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CROP

accountants & adviseurs

VAT invoice requirements

- When are you required to issue an invoice?
- What are the invoice requirements?



Introduction

Entrepreneurs need a solid VAT administration. An important part is maintaining a proper invoicing system. This relates to both sales and purchase invoices. Incorrect or late issued invoices can not only lead to fines but also, in principle, to the refusal of input tax deduction. Therefore, it is important to know when you are obligated to issue an invoice and what the invoice requirements are.

When are you required to issue an invoice?

As a VAT entrepreneur, you need to issue an invoice for supplies or services provided to other VAT entrepreneurs and for any advance payments. The same applies for (advance payments for) supplies or services provided to legal entities that are not VAT entrepreneurs, such as associations or foundations (depending on the circumstances). If you perform an intra-community supply, you must also issue an invoice.

If supplies or services are provided to private individuals, issuing an invoice is generally not mandatory. However, for intra-community distance sales issuing an invoice is required unless you use the Union scheme within the One Stop Shop (OSS) system.

You have to issue the invoice on the fifteenth day of the month following the month in which the goods were delivered or the service was performed ultimately. In case of advance payments, the invoice have to be issued before the payment becomes due.

What are the invoice requirements?

If you need to invoice and must comply with all invoice requirements, the invoice must at least contain the following information:

- The full name of the entrepreneur and the customer;
- The address of the entrepreneur and the customer;
- The VAT identification number of the entrepreneur;
If a performing entity is part of a VAT group, always use the original VAT identification number of the performing entity.
- The Chamber of Commerce number of the entrepreneur (if registered with the Chamber of Commerce);
This is mandatory under the Trade Register Act.
- The date of issuance of the invoice;
- A sequential invoice number;
- The quantity and nature of the goods delivered or the extent and nature of the services provided;
- The date on which the goods were delivered or the services were performed, or the date an advance payment is due;
- The reimbursement for the delivery or service exclusive VAT;
If you supply goods or services with different VAT rates and/or exemptions, specify the separate amounts.
- The applicable VAT rate or indication of the applied exemption;
- The VAT amount in local currency to be paid.

In some situations, you may suffice with a simplified invoice, or additional requirements may apply compared to the regular invoice requirements. Common additional invoice requirements include:

- The VAT identification number of the customer if you charge the VAT in reverse to the customer or if it concerns an intra-community supply;
- The wording "intra-community supply, Article 138(1) VAT Directive 2006/112", if it concerns an intra-community supply;
- The wording "VAT charged in reverse", if the VAT needs to be reported by the customer;
- The wording "invoice issued by customer", if the customer who receives the service or supply issues the invoice instead of the provider;
- The VAT identification number of the fiscal representative along with its full name and address in case of fiscal representation.

Note: If you need to mention the VAT identification number of your customer, please verify this number. This number must be valid. The European Commission has a [website](#) where you can easily check VAT identification numbers. The results of this check should be recorded in your administration. We recommend to check the VAT identification number frequently.

Contact

If you have questions about the invoice requirements or you would like us to review your invoices, please contact one of our VAT advisors or send an email to crop@btw.nl.



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