;
[RT I, 24.04.2018, 2 - entry into force 01.05.2018]
9) money broking;
10) negotiation services related to the services specified in clauses 1)–9) of this section;
11) management of investment funds provided for in the Investment Funds Act and other investment funds of a Contracting Party to the EEA Agreement and subject to financial supervision, including the provision of services related to the management of funds to the funds in the case of transfer of duties of a management company.
[RT 2008, 58, 324 - entry into force 01.01.2009]

(3) A taxable person shall add value added tax to the taxable value of the following goods and services if the person has, during the same taxable period or earlier, notified the Estonian Tax and Customs Board thereof in writing before the supply is effected:
[RT I, 25.10.2012, 1 – entry into force 01.12.2012]
1) the leasing or letting of immovables or parts thereof, except dwellings, and establishment of a usufruct on immovables or parts thereof;
[RT 2008, 58, 324 - entry into force 01.01.2009]
2) immovables and parts thereof, except dwellings;
3) a service specified in clause (2) 6) and subsection (2^{1}) of this section, except in cases where the service is provided to a taxable person or taxable person with limited liability of another Member State;
[RT 2008, 58, 324 - entry into force 01.01.2009]
4) investment gold transferred to another taxable person by a taxable person who, during the business thereof, normally supplies gold for industrial purposes or by a taxable person who produces investment gold or transforms any gold used for other purposes into investment gold, or services relating to such supply which are provided by an agent acting in the name and for the account of another person.

(4) If a taxable person adds value added tax to the taxable value of services pursuant to subsection (3) of this section, such supply shall be taxed for at least two years as of the first taxable period.
[RT 2008, 58, 324 - entry into force 01.01.2009]

(5) Value added tax shall not be imposed on the supply of services, specified in subsections (1)-(2^{1}) of this section, which is deemed to constitute supply of electronically supplied services.
[RT I, 29.04.2016, 6 – entry into force 01.07.2016]

§ 17. Imports exempt from tax

(1) Value added tax shall not be imposed on the import of the following goods:
1) goods the supply of which is exempt from tax (§ 16);
2) gold imported by Eesti Pank;
3) banknotes and coins that have the exchange rate fixed by the European Cental Bank;
[RT I, 18.02.2014, 2 – entry into force 01.03.2014]
4) revenue stamps;
5) natural gas and electricity, heating and cooling energy imported through networks and gas pumped into natural gas networks by gas transport tankers;
[RT I, 10.12.2010, 3 - entry into force 01.01.2011]
6) goods subject to immediate tax warehousing;
[RT I 2009, 56, 376 - entry into force 01.01.2010]
7) tobacco products and alcohol transported from a third country to Estonia in the personal luggage of passengers within the maximum limit exempt from excise duty as provided for in the Alcohol, Tobacco, Fuel and Electricity Excise Duty Act;
[RT I, 18.02.2014, 2 – entry into force 01.03.2014]
8) goods of a non-commercial nature not specified in clause (1) 7) of this section that have been transported from a third country into Estonia in the personal luggage of passengers in the amount of 300 euros and in the case of using air and sea transport, except private pleasure flying or private pleasure seafaring, in the amount of 430 euros. If the total value of the goods exceeds the aforementioned maximum limit, the value of the goods exceeding the maximum limit shall be subject to value added tax in full;
[RT I, 18.02.2014, 2 – entry into force 01.03.2014]
9) consignment with a value of up to 22 euros, except for alcohol, tobacco products, perfume and toilet water and in the cases provided for in clauses 7), 8) and 10) of this subsection;
[RT I, 18.02.2014, 2 – entry into force 01.03.2014]
10) up to 500 grams of coffee or 200 grams of coffee extract or essence and 100 grams of tea or 40 grams of tea extract or esssence which is sent from one natural person to anolther natural person with the value of one to 45 euros per consignment.
[RT I, 18.02.2014, 2 – entry into force 01.03.2014]

(2) The import of goods with customs preferences specified in Council Regulation EC No 1186/2009 setting up a Community system of reliefs from customs duty (OJ L 324, 10.12.2009, pp. 23-57), except in Articles 23, 24, 42, 44-52, 57, 58 and 67 (1) (a) and 68 (1) (a), and in Title 6 Chapter 2 of the Customs Code is not subject to value added tax under the conditions prescribed for entitlement to customs duty relief. The import of goods with customs preferences specified in Title 6 Chapter 2 Division 1 of the Customs Code is not subject to value added tax if the goods are reimported by the person who exported the goods. The import of goods specified in this subsection is not subject to value added tax also in the case of import as specified in subsection 6 (4) of this Act if it meets the requirements prescribed for entitlement to customs duty relief.
[RT I, 16.06.2017, 1 – entry into force 01.07.2017]

(2^1) Value added tax shall not be imposed on the import of goods upon the placing of non-Union goods under the customs procedure of release for free circulation, provided that the following conditions are met:
[RT I, 18.02.2014, 2 – entry into force 01.03.2014]
1) the importer of the goods or a customs agency acting as a representative thereof is an Estonian taxable person;
[RT I, 27.03.2012, 7 - entry into force 01.04.2012]
2) immediately after the goods have been imported, they are transported, in the same condition, to another Member State to a taxable person or a taxable person with limited liability of the other Member State;
3) intra-Community supply is created as a result of transport of the goods to another Member State;
4) upon import of the goods, the importer of the goods or a customs agency acting as a representative thereof proves the intention to transport the goods to another Member State to a taxable person or a taxable person with limited liability registered by the other Member State and, after the goods have been transported, provides the customs authority with documentation in proof of the intra-Community supply of the goods;
[RT I, 27.03.2012, 7 - entry into force 01.04.2012]
5) a security is provided in order to secure the performance of the tax liability which may arise as a result of failure to perform the conditions provided for in this subsection. The security shall be provided and released, used and its amount calculated pursuant to the procedure provided for in the customs legislation.
[RT I, 16.06.2017, 1 – entry into force 01.07.2017]

(2^2) Transport of the goods by the customs agency acting as a representative of the importer of goods to a taxable person of another Member State is treated as the intra-Community supply of goods of the customs agency taking account of the conditions provided for in clause (2^1) 3) of this subsection.
[RT I, 27.03.2012, 7 - entry into force 01.04.2012]

(3) Value added tax shall also not be imposed on the import of the following goods:
1) books, periodicals or other data media sent to libraries, research, development or educational institutions;

2) confiscated counterfeit goods transferred to health care institutions, social welfare institutions or local government units pursuant to law.
[RT I 2010, 11, 55 - entry into force 01.05.2010]

§ 18. Intra-Community acquisition of goods which is exempt from tax

Value added tax shall not be imposed on the following:
1) intra-Community acquisition of goods the supply of which is exempt from tax (§ 16);
2) intra-Community acquisition of goods the import of which is exempt from tax (§ 17);
3) intra-Community acquisition of goods by a foreign taxable person if the conditions for the refund of value added tax provided for in clauses 35 (1) 1)-3) of this Act are met;
[RT I, 18.02.2014, 2 – entry into force 01.03.2014]
4) intra-Community acquisition of goods by a taxable person of another Member State in the case of a triangular transaction;
5) intra-Community acquisition of goods, if the goods are subject to immediate tax warehousing (§ 44^1).
[RT I 2005, 68, 528 - entry into force 01.01.2006]

Chapter 4
RIGHTS AND RESPONSIBILITIES OF TAXABLE PERSONS

§ 19. Obligation to register as taxable person

(1) If the taxable supply of the transactions specified in clauses 1 (1) 1) and 3) of this Act, except the transfer of fixed assets and distance selling to a person of Estonia, carried out by a person exceeds 40,000 euros as calculated from the beginning of a calendar year, an obligation to register as a taxable person (hereinafter *registration obligation*) shall arise for the person as of the date on which the supply reaches that amount. The registration obligation does not arise if all the taxable supply of the person is supply taxable at the 0 per cent value added tax rate, except unless it is intra-Community supply of goods and the supply of services specified in clause 10 (4) 9) of this Act if the services are provided to a taxable person or a taxable person with limited liability registered by the other Member State.
[RT I, 08.11.2016, 1 - entry into force 01.01.2018]

(2) If data concerning a taxable person are deleted from the register on the basis of an application specified in subsection 22 (1) of this Act and if, as of the date following the date of deletion from the register, the taxable supply of the transactions specified in clauses 1 (1) 1) and 3) of this Act, except the transfer of fixed assets and distance selling to a person of Estonia, carried out by the person, exceeds 40,000 euros during the same calendar year, the registration obligation shall arise for the person again as of the date on which the supply reaches that amount. The registration obligation does not arise if all the taxable supply of the person is supply taxable at the 0 per cent value added tax rate, except intra-Community supply of goods and the supply of services specified in clause 10 (4) 9) of this Act, if the services are provided to a taxable person or a taxable person with limited liability registered by the other Member State.
[RT I, 08.11.2016, 1 - entry into force 01.01.2018]

(3) If a foreign person engaged in business with no permanent establishment in Estonia creates taxable supply in Estonia and such supply is not taxed in Estonia upon the acquisition of goods or receipt of services by a taxable person or taxable person with limited liability, the registration obligation shall arise for the person as of the date on which the taxable supply is created. The registration obligation does not arise upon distance selling to an Estonian person or if all the taxable supply of the person is supply, taxable at the 0 per cent value added tax rate, unless it is intra-Community supply of goods. The registration obligation does not arise for a taxable person of another Member State and a third country person engaged in business upon provision of electronic communications services or electronically supplied services if the person operates under special arrangements for imposing value added tax on electronic communications services and electronically supplied services.
[RT I, 18.02.2014, 2 - entry into force 01.01.2015]

(4) If a taxable person of another Member State is engaged in distance selling to a person of Estonia (excluding distance selling of excise goods) and the taxable value of the supply of the distance selling exceeds 35,000 euros as calculated from the beginning of a calendar year, the registration obligation shall arise for the person as of the date on which the supply reaches the specified amount.
[RT I 2010, 22, 108 - entry into force 01.01.2011]

(5) If a taxable person of another Member State is engaged in the distance selling of excise goods to a natural person of Estonia for personal use, the registration obligation shall arise for the taxable person as of the date on which the supply of the distance selling of excise goods is created.
[RT I 2005, 68, 528 - entry into force 01.01.2006]

§ 20. Registration as taxable person

(1) A person is required to submit an application for registration as a taxable person to the tax authority within three working days as of the date on which the registration obligation arises. A person may submit an application for registration as a person liable to value added tax through the information system of the

commercial register in a digitally signed format or apply to a notary for the preparation of an application and submission thereof through the information system of the e-notary.
[RT I 2008, 58, 324 - entry into force 01.01.2009]

(2) A person may submit an application for registration as a taxable person to the tax authority in the following cases:
1) the registration obligation has not yet arisen for the person on the bases of § 19 of this Act;
2) upon intra-Community acquisition of goods exempt from tax;
3) upon export.
[RT I, 18.02.2014, 2 – entry into force 01.03.2014]

(3) The tax authority shall register a person as a taxable person by entering the data concerning the person in the register of taxable persons (hereinafter registration) as on the date on which the registration obligation arose, within five working days as of the receipt of the application.
[RT I, 18.02.2014, 2 – entry into force 01.03.2014]

(4) In the case of an application submitted pursuant to subsection (2) of this section, the tax authority shall register the person as a taxable person within five working days as of the receipt of the relevant application either as of the date of receipt of the application or a later date as desired by the applicant.
[RT I, 18.02.2014, 2 – entry into force 01.03.2014]
($4^{1)}$In order to be registered, the person shall furnish proof of the fact that the person is engaged in business in Estonia or is about to commence business in Estonia. If the proof provided concerning the person's business or commencement of business is insufficient, the tax authority shall have the right to request that the person submit additional proof or collect such proof on its own initiative. The tax authority shall decide on registration within five working days as of the receipt of the proof. The tax authority shall not register the person if the person is neither engaged in business nor about to commence business.
[RT I, 18.02.2014, 2 – entry into force 01.03.2014]

(5) The tax authority shall notify the person about the decision on registration not later than on the working day following the date on which the decision is made.

(6) A person of another Member State engaged in business with no permanent establishment in Estonia has the right to appoint upon registration as a taxable person a tax representative specified in the Taxation Act, who has been approved by the tax authority. A person of a third country engaged in business with no permanent establishment in Estonia shall appoint, upon registration as a taxable person, a tax representative specified in the Taxation Act, who has been approved by the tax authority. This provision does not apply in the case specified in subsection 43 (21) of this Act.
[RT I, 18.02.2014, 2 – entry into force 01.01.2015]

(7) Upon submission of an application for registration, a natural person or the representative of a legal person or a state, rural municipality or city authority shall identify himself or herself. An authorised representative shall present, in addition, a document certifying his or her authority.
[RT I 2008, 58, 324 - entry into force 01.01.2009]

(8) If a person of another Member State engaged in business transfers goods by distance selling to a person of Estonia (excluding distance selling of excise goods) and wishes that the distance selling be taxed in Estonia before the registration obligation arises and wishes to register as a taxable person pursuant to subsection (2) of this section, the person shall submit written confirmation from the competent authorities of the person's home country that the authorities are aware of such registration.

(9) If a taxable person is engaged in distance selling to a person of another Member State (excluding distance selling of excise goods) and wishes that the distance selling be taxed in that Member State before the limit on distance selling established in that Member State is exceeded and wishes to be registered as a taxable person of that Member State, the person shall notify the tax authority of such wishes in writing thirty days before the tax liability transfers to the other Member State. The tax authority shall issue written confirmation stating that the tax authority is aware of the person's wishes to commence payment of tax for distance selling carried out in another Member State in that Member State.

(10) If the tax authority has information indicating that the registration obligation has arisen for a person but the person has not submitted a registration application on time, the tax authority shall register the person on its own initiative as on the date on which the registration obligation arose. The tax authority shall notify the person of the decision to register the person within three working days as of the date on which the decision is made.

(11) If, following the registration of a taxable person, the tax authority ascertains that the application was submitted later than prescribed and the person should have commenced performance of the obligations of a taxable person (§ 24) before the date specified in the decision of the tax authority, the tax authority shall repeal its original decision retroactively, make a new decision and register the taxable person as on the date on which

the registration obligation arose. The tax authority shall notify the person of the decision to register the person within three working days as of the date on which the decision is made.

