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DIRECTORATE-GENERAL
TAXATION AND CUSTOMS UNION
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VAT and other turnover taxes

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VAT in the European Community

**APPLICATION IN THE MEMBER STATES,
FACTS FOR USE BY
ADMINISTRATIONS/TRADERS
INFORMATION NETWORKS ETC.**

Note

This document collates a range of basic information on the application of VAT arrangements in the Member States which has been obtained from the tax authorities concerned.

The sole purpose of distributing details of national provisions is to create a work tool. In no way does this document reflect the views of the Commission of the European Communities. Nor does it signify approval of the relevant legislation.

SWEDEN

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GENERAL INFORMATION

1. IF A FOREIGN TRADER WANTS TO OBTAIN INFORMATION ABOUT YOUR VAT SYSTEM, WHOM SHOULD (S)HE CONTACT? (ADDRESS, TELEPHONE NUMBER, FAX, EMAIL)

An extensive amount of information concerning VAT is provided on the Swedish Tax Agency's website www.skatteverket.se. Traders established in Sweden should contact the Tax Agency's local office in the area where they are registered. Addresses and telephone numbers of the offices can be found on the Tax Agency's website or in the local telephone directory under the heading "Skatteverket".

Traders not established in Sweden or who do not have a tax representative in Sweden can contact the Tax Agency at the addresses below.

Traders from Denmark, the Faroe Islands, Greenland, Iceland, Poland, Slovakia, Slovenia, the Czech Republic, Germany and Austria can contact the Tax Agency's foreign affairs office in Malmö.

Skatteverket
Utlandsenheten
SE-205 31 Malmö
Tel: + 46 771 778 778
Fax: + 46 40 14 62 03
e-mail: skattekontor1.malmo@skatteverket.se

Traders from other countries can contact the Tax Agency's foreign affairs office in Stockholm.

Skatteverket
Utlandsenheten
SE – 106 61 Stockholm
Tel: + 46 771 778 778
Fax: + 46 10 574 1811
e-mail: stockholm@skatteverket.se

2. WHAT IS THE ADDRESS OF THE NATIONAL TAX ADMINISTRATION WEBSITE? WHICH CATEGORIES OF INFORMATION ON VAT ARE AVAILABLE ON THAT WEBSITE (GENERAL INFORMATION, LEGISLATION, CONTACT POINTS, FORMS, ETC.)? AND IN WHICH LANGUAGE(S)?

Website: www.skatteverket.se

Nearly all information produced by the Swedish Tax Agency is available on this website: definitions, brochures, forms, guides, court cases, official notices and answers to questions. At present the information is available in Swedish, with some also available in English and a smaller amount in Finnish, French and German.

3. WHERE IS IT POSSIBLE TO FIND NATIONAL VAT LEGISLATION AND REGULATIONS? IN WHICH LANGUAGE(S) ARE THEY AVAILABLE?

Laws and regulations on VAT can be consulted on the following websites:

www.riksdagen.se

www.notisum.se

www.lagrummet.se

At present these are available in Swedish only.

VAT REGISTRATION OF FOREIGN TRADERS

4. WHAT ARE THE CIRCUMSTANCES GOVERNING THE NEED TO BE REGISTERED FOR VAT?

Applications for VAT registration must be submitted at least two weeks before commercial activity begins. Applications for registration must be made on a special form from the Swedish Tax Agency and must be submitted to the tax office in the area where the activity is established and will be registered. The trader is sent a certificate of registration indicating the VAT identification number, reporting period, etc.

Foreign traders carrying on taxable business via a subsidiary in Sweden must, like Swedish traders, register with the Tax Agency's local tax office in the area where the business is established in Sweden (e.g. at the address of the subsidiary).

If the foreign trader does not have a subsidiary in Sweden but carries on business from a fixed place of business in Sweden, e.g. a branch, (s)he must register with the Tax Agency's foreign affairs office in Stockholm or Malmö. This also applies to traders without a fixed place of business in Sweden.

Foreign traders coming from a country with which Sweden does not have a special agreement on mutual assistance in the collection of tax and the exchange of information on tax must be registered via a representative, i.e. a person who has a permanent address in Sweden or a firm with a fixed place of business or commercial operations in Sweden. The representative must be approved by the Tax Agency.

5. WHAT ARE THE SITUATIONS WHERE REGISTRATION IS UNNECESSARY BECAUSE THE RECIPIENT OF THE GOODS OR SERVICES IS LIABLE FOR THE TAX? IN SUCH A SITUATION, IS IT POSSIBLE TO REGISTER ON A VOLUNTARY BASIS?

