

12th Annual VAT Summit

The Cost of Getting it Wrong

**How to deal with VAT audits,
business controls, and VAT liability**

27-28-29 April 2011

Hotel Las Arenas *****GL

Valencia (Spain)

www.vatforum.com/valencia

Why should you attend the summit?

- You are registered in different member states and you know that one day the VAT inspector will be paying a visit: how can you be prepared?
- You have been invoicing for years, but are you sure that your business controls are ok?
- Are you sure that you know who should pay the VAT in all situations?

Who should attend the summit?

- VAT managers working in a multinational environment
- VAT compliance managers responsible for VAT reporting in different member states
- VAT officials dealing with large and foreign taxable persons
- VAT advisers serving multinational clients

Wednesday 27 April 2011

19.00 Cocktail

Welcoming cocktail and introduction to the conference

20.00 Welcome dinner

Thursday 28 April 2011

08.45 – 09.15 Introduction by Prof. Patrick Wille, president of VAT Forum

09.15 – 10.15 The EC framework for international audits

Council Regulation No 904/2010 of 7 October 2010 on administrative cooperation and combating fraud in the field of value added tax has been published on 12 October 2010.

Combating VAT evasion calls for close cooperation between the competent authorities in each Member State responsible for the application of the provisions in that field. Tax evasion and avoidance extending across the frontiers of Member States lead to budget losses and violations of the principle of fair taxation.

The tax harmonisation measures taken to complete the Single Market include the establishment of a common system for cooperation between the Member States, in particular as concerns the exchange of information, whereby the Member States' competent authorities are to assist each other and cooperate with the Commission in order to ensure the proper application of VAT on supplies of goods and services, intra-Community acquisition of goods and importation of goods.

Monitoring the correct application of VAT on cross-border transactions taxable in a Member State other than that where the supplier is established depends in many cases on information which is held by the Member State of establishment or which can be much more easily obtained by that Member State. Effective supervision of such transactions is therefore dependent on the Member State of establishment collecting, or being in a position to collect, that information.

Ludwig De Winter (to be confirmed), principal administrator at DG Taxud will talk about:

- The exchange of information on request and without prior request
- The request for administrative notification
- Simultaneous controls in different member states
- Eurofisc

10.15 – 10.45 Coffee break

10.45 – 11.30 A multilateral audit in your company: how does it work?

The EU has created a framework in order to exchange information and perform multilateral audits. But how does it work in practice?

Member States receive information from other Member States, what do they do with that information? What information is actually sent to other Member States?

Companies trading within the EU may be confronted with multilateral audits. Your national tax inspector does not come by himself - he's accompanied by his foreign colleagues! What will the tax auditors ask for and how does a multilateral audit work? Roger Somers (to be confirmed) from the Dutch Tax Authorities will explain how the Netherlands cooperate with other Member States for exchanging information and how multilateral audits are organized.

11.30 – 12.00 How to be prepared for a VAT audit

Most multinational companies have VAT registrations in different EU Member States. Since Member States cannot oblige EU companies to appoint a tax representative, companies tend to do their compliance themselves. However, when a VAT audit is being announced, some companies feel uncomfortable since they are not familiar with the legislation, formalities and customs when the VAT inspector comes in. Moreover, VAT audits are not harmonized at all on an EU level.

- What do you do when you discover an error: can you correct the error without being penalised in terms of penalties and interests? Can you still correct errors when a VAT audit has been announced? Do you write a formal letter to the tax authorities in order to notify them of the correction or can you just put the correction in your VAT return or issue a corrected document and keep internal track of those changes?
- In what countries are penalties negotiable or mitigated? Where penalties are negotiable, should it be done through a formal request or orally? How hard can/should you push? Should you also pay interest if the state treasury did not lose out?
- In what countries are there possibilities to pay outstanding VAT in instalments after a VAT audit or voluntary disclosure?
- What about liability for errors and resulting penalties and fines? To what extent

can group companies, whether or not in a VAT group, be held liable for the liability of other members? To what extent is there any personal liability for the CFO or tax manager?