(12) The format of applications for registration of a person as a taxable person and the format of decisions of the tax authority concerning the registration of a taxable person shall be established by a regulation of the minister responsible for the area.
[RT I 2005, 68, 528 - entry into force 01.01.2006]

§ 21. Registration as taxable person with limited liability

(1) For an Estonian person or a foreign person operating in Estonia through a permanent establishment who receives a service specified in subsection 10 (5) of this Act from a foreign person engaged in business who is not registered as a taxable person in Estonia, the obligation to register as a taxable person with limited liability shall arise as of the date on which such service was received. This provision does not apply to taxable persons and natural persons who are not engaged in business.
[RT I 2009, 56, 376 - entry into force 01.01.2010]

(2) If the taxable value of the goods acquired by a person by way of intra-Community acquisition (§ 8), except excise goods and new means of transport, exceeds 10,000 euros as calculated from the beginning of a calendar year, the obligation to register as a taxable person with limited liability shall arise for the person as of the date on which that threshold was exceeded, except in the case specified in subsection (2^1) of this section. This provision does not apply to taxable persons and natural persons who are not engaged in business.
[RT I 2010, 22, 108 - entry into force 01.01.2011]

(2^1) If a foreign person engaged in business who has no permanent establishment in Estonia engages in intra-Community acquisition of goods in Estonia, the obligation to register as a taxable person with limited liability arises for the person as of the date of the intra-Community acquisition of the goods. This provision does not apply to Intra-Community acquisition of goods which is exempt from tax (§ 18).

(3) A person is required to submit an application for registration as a taxable person with limited liability to the tax authority within three working days as of the date on which the obligation to register as a taxable person with limited liability arises.

(4) A person may submit an application for registration as a taxable person with limited liability to the tax authority before the registration obligation specified in subsections (1)-(3) of this section arises.

(5) The provisions of § 20 of this Act concerning the registration of taxable persons apply to the registration of taxable persons with limited liability.

(6) The format of applications for registration of a person as a taxable person with limited liability and the format of decisions of the tax authority concerning the registration of a taxable person with limited liability shall be established by a regulation of the minister responsible for the area.
[RT I 2005, 68, 528 - entry into force 01.01.2006]

§ 22. Deletion of taxable person from register

(1) If a person is registered as taxable person but the taxable supply of the transactions specified in clauses 1 (1) 1) and 3) of this Act carried out by the person will not exceed within the next twelve months, according to the calculations of the taxable person, the threshold specified in subsection 19 (1) of this Act, the person may submit an application to the tax authority for deletion of the person from the register, except in the case specified in subsection (2) of this section.

(2) If a person of another Member State engaged in business transfers goods by distance selling to a person of Estonia (excluding distance selling of excise goods) was registered as a taxable person pursuant to subsection 20 (2) of this Act before the registration obligation arose and the person has been registered as a taxable person for at least two years and if the taxable supply of the transactions specified in clauses 1 (1) 1) and 3) of this Act carried out by the person did not exceed during the previous calendar year and will not exceed during the current calendar year, according to the calculations of the taxable person, the threshold specified in subsection 19 (1) or (2) of this Act, the person may submit an application to the tax authority for deletion of the person from the register.
[RT I 2005, 68, 528 - entry into force 01.01.2006]

(3) The tax authority has the right to delete a taxable person from the register if the taxable person has failed to submit a value added tax return for the last six consecutive taxable periods.
($3^{1)}$The tax authority has the right to delete a taxable person from the register if the taxable person does not engage in business in Estonia. If the proof provided concerning the taxable person's business is insufficient, the tax authority has the right to request that the taxable person submit additional proof or collect such proof on its own initiative. The tax authority shall give the taxable person written notice of the intention to delete the taxable person from the register and set a term for providing proof concerning the taxable person's business. If the taxable person fails to provide proof of business within the prescribed term, the tax authority shall delete the taxable person from the register of taxable persons.

[RT I 2005, 68, 528 - entry into force 01.01.2006]

(4) If a taxable person is dissolved or the activities thereof are terminated in Estonia, the tax authority shall delete the taxable person from the register of taxable persons.

(5) A taxable person shall be deleted from the register on the basis of a decision of the tax authority. Before deciding on the deletion of a taxable person from the register, except in the cases specified in subsections (3) and (4) of this section, the tax authority shall, if necessary, audit the economic activities of the person. The taxable person is deemed to be deleted from the register as of the date specified in the decision.
[RT I, 25.10.2012, 1 – entry into force 01.12.2012]

§ 23. Deletion of taxable person with limited liability from register

(1) If a taxable person with limited liability is registered as a taxable person pursuant to § 20 of this Act, the person shall be deleted from the register as a taxable person with limited liability.

(2) If a person has been registered as a taxable person with limited liability for at least two years and the value of the goods acquired by the person by way of intra-Community acquisition did not exceed during the previous calendar year and will not exceed during the current calendar year, according to the calculations of the taxable person, the threshold specified in subsection 21 (2) of this Act, the person may submit an application to the tax authority to be deleted from the register as a taxable person with limited liability.

(3) If a taxable person with limited liability is dissolved or the activities thereof are terminated in Estonia, the tax authority shall delete the taxable person from the register as a taxable person with limited liability.

(4) A taxable person with limited liability shall be deleted from the register as a taxable person with limited liability on the basis of a decision of the tax authority. Before deciding on deletion from the register, except in the case specified in subsection (3) of this section, the tax authority shall, if necessary, audit the activities of the person. The taxable person with limited liability is deemed to be deleted from the register as of the date specified in the decision.
[RT I, 25.10.2012, 1 – entry in to force 01.12.2012]

§ 24. Rights and obligations of taxable persons

(1) As of the date of registration as a taxable person, a person shall perform the obligations of a taxable person, including adding the amount of value added tax to the taxable value of the goods transferred or services provided, calculating the amount of value added tax due pursuant to the procedure provided for in § 29 of this Act, paying value added tax pursuant to the procedure provided for in § 38, preserving documents and maintaining records pursuant to the provisions of § 36, and shall issue invoices in accordance with the requirements of § 37 of this Act.

(2) Subsection (1) of this section applies to foreign persons registered in Estonia as taxable persons who create supply in Estonia, except in cases specified in subsection 3 (3^1) of this Act and in the case the person of a foreign state registered in Estonia has no permanent establishment in Estonia through which the taxable person engages in business in Estonia.
[RT I, 10.12.2010, 3 - entry into force 01.01.2011]

§ 25. Rights and obligations of taxable persons with limited liability

(1) As of the date of registration as a taxable person with limited liability, a person shall perform the obligations of a taxable person with limited liability, including calculating the amount of value added tax due pursuant to the provisions of subsection 29 (12) of this Act, paying value added tax pursuant to the procedure provided for in § 38, preserving documents and maintaining records pursuant to the provisions of subsection 36 (3) of this Act. A taxable person with limited liability shall submit a value added tax return pursuant to the provisions of § 27 of this Act only if the person has performed acts specified in subsection 3 (5) of this Act during the taxable period. A taxable person with limited liability does not have the right to deduct input value added tax.

(2) A taxable person with limited liability who was registered pursuant to subsection 21 (1) of this Act upon the receipt of services specified in subsection 10 (5) of this Act from a foreign person engaged in business is not required to pay value added tax on the intra-Community acquisition of goods, except the intra-Community acquisition of excise goods or a new means of transport, if the taxable value of the goods acquired during a calendar year does not exceed 10,000 euros. Within three working days as of the date on which that threshold is exceeded, the taxable person with limited liability shall notify the tax authority in writing of having exceeded the threshold on the intra-Community acquisition of goods.
[RT I 2010, 22, 108 - entry into force 01.01.2011]

(3) A taxable person with limited liability who does not pay value added tax on the intra-Community acquisitions of goods pursuant to subsection (2) of this section shall not use its registration number as a taxable

person with limited liability when acquiring goods from another Member State. If a taxable person with limited liability uses its registration number as a taxable person with limited liability when acquiring goods from another Member State, the person shall be required to perform all the obligations specified in subsection (1) of this section.

§ 26. Registration of taxable persons as single taxable person

(1) The tax authority shall register a parent undertaking and its subsidiaries within the meaning of the Commercial Code as a single taxable person (hereinafter value added tax group) on the basis of a joint application by such taxable persons. Taxable persons who are economically and organisationally related shall also be registered as a value added tax group on the basis of a joint application if more than 50 percent of the shares, holding or votes of each company to be registered within the composition of a value added tax group are owned by one and the same person or if the persons are related on the basis of a franchise contract. Estonian taxable persons engaged in business in Estonia shall be registered as a value added tax group.
[RT I 2009, 56, 376 - entry into force 01.01.2010]

(2) [Repealed - RT I 2009, 56, 376 - entry into force 01.01.2010]

(3) A taxable person may belong to only one value added tax group at the same time.
[RT I 2008, 58, 324 - entry into force 01.01.2010]

(4) A value added tax group shall be registered in the name of a representative who is elected by persons who submitted the application and who shall represent the value added tax group, submit value added tax returns and applications for refund of overpaid amounts of value added tax. The representative shall be elected from among the persons belonging to the value added tax group. A value added tax group shall be granted a joint registration number as a taxable person.
[RT I 2009, 56, 376 - entry into force 01.01.2010]

(5) The tax authority shall register a value added tax group as of the first date of the calendar month. The tax authority may re-register a value added tax group that has been deleted from the register on the basis of clause (8) 3) of this section as a value added tax group as of the day following the deletion thereof if only the companies that have been deleted from the Commercial Register and companies that have been declared bankrupt have been left out of the value added tax group to be registered.
[RT I 2009, 56, 376 - entry into force 01.01.2010]

(6) Overpaid amounts of value added tax shall be refunded to the representative who represents the value added tax group.
[RT I 2008, 58, 324 - entry into force 01.01.2010]

(7) Transactions between persons registered as a value added tax group are not deemed to be supply. Transaction between a taxable person belonging to a value added tax group and a person outside the value added tax group is deemed to be a transaction of the value added tax group with that person.
[RT I 2008, 58, 324 - entry into force 01.01.2010]

(8) The tax authority shall delete a value added tax group from the register if:
1) the circumstances specified in subsection (1) of this section no longer exist, as of the first day of the month following the month in which such circumstances cease to exist;
2) a representative of the value added tax group submits an application for the deletion of the value added tax group from the register if any changes are made in the composition of the group or for any other reasons, as of the first day of the month following the month of receipt of the application;
[RT I 2008, 58, 324 - entry into force 01.01.2010]
3) a company belonging to the value added tax group is declared bankrupt or it is deleted from the Commercial Register, as of the date of declaration of bankruptcy or deletion from the Commercial Register.
[RT I 2009, 56, 376 - entry into force 01.01.2010]

(9) The tax authority shall notify the persons belonging to a value added tax group of the deletion of the value added tax group from the register.
[RT I 2008, 58, 324 - entry into force 01.01.2010]

(10) As of the date of the deletion of a value added tax group from the register, the taxable persons are deemed to be re-registered as separate taxable persons.
[RT I 2008, 58, 324 - entry into force 01.01.2010]

(11) Persons registered as a value added tax group shall submit a joint value added tax return. The appendix to the value added tax return shall be submitted by taxable persons belonging to a value added tax group. The persons registered as a value added tax group shall be solidarily liable for payment of value added tax by the due date. Upon deletion of a value added tax group from the register, the taxable persons shall be solidarily liable for the value added tax arrears which arose during the period when they were registered as a value added tax group.
[RT I, 29.05.2014, 1 - entry into force 01.11.2014]

(12) In the case of transactions between persons registered as a value added tax group no invoices shall be issued on the basis of § 37 of this Act.

[RT I 2008, 58, 324 - entry into force 01.01.2010]

(13) Provision of services between a taxable person belonging to a value added tax group and its permanent establishment located in a foreign country is deemed to be business.
[RT I 2009, 56, 376 - entry into force 01.01.2010]

(14) The procedure for registration of a value added tax group, the format of the corresponding registration applications, the format of decisions of the tax authority concerning registration and the procedure for deletion of a value added tax group from the register shall be established by a regulation of the minister responsible for the area.
[RT I 2009, 56, 376 - entry into force 01.01.2010]

§ 27. Taxable period and value added tax return

(1) The taxable period is one calendar month. The value added tax return and appendix thereto (hereinafter together value added tax return) shall be submitted to the tax authority by the twentieth day of the month following the taxable period. The first taxable period for a taxable person and taxable person with limited liability is the period from the date of registration as a taxable person or taxable person with limited liability until the end of the same month. If the number of calendar days in the first taxable period is less than fifteen, the taxable person or taxable person with limited liability may declare the supply of the first period together with the supply of the following taxable period and submit one return concerning two taxable periods. The format of the value added tax return shall be established by a regulation of the minister responsible for the area.
[RT I, 29.05.2014, 1 - entry into force 01.11.2014]

(1^1) A value added tax return shall be submitted electronically if the person has been a taxable person for at least 12 months or more than five invoices are included in the appendix to the value added tax return. On the basis of a reasoned request made by a taxable person or a taxable person with limited liability, the tax authority may allow the submission of a value added tax return on paper.
[RT I, 29.05.2014, 1 - entry into force 01.11.2014]

(1^2) The data of the invoices issued to and received from a legal person, sole proprietor and state, rural municipality and city authority and the registry code issued to a transaction partner in Estonia, the personal identification code in the case of a notary and bailiff shall be reflected in the appendix to the value added tax return. The appendix to the value added tax return shall reflect the invoices in which the transferor of the goodis or provider of services has marked the supply taxable at the 20 percent and 9 percent value added tax rate, except for the invoices submitted under the special arrangement provided for in § 40of this Act if the invoice or the total amount of invoices without value added tax makes up at least 1,000 euros for one transaction partner during the taxation periood. The transaction partner-based threshold shall be calculated separately for purchase and sale invoices. The invoices shall not be summed up in the appendix to the value added tax return.
[RT I, 29.05.2014, 1 - entry into force 01.11.2014]

(1^3) A person may indicate in the appendix to the value added tax return the data of the invoices specified in subsection (1^2) of this section the total amount of which is less than 1,000 euros for a transaction partner without value added tax.
[RT I, 29.05.2014, 1 - entry into force 01.11.2014]

(1^4) The appendix to the value added tax return shall not reflect the data of invoices issued and received for such transactions and acts on which the obligation to keep professional or official secrecy is extended under the law. The receiver of the service may reflect the data of the invoices received for transactions and acts specified in this subsection in the appendix to the value added tax return.
[RT I, 29.05.2014, 1 - entry into force 01.11.2014]

(2) The following are required to submit value added tax returns:
1) taxable persons;
2) taxable persons with limited liability who have performed acts specified in subsection 3 (5) of this Act during the taxable periood, without the appendix to the value added tax return;
[RT I, 29.05.2014, 1 - entry into force 01.11.2014]
3) persons specified in clause 3 (6) 2) of this Act in the case of transactions concerning which the person has issued an invoice or other sales document in which the amount of value added tax is indicated.