Reverse tax liability applies to cases where a Swedish trader purchases goods from a foreign trader in Sweden who is not registered for VAT in Sweden. This means that the purchaser will be liable for tax on the transaction. The foreign trader will thus not be liable for tax on the transaction, but must still be registered in Sweden and record the

transfer of the goods in the recapitulative statement, in order to avoid taxation in his home country.

The foreign trader may opt to pay tax on this type of supply of goods in Sweden.

The same rules apply to the supply of services related to real estate, with the exception of the following services:

- letting of premises when voluntary tax liability has been granted (in these cases, the lessor is always liable for tax and must therefore always be registered in Sweden),
- construction and development work, including the provision of hired labour for such activities.

Foreign traders supplying other services to businesses in Sweden do not need to register for VAT, with the following exceptions:

- passenger transport services,
- services related to activities of a cultural, artistic, sporting, educational or entertainment nature, and similar activities such as fairs and exhibitions,
- restaurant and catering services,
- short-term rental of means of transport.

6. WHOM SHOULD A FOREIGN TRADER CONTACT TO GET REGISTERED FOR VAT? (DETAILS ABOUT THE DEPARTMENT, INCLUDING ADDRESS, TELEPHONE AND FAX, E-MAIL, ETC.)?

Application forms for VAT registration can be obtained from the Tax Agency's tax information service by calling 0771-567 567 (+46 771 567 567 from outside Sweden) or via the Tax Agency's website at www.skatteverket.se.

Forms can also be ordered from the Tax Agency at the addresses below.

Traders from Denmark, the Faroe Islands, Greenland, Iceland, Poland, Slovakia, Slovenia, the Czech Republic, Germany and Austria can contact the Tax Agency's foreign affairs office in Malmö:

Skatteverket
Utlandsenheten
SE-205 31 Malmö
Tel: + 46 771 778 778
Fax: + 46 40 14 62 03
e-mail: skattekontor1.malmo@skatteverket.se

Traders from other countries can contact the Tax Agency's foreign affairs office in Stockholm:

Skatteverket
Utlandsenheten

SE – 106 61 Stockholm
Tel: + 46 771 778 778
Fax: + 46 10 574 1811
e-mail: stockholm@skatteverket.se

7. PLEASE DESCRIBE THE DETAILED PROCEDURES (INCLUDING NECESSARY DOCUMENTS) FOR ISSUING VAT IDENTIFICATION NUMBERS, SPECIFICALLY TO FOREIGN TRADERS.

The registration application must be made using a standard form. Foreign traders intending to carry out commercial activity in Sweden and who do not have a fixed place of business in Sweden use form SKV 4632. Other traders use SKV 4620.

Foreign traders coming from a country with which Sweden does not have a special agreement on mutual assistance in the collection of tax and the exchange of information on tax must have a representative acting on their behalf. If the application is made through a representative, a power of attorney for the representative must be attached to the application. The Tax Agency has a standard form (SKV 5703) for this purpose. The power of attorney does not entail any right to collect payments via the post office or a bank.

The application should be submitted at least two weeks before trading begins. It must be signed by the foreign trader or the representative and sent to the Tax Agency's foreign affairs offices (see addresses above).

The application must be accompanied by a registration certificate or equivalent for the foreign trader from the trader's home country. The representative must also present proof of registration. A natural person acting as a representative must be able to produce proof of residence in Sweden. Proof of registration must date from within the previous three months.

When registration has been approved by the Tax Agency, a registration certificate is issued. Tax return forms are issued automatically. Where a foreign trader is registered via a representative, the tax return forms are sent to the representative.

For further information please see the following brochures:

Skatteinmälan för utländska företagare (SKV 419) (Tax registration for foreign traders)
Skattedeklarationsbroschyren (SKV 409) (Tax Return Brochure)
Skattekontobroschyren (SKV 408) (Tax Account Brochure).

THRESHOLDS

8. WHICH THRESHOLD DO YOU OPERATE AS REGARDS INTRA-COMMUNITY DISTANCE SELLING UNDER ARTICLE 34 OF THE VAT DIRECTIVE (2006/112/EC)?

SEK 320 000.