Emmanuel Cotessat will introduce this topic and talk about VAT audits in **France**. Subsequently, those topics will be further elaborated by country-specific speakers.

12.00 – 12.30 VAT audits in the Benelux countries (Belgium, the Netherlands and Luxembourg)

Els Meynendonckx, partner at THE VAT HOUSE in Belgium, will focus on how VAT audits are organized in the Benelux countries and what the key points are.

Panelist: Fred Vervaeke, partner at Het BTW Advieskantoor in the Netherlands.

12.30 – 14.00 Lunch

14.00 – 14.30 VAT audits in Eastern European countries (Poland, Hungary and Czech Republic)

Dorota Baczewska – Golińska, partner at ITA DP in Poland, will deal with the particularities of VAT audits in the Eastern European countries.

Panelists: Ranetta Petrovácz, partner at Petitem Kft in Hungary, Jan Kaucký from the Czech Republic

14.30 – 15.00 VAT audits in Southern Europe (Spain and Italy)

Nicoletta Mazzitelli, partner at Studio Legale e Tributario in Italy, will highlight the key points when the VAT inspector pays you a visit in Italy and Spain.

Panelist: Manuel Pérez de Algaba, partner at IVA Consulta in Spain.

15.00 – 15.30 VAT Audits in the Germanic countries (United Kingdom, Germany and Austria)

Hannes Gurtner, partner at LeitnerLeitner in Austria, will investigate what your rights and obligations are when audited in the United Kingdom, Germany or Austria.

Panelists: Iris Schaefer from Germany, Steve Botham, partner at Covertax in the United Kingdom.

15.30 – 16.00 Coffee break

16.00 – 17.15 Exempt intra-Community supplies of goods

Companies registered in different Member States are often involved in the supplying and transferring of goods to other Member States. Recently, the ECJ has dealt with quite a few cases where the validity of the exemption for intra-Community supplies was at stake. During VAT audits, exemptions for intra-Community supplies are often challenged.

The ECJ Case C 285/09 "R" is a good example of this. Some basic principles have been reconfirmed by the ECJ, such as that the exemption of the intra-Community supply of goods becomes applicable only when the right to dispose of the goods as their owner has been transferred to the purchaser and the supplier establishes that the goods have physically left the territory of the Member State of supply. It is principally on the basis of the evidence provided by taxable persons and of their statements that the national tax authorities are to carry out the necessary checks. This evidence, which must be furnished by taxable persons in order for them to be eligible for the exemption from VAT, is within the responsibility of the Member States.

Dr. Stefan Maunz will analyse different ECJ cases and summarize what the conditions are in order to be able to exempt or to zero rate intra-Community supplies based on the ECJ cases. What can member states (reasonably) ask for?

17.15 – 17.30 Wrap-up discussion

20.00 Cocktail

21.00 Gala-dinner (suit & tie) in the city center of Valencia

Friday 29 April 2011

09.00 – 9.30 Introduction by Isabelle Desmeyere, managing director of VAT Forum

09.30 – 10.30 Are your invoicing system controls working?

Under the new European Invoicing Directive 2010/45/EU, it has been determined that ensuring the authenticity of the origin and integrity of content of the invoice, both for paper and electronic invoices, from the time of issue until the end of the period for storage may be achieved by any business controls which create a reliable audit trail between an invoice and a supply of goods or services. Member states are to implement this provision by 1 January 2013; however, changing business controls may take more time than changing legislation.

Therefore, companies should now start to investigate whether their business controls ensure authenticity and integrity and create a reliable and sustainable audit trail.

Hence it is crucial to know what tax authorities will require to be satisfied that your invoicing business controls are under control.

Kevin Thornton from HMRC in the United Kingdom is currently writing guidelines on business controls for CEN elnv3. This makes him the ideal person to explain what companies should do in order to achieve a reliable and sustainable audit trail.