(3) [Repealed – RT I 2005, 68, 528 – entry into force 1.01.2006]

(4) On the basis of a reasoned request made by a taxable person, the tax authority may, by his or her decision, establish a taxable period longer than one calendar month for the taxable person, which begins on the first day of the calendar month or first taxable period and ends on the last day of one of the following calendar months. Also in this case, value added tax returns shall still be submitted to the tax authority by the twentieth day of the month following the taxable period.

[RT I, 25.10.2012, 1 – entry into force 01.12.2012]

(5) If a taxable person or taxable person with limited liability amends information submitted in a value added tax return concerning a previous taxable period, the person is required to submit a new value added tax return with the amended information to the tax authority concerning that taxable period.

(6) In the case of the declaration of bankruptcy of a taxable person, two value added tax returns shall be submitted concerning the taxable period: about the period of time preceding and following the declaration of bankruptcy.
[RT I 2009, 56, 376 - entry into force 01.01.2010]

§ 28. Report on intra-Community supply

(1) A taxable person is required to submit a report on intra-Community supply if:
1) it has effected intra-Community supply of goods during a taxable period or it has transferred goods as a reseller in a triangular transaction during a taxable period;
2) it has provided to a taxable person or taxable person with limited liability of another Member State a service specified in 10 (4) 9) of this Act which is subject to taxation except the taxation with 0 per cent taxation rate, in the Member State of the recipient of the service.
[RT I, 10.12.2010, 3 - entry into force 01.01.2011]

(2) A report on intra-Community supply shall be submitted to the tax authority by the twentieth day of the month following each calendar month.
[RT I 2009, 56, 376 - entry into force 01.01.2011]

(3) If a taxable person amends information in a report on intra-Community supply submitted concerning a previous period, the person is required to submit a report on the amendment of intra-Community supply to the tax authority concerning the corresponding period. If a taxable person cancels an invoice concerning goods or services or submits a credit invoice, the corresponding amendments concerning the taxable period during which the invoice was cancelled or the credit invoice was submitted shall be indicated in the report on intra-Community supply.
[RT I, 10.12.2010, 3 - entry into force 01.01.2011]

(4) The standard format of reports on intra-Community supply and the standard format of reports on the amendment of intra-Community supply and the procedure for the completion thereof shall be established by a regulation of the minister responsible for the area.

(5) A taxable person that has transferred to a person of another Member State a new means of transport which will be transported to the other Member State shall add the copy of the invoice issued upon the sale of the means of transport to the report on intra-Community supply.
[RT I 2009, 56, 376 - entry into force 01.01.2010]

(6) In the report on intra-Community supply and in the report on the amendment of intra-Community supply the amounts are reflected in full euros.
[RT I, 10.12.2010, 3 - entry into force 01.01.2011]

§ 29. Calculation of amount of value added tax

(1) The amount of value added tax to be paid by a taxable person is the value added tax calculated during the taxable period on transactions or acts specified in subsection 3 (4) and clauses (6) 5) and 6) of this Act less the input value added tax of the same taxable period, or goods or services used for transactions or acts specified in subsection 4 (2) of this Act and related to business or for business carried out in a foreign state, except transactions deemed to be supply exempt from tax (§ 16). Input value added tax of the same taxable period on goods or services used for services specified in clauses 16 (2) 1) and 6) or in subsection 2^{1}) of this Act which are provided to a person of a third country may also be deducted.
[RT I 2009, 56, 376 - entry into force 01.01.2010]

(2) The calculated value added tax is the value added tax calculated on the taxable value of the transactions and acts specified in subsection 3 (4) and in clauses (6) 5) and 6) of this Act carried out or performed by a taxable person. Value added tax paid pursuant to the customs legislation is not included in the calculated value added tax.
[RT I, 16.06.2017, 1 – entry into force 01.07.2017]

(3) Input value added tax is:
1) value added tax to be paid on goods or services which a taxable person acquires or receives from another taxable person;
2) value added tax paid or to be paid by a taxable person on imported goods;
[RT I 2005, 68, 528 – entry into force 23.12.2005, applied retroactively as of 1 November 2005
3) value added tax calculated by a taxable person on the taxable value of services the place of supply of which is Estonia and which are received from a foreign person engaged in business who is not registered as a taxable person in Estonia;
[RT I 2005, 68, 528 - entry into force 01.01.2006]

4) value added tax calculated by a taxable person on the taxable value of goods acquired by way of intra-Community acquisition, goods installed or assembled which are acquired, goods acquired by way of a triangular transaction or other goods which are acquired and on which the taxable person is required to calculate value added tax pursuant to this Act.

(3) If a taxable person uses goods or services for the purposes of transactions specified in subsection (1) of this section as well as purposes other than those related to business, only input value added tax on goods or services used for the purposes of transactions specified in subsection (1) of this section shall be deducted. If it is not possible to separate input value added tax on goods or services used for the purposes of transactions specified in subsection (1) of this section from input value added tax on goods or services used for purposes other than those related to business in the accounts of the taxable person, the procedure for deduction of input value added tax shall be determined by a decision of the tax authority on the basis of an application by the taxable person, taking into account the actual use of the goods or services. Upon acquisition of an automobile or use under the contract for use and purchase of goods and receipt of services for such an automobile the input value added tax shall be deducted according to the proportion of its use for business purposes, but not more than fifty percent, taking account of the proportion of the taxable supply and the supply which is exempt from taxes.
[RT I, 11.07.2014, 3 - entry into force 01.12.2014]

(5) If a taxable person has, prior to the person's date of registration as a taxable person, acquired goods, except for fixed assets, intended for transfer or for the manufacture of goods to be transferred, the taxable person shall have the right to deduct the input value added tax on such goods in the taxable period during which the goods were transferred as taxable supply. [RT I, 18.02.2014, 2 – entry into force 01.03.2014]

(5^1) A taxable person who has received services prior to the person's date of registration as a taxable person shall have the right to deduct the input value added tax on such services in the taxable period during which such services were provided as taxable supply.
[RT I, 18.02.2014, 2 – entry into force 01.03.2014]

(5^2) The input value added tax on fixed assets acquired before registration of a person as a taxable person may be deducted, taking account of the provisions of subsection 32 (4) of this Act.
[RT I, 18.02.2014, 2 – entry into force 01.03.2014]

(6) Upon the export of goods specified in subsection 5 (2) of this Act, a taxable person has the right to reduce the person's tax liabilities in the taxable period during which the criteria set out in subsection 5 (2) were complied with by the amount of value added tax indicated on a document with customs confirmation if, at the time of submission of a value added tax return for the taxable period during which the goods were transferred, not all the criteria according to which the transfer of goods was treated as the export of goods had been complied with.

(7) If a taxable person cancels an invoice concerning goods or services or submits a credit invoice due to the reduction in the price of the goods or service after submission of a value added tax return concerning the taxable period in which the supply of the goods or services was created, both the seller and the purchaser shall indicate the corresponding amendments in the value added tax return submitted concerning the taxable period during which the invoice was cancelled or the credit invoice was submitted. A credit invoice may only be submitted with regard to a specific invoice referred to in the credit invoice. The provision shall not be applied if the credit invoice has been submitted due to a failure to pay for goods or services partially or in full.
[RT I, 18.02.2014, 2 – entry into force 01.03.2014]

(8) If the supply of goods has been effected but the contract under which the ownership of the goods is to pass to the contractual user of the goods upon termination of the contract is cancelled and the purchaser who is not registered as a taxable person returns the goods, the seller may adjust the amount of value added tax payable for the taxable period in which the goods were returned by the amount of value added tax refunded to the purchaser.

(9) If a seller receives money from a purchaser but the goods are not transferred or the services are not provided, the seller is permitted to cancel the calculation of value added tax on such goods or services if the seller refunds the amount to the purchaser.

(10) If a taxable person is deleted from the register, the person shall pay value added tax on goods not yet transferred if the person has deducted the input value added tax on such goods upon acquisition. The acquisition cost or, in the absence thereof, the cost price of the goods shall be the taxable value of the goods. The input value added tax deducted upon acquisition of fixed assets not yet transferred shall be adjusted pursuant to provisions of subsection 32 (4) of this Act.
[RT I, 10.12.2010, 3 - entry into force 01.01.2011]

(11) [Repealed – RT I 2005, 68, 528 - entry into force 01.01.2006]

(12) The amount of value added tax to be paid by a taxable person with limited liability is the value added tax calculated in the taxation period on the acts specified in subsection 3 (5) of this Act.

(13) The amount of value added tax shall be calculated on the basis of the tax rate which is applicable on the date determined pursuant to § 11 of this Act. Where information required for the calculation of the amount of value added tax on the import of goods is expressed in a foreign currency, the exchange rate shall be determined in accordance with the provisions of the Customs Code governing the calculation of value for customs purposes. Where information required for the calculation of the amount of value added tax on a transaction other than an import transaction is expressed in a foreign currency, the exchange rate of the euro as determined by the European Central Bank and applicable on the date determined pursuant to § 11 of this Act applies.
[RT I, 16.06.2017, 1 – entry into force 01.07.2017]

§ 30. Restrictions on deduction of input value added tax

(1) Input value added tax on goods or services relating to the reception of guests or the provision of meals or accommodation for employees shall not be deducted from calculated value added tax.

(2) The provisions of subsection (1) of this section do not apply to the deduction of input value added tax paid for accommodation services received during a business trip.

(3) Upon the acquiring of an automobile for business purposes or using under the contract for use and purchasing of goods and receiving of services for such an automobile fifty percent of the input value added tax shall be deducted from the calculated value added tax.
[RT I, 11.07.2014, 3 - entry into force 01.12.2014]

(4) The restriction provided for in subsection (3) of this section shall not be applied if:
1) an automobile is acquired for selling on condition that the taxable person is engaged in selling of automobiles and the automobiles acquired for selling are not taken into use by the taxable person for purposes other than business;
2) an automobile is acquired for the granting of use under the contract for use on condition that the taxable person is engaged in the granting of use of automobiles and the automobiles acquired for the granting of use are not taken into use by the taxable person for purposes other than business;
3) an automobile is mainly used for the carriage of passengers for a charge on condition that the taxable person has a Community licence and a certified copy of the Community licence or, in the case of the provision of taxi service, a taxi licence and a licence card;
[RT I, 31.12.2015, 10 - entry into force 01.01.2016]
4) an automobile is mainly used for driving lessons on condition that the taxable person has a motor vehicle driver's training permit or the taxable person provides the service of a motor vehicle driver's instructor to a person that has the motor vehicle driver's training permit;
5) an automobile is exclusively used for business purposes only, except the granting of use of the automobile for charge to an employee, servant or member of the management or control body of the taxable person.
[RT I, 11.07.2014, 3 - entry into force 01.12.2014]

(5) In the cases provided for in subsections (3) and (4) of this section the provisions of § 32 of this Act shall also be taken account of upon the deduction of the the input value added tax when acquiring an automobile for business purposes or using under the contract for use and purchasing of goods and receiving services for such an automobile.
[RT I, 11.07.2014, 3 - entry into force 01.12.2014]

(6) The tax authority shall be notified of the implementation of subsections (3) and (4) of this section on the basis of subsection 27 (1) of this Act in the format established by the minister responsible for the area.
[RT I, 11.07.2014, 3 - entry into force 01.12.2014]

(7) In the cases specified in clauses (4) 2)-5) of this section the restriction specified in subsection (3) of this section shall not be applied when acquiring an automobile if the automobile is being used for the purposes specified in clauses (4) 2)-5) of this section for at least two consecutive years as of the acquisition thereof or the automobile acquired for selling as of the taking into use for the purposes specified in clauses (4) 2)-5) of this section. If the purpose of use of the automobile changes within two years and it is taken into use for the purpose unspecified in clauses (4) 2)-5) of this section, and the taxable person has calculated value added tax on the use as self-supply during the specified two years of an automobile used in the cases specified in clauses (4) 3) and 4) of this section, the tax liability effected is reduced by the amount of value added tax calculated on the use as self-supply of such automobile during the specified two years. The provision is not applied if the automobile is transferred within two years as of the taking into use thereof for the purpose specified in clauses (4) 2)-5) of this section.
[RT I, 07.07.2017, 3 - entry into force 01.01.2018]

(8) Where the grounds for the implementation of subsection (4) of this section cease to exist, the restriction on the deduction of input value added tax specified in subsection (3) of this section is implemented within at least one year as of the first day of the taxation period on which the grounds ceased to exist.
[RT I, 07.07.2017, 3 - entry into force 01.01.2018]

(9) Upon the implementation of subsection (4) of this section the taxable person is required to ensure that the use of the relevantated automobile be precluded for the purposes other than provided in subsection (4).
[RT I, 07.07.2017, 3 - entry into force 01.01.2018]

§ 31. Conditions for deduction of input value added tax

(1) Upon the receipt of goods or services from another taxable person, input value added tax shall be deducted on the basis of an invoice meeting the requirements of § 37 of this Act.