9. WHICH THRESHOLD DO YOU OPERATE AS REGARDS ACQUISITIONS BY NON-TAXABLE LEGAL PERSONS OR EXEMPT PERSONS UNDER THE SECOND SUBPARAGRAPH OF ARTICLE 3(2) OF THE VAT DIRECTIVE (2006/112/EC)?

SEK 90 000.

**APPOINTMENT OF TAX REPRESENTATIVES BY FOREIGN
(NON-EU) TRADERS**

10. WHAT ARE THE SITUATIONS IN WHICH THE APPOINTMENT OF A TAX REPRESENTATIVE IS OBLIGATORY?

Foreign traders coming from a country with which Sweden does not have a special agreement on mutual assistance in the collection of tax and the exchange of information on tax must have a representative acting on their behalf in all matters relating to VAT.

11. WHAT ARE THE CONDITIONS GOVERNING THE APPOINTMENT OF A TAX REPRESENTATIVE?

The representative must be a natural or legal person resident in Sweden or with a registered office in Sweden, and have been approved by the Tax Agency. Even if a foreign trader is registered via a representative in Sweden, it is still the trader who is liable for payment of VAT.

12. WHAT ARE THE RIGHTS AND OBLIGATIONS OF TAX REPRESENTATIVES?

The representative must submit tax returns and recapitulative statements on the foreign trader's behalf. The trader's accounts must be directly accessible at the premises of the Swedish representative. The rights are similar to those of a trader registered under the usual system.

The representative has right of access to documents concerning the principal.

13. WHAT ACTION CAN YOU TAKE IN THE EVENT OF FAILURE BY A TRADER IN ANOTHER COUNTRY TO DESIGNATE A TAX REPRESENTATIVE IN YOUR TERRITORY?

Where a foreign trader from a country with which Sweden does not have a special agreement on mutual assistance in the collection of tax and the exchange of information on tax carries out taxable transactions in Sweden without having been registered via a Swedish representative, the matter will be investigated, which might lead to additional tax, interest and fines.

14. IS IT NECESSARY TO SET UP A BANK GUARANTEE?

The Swedish Tax Agency may require a foreign trader to lodge security for future VAT payments. It is the foreign trader's financial position that determines whether or not security will be required. If the foreign trader can demonstrate that his financial position is sound by means of references, for instance from a Swedish bank, no special security should be required.

APPOINTMENT OF TAX REPRESENTATIVES BY FOREIGN TRADERS ESTABLISHED IN THE EU

15. IS IT POSSIBLE TO APPOINT A TAX REPRESENTATIVE?

Yes.

16. WHAT ARE THE CONDITIONS GOVERNING THE APPOINTMENT OF A TAX REPRESENTATIVE?

The representative must have a permanent address in Sweden or, in the case of a legal person, have its board of directors or a fixed place of business in Sweden.

17. WHAT ARE THE RIGHTS AND OBLIGATIONS OF TAX REPRESENTATIVES?

The representative must submit tax returns and recapitulative statements on the foreign trader's behalf. The trader's accounts must be directly accessible at the premises of the Swedish representative. The rights are similar to those of a trader registered under the usual system.

18. ARE THERE SITUATIONS WHERE IT IS OBLIGATORY TO SET UP A BANK GUARANTEE?

The Swedish Tax Agency may require a foreign trader to lodge security for future VAT payments. It is the foreign trader's financial position that determines whether or not security will be required. If the foreign trader can demonstrate that his financial position is sound by means of references, for instance from a Swedish bank, no special security should be required (see reply to Question 14).

INVOICING

RULES ABOUT INVOICING

19. WHERE CAN THE RELEVANT RULES (LAWS, REGULATIONS, INSTRUCTIONS, GUIDELINES, ETC.) BE FOUND?

The rules are contained in the Swedish VAT Act (*mervärdesskattelagen*) (1994:200), particularly in Chapter 11. Relevant rules concerning storage of invoices are also found in the Swedish Accounting Act (*bokföringslagen*) and the Swedish Tax Payment Act (*skattebetalningslagen*). The Swedish Tax Agency has been given powers to issue regulations concerning simplified invoices and transmission of invoices by electronic means. Regulations on simplified invoices have been issued and are available on the Tax Agency's website www.skatteverket.se.

The Tax Agency has not yet issued any regulations regarding the transmission of invoices by electronic means.