10.30 – 11.00 Coffee break

11.00 – 12.30 Practical example of a compliant invoicing system

EFET (European Federation of Energy Trading) is developing an "Electronic Settlement Matching" system. A major part of this matching system relates to the implementation of a fully controlled invoicing system which will be used amongst the members of EFET.

Hugh Brunswick, responsible for IT and business process standardization within EFET, together with Dr. Michael Merz, managing director of Ponton Consulting will illustrate how the system works and what different business controls are used in order to ensure authenticity and integrity.

After the presentation of the system used by EFET, the system will be evaluated against the business controls which should guarantee the authenticity and integrity of the invoicing system.

12.30 – 14.00 Lunch

14.00 – 15.30 Who must pay the VAT?

One of the most important principles in the VAT legislation is to decide who should pay the VAT. Article 196 of the EU VAT Directive determines who should pay the VAT where services described in article 44 are rendered. Furthermore, article 195 of the EU VAT Directive determines who shall pay the VAT on supplies of gas, electricity, heat and cooling whereas article 197 deals with the liability to pay VAT on triangular transactions.

However, articles 194 and article 199 and 199a provide an option to Member States, so that member states can decide for themselves under what conditions an extended reverse charge rule may be applied. The completely different implementation of those articles in the various member states makes applying the correct VAT treatment when invoicing a very big challenge for companies. For example, in Belgium a general reverse charge applies for supplies of goods and services made by a non-established taxable person, as long as the customer is established in Belgium or has appointed a tax representative if the customer is a foreign company. In Germany a general reverse charge only applies to services (with exceptions!), whether or not the customer is established in Germany, but not to goods, etc.

Prof Patrick Wille will explain how to read, interpret and especially how to apply the different articles in different countries.

A full overview of the liability rules applicable throughout the EU will be supplied in the documentation binder.

15.30 – 16.00 Coffee break

16.00 – 17.00 Open discussion on the Green Paper on the future of VAT

The Green Paper intends to lead towards a simpler, more robust and efficient VAT system

An open discussion will be held starting from the outcome of the VAT Forum discussion group meeting (see www.vatforum.com). What do participants think of the outcome of the discussion group meeting?

A discussion group member will lead the discussion and the results will be communicated to the European Commission.

19.00 Social event in the center of Valencia followed by a traditional dinner.

About the conference

We aim to create an open discussion between VAT managers within companies, consultants, officials from national VAT authorities and the European Commission. This conference aims to discuss hot topics and provide ready-made answers for businesses. The aim of the conference is also to inform companies and consultants of the latest changes to EC and national VAT legislation and the impact of these changes on business.

We aim to provide substantial information as well, not only to be used during the conference, but also as a reference tool back home.

During the sessions, participants will have the opportunity to raise questions. Participants are invited to contribute as much as they believe is useful during the panel discussions, in order to make this conference as interactive as possible. During each session, there will be sufficient time to answer questions and to discuss the issues with the audience.

The conference offers a unique opportunity for networking. Persons responsible for VAT and Customs from different companies and countries will be present. It is the ideal moment to exchange ideas and gather information from other countries.

About VAT Forum

VAT Forum is an international partnership of indirect tax specialists and was founded in 1999 by Professor Prof. Patrick Wille and some other independent VAT consultants and member companies.

It consists of partners (highly experienced independent Customs and VAT consultants), and members (companies that trade across borders). The Forum organises activities and provides services for its members.

It is a fact that VAT and customs are becoming major issues and a significant liability for those businesses that are active across borders in Europe; this is not only the case for multinational firms, but also for smaller companies that trade within Europe.

For this reason, it is VAT Forum's main aim to support the VAT and customs compliance requirements of its members actively, by means of short and long-term training programmes, conferences, information dissemination, weekly newsletters, technical discussion groups, lobbying and networking.

www.vatforum.com

What can you expect from this VAT Summit?