(2) Upon intra-Community acquisition of goods, acquisition of goods installed or assembled, acquisition of goods by way of a triangular transaction (clause 3 (4) 4)) and other acquisition of goods from a foreign person engaged in business on which a taxable person is required to calculate value added tax pursuant to this Act, an invoice is not required for the deduction of input value added tax if other proof exists.
[RT I 2008, 58, 324 - entry into force 01.01.2009]

(3) Upon the receipt from a foreign person engaged in business of services on which a taxable person is required to calculate value added tax pursuant to this Act, an invoice is not required for the deduction of input value added tax if other proof exists.
[RT I 2008, 58, 324 - entry into force 01.01.2009]

(4) Upon the import of goods, input value added tax shall be deducted on the basis of a customs declaration. If goods are imported from a third country which is a part of the Union customs territory, input value added tax shall be deducted on the basis of an invoice received from a third country person engaged in business and a customs declaration form containing the particulars of the imported goods (subsection 38 (2)).
[RT I, 18.02.2014, 2 – entry into force 01.03.2014]

(4^1) If the amount of value added tax due upon the import of goods is paid on the basis of a decision resulting from a follow-up inspection by the customs authorities, the input value added tax shall be deducted based on the decision of the customs authorities.
[RT I 2005, 68, 528 – entry into force 23.12.2005, applied retroactively as of 1 November 2005]

(5) [Repealed - RT I 2005, 68, 528 – entry into force 01.01.2006]

(6) If a taxable person who is importing goods pays the value added tax through a customs agency, the person has the right to deduct the input value added tax after the customs has released the goods.
[RT I, 18.02.2014, 2 – entry into force 01.03.2014]

(7) A customs agency shall not treat value added tax paid or to be paid for another person as value added tax paid or to be paid on goods imported for the purposes of the business of the agency.
[RT I 2005, 68, 528 – entry into force 23.12.2005, applied retroactively as of 1 November 2005]

(7^1) Value added tax paid or payable on goods or services received to be used for repair and maintenance of an object of leasing is not deemed to be an input value added tax of the lessor. The provision shall not be applied if:
1) the lessor has the obligation to provide repair and maintenance of the object of the lease agreement and the lease agreement is taxed with regard to the goods as well as financial operation or
2) the lessor provides repair and maintenance service.
[RT I, 27.03.2012, 7 – entry into force 01.04.2012

(8) In the case of the import of goods, input value added tax shall be deducted in the taxable period during which the customs released the goods. In other cases, input value added tax shall be deducted in the taxable period during which the goods or services are acquired or received pursuant to § 11 of this Act.
[RT I 2005, 68, 528 – entry into force 23.12.2005, applied retroactively as of 1 November 2005]

(9) Where goods acquired or services received and the invoice issued for such goods or services are received during different taxable periods, input value added tax shall be deducted in the taxable period when the transferor of the goods or the provider of the services created supply pursuant to § 11 of this Act. If the invoice which is the basis for the deduction of input value added tax is not received by the time the value added tax return is submitted for a taxable period, input value added tax shall be deducted in the taxable period during which the invoice is received.
[RT I 2005, 68, 528 - entry into force 01.01.2006]

§ 32. Partial deduction of input value added tax

(1) If a taxable person uses goods or services for the purposes of both taxable supply and supply exempt from tax, input value added tax shall be partially deducted from the calculated value added tax. Partial deduction shall be based on the proportion of the supply of the taxable person effected in Estonia and foreign countries during a calendar year where the input value added tax can be deducted pursuant to subsection 29 (1) of this Act to

the total amount of the supply effected by the person in Estonia and foreign countries (hereinafter proportion of taxable supply to total supply). The proportion of taxable supply to total supply shall be rounded up to two decimal points or to a full percentage.

(2) The transfer of fixed assets shall not be taken into account when calculating the proportion of taxable supply to total supply, including in cases where the taxable person has added value added tax to the taxable value of the goods pursuant to subsection 16 (3) of this Act. The provision of the services specified in clause 16 (2) 6) and subsection (2^1) of this Act or transfer of immovables as goods, in so far as these are incidental transactions, shall not be taken into account.
[RT I 2008, 58, 324 - entry into force 01.01.2009]

(3) Upon partial deduction of input value added tax, a taxable person may change the proportion of taxable supply to total supply referred to in subsection 33 (2) of this Act during a calendar year with the written permission of the tax authority obtained on the basis of a reasoned request made by the taxable person if the actual proportion of taxable supply to total supply in the current calendar year is substantially different.
[RT I, 25.10.2012, 1 - entry into force 01.12.2012]

(4) The deduction of input value added tax of fixed assets and goods acquired and services received for the fixed assets shall be based on the estimated proportion in which the fixed assets were to be used for the purposes of taxable supply. Input value added tax shall be adjusted within the period for adjustment of input value added tax according to the actual proportion in which the fixed assets and goods acquired and services received for the fixed assets are used for the purposes of taxable supply. Input value added tax shall be adjusted only for the goods acquired and services received for the fixed assets which increase the book value of the fixed assets. In the case of an automobile used for business purposes the proportion of the use of an automobile for business purposes shall be calculated pursuant to the procedure provided in subsection 29 (4) and § 30 of this Act.
[RT I, 07.07.2017, 3 - entry into force 01.01.2018]

(4^1) The period for adjustment of input value added tax shall be ten calendar years in the case of immovables and goods and services relating thereto and five calendar years in the case of other fixed assets and goods and services relating thereto. The period of time between the date of registration in the accounting documents of fixed assets or goods acquired or services received for the fixed assets as fixed assets in use and the last day of the current calendar year is deemed to be the first calendar year.
[RT I 2008, 58, 324 - entry into force 01.01.2009]

(4^2) Input value added tax shall be adjusted at the end of each calendar year taking into account the actual proportion in which the fixed assets are used for the purposes of taxable supply during the given calendar year, except in the case specified in subsection (5) of this section.

(5) Upon the transfer of fixed assets, input value added tax shall be adjusted during the month in which the fixed assets are transferred. Input value added tax need not be adjusted upon transfer of an immovable used for business purposes to a credit or financial institution if the person who transfers the immovable has obtained the use of the immovable from the credit or financial institution on the basis of a contract during the same period of taxation and continues to use the immovable for business purposes for at least ten calendar years as of the beginning of use of the immovable for the business of the person.

(5^1) If input value added tax is adjusted upon the transfer of fixed assets, the using of fixed assets and the goods acquired or services received for the fixed assets, during the year in which the fixed assets are transferred until the end of the period for adjustment, shall be accounted for as being used for the the purposes of the fully taxable supply. If the taxable value of fixed assets upon the transfer is lower than half of the purchase price of the assets, the period as of the month following the transfer of fixed assets until the end of the period for adjustment shall not be taken into account upon the adjustment of input value added tax. If the input value added tax is adjusted upon the transfer of immovable exempt from tax, the using of the immovable and the goods acquired or service received for the immovable, during the year in which the immovable is transferred until the end of the period for adjustment, shall be accounted for as being used for the purposes of the supply fully exempt from tax.
[RT I, 29.04.2016, 6 – entry into force 01.07.2016]

(6) The procedure for reporting recalculation of partially deducted input value added tax in a value added tax return and the procedure for the adjustment of input value added tax on fixed assets acquired and the goods acquired or services received for the fixed assets shall be established by a regulation of the minister responsible for the area.

(7) Taxable persons who supply investment gold exempt from value added tax have the right to deduct:
1) input value added tax paid upon purchasing investment gold from a taxable person who has exercised the right specified in clause 16 (3) 4) of this Act;
2) input value added tax paid on gold other than investment gold and imported by them, acquired by way of intra-Community acquisition or acquired from another taxable person, on the condition that they subsequently transform the gold into investment gold;
3) input value added tax paid upon receipt of services relating to a change of the form, weight or purity of the gold.
[RT I 2005, 68, 528 - entry into force 01.01.2006]

§ 33. Methods of partial deduction of input value added tax

(1) Upon partial deduction of input value added tax in the case specified in subsection 32 (1) of this Act, the taxable person may use either the method of proportional deduction or the method combining direct calculation and proportional deduction during one and the same calendar year.

(2) In the case of proportional deduction, the proportion of taxable supply to total supply shall be applied upon deduction of the input value added tax in full amount. The proportion of taxable supply to total supply shall be determined on the basis of the supply effected by the taxable person during the previous calendar year. The result shall be adjusted at the end of the calendar year, taking into account the proportion of taxable supply to total supply during the given calendar year. If the person has engaged in business for less than one calendar year, the proportion of taxable supply to total supply shall be determined by a decision of the tax authority on the basis of an application by the taxable person, taking into account the estimated proportion of taxable supply to total supply during the first calendar year.
[RT I, 25.10.2012, 1 - entry into force 01.12.2012]

(3) In the case of the method combining direct calculation and proportional deduction, the input value added tax paid on goods acquired or services received for the purposes of taxable supply shall be deducted from the calculated value added tax. The input value added tax paid on goods acquired or services received for the purposes of supply exempt from tax shall not be deducted from the calculated value added tax. The input value added tax paid on goods acquired or services received for the purposes of both taxable supply and supply exempt from tax shall be deducted according to the proportion of taxable supply to total supply pursuant to the procedure provided for in subsection (2) of this section. A taxable person shall keep separate accounts for taxable supply and supply exempt from tax, for the goods acquired and services received for the purposes thereof and for goods acquired or services received for the purposes of both taxable supply and supply exempt from tax.

(4) If a taxable person has effected only supply exempt from tax or only taxable supply in an area of activity and both taxable supply and supply exempt from tax in another area of activity, the taxable person may, with the written permission of the tax authority, deduct the input value added tax paid on goods acquired or services received for the purposes of both taxable supply and supply exempt from tax in such area of activity according to the proportion of taxable supply to total supply in the same area of activity. Otherwise, the provisions of subsection (3) of this section apply in such cases.
[RT I, 25.10.2012, 1 - entry into force 01.12.2012]

§ 34. Refund of input value added tax to taxable person

(1) If value added tax calculated during a taxable period is less than the amount of input value added tax deductible by the taxable person during the same period, the overpaid amount of value added tax shall be refunded to the taxable person pursuant to the procedure provided for in the Taxation Act.

(2) The tax authority may, in connection with checking a claim for refund, extend the term for fulfilment of the claim for refund by a reasoned decision for up to sixty calendar days if there is reason to believe that it may be impossible to reclaim the sum paid upon satisfaction of the claim for refund, and if:
[RT I, 11.07.2014, 4 – entry into force 01.08.2014]
1) the taxable person has been ordered to provide additional proof, or
2) an inquiry to a third person or foreign tax authority has been made in order to check the claim for refund.
[RT I 2005, 68, 528 - entry into force 01.01.2006]

(3) The term for fulfilling a claim for refund may be extended for up to thirty calendar days at a time. The tax authority shall make a written reasoned decision on extension of the term of fulfilment of the claim for refund not later than five calendar days after the term of expiry of the term of fulfilment of the claim for refund.
[RT I 2005, 68, 528 - entry into force 01.01.2006]

(4) Upon checking the accuracy of the claim for refund without an application for the fulfilment of the claim for refund, the provisions of subsections (2) and (3) of this section are applied.
[RT I 2008, 58, 323 - entry into force 01.01.2009]

(5) The tax authority of another Member State shall refund to a taxable person the value added tax paid in another Member State upon the import or acquisition of goods or receipt of services used for the purposes of its taxable supply effected in Estonia and, to a taxable person applying special arrangements pursuant to § 43 of this Act, the value added tax paid in another Member State upon the import or acquisition of goods or receipt of services used for the purposes of its taxable supply. An application for the refund of value added tax shall be submitted to the Estonian tax authority by electronic means no later than by 30 September of the calendar year following the period of refund.
[RT I, 18.02.2014, 2 – entry into force 01.01.2015]

§ 35. Refund of input value added tax in other cases

(1) Value added tax paid by a taxable person of another Member State in Estonia upon the import or acquisition of goods or receipt of services used for the purpose of business being carried out in the country of location of the person shall be refunded to the taxable person of another Member State on the basis of an application from the taxable person and pursuant to the procedure established by a regulation of the minister responsible for the area if:

1) the taxable person is required to pay value added tax as an undertaking in the country of location of the person;

2) in its country of location the taxable person has the right to deduct input value added tax paid upon the import or acquisition of goods or receipt of services under the same conditions from its calculated value added tax;

3) taxable persons of Estonia have the right to deduct, pursuant to this Act, input value added tax paid upon the import or acquisition of goods or receipt of services under the same conditions from their calculated value added tax;

4) the amount of value added tax to be refunded is at least 50 euros per calendar year or at least 400 euros in the case where the application is submitted concerning a period shorter than a calendar year but covering at least three months;

[RT I 2010, 22, 108 - entry into force 01.01.2011]

5) the application has been submitted electronically to the Estonian tax authority through the tax authority of the country of location of the taxable person of another Member State not later than by 30 September of the calendar year following the period of refund.

[RT I 2009, 56, 376 - entry into force 01.01.2010]

(1^1) If a taxable person of another Member State who has the right in its country of location to partially deduct input value added tax from the value added tax calculated on its taxable supply submits an application for the refund of value added tax during the period of refund, upon any changes in the proportion of the partial deduction of input value added tax the taxable person shall submit a correction of the application for the refund of value added tax during the calendar year following the period of refund.

[RT I, 11.07.2014, 4- entry into force 01.08.2014]

(1^2) The tax authority shall notify a taxable person of another Member State of the satisfaction or rejection of an application for the refund of value added tax within four months or, upon the request of additional information, for example an invoice or import documentation, within six months of the receipt of the application. Upon the request of further additional information, the tax authority shall notify of making of the decision concerning the refund of value added tax within eight months of the receipt of the application. The tax authority shall send documents to the applicant electronically. If an application for the refund of value added tax is satisfied, value added tax shall be refunded not later than within ten working days as of notifying the taxable person of the decision to satisfy the application.

[RT I 2009, 56, 376 - entry into force 01.01.2010]

(1^3) If value added tax is refunded to a taxable person of another Member State after expiry of the term provided for in subsection (1^2) of this section, the tax authority shall pay the person interest at the rate provided for in § 117 of the Taxation Act.

[RT I 2009, 56, 376 - entry into force 01.01.2010]

(2) Value added tax paid by a third country taxable person in Estonia upon the import or acquisition of goods, except immovables, or receipt of services used for business purposes shall be refunded to the third country taxable person on the basis of a written application from the taxable person and pursuant to the procedure established by a regulation of the minister responsible for the area if:

1) the taxable person is required to pay value added tax as an undertaking in the country of location the person;

2) the amount of value added tax to be refunded per calendar year is at least 320 euros;

[RT I 2010, 22, 108 - entry into force 01.01.2011]

3) taxable persons of Estonia have the right to deduct, pursuant to this Act, input value added tax paid upon the import or acquisition of goods or receipt of services under the same conditions from their calculated value added tax;

4) in the country of location of the third country taxable person, Estonian residents have the right to the refund of value added tax.

[RT I 2009, 56, 376 - entry into force 01.01.2010]

(3) [Repealed - RT I 2009, 56, 376 - entry into force 01.01.2010]

(4) Value added tax to be refunded shall be transferred to the bank account specified in an application submitted in the format established by a regulation of the minister responsible for the area.

(5) The Government of the Republic has the right to establish, by a regulation, a list of movables and services upon the acquisition or receipt of which value added tax paid is not refunded to taxable persons of third countries even if the requirements specified in subsections (1) and (2) of this section are satisfied.

(6) Input value added tax paid upon acquisition or importation of goods in Estonia shall be refunded to persons who export such goods as humanitarian aid, provided that the export of the goods is certified by documents

specified in subsection 5 (5) of this Act. Humanitarian aid is irrecoverable aid granted for alleviation of need to international organisations, foreign governments, foreign local governments or foreign non-governmental organisations.