ISSUE OF INVOICES

20. CASES WHERE AN INVOICE NEEDS TO BE ISSUED

Invoices must be issued in the cases set out in Article 220 of the VAT Directive (2006/112/EC), i.e. supplies of goods or services made by taxable persons to other taxable persons or non-taxable legal persons, and also distance sales and sales of new means of transport, irrespective of the person to whom the supply is made. Invoices must also be issued for the supply of construction or development services to non-taxable persons and of goods sold in association with such provision. Invoices must also be issued for payments on account.

Under certain circumstances, there are exemptions from the obligation to issue invoices in the following situations.

- sale and letting of buildings according to Chapter 3 section 2 of the Swedish VAT Act,
- services constituting medical care, dental care or social care (Chapter 3 section 4 of the VAT Act),
- educational services (Chapter 3 section 8 of the VAT Act),
- banking and financial services (Chapter 3 section 9 of the VAT Act),
- insurance and reinsurance services (Chapter 3 section 10 of the VAT Act),

- certain cultural services (Chapter 3 section 11 of the VAT Act),
- services involving admission to sporting events or participation in sporting activities (Chapter 3 section 11a of the VAT Act),
- advertising in VAT-exempt periodical members' bulletins, staff newspapers and periodical publications issued by non-profit-making organisations/associations (Chapter 3 section 19 point 1 of the VAT Act),
- production and broadcasting of radio and television programmes (Chapter 3 section 20 of the VAT Act),
- supply of prescription drugs, breast milk, human blood or organs, (Chapter 3 section 23 points 2 and 3 of the VAT Act),
- lotteries, including betting and other forms of gambling (Chapter 3 section 23 point 5 of the VAT Act),
- services supplied by independent groups of persons who are carrying on activity which is exempt from VAT, for the purposes of rendering the services to their members (see Article 132(1)(f) of the VAT Directive and Chapter 3 section 23 of the VAT Act),
- passenger transport deemed to be supplied outside Sweden (Chapter 5 section 1 of the VAT Act).

21. WHAT ARE THE RULES ON CORRECTIVE INVOICES (CREDIT / DEBIT NOTES)?

A corrective invoice must refer specifically and unambiguously to the original invoice. It must contain information about the correction of the tax, and where appropriate, information that the purchaser is liable to pay the VAT.

22. WHAT IS THE TIME LIMIT FOR ISSUING INVOICES?

At the moment there is no provision in the VAT Act on time limits for issuing invoices. The Accounting Act refers to generally accepted accounting standards (Chapter 5 section 2).

23. WHAT ARE THE RULES FOR SUMMARY INVOICING?

The same rules apply to summary invoices as to separate invoices, with the exception of the information about an individual sequential number for each supply of goods or services included in the summary invoice.

24. WHAT ARE THE CONDITIONS IMPOSED ON SELF-BILLING?

Self-billing is permitted on condition that there is an agreement between the two parties at the outset and a procedure for the acceptance of each invoice by the taxable person supplying the goods or services. The invoice must also state that it has been issued by the purchaser.

25. IS THERE ANY SPECIFIC RULE IN RELATION TO OUTSOURCING OF INVOICES TO A PERSON WHO IS ESTABLISHED OUTSIDE THE EU?

No, there are no specific rules on allowing outsourcing of invoices to a person who is established outside the EU.

CONTENT OF INVOICES

26. UNDER WHAT CONDITIONS MUST THE VAT NUMBER OF THE CUSTOMER BE ON THE TAX INVOICE?

The fourth paragraph of Article 226 of the VAT Directive states that the customer's VAT identification number under which the customer has received a supply of goods or services in respect of which he is liable for payment of VAT or has received a supply of goods as referred to in Article 138 is required for VAT purposes on the invoice. This Article has been transposed into the Swedish VAT Act. It follows that the VAT identification number of the customer should not be stated in other cases.

27. ANY OTHER SPECIFIC RULE IN RELATION TO THE CONTENT OF THE INVOICE

No.

ELECTRONIC INVOICING

28. AS REGARDS INVOICES SENT WITH ADVANCED ELECTRONIC SIGNATURES, IS IT OBLIGATORY TO USE QUALIFIED CERTIFICATED AND SECURE-SIGNATURE-CREATION DEVICES? IF SO, PLEASE GIVE DETAILS.

See the reply to question 30.

29. AS REGARDS INVOICES SENT BY ELECTRONIC DATA INTERCHANGE, IS AN ADDITIONAL SUMMARY DOCUMENT ON PAPER OBLIGATORY? IF SO, PLEASE GIVE DETAILS ABOUT ITS CONTENT AND PROCEDURE.