- Direct knowledge transfer
- Logically structured presentations and lectures
- Lectures that go into technical VAT depth but are also practically oriented
- Continual interactive discussions with the participants
- Directly applicable solutions for your business environment
- No sales pitches
- Networking with other VAT experts
- Extensive documentation binder

Speakers, moderators, panel members

Prof. Patrick Wille	(VAT Forum, Belgium)
Els Meynendonckx	(THE VAT HOUSE, Belgium)
Hannes Gurtner	(LeitnerLeitner, Austria)
Jan Kaucký	(RNDr. Jan Kaucký, Czech Republic)
Emmanuel Cotessat	(Emmanuel Cotessat Sté d'Avocats, France)
Fred Vervae	(Het BTW Advieskantoor, the Netherlands)
Stefan Maunz	(Küffner Maunz Langer Zugmaier, Germany)
Nicoletta Mazzitelli	(CBA Studio Legale e Tributario, Italy)
Ranetta Petrovác	(Petitum Kft, Hungary)
Iris Schaefer	(WP/StB Iris Schaefer, Germany)
Manuel Pérez de Algaba	(IVA Consulta, Spain)
Dorota Baczevska – Golińska	(ITA DP, Poland)
Steve Botham	(Covertax Chartered Tax Advisers, United Kingdom)
Ludwig De Winter	(Taxud - European Commission – to be confirmed)
Roger Somers	(Nederlandse Belastingdienst – to be confirmed)
Kevin Thornton	(HMRC – CEN)
Marnix Cornette	(RFN sarl, France)
Morten Chr. Stegard	(Advokatfirmaet Stegard, Norway)
Thomas Pühringer	(Pühringer Taxconsulting, Austria)

Registration Form

Please send or fax this registration form back to:

- VAT Forum, O.L.Vrouwstraat 6/4, B-1850, Grimbergen, Belgium
- Fax: +32 2 272 44 30
- Or register by visiting our website: www.vatforum.com/valencia

Company:.....
Name of participant:.....
E-mail address:.....
Address:.....
Country:.....
Telephone:.....
Fax:.....
VAT identification number:.....

Conference: Hotel Las Arenas *****GL

Participation fee for the Summit; prices do not include VAT.

	VAT Forum Members:	Non-Members:
Early subscriptions: before 23 March 2011	<input type="checkbox"/> € 1100	<input type="checkbox"/> € 1300
Subscriptions after 23 March 2011	<input type="checkbox"/> € 1300	<input type="checkbox"/> € 1500

I want to order a memory stick with the presentations in pdf, to the extent the speaker agrees, + all other documentation: € 100
(the memory stick will be sent immediately after the conference; it cannot be ordered separately)

To become a member of VAT Forum: € 1000

If you have special dietary requests, please indicate: Vegetarian Vegan

I would like to bring my partner with me and pay € 250; this amount covers all dinners in the evening, cocktails before dinner and social events.

To register online: www.vatforum.com/valencia

An invoice will be sent after receiving your application form. Payments can be made to the following bank account number IBAN BE 91 7340 0322 7176; BIC code KREDBEBB or by sending a company cheque. The payment must be made before the conference starts.

Hotel reservation: Hotel Los Arenas *****GL

27/04 28/04 29/04 30/04

- Double room for single use Classic city view (breakfast included): € 140 per night
- Double room for single use Deluxe sea view (breakfast included): € 182 per night
- Double room for double use Classic city view (breakfast included): € 159 per night
- Double room for double use Deluxe sea view (breakfast included): € 200 per night

The room prices do not include any taxes.

Type of credit card:..... Number:..... Expiry date: .../....

Signature + date

The prices for the hotel rooms can be guaranteed until 23 March 2011 subject to availability. Participants are free to reserve another hotel. When reserving another hotel, arrangements can be made for attending the buffet dinner and formal dinner. Cancellation: Nominated individuals who are unable to attend can nominate somebody else to go in their place. For cancellations notified before 23 March 2011, the sum paid will be reimbursed after the deduction of € 150 to cover administration costs. For cancellations made from 23 March 2011 onwards, a reimbursement of 50% will be made and the documentation will be sent to the participant. Cancellations after 20 April 2011 will be considered as "no show", no reimbursements will be made.



For more information:

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