(7) If a person is not entitled to the right to deduct input value added tax provided for in § 29 of this Act, the value added tax paid upon the acquisition or calculated on the purchase price of a new means of transport shall be refunded to the person after delivery of the new means of transport to the other Member State provided that the person proves that value added tax has been paid on the intra-Community acquisition of the goods in the other Member State. Value added tax shall be refunded in an amount not exceeding the value added tax calculated on the usual value of the new means of transport determined upon the delivery of the new means of transport to the other Member State.
[RT I 2008, 58, 324 - entry into force 01.01.2009]

(8) A person who is not entitled to the right to deduct input value added tax and cannot apply for a refund of value added tax on the basis of subsection (1) of this section, shall be refunded value added tax paid upon the import of goods provided that the person proves that value added tax has been paid on the intra-Community acquisition of the goods in another Member State.

(9) [Repealed – RT I, 10.12.2010, 3 - entry into force 01.01.2011]

(10) The procedure for the refund of value added tax to foreign taxable persons, the format of applications for such refunds of value added tax and the procedure for the refund of value added tax to persons who export goods as humanitarian aid shall be established by a regulation of the minister responsible for the area.

(11) The procedure for the refund of value added tax paid upon the acquisition of new means of transport in special cases shall be established by a regulation of the minister responsible for the area.

(12) [Repealed - RT I 2009, 56, 376 - entry into force 01.01.2010]

(13) A taxable person of another Member State or a third country person engaged in business, applying special arrangements for imposing value added tax upon provision of electronic communications services or electronically supplied services shall be refunded value added tax paid in Estonia upon import or acquisition of goods or receipt of services used for business purposes, taking account of the conditions provided for in subsections (1) and (2) of this section, except for condition provided for in clause (2) 4).
[RT I, 18.02.2014, 2 – entry into force 01.01.2015]

§ 36. Obligations of taxable persons and taxable persons with limited liability upon keeping records

(1) A taxable person shall:
1) preserve copies of invoices issued by or on behalf the person (subsection 37 (1)) and invoices for goods acquired or services received by or on behalf of the person in chronological order for seven years as of the date of their issue or receipt. The information set out in an invoice shall be preserved in its original form. Customs declarations certifying the import of goods shall be preserved for seven years as of the beginning of the calendar year following customs formalities;
2) pursuant to the procedure established by a regulation of the minister responsible for the area, maintain daily records of taxable supply and supply exempt from tax, calculated value added tax and input value added tax payable on taxable supply acquired from other registered taxable persons or on goods and services specified in subsection 4 (2) of this Act and used for business purposes, and input value added tax calculated on the taxable value of received services or acquired goods specified in clauses 3 (4) 2)-5) of this Act, and input value added tax paid or to be paid on imported goods used for the purposes of business;
3) keep records of goods dispatched or transported to another Member State by or on behalf of the taxable person, provided that such goods are not treated as intra-Community acquisition of goods pursuant to subsection 7 (2) of this Act;
4) keep records of movables specified in clause 8 (3) 3) of this Act and delivered to the taxable person to Estonia from another Member State with an accuracy which enables the movables to be identified;
5) keep record of the transactions related to the reusable packaging specified in subsection 11 (7) of this Act and preserve the documentation concerning reusable packaging for a period of at least seven years.

(2) Registered taxable persons who sell investment gold shall maintain records of all transactions relating to investment gold and of all purchasers of investment gold and shall preserve the documentation relating to each transaction for five years as of the date of the transaction.

(3) A taxable person with limited liability shall:
1) preserve copies of invoices for goods acquired or services received specified in clauses 3 (4) 2)-5) of this Act in chronological order for seven years as of the date of their issue or receipt. The information set out in an invoice shall be preserved in its original form;

2) pursuant to the procedure established by a regulation of the minister responsible for the area, maintain daily records of value added tax calculated on the taxable value of received services and imported or acquired goods specified in clauses 1 (1) 2) and 5) or clauses 3 (4) 2)-5) of this Act;
3) keep records of goods dispatched or transported to another Member State by or on behalf of the taxable person with limited liability, provided that such goods are not treated as intra-Community acquisition of goods pursuant to subsection 7 (2) of this Act;
4) keep records of movables specified in clause 8 (3) 3) of this Act and delivered to the taxable person with limited liability to Estonia from another Member State with an accuracy which enables the movables to be identified.

(4) A taxable person or taxable person with limited liability may choose the place at which invoices are preserved and the manner thereof on the condition that the person makes the invoices or information preserved therein immediately available at the request of the tax authority and in the case the amount of value added tax calculated on transaction or procedure set out in the invoice is subject to payment in another Member State also at the request of a competent authority of another Member State.
[RT I, 27.03.2012, 7 - entry into force 01.01.2013]

(5) The procedure for maintaining daily records of taxable supply and supply exempt from tax, calculated value added tax, input value added tax payable on taxable supply acquired from other registered taxable persons or on goods or services specified in subsection 4 (2) of this Act and used for business purposes and input value added tax calculated on the taxable value of received services or acquired goods specified in clauses 3 (4) 2)-6) of this Act, or input value added tax paid or to be paid on imported goods shall be established by a regulation of the minister responsible for the area.
[RT I, 10.12.2010, 3 - entry into force 01.01.2011]

§ 37. Invoices

(1) A taxable person shall issue an invoice for the transfer of goods or provision of services within seven calendar days as of the date on which the goods are dispatched or made available to the purchaser or the services are provided or as of the last day of the taxable period specified in subsection 11 (4) of this Act, or ensure that the invoice is issued within that term by a person acting in the name and for the account of the taxable person or by the acquirer of the goods or the recipient of the services, except in the case specified in subsection (3) of this section.

(1^1) If the place of supply of goods is Estonia, a taxable person shall issue an invoice for the transfer of goods or provision of services in accordance with the requirements of this section. A taxable person shall issue an invoice in correspondence with the conditions specified in this section also in the case where the place of supply is in a third country and upon the transfer of goods and provision of services which are subject to taxation in the Member State of the acquirer of goods or recipient of the service to a person who is registered as a taxable person or taxable person with limited liability in another Member State, except in the case where the acquirer of goods or a recipient of the service in another Member State issues an invoice for the goods transferred or service provided thereto on behalf of the taxable person.
[RT I, 27.03.2012, 7 - entry into force 01.01.2013]

(2) If the supply is created upon receipt of full or partial payment for the goods or services, an invoice shall be issued within seven calendar days as of the date of receipt of full or partial payment for the goods or services.

(2^1) In the event of the Intra-Community supply of goods or upon the provision of service specified in clause 10 (4) 9) of this Act to a taxable person or taxable person with limited liability in another Member State, a taxable person shall issue an invoice by the fifteenth day of the month following the month in which the goods are dispatched or made available or the service is provided.
[RT I, 27.03.2012, 7 - entry into force 01.01.2013]

(3) An invoice meeting the requirements of this section need not be issued upon the transfer of goods or provision of services to a natural person for personal use, except in the case of distance selling, the transfer of a new means of transport or treating goods transferred to third country natural persons as exports. An invoice need not be issued upon the transfer of goods or provision of services specified in subsection 16 (1), (2) or (2^1) of this Act provided that value added tax is not imposed on such supply.
[RT I 2009, 56, 376 - entry into force 01.01.2010]

(4) A document, including a credit invoice, which amends an initial invoice and which contains a reference to the initial invoice shall be deemed to be an invoice.

(5) An invoice may be issued by the acquirer of goods or the recipient of services in respect of goods transferred or services provided thereto by a taxable person or foreign taxable person, on the condition that, before supply is effected, there is a written agreement between the two parties pursuant to which the acquirer of goods or the recipient of services will issue an invoice and the taxable person or foreign taxable person will accept the invoice. The agreement must contain the procedure for the acceptance of each invoice by the taxable person or foreign taxable person.
[RT I 2008, 58, 324 - entry into force 01.01.2009]

(6) An invoice may be issued on paper or, subject to acceptance by the acquirer of goods or the recipient of services, by electronic means.

(7) The following shall be set out in an invoice:
1) the serial number and date of issue of the invoice;
2) the name and address of the taxable person and the person's registration number as a taxable person;
3) the name and address of the acquirer of goods or the recipient of services;
4) the registration number of the acquirer of goods or the recipient of services as a taxable person if the acquirer of goods or the recipient of services has tax liabilities upon the acquisition of goods or receipt of services;
5) the name or a description of the goods or services;
6) the quantity of the goods or extent of the services;
7) the date of dispatch of the goods or provision of the services or the date of receipt of full or partial payment for the goods or services if the date can be determined and differs from the date of issue of the invoice;
[RT I 2008, 58, 324 - entry into force 01.01.2009]
8) the price of the goods or services exclusive of value added tax and any discounts, if these are not included in the price;
9) the taxable amount broken down by different rates of value added tax together with the applicable rates of value added tax or the amount of supply exempt from tax;
10) the amount of value added tax payable, except in the cases provided by law. The amount of value added tax shall be indicated in euros.
[RT I 2010, 22, 108 - entry into force 01.01.2011]

(8) In addition to the information listed in subsection (7) of this section, the following shall be set out in an invoice:
1) where supply subject to value added tax at the rate of 0 per cent or supply exempt from tax is involved, reference shall be made to the appropriate provision based on which such rate can be applied: to the appropriate clause of subsection 15 (3) or (4) or the appropriate subsection and clause of § 16 of this Act, or to the appropriate subparagraph of Article 132, 135, 146, 148, 151 or 156, or Article 136, 142, 152, 153, 159, 160, 346, 347, 382 or 37(3) of Council Directive 2006/112/EC, or where intra-Community supply of goods is involved, reference to Article 138 of the Council Directive, and where transport of goods to the Azores or Madeira, or from the Azores or Madeira to Estonia or another Member State is involved, reference to Article 142 of the Council Directive. Reference to the appropriate provision based on which the tax rate is applied need not be set out in the invoice upon export of goods;
[RT I, 27.03.2012, 7 - entry into force 01.01.2013]
2) where the acquirer of goods or the recipient of services is liable to pay the tax, the reference 'reverse charge' if the place of supply of goods is not Estonia and in the cases specified in § 41^1 of this Act;
[RT I, 27.03.2012, 7 - entry into force 01.01.2013]
3) where goods sold to a natural person of a third country are treated as exports (subsection 5 (2), reference to subsection 5 (2) of this Act or Article 147 of Council Directive 2006/112/EC;
[RT I 2008, 58, 324 - entry into force 01.01.2009]
4) in the case of intra-Community transfer of a new means of transport, the particulars certifying that the transferred goods are a new means of transport and reference to clause 15 (3) 2) of this Act or subparagraph 138(2)(a) of Council Directive 2006/112/EC;
[RT I 2008, 58, 324 - entry into force 01.01.2009]
5) [Repealed – RT, I, 18.02.2014, 2 – entry into force 01.03.2014]
6) where special arrangements apply for imposing value added tax on travel services (§ 40), a notation 'procedure for taxing the margin – travel agencies';
[RT I, 27.03.2012, 7 - entry into force 01.01.2013]
7) where special arrangements apply for imposing value added tax on the resale of second-hand goods, original works of art, collectors' items and antiques (§§ 41 and 42), the reference ' procedure for taxing the margin - second-hand goods', 'procedure for taxing the margin - works of art'or ' procedure for taxing the margin - collectors' items and antiques' correspondingly;
RT, I, 18.02.2014, 2 – entry into force 01.03.2014]
8) if a foreign person engaged in business has designated a tax representative (§ 20), the registration number as a taxable person and the name and address of the tax representative, and reference to subsection 20 (6) of this Act or Article 204 of Council Directive 2006/112/EC.
[RT I 2008, 58, 324 - entry into force 01.01.2009]
9) upon preparing an invoice on the basis of subsection (5) of this section, the reference 'self-billing'.
[RT I, 27.03.2012, 7 - entry into force 01.01.2013]

(8^1) The reference provided for in clauses (8) 1), 3)-5) and 8) of this section may be replaced by another clear and unambiguous notation.
[RT I, 27.03.2012, 7 - entry into force 01.01.2013]

(9) A simplified invoice may be issued, provided that the amount indicated in the invoice does not exceed160 euros exclusive of value added tax, in the following cases:

1) upon the provision of transport services for passengers;
[RT I 2010, 22, 108 - entry into force 01.01.2011]
2) in the case of invoices printed by parking meters, automated petrol stations and other similar machines.
[RT I 2008, 58, 324 - entry into force 01.01.2009]

(10) In the cases specified in subsection (9) of this section, at least the following information shall be set out in an invoice:
1) the date of issue of the invoice;
2) the name of the taxable person and the person's registration number as a taxable person;
3) the name or a description of the goods or services;
4) the taxable amount;
5) the amount of value added tax to be paid.

(11) A taxable person to whom an invoice is issued in compliance with the requirements listed in subsection (10) of this section shall indicate the name of the taxable person and the person's registration number as a taxable person on the invoice.

§ 38. Payment and receipt of value added tax

(1) A taxable person or taxable person with limited liability shall pay the amount of value added tax due by the date of submission of the value added tax return. The person shall, pursuant to the same procedure, pay any amount of value added tax which the person has indicated in an invoice or other sales document issued in violation of provisions of law.