See the reply to question 30.

30. DO YOU ALLOW INVOICES TO BE ISSUED PURSUANT TO ARTICLE 223(1) SECOND SUB PARAGRAPH OF THE VAT DIRECTIVE ("BY USING ANY OTHER ELECTRONIC MEANS")? IF SO, UNDER WHICH CONDITIONS AND FORMALITIES?

Yes, the Swedish VAT Act accepts that electronic invoices may be sent by other electronic means in accordance with the second subparagraph of Article 233(1) of the VAT Directive. The underlying condition according to the Swedish Accounting Act and Tax Payment Act for both paper-based and electronic invoices is that they must be

correct and may not have been altered. The legislation does not indicate any specific method for safeguarding the integrity of an invoice. The Swedish Tax Agency has been given powers to issue regulations concerning electronic invoices as necessary, but has not yet issued such regulations.

31. ANY OTHER SPECIFIC RULE IN RELATION TO ELECTRONIC INVOICING?

No.

STORAGE OF INVOICES

32. WHAT ARE THE RULES ON THE PLACE OF STORAGE OF INVOICES?

Accounting material, including invoices, may be stored outside Sweden but within the EU if the company

- notifies the Swedish Tax Agency (and in certain cases the Swedish Financial Supervisory Authority), before storage begins, of the place of storage and of any change of place of storage,
- allows immediate electronic access to the accounting material at the request of the Tax Agency or Swedish Customs during the storage period, and
- is able to produce, by immediate print-out, the accounting material in Sweden on paper or microprint.

The Accounting Act also permits storage of accounting material in a country outside the EU with which legal instruments exist containing provisions relating to mutual assistance similar in scope to those provided for by Regulation (EC) No 1798/2003 and the right of access by electronic means, download and use referred to in Article 249 of the VAT Directive under the same conditions as set out above.

33. IS PRIOR NOTIFICATION OF INVOICES STORED IN ANOTHER COUNTRY AN OBLIGATION? IF SO, PLEASE SPECIFY.

Yes. The Tax Agency must be notified in advance when invoices are stored in another country, and when the place of storage changes. For companies under the supervision of the Swedish Financial Supervisory Authority, notification must be made to that authority.

34. WHAT IS THE OBLIGATORY STORAGE PERIOD FOR INVOICES?

Under the Swedish Tax Payment Act, invoices must be stored for seven years. The storage period is ten years for companies to which the Swedish Accounting Act is applicable.

35. WHAT ARE THE SPECIFIC RULES ON STORAGE FORM AND POSSIBLE CONVERSIONS?

According to the main rule of the Swedish Accounting Act, the invoices must be stored in the same form in which they were received by the company. Accounting material prepared by the company must be stored in the form it was in when it was compiled. Received accounting material can be converted from electronic form to paper after three years from the end of the calendar year in which the financial year ended, if this is performed in a secure fashion.

36. ANY OTHER SPECIFIC RULE IN RELATION TO INVOICE STORAGE

Generally accepted accounting standards are accepted as a complement to the Swedish Accounting Act. For specific questions regarding storage, it is advisable to contact the Swedish Tax Agency.

SIMPLIFIED INVOICES

37. WHAT ARE THE SITUATIONS WHERE SIMPLIFIED INVOICING IS ALLOWED PURSUANT TO ARTICLE 238 OF THE VAT DIRECTIVE (2006/112/EC)? AND WHAT ARE THE SPECIFIC RULES?

Invoices do not have to fulfil all the conditions relating to content in the following cases:

- when the invoice is for a small amount, or
- when commercial or administrative practice in the business sector concerned or the technical conditions under which the invoices are issued make it difficult to comply with all the requirements regarding the content of invoices. These simplified invoices must contain the following information:
 - the date of issue,
 - seller identification data,
 - data identifying the type of goods or services supplied,
 - information on the tax due or the information needed to calculate it.

The above requirements are met, according to the Tax Agency's regulations, if:

- goods and services are sold through automated payment, such as in petrol sales, collection of road, bridge or tunnel fees or collection of parking and similar charges where the purchaser can not normally be identified,
- requirements regarding details of the purchaser's name and address when collecting bridge or tunnel fees would otherwise cause considerable disruption to the flow of traffic, and

- passenger transport services are sold as part of a public transport system under circumstances in which, according with standard practice in the sector, the purchaser is not normally identifiable.

PERIODIC VAT RETURNS

38. UNDER WHAT CIRCUMSTANCES IS A TRADER OBLIGED TO SUBMIT A VAT RETURN?

Registered traders must, without exception, submit regular tax returns or, in some cases, declare VAT in their income tax returns.

39. AT WHAT INTERVALS ARE VAT RETURNS AND ASSOCIATED PAYMENTS TO BE MADE?

There are two ways of declaring VAT: in a periodic tax return (*skattedeclaration*) or in an income tax return (*självdeklaration*). The former is a combined declaration of VAT, employer's contributions and preliminary tax deducted from salaries.

Three reporting periods exist for submitting tax returns: one month, three months and one year. Some traders who do not need to submit an income tax return and whose annual turnover does not exceed SEK 200 000 may submit an annual return. Traders with an annual turnover of not more than SEK 1 million must declare VAT in their income tax return, unless the Tax Agency decides otherwise on the basis of an application from the taxable person. Other traders must submit a return every month or every three months. The last date for payment of VAT is the same as the last date for submission of the return. If the trader's annual turnover is in excess of SEK 40 million, the return must be submitted each month. The return must be submitted and the tax paid within 26 days of the end of the period to which it refers. If the trader's annual turnover is less than SEK 40 million, the return must be submitted each month or every three months. The return must be submitted and the tax paid within one month and twelve days following the end of the period to which it refers.

40. WHAT IS THE PROCEDURE FOR THE REPAYMENT OF EXCESS VAT REPORTED IN THE PERIODIC VAT RETURN? WHAT ARE THE TIME LIMITS FOR THE EXCESS VAT REPAYMENT IF ANY?

Anyone who has to pay any type of tax or charge has a tax account. All of the person's tax payments, excess VAT, etc. are compiled in this tax account. The tax account is reconciled every month. It is also reconciled after the Tax Agency has approved reported excess VAT. If the reconciliation shows a surplus in the tax account, the person must normally request repayment of the surplus. If the surplus consists of VAT, repayment takes place without having to be requested. Repayment of VAT must normally take place no later than by the end of the calendar month after the month in which the taxable person must submit a return for the reporting period to which the tax refers. If the return is submitted late, repayment will normally take place no later than at the end of the calendar month following the one in which the return was submitted.

More information about how the tax account works is available on the Tax Agency's website at www.skatteverket.se.

41. DOES A SPECIAL REGIME AS REGARDS PERIODIC VAT RETURNS EXIST FOR SMALLER TRADERS AND/OR CERTAIN CATEGORIES OF BUSINESS? IF SO, PLEASE DESCRIBE THEM.

No. See the reply to question 39.

RECAPITULATIVE STATEMENTS

42. DO YOU OPERATE SIMPLIFIED CALCULATIONS OF TAX LIABILITY? IF SO, WHAT ARE THE QUALIFYING CRITERIA, TO WHOM DO THEY APPLY AND WHAT IS THE NATURE OF THE SIMPLIFICATION?

No.

43. MAY RECAPITULATIVE STATEMENTS BE SUBMITTED PER CALENDAR QUARTER? IF SO, WHAT ARE THE THRESHOLDS AND CONDITIONS FOR APPLYING SUCH PROCEDURES?

Recapitulative statements for the supply of services must be submitted per calendar quarter. Recapitulative statements for the supply, acquisition and transfer of goods must be submitted per calendar month.

If data are to be submitted for both goods and services, a recapitulative statement must be submitted for each calendar month.

The Tax Agency may decide, in any case, that the recapitulative statement must be submitted once per calendar quarter. A condition for this is that the value of the supply and transfer of goods does not exceed SEK 1 million for the current calendar quarter or any of the previous four calendar quarters. This sum will be lowered to SEK 500 000 from 1 January 2012.

44. IS ANY ADDITIONAL INFORMATION REQUIRED OTHER THAN THAT SET OUT IN ARTICLE 266 OF THE VAT DIRECTIVE (2006/112/EC)?

No.

ELECTRONIC RETURNS

45. DO YOU OPERATE SIMPLIFIED PROCEDURES AS REGARDS RECAPITULATIVE STATEMENTS AS PROVIDED FOR IN ARTICLE 269 OF THE VAT DIRECTIVE

(2006/112/EEC)? IF SO, WHAT ARE THE RELATED THRESHOLDS FOR APPLYING SUCH PROCEDURES?

No.

46. IS IT POSSIBLE TO SUBMIT VAT RETURNS BY ELECTRONIC