(2) Payment of value added tax upon the import of goods shall be subject to the procedure provided for by the customs legislation. Upon the import of goods in the case specified in subsection 6 (4) of this Act, a person shall submit information concerning the import of goods on a customs declaration form and shall pay value added tax pursuant to the procedure provided for in the customs legislation.
[RT I, 16.06.2017, 1 – entry into force 01.07.2017]

(2^1) Upon notifying the tax authority in writing in advance, a taxable person may declare value added tax calculated on import of goods in the value added tax return, provided that the tax authority has confirmed, pursuant to subsection (2^3) of this section, that the taxable person complies with the following conditions:
1) has been registered as a taxable person for at least preceding 12 consecutive months;
2) the supply taxable at the 0 percent value added tax rate has formed at least 50 percent of the total supply of the preceding 12 months;
3) has submitted tax returns only by electronic means within preceding 12 months;
4) has not failed to submit tax returns on time within preceding 12 months;
5) has not had tax arrears within the preceding 12 months.
[RT I, 29.04.2016, 6 - entry into force 01.07.2016]

(2^2) Upon import of fixed assets, the taxable person need not comply with the conditions specified in clauses (2^1) 1)–3) of this section. In the case of non-compliance with the specified conditions, the taxable persoon is required to provide a security to the tax authority at the request of the latter. The tax authority shall notify the taxable person of the claim for a security in writing within five working days as of the receipt of a written notice in accordance with subsection (2^1) of this section.
[RT I, 29.04.2016, 6 - entry into force 01.07.2016]

(2^3) The tax authority shall check the compliance of the taxable person with the conditions specified in subsection (2^1) of this section, taking account of the specifications provided for in subsection (2^2) of this section, and shall confirm the compliance of the taxable person with the conditions within 30 days as of the receipt of a written notice in accordance with subsection (2^1) of this section or shall notify of the non-compliance with the conditions.
[RT I, 29.04.2016, 6 - entry into force 01.07.2016]

(2^4) The tax authority shall check every month the continuation of the compliance of the taxable person with the conditions specified in subsection (2^1) of this section, taking account of the specifications provided for in subsection (2^2) of this section, as of the confirmation of the compliance with the conditions for the taxable person specified in subsection (2^3), and in the case of the non-compliance of the taxable person, the tax authority shall have the right to suspend the right to declare the value added tax calculated on import of goods in the value added tax return until the end of the following calendar month. The tax authority shall have the right to suspend the right to declare the value added tax calculated on the import of goods for the period of tax proceedings.
[RT I, 29.04.2016, 6 - entry into force 01.07.2016]

(2^5) The right to declare the value added tax calculated on the import of goods in the value added tax return shall be repealed on the basis of the notification of a taxable person in writing or upon the deletion of the taxable person from the register as a taxable person.
[RT I, 29.04.2016, 6 - entry into force 01.07.2016]

(2^6) The tax authority may repeal the right to declare the value added tax calculated on the import of goods in the value added tax return by a notice of assessment or if such right has been suspended for six consecutive months on the basis of subsection (2^4) of this section.
[RT I, 29.04.2016, 6 - entry into force 01.07.2016]

(3) A person specified in clause 3 (6) 2) of this Act shall pay value added tax by the twentieth day of the month following the month in which the corresponding invoice or other sales document is issued.

(4) A person specified in clause 3 (6) 3) of this Act shall pay, pursuant to the procedure established by the minister responsible for the area, value added tax to the customs authorities within ten calendar days as of the date of delivery to Estonia of the new means of transport acquired from another Member State but not later than by the date of registration of a means of transport.
[RT I, 10.12.2010, 3 - entry into force 01.01.2011]

(5) A person specified in clause 3 (6) 4) of this Act shall pay value added tax pursuant to the procedure for payment of excise duty provided for in the Alcohol, Tobacco, Fuel and Electricity Excise Duty Act.
[RT I 2008, 58, 324 - entry into force 01.01.2009]

(5^1) A person specified in clauses 3 (6) 5) and 6) of this Act, who is not a taxable person, shall present the particulars of the goods on a customs declaration form and shall pay value added tax pursuant to the procedure provided for in the customs legislation, taking account of necessary differences.
[RT I, 16.06.2017, 1 – entry into force 01.07.2017]

(6) Value added tax shall be paid into the state budget.

(7) The procedure for the payment of value added tax upon intra-Community acquisition of a new means of transport by a person who is not registered as a taxable person or taxable person with limited liability shall be established by a regulation of the minister responsible for the area.

Chapter 5
SPECIFIC PROVISIONS CONCERNING TAXATION

§ 39. Tax incentives applicable to foreign missions, diplomats, Union institutions and armed forces of foreign states

[RT I, 18.02.2014, 2 – entry into force 01.03.2014]

(1) Value added tax shall not be imposed on the import of goods to a foreign diplomatic representation and consular post, a special mission, a representation or headquarters of an international organisation recognised by the Ministry of Foreign Affairs, a Union institution, a diplomatic representative or consular agent of a foreign state accredited to Estonia (except for honorary consul), a representative of a special missioon and international organisation, as well as to a member of the administrative staff of a diplomatic representation, consular post and special missioon. Upon acquisition of goods, except foodstuffs, or services in Estonia, value added tax paid on such goods or services shall be refunded to a representation, institution, special mission, headquarters and natural person, except the Union institution, on the basis of an invoice meeting the requirements provided for in § 37 of this Act if, according to the invoice, the total value of the goods and services, including the value added tax, makes up at least 64 euros. In the case of public utility services, telecommunications services and fuel within the meaning of the Liquid Fuel Act, value added tax shall also be refunded if the value of the goods or services is less than 64 euros..
[RT I, 29.04.2016, 6 – entry into force 01.01.2017]

(2) Value added tax shall not be imposed on the import of goods to international military headquarters if the tax incentives are laid down in an international agreement ratified by the Riigikogu and on import of goods necessary for the armed forces of a NATO Member State participating in the common defence effort, except Estonia, and the civilian staff accompanying them and to their members. Tax exemption on the import of goods and the refund of the value added tax paid upon acquisition of goods or services from Estonia shall be applied with regard to a member of the armed forces of a foreign state and a member of the civilian staff and the dependant thereof, to an employee of the contractual partner of the armed forces of a foreign state, to a member of the international military headquarters and the dependent of the member and to an employee of the contractual partner of the headquarters and the dependent of the employee, and to the armed forces and civilian staff of a foreign state which is not a NATO Member State, to an international military educational institution if the tax incentives are laid down in an international agreement ratified by the Riigikogu. Upon refund of the value added tax paid in Estonia upon acquisition of goods or receipt of service the minimum amount of total value provided for in subsection (1) of this section shall be applied with regard to the members of the international military headquarters and their dependents.

[RT I, 27.06.2017, 1 – entry into force 01.07.2017]

(3) The procedure for and conditions of exemption from value added tax and the procedure for and conditions of refund of value added tax on goods imported to meet the needs of a representation, authority, special mission and institution specified in subsection (1) of this section and the armed forces and civilian staff accompanying them and a member thereof and the dependent of the member, an employee of the contractual partner of the armed forces, headquarters, a member of the headquarters and the dependent of the member and of an educational institution specified in subsection (2) of this section shall be established by a regulation of the minister resposible for the area.
[RT I, 27.06.2017, 1 - entry into force 01.07.2017]

(3^1) The format of applications for the refund of value added tax paid on goods acquired in Estonia shall be established by a regulation of the minister responsible for the area.
[RT I, 01.06.2013, 1 - entry into force 01.07.2013]

(4) On the proposal of the minister responsible for the area, exceptions to the provisions of subsection (1) of this section may be made on the basis of the principle of reciprocity by a regulation of the Government of the Republic.

(5) The right of a representation, post, special mission, institution and natural person specified in subsection (1) of this section and members of an international military headquarters and their dependents to apply for exemption from or a refund of value added tax shall be approved by the minister responsible for the area or an official authorised by him or her.
[RT I, 01.06.2013, 1 - entry into force 01.07.2013]

(6) The right of the armed forces and accompanying civilian staff and their member and the dependent of the member, an employee of the contractual partner of the armed forces, headquarters, an employee of the headquarters and the dependent of the employee and of an educational institution specified in subsection (2) of this section to apply for exemption from or a refund of value added tax shall be approved by the minister responsible for the area of national defence or an official authorised by him or her.
[RT I, 27.06.2017, 1 - entry into force 01.07.2017]

§ 40. Special arrangements for imposing value added tax on travel services

(1) Special arrangements for imposing value added tax on travel services (hereinafter special arrangements) are applicable to taxable persons who, acting in their own name, provide services directly related to travel (hereinafter travel services) to travellers, including legal persons and agencies, and use goods acquired and services received from other Estonian or foreign persons engaged in business in the provision of travel services.
[RT I, 10.12.2010, 3 - entry into force 01.01.2011]

(2) The special arrangements need not be applied to taxable persons who, acting in their own name, provide travel services to other Estonian or foreign taxable persons for resale.

(3) The place of supply of travel services subject to value added tax under the special arrangements is Estonia. The place of supply of travel services is not Estonia if the services used in the provision of travel services are received from another taxable person or person engaged in business and if the other person provides the services in a third country. If a part of travel services is provided in a third country, Estonia shall not be deemed to be the place of supply of those travel services which are related to the services provided in the third country.

(4) The taxable value of travel services subject to the special arrangements shall be the difference between the total amount to be paid for the services to a taxable person by the recipient of the services and the total cost, inclusive of value added tax, to the taxable person of goods acquired and services received from other taxable persons or persons engaged in business where these transactions are for the direct benefit of the recipient of the services, and the difference shall then be reduced by the value added tax contained therein.

(5) On the basis of a reasoned written application from a taxable person, the tax authority may grant permission to the taxable person to use, when calculating the taxable value of travel services, the average margin of the calendar year prior to the provision of the services. The margin is the proportion of the total cost, inclusive of value added tax, to a taxable person of goods acquired and services received from other taxable persons for the direct benefit of the recipient of the services to the total amount to be paid for the services to the taxable person by the recipient of the services. A taxable person that uses, with the permission of the tax authority, the average margin of the calendar year prior to the provision of the travel services in the calculation of the taxable value of the travel services, shall use the margin until the end of the calendar year and adjust the taxable value of the travel services at the end of the calendar year for the entire calendar year, proceeding from the taxable value of the travel services calculated pursuant to subsection (4) of this section.

(6) A taxable person that applies the special arrangements shall not be entitled to the right to deduct from value added tax calculated pursuant to subsection (4) or (5) of this section input value added tax paid by the taxable person to another taxable person upon the acquisition of goods or receipt of services for the direct benefit of the recipient of the services.

(7) A taxable person shall treat all services provided and goods transferred to a recipient of travel services pursuant to the special arrangements as a single travel service.

(8) If a taxable person applies the special arrangements, the taxable person shall not indicate the amount of value added tax paid upon the acquisition of goods or the receipt of services or calculated on the taxable value determined pursuant to subsection (4) or (5) of this section on an invoice issued for travel services subject to the special arrangements.

(9) A taxable person that provides both travel services subject to the special arrangements and services not subject to the special arrangements is required to keep separate records for travel services subject to the special arrangements and goods acquired or services received therefor and of other services not subject to the special arrangements and goods acquired or services received therefor.

(10) [Repealed – RT I 2005, 68, 528 - entry into force 01.01.2008]

(11) The procedure for adjustment, by taxable persons using an average margin, of the taxable value of travel services shall be established by a regulation of the minister responsible for the area.
[RT I 2005, 68, 528 - entry into force 01.01.2006]

§ 41. Special arrangements for imposing value added tax on resale of second-hand goods, original works of art, collectors' items and antiques

(1) A taxable person that acquires second-hand goods, original works of art, collectors' items or antiques with a view to resale and does not use the goods may, upon resale, apply the procedure for the calculation of taxable value provided for in subsection (3) of this section on the condition that the taxable person acquired the goods:
1) from a person of Estonia or another Member State who is not a taxable person;
2) from a taxable person of Estonia or another Member State who did not add value added tax to the price of the goods upon transfer of the goods and who could not deduct input value added tax paid upon acquisition of the goods;
3) from a taxable person of Estonia or another Member State, in so far as the resale of second-hand goods, original works of art, collectors' items or antiques by that other taxable person was subject to value added tax in accordance with the special arrangements provided for in this section.

(2) "Second-hand goods" means movables which have been used and which are suitable for further use as they are or after repair, other than original works of art, collectors' items or antiques and other than precious metals or precious stones. "Original works of art" means the goods referred to in Part A of Annex IX to Council Directive 2006/112/EC, thereby taxable persons shall have the option of not considering the items mentioned in points (5)-(7) of Part A of Annex IX to Council Directive 2006/112/EC as "original works of art". "Collectors' items" means philately items (CN code 9704 00 00) and collections and collectors' pieces of zoological, botanical, mineralogical, anatomical, historical, archaeological, palaeontological, ethnographic or numismatic interest (CN code 9705 00 00). "Antiques" means objects which are more than 100 years old (CN code 9706 00 00).
[RT I 2008, 58, 324 - entry into force 01.01.2009]

(3) In the case of the resale of second-hand goods, original works of art, collectors' items or antiques, the taxable value of supply shall be the difference between the sales price and purchase price of the goods which has been reduced by the value added tax contained therein.

(4) A taxable person that applies the procedure for the calculation of taxable value set out in subsection (3) of this section shall not indicate the amount of value added tax paid upon the acquisition of goods or calculated on the taxable value determined pursuant to subsection (3) of this section on an invoice or other sales document issued.

(5) If a taxable person has notified the tax authority accordingly, the person may also resell the following goods under the procedure for calculating taxable value provided for in subsection (3) of this section:
1) original works of art, collectors' items and antiques imported by the person;
2) original works of art sold to the taxable person by the author or the copyright holder.

(6) A taxable person that utilises the option specified in subsection (5) of this section shall observe the procedure for calculating taxable value provided for in subsection (3) of this section upon the resale of the goods specified in subsection (5) of this section for at least two calendar years as of taking up the option specified in subsection (5) of this section.

(7) In the case of the supply of original works of art, collectors' items or antiques imported by a taxable person, the taxable value calculated pursuant to subsection 13 (1) of this Act plus the value added tax calculated on the taxable value is deemed to be the purchase price.

(8) [Repealed – RT I 2008, 58, 324 - entry into force 01.01.2009]

(9) A taxable person does not have the right to deduct value added tax pursuant to the procedure for calculating taxable value provided for in subsection (3) of this section upon the taxation of supply effected by the taxable person, where the person paid the value added tax on the following:
1) the import of original works of art, collectors' items or antiques;
2) the acquisition of original works of art from the author or the copyright holder.

(10) A taxable person is required, under the procedure for calculating taxable value provided for in subsection (3) of this section, to keep separate records of the acquisition and transfer of goods transferred. A taxable person must have documents certifying the acquisition of goods from a person specified in subsection (1) of this section and the compliance of the goods with the criteria set out in subsection (2) of this section.

§ 41[1]. Special arrangements for imposing value added tax on immovables, scrap metal, precious metal and metal products

[RT I, 08.11.2016, 1 - entry into force 01.01.2017]

(1) If a taxable person transfers the goods specified in subsection (2) of this section to another taxable person, the acquirer of the goods shall pay the sales price exclusive of value added tax to the transferor. The acquirer of the goods shall calculate the amount of the value added tax mentioned on the invoice issued for the transaction as the amount of value added tax to be paid by the acquirer instead of the transferor.
[RT I, 10.12.2010, 3 - entry into force 01.01.2011]

(2) The special arrangements provided in this section shall apply for the supply of the following goods:
1) immovable or part thereof about adding a value added tax to a taxable value of which a taxable person is required to notify the tax authority pursuant to subsection 16 (3) of this Act;
2) scrap metal within the meaning of the § 104 of the Waste Act..
3) investment gold about including a value added tax in the taxable amount of which a taxable person is required to notify the tax authority pursuant to subsection 16 (3) of this Act.
[RT I, 06.06.2014, 2 – entry into force 01.07.2014]
4) precious metal for the purposes of the Precious Metal Articles Act, except for investment gold and metal material containing precious metals, including waste containing precious metals, if they are transferred to a taxable person not holding waste permit.
[RT I, 06.06.2014, 2 – entry into force 01.07.2014]
5) metal products with CN-codes 7208-7220 (except products with code 721691, welding wire and welding rods) 7222, 7225, 7226, 7228 (except welding rods), 73011000, 730300–7306 (except ventilation, aspiration, smoke and rainwater pipes), 73081000, 73082000, 73121061, 73121069, 731420 and 73143900, which are specified in the Commission Implementing Regulation (EU) 2015/1754 amending Annex I to Council Regulation (EEC) No 2658/87 on the tariff and statistical nomenclature and on the Common Customs Tariff (OJ L 285, 30.10.2015, pp. 1–926).
[RT I, 24.04.2018, 2 - entry into force 01.05.2018]

(3) Upon acquisition of the goods specified in subsection (2) of this section the acquirer of the goods shall record the value added tax of the taxable transaction and the amount of value added tax to be paid in the value added tax return during the period of the receipt of the invoice for such goods.
[RT I, 10.12.2010, 3 - entry into force 01.01.2011]

(4) In the case specified in subsection (1) of this section the purchaser deducts the input value added tax from the calculated value added tax pursuant to the provisions of this Act in the same taxation period where the purchaser calculates the amount of the value added tax as the value added tax paid by the purchaser.
[RT I, 10.12.2010, 3 - entry into force 01.01.2011]

(5) The transaction specified in subsection (1) of this section must be set out on the invoice separately with the reference „reverse charge". If the supply has not been fully effected by the time of submission of the invoice pursuant to § 11 of this Act, a separate invoice shall be issued for the transaction specified in subsection (1) of this section with the reference „reverse charge".
[RT I, 24.04.2018, 2 - entry into force 01.05.2018]

§ 42. Special arrangements for imposing value added tax on sale of second-hand goods, original works of art, collectors' items and antiques at public auctions

(1) In the case of the sale of second-hand goods, original works of art, collectors' items or antiques at a public auction, the taxable value of the supply of the organiser of the auction shall be the difference between the sales price and the price paid to the principal which has been reduced by the value added tax contained therein.

(2) The sales price of the goods is the amount paid by the purchaser to the organiser of the auction on the basis of an invoice or other sales documents issued by the organiser. The sales price of the goods shall include the price of the goods at the public auction and other amounts payable by the purchaser of the goods to the organiser of the auction in connection with the acquisition of the goods.

(3) The price payable to the principal is equal to the difference between the price of the goods at the public auction and the commission obtained or to be obtained by the organiser of the public auction from the principal under the contract.

(4) The organiser of a public auction shall not indicate the amount of value added tax calculated on the taxable value determined pursuant to subsection (1) of this section on an invoice or other sales document issued to a purchaser.

(5) The procedure for calculating taxable value provided for in subsection (1) of this section shall be applicable if the organiser of the public auction acts on the basis of a commission contract concluded with a person specified in clauses 41 (1) 1)-3) of this Act, whereby commission is payable on the sale of goods at the public auction.

(6) A taxable person acting as an organiser of an auction to whom goods are delivered under a contract specified in subsection (5) of this section shall issue a statement to the principal of the person setting out the price of the goods at the public auction and the amount representing the price of the goods at the public auction less the commission payable by the principal. The statement shall also serve as an invoice issued by the principal to the organiser of the public auction.

§ 43. Special arrangements for imposing value added tax on electonic communications service and electronically supplied service

[RT I, 18.02.2014, 2 – entry into force 01.01.2015]

(1) Special arrangements for imposing value added tax on the service covered by special arrangements (hereinafter in this chapter special arrangements) may be applied by a taxable person and a third country person engaged business (hereinafter in this chapter a person implementing special arrangements) in case of electronic communications services and electronically supplied services (hereinafter service covered by special arrangements) on condition that:
1) the services are provided by a third country person engaged in business, who is not registered as a taxable person in any of the Member States, to a person of a Member State who is not registered as a taxable person or taxable person with limited liability.
2) a taxable person whose seat is in Estonia provides service covered by special arrangements to a person whose seat or place of residence is in another Member State, who is not registered as a taxable person or a taxable person with limited liability;
3) a taxable person whose seat is outside the Community but whose permanent establishment is located in Estonia provides a service covered by special arrangements to a person whose seat or place of residence is in another Member State, who is not registered as a taxable person or a taxable person with limited liability.

(2) A person applying special arrangements is required to apply special arrangements to all the services covered by special arrangements, which are taxed under the conditions provided for in this section.

(3) Special arrangements are not applied in a Member State where a person applying special arrangements is registered as a taxable person.

(4) A taxable person that wishes to implement special arrangements or a third country person engaged in business that wishes to register in Estonia under special arrangements shall submit an application for that purpose through the electronic portal on the web page of the tax authority.

(5) The tax authority shall allocate a registration number to a third country person engaged in business and shall notify the person thereof by electronic means within five working days as of the receipt of the application.

(6) Special arrangements shall be applied from the first day of the quarter following the submission of the application to the tax authority by the taxable person for the implementation of the selection of special arrangements or the registration of a third country person engaged in business.

(7) In case a person provides a service covered with special arrangements before the day specified in subsection (6) of this section, special arrangements shall be implemented from the first day of the provision of such service on condition that the person has submitted the application for implementation of special arrangements at the latest by the tenth date of the month following the calendar month of the provision of service covered with special arrangements.

(8) A person implementing special arrangements shall inform through the electronic portal on the web page of the tax authority of the termination of the provision of services covered by special arrangements, of the amendment of the activities thereof in such a manner that he cannot implement special arrangements any longer and of the changes in the data submitted in the application specified in subsection (4) of this section by the tenth date of the month following the month of making amendments. If the person still continues provision of a service covered by special arrangements in the Community, the tax authority is required to be informed of the termination of implementation of special arrangements for at least 15 days before the end of the quarter when the person intends to terminate implementation of special arrangements.

(9) The tax authority shall terminate implementation of special arrangements with regard to the taxable person or delete the third country person engaged in business from the register if:
1) the person has notified that the person no longer supplies services covered with special arrangements;
2) the person has not provided services taxable under special arrangements for eight consecutive quarters or the person no longer fulfils the requirements for the implementation of special arrangements;
3) the person has repeatedly failed to comply with the requirements for the implementation of special arrangements;
4) the person continues provision of services covered with special arrangements but has informed the tax authority of termination of the implementation of special arrangements.

(10) The tax authority shall send the decision on termination of the implementation of special arrangements to the person implementing special arrangements by electronic means. The decision shall enter into force on the first day of the quarter following the day of sending the decision. If termination of the implementation of special arrangements is related to the change of the seat or permanent business establishment of the company, the decision shall enter into force on the date of this change.

(11) A person implementing special arrangements shall submit the value added tax return for services covered by special arrangements for every quarter through the electronic portal on the web page of the tax authority. The value added tax return concerning services covered by special arrangements shall be submitted by the twentieth date of the month following the quarter. A person implementing special arrangements is required to pay the value added tax payable by the date of submission of the value added tax return.

(12) The following information shall be submitted in the value added tax return concerning services covered by special arrangements:
1) the number of registration as a taxable person of a person implementing special arrangements;
2) a quarter and year for which the tax retun is submitted;
3) a Member State where the service covered by special arrangements was provided;
4) the total taxable value of services in euros by Member States:
5) tax rate by Member States;
6) the amount of value added tax payable in euros by Member States;
7) the total amount of value added tax payable in euros.

(13) If the services covered by special arrangements are paid for in a currency other than euro, the exchange rate of euro, determined by the European Central Bank valid on the last day of the return period shall be applied for expressing data in euros in the value added tax retun for services covered by special arrangements.

(14) If a person implementing special arrangements changes data in the tax return for services covered by special arrangements submitted for the previous taxation periood, the person shall submit a new adjusted return for this taxation periood. The data in the return for previous periods may be changed within three years as of the date of submission of the initial return.

(15) A taxable person implementing special arrangements may not deduct the value added tax, paid upon purchase of goods or receipt of services in another Member for the purposes of the service covered by special arrangements, from the value added tax payable as an input value added tax if the person has the right to reclaim thereof from the tax authority of the relevant Member State.

(16) A person implementing special arrangements is required to keep for ten years from 31 December of the year of transaction the following data:
1) the Member State where the service was provided;
2) the type of service provided;
3) the date of the provision of service;
4) the taxable amount and currency used;
5) the later increase or decrease of the the taxable amount;
6) the applicable value added tax rate;
7) the amount of value added tax payable and the currency used;
8) the date of receipt and the amount of payments received;
9) prepayments made C0#3FC0#3Fprior to provision of service;
10) upon the issue of an invoice the information contained in the invoice;
11) the name of the client if it is known to the taxable person;
12) the information that is used to identify the seat or place of residence of the customer.

(17) A person implementing special arrangements is required to make the data specified in subsection (16) of this section electronically available at the request of the tax authority or the tax authority of the Member State of the establishment of the recipient of the service covered by special arrangements.

(18) If a person implementing special arrangements terminates implementation of special arrangements but continues provision of services covered by special arrangements in the Community, the person is not permitted to implement special arrangements during two quarters following the entry into force of the decision on termination of the implementation of special arrangements.

(19) If the tax authority terminates the implementation of special arrangements by a taxable person or deletes the third country person engaged in business from the register because the person has repeatedly failed to

comply with the requirements estalished for the implementation of special arrangements, the person shall have no right to implement special arrangements during eight quarters following the entry into force of the decision on the termination of implementation of special arrangements.

(20) For the purposes of this section failure to comply with the requirements for implementation of special arrangements is repeated if:
1) the tax authority has issued electronically the reminders of the obligation to submit tax retuns for services covered by special arrangements to the person implementing special arrangements for three immediately preceding quarters but these retuns have not been submitted for any of the respective quarters during ten days as of the sending of the reminder;
2) the tax authority has electronically issued to the person implementing special arrangements the reminders of value added tax arrears for three immediatley preceding quarters but the person has not settled the value added tax debt due for any of the resepective quarters within ten days as of the receipt of the reminder, except for in the case when the outstanding amount is less than 100 euros per each quarter.
3) after the request of the tax authority or the tax authority of the Member State of the consumption of the service covered by special arrangements and one month after the tax authority has sent the reminder, the person implementing special arrangements has not made the data provided for in subsection (16) of this section electronically available.

(21) A third country person engaged in business that has opted for the use of special arrangements cannot designate a tax representative.
[RT I, 18.02.2014, 2 - entry into force 01.01.2015]

§ 44. Special arrangements for cash accounting for value added tax

(1) A taxable person whose taxable supply did not exceed 200,000 euros in the previous calendar year or as of the beginning of the current calendar year may apply the special arrangement in cash accounting for value added tax (hereinafter special arrangement). A person shall notify in writing the tax authority about the taxation period from which the person shall commence using the special arrangement either upon registration as a taxable person or at the latest during the taxation period prior to implementation of the special arrangement. The calculation of the threshold of the taxable supply does not take into account the transfer of fixed assets and the incidental transfer of immovable as good.

(2) A person that wishes to implement special arrangement shall keep records of the registration obligation threshold specified in 19 (1) of this Act on the cash basis. Value added tax shall be added to the transaction with which the threshold is exceeded in the extent of the entire transaction.

(3) Upon using the special arrangement the day when the act specified in 11 (1) 2) or 3) was performed is deemed the time of supply.

(4) Upon transfer of goods free of charge by a taxable person that uses special arrangement, the date on which the goods are dispatched or made available to the purchaser shall be the time of supply.

(5) If, for reasons independent of the taxable person that uses special arrangement, goods transferred or services provided are not paid for within the two calendar months following the date on which the goods were dispatched or made available or the services were provided, the first day of the third calendar month following the date on which the goods were dispatched or made available or the services were provided shall be the time of supply.

(6) If the dispatched goods and services provided are not paid for and the taxable person that uses special arrangement is deleted from the register of taxable persons the supply is deemed to have been effected in he taxation period for which the last value added tax return is to be submitted.

(7) Upon implementation of the special arrangement the entitlement to the deduction of input value added tax on goods acquired or service provided arises after payment for the goods or services. Upon partial payment for the goods acquired or service provided the entitlement to the deduction of input value added tax arises to the extent in which the goods or services are paid for.

(8) To discontinue special arrangement a taxable person shall notify the tax authority in writing at the latest during the taxation period prior to the discontinuation and in the case provided in subsection (9) of this section at the latest in the first taxation period from which the implementation of special arrangement was discontinued.

(9) A taxable person is required to discontinue implementation of the special arrangement if the supply of the taxable person exceeds 200,000 euros as of the beginning of the calendar year. The special arrangement shall not be implemented as of the first date of the calendar month following the generation of the supply. Upon keeping record of the threshold of the taxable supply the transfer of foxed assets and the incidental transfer of immovable as goods shall not be taken into account.

(10) After termination of the implementation of special arrangement a taxable person calculates the value added tax on goods dispatched and made available and services provided and the input value added tax on goods acquired and services received during the period of implementing the special arrangement in the procedure provided in this section. The general procedure of value added tax accounting shall be applied to the supply that was effected before implementation of the special arrangement and the calculation of the input value added tax on goods acquired and service received.

(11) Special arrangement is not implemented in case of the following transactions and acts:
1) import of goods;
2) intra-Community supply and acquisition;
3) provision to a taxable person or to a taxable person with limited liability of another Member State of such service specified in 10 (4) clause 9) of this Act the place of supply of which is not Estonia;
4) receipt from a foreign person engaged in business of such service the place of supply of which is not Estonia;
5) the supply, acquisition of goods and receipt of service is the payment for goods or service is carried out according to the contract, such as during a period following the dispatch of goods or provision service on the basis of the contract of lease which is longer than three calendar months

(12) [Repealed - RT I, 29.05.2014, 1 - entry into force 01.11.2014]

§ 44[1]. Tax warehousing

(1) Tax warehousing means placing the Union goods specified in Annex V to Council Directive 2006/112/EC in a place approved by the tax authority for the purpose of application of value added tax incentives. A tax warehouse is a place where tax warehousing is carried out.
[RT I, 18.02.2014, 2 – entry into force 01.03.2014]

(2) The keeper of a tax warehouse shall provide security in order to guarantee performance of tax obligations which may arise with regard to the goods stored in the tax warehouse. In the cases not regulated in the Taxation Act the provisions concerning customs debt provided for in customs legislation shall be applied to the provision, acceptance, release and use of the security and the calculation of its amount.
[RT I, 16.06.2017, 1 – entry into force 01.07.2017]

(3) A permit issued by the tax authority is required for operating a tax warehouse. A person wishing to operate a tax warehouse shall submit a written application containing the information necessary for obtaining a permit for operating a tax warehouse.

(4) The tax authority shall issue a permit for operating a tax warehouse if the following conditions are met:
1) the accounting of the applicant enables the tax authority to check the activities of the applicant;
2) the applicant keeps accurate accounts concerning the movement of the goods;
3) the applicant has no tax arrears;
4) the applicant has submitted accurate data to the tax authority;
5) the application is economically justified.

(5) The tax authority may refuse to issue a permit for operating a tax warehouse if, within a period of six months before the date of submission of the application, the applicant has been punished for a misdemeanour provided by §§ 154 or 156 of the Taxation Act, or the applicant has committed a criminal offence specified in §§ 389[1] or 389[2] of the Penal Code if information concerning the punishment has not been expunged from the punishment register.
[RT I 2009, 56, 376 - entry into force 01.01.2010]

(6) The keeper of a tax warehouse shall keep stock records of all the goods admitted in the tax warehouse in a form approved by the tax authority. Goods shall be entered in the warehouse stock records without delay after the relevant person brings the goods in the tax warehouse. The stock records must enable the tax authority to identify the goods, and must record the transactions carried out with the goods as well as the movements of the goods.

(7) The goods are deemed to be admitted in the tax warehouse after they have been entered in the warehouse stock records. Tax warehousing is deemed to be terminated after the goods have been deleted from the warehouse stock records.

(8) If as a result of processing, goods no longer belong to the list of goods specified in Annex V to Council Directive 2006/112/EC, the tax warehousing of the goods shall be immediately terminated.
[RT I 2008, 58, 324 - entry into force 01.01.2009]

(9) Goods which are admitted in a tax warehouse may be transferred to another tax warehouse without suspending the tax warehousing. The keeper of the sending tax warehouse is liable for the performance of the tax obligation until the goods are entered in the stock records of the other tax warehouse. If goods are unlawfully taken out of the place prescribed for tax warehousing, the keeper of the tax warehouse and the person who took the goods out shall bear solidary liability for the performance of the tax obligation provided in clause 3 (6) 5) of this Act.

(10) Goods missing from a tax warehouse are deemed to be goods unlawfully taken out of the place prescribed for tax warehousing. Upon comparing the results of measurements of liquids or bulk with the data submitted concerning such goods, the tax authority may consider the measurement uncertainty of the measurement process. If goods are lost to an extent which exceeds the measurement uncertainty, the warehouse keeper must prove to the tax authority that the loss occurred by virtue of unforeseeable circumstances, a natural process or the particular nature of the goods.

(11) The tax authority may suspend a permit for operating a tax warehouse for up to two calendar months and set a term for elimination of the differences based on which the permit was suspended, for compliance with the requirements of the tax authority or for taking the goods out of the tax warehouse, if:
1) within a period of six months before the date of suspension of the permit, the warehouse keeper has been punished for a misdemeanour provided by §§ 154 or 156 of the Taxation Act or the warehouse keeper has committed a criminal offence specified in §§ 389^1 or 389^2 of the Penal Code;
[RT I 2009, 56, 376 - entry into force 01.01.2010]
2) the keeper of the warehouse has tax arrears;
3) false information has been submitted upon application for the permit;
4) the operation of the tax warehouse does not conform to the requirements for operating a tax warehouse;
5) the obligation to provide a tax warehouse security has not been performed.

(12) A permit for operating a tax warehouse shall be invalidated on the basis of a written application of the warehouse keeper or on the initiative of the tax authorities. The tax authority may revoke a permit if:
1) the permit was suspended prior to revocation on the grounds specified in clause 11 1) of this section;
2) the warehouse keeper fails to eliminate the circumstances underlying the invalidation of the permit within the specified term.

(13) The requirements for tax warehouses and the procedure for the issue, suspension and invalidation of a permit for operating a tax warehouse, and the procedure for the storage and transport of the goods admitted to a tax warehouse shall be established by a regulation of the minister responsible for the area.
[RT I 2005, 68, 528 - entry into force 01.01.2006]

§ 44^2. Securities

(1) To secure the performance of the tax liability which may arise, the tax authority shall have the right to require a security from the handler of alcohol, the handler of tobacco products and the handler of fuel in accordance with the procedure established in the Taxation Act.
[RT I 2009, 56, 376 - entry into force 01.01.2010]

(2) The seller of liquid fuel shall submit security to the tax authority in the procedure established in the Liquid Fuel Act.
[RT I, 15.03.2011, 11 - entry into force 01.04.2011]

Chapter 6
FINAL PROVISIONS

§ 45. Taxation of supply based on contracts entered into before entry into force of this Act

(1) This Act also applies to the taxation of supply which is based on contracts entered into before the entry into force of this Act if the actual supply is effected after the entry into force of this Act.

(2) In the following cases, supply is deemed to have been effected during the time governed by the Value Added Tax Act in force until the entry into force of this Act:
1) if supply is created pursuant to the Value Added Tax Act in force until the entry into force of this Act prior to the entry into force of this Act but, pursuant to this Act, upon the entry into force of this Act or later;
2) if supply is created pursuant to the Value Added Tax Act in force until the entry into force of this Act upon the entry into force of this Act or later but, pursuant to this Act, prior to the entry into force of this Act. In both cases, the taxable person shall perform any obligations relating to value added tax pursuant to the Value Added Tax Act in force until the entry into force of this Act.

§ 46. Implementation of Act

(1) Persons who have been registered as taxable persons on the basis of the Value Added Tax Act in force until the entry into force of this Act and who have not been deleted from the register are deemed to be taxable persons as of the entry into force of this Act. Taxable persons who have been registered as a single taxable person on the basis of the Value Added Tax Act in force until the entry into force of this Act and the decision concerning whose registration as a single taxable person has not been annulled are deemed to be a single taxable person as of the entry into force of this Act.

(2) A person specified in subsection (1) of this section shall submit a value added tax return and pay value added tax for the taxable period prior to the entry into force of this Act pursuant to the procedure prescribed by the Value Added Tax Act in force prior to the entry into force of this Act.

(3) [Repealed -RT I, 24.04.2018, 2 - entry into force 01.10.2018]

(4) If a taxable person notified the tax authority prior to 1 January 2004 in writing of the person's wish that the supply of the person's dwelling or services of leasing a dwelling or supply of costs relating to land tax and building insurance demanded by the person as the lessor of a dwelling from the recipient of the service be taxed, taxation of such supply may continue until 1 May 2014.

(5) The period for the recalculation of input value added tax (§ 32) on immovables which a taxable person has been using for business for less than five calendar years upon the entry into force of this Act shall be extended to ten calendar years as of the commencement of use of the immovables for business. The number of calendar years from the commencement of use of the immovables for business until the entry into force of this Act shall be multiplied by two upon calculation of the recalculation period.

(6) The right to apply an exemption from value added tax or the 0 per cent value added tax rate granted by the tax authority pursuant to § 31 of the Value Added Tax Act in force until the entry into force of this Act shall be valid even if the transaction or act to which the decision of the tax authority pertains is performed after the entry into force of this Act. Value added tax paid on goods or services until the entry into force of this Act shall be refunded under the conditions and pursuant to the procedure established on the basis of § 31 of the Value Added Tax Act in force until the entry into force of this Act.

(7) The provisions of the Value Added Tax Act in force until the entry into force of this Act apply to the transfer of goods pursuant to a capital lease contract entered into prior to the entry into force of this Act on the condition that the goods have been transferred into the possession of the contractual user of the goods prior to the entry into force of this Act.

(8) [Repealed – RT I, 11.07.2014, 3 - entry into force 01.12.2014]

(9) [Repealed – RT I, 10.12.2010, 3 - entry into force 01.01.2011]

(10) The provisions of the Value Added Tax Act in force until the entry into force of this Act apply to Community goods or goods in free circulation in the Czech Republic, Cyprus, Latvia, Lithuania, Hungary, Malta, Poland, Slovenia or the Slovak Republic (hereinafter acceding countries) which are transported to Estonia and on the export of which customs formalities are completed in the Community or the acceding country prior to the entry into force of this Act until value added tax is paid on the import of the goods.

(11) If a person does not have the right to deduct input value added tax and cannot apply for a refund of value added tax on the basis of subsection 35 (1) of this Act, value added tax paid upon the import of goods covered by the temporary importation procedure with total relief from import duties shall be refunded to the person as of the entry into force of this Act, on the condition that the person proves that earlier export of the goods from a Member State of the Community or an acceding country has not given rise to the application of the 0 per cent value added tax rate, an exemption from value added tax or a refund of value added tax.

(12) If goods which are undergoing the outward processing procedure in the Community or an acceding country upon the entry into force of this Act are transported into Estonia under customs supervision, the provisions of the Value Added Tax Act in force until the entry into force of this Act apply to the goods until value added tax is paid on the import of the goods.

(13) If Estonian goods which were transported to a Member State of the Community or an acceding country for purposes which comply with the purposes of applying the temporary importation procedure with total relief from import duties prior to the entry into force of this Act are transported into Estonia under customs supervision, the provisions of the Value Added Tax Act in force until the entry into force of this Act apply to the goods until the goods are imported.
[RT I 2005, 68, 528 - entry into force 01.01.2006]

(14) If goods which were undergoing the processing procedure under customs control in Estonia on 1 January 2009 are placed under the customs procedure of release for free circulation, the provisions of this Act in force on 31 December 2008 apply to the import of the goods.
[RT I 2008, 58, 324 - entry into force 01.01.2009]

(15) Decisions concerning the registration as a single taxable person and made before 31 December 2009 shall be annulled as of 1 January 2010.
[RT I 2008, 58, 324 - entry into force 01.01.2009]

(16) Until 31 December 2011 the export of goods is deemed to be the transfer of the goods to a third county natural person for transportation to the third country in baggage with which the person is travelling if the sales price of the goods in the packaging transferred to the person by the same taxable person at the same point of sale on the same date, with value added tax, exceeds 38.35 euros and the criteria provided for in clauses 5 (2) 1), 3) and 4) of this Act are met.

[RT I 2010, 22, 108 - entry into force 01.01.2011]

(17) As an exemption from subsection 35 (1) 5) of this Act a taxable person of another Member State is entitled to submit the application for return of the value added tax paid in Estonia upon import or acquisition of goods or service received used for the purpose of business created in the country of location in 2009 at the latest by 31 March 2011.
[RT I, 10.12.2010, 3 - entry into force 01.01.2011 - is applied retroactively pursuant to subsection 50 (6) as of 1 October 2010)

(17[1]) On the basis of a reasoned request of a taxable person the tax authority may allow not to submit the appendix to the tax retun or part thereof until 20 June 2015. The permission shall be given in the case the administrative burden of the taxable person for performance of information technology developments would get unreasonably large upon the entry into force of the obligation provided for in subsection 27 (1[2]) of this Act on 1 November 2015. The application shall be submitted to the tax authority by 31 August 2014. The tax authority shall make the decision for the grant of permission within 30 calendar days as of the receipt of the application.
[RT I, 29.05.2014, 1 – entry into force 01.07.2014]

(17[2]) The extension of the term for fulfilment of the claim for refund submitted until 31 July 2014 shall be applied the procedure for extension of the term for fulfilment of the claim for refund valid until 31 July 2014.
[RT I, 11.07.2014, 4 - entry into force 01.08.2014]

(18) A taxable person or a third country person engaged in business that wishes to implement a special arrangement for imposing value added tax on electronic communications services or electronically supplied services from 1 January 2015 may submit an application for that purpose on the web page of the tax authority through the electronic portal as of 1 October 2014.
[RT I, 18.02.2014, 2 – entry into force 01.10.2014

(19) The tax authority shall allocate a registration number to the third country person engaged in business and shall notify the taxable person thereof by electronic means within five working days as of the receipt of the application specified in subsection (18) of this section.
[RT I, 18.02.2014, 2 – entry into force 01.10.2014]

(20) The appendix to the value added tax return specified in subsection 27 (1) of this Act shall be submitted for the first time by 20 December 2014.
[RT I, 29.05.2014, 1 - entry into force 01.11.2014]

(21) Until 20 January 2016 a taxable person shall have the right to reflect the amounts of the invoices in the appendix to the value added tax return by transaction partners in the procedure established by a regulation of the minister responsible for the area.
[RT I, 29.05.2014, 1 - entry into force 01.11.2014]

§ 47.–§ 49.[Omitted from this text.]

§ 50. Entry into force of Act

(1) This Act enters into force as of Estonia's accession to the European Union.

(2) Section 48 of this Act enters into force on 1 January 2004.

(3) [Repealed - RT I 2007, 17, 83 - entry into force 01.03.2007]

(4) [Repealed - RT I 2007, 17, 83 - entry into force 01.03.2007]

(5) Subsection 40 (10) of this Act applies until 31 December 2007.
[RT I 2005, 68, 528 - entry into force 01.01.2006]

(6) Subsection 46 (17) of this Act is applied retroactively as of 1 October 2010.
[RT I, 10.12.2010, 3 - entry into force 01.01.2011]

[1]Thirteenth Council Directive 86/560/EEC on the harmonisation of the laws of the Member States relating to turnover taxes — Arrangements for the refund of value added tax to taxable persons not registered in Community territory (OJ L 326, 21.11.1986, pp.40-41; Council Directive 2006/112/EC on common system of value added tax (OJ L 347, 11.12.2006, pp.1-118), as last amended by Directive 2013/61/EU (OJ L 353, 28.12.2013, pp.5-6); Council Directive 2007/74/EC on the exemption from value added tax and excise duty of goods imported by persons travelling from third countries (OJ L 346, 29.12.2007, pp.6-12); Council Directive 2008/9/EC laying down detailed rules for the refund of value added tax , provided for in Directive 2006/112/EC,

to taxable person not established in the Member State of refund but established in another Member State (OJ L 44, 20.02.2008, pp.23-28), as last amended by Directive 2010/66/EU (OJ L, 275, 20.10,2010, pp.1-2).
[RT I, 29.04.2016, 6 - entry into force 01.05.2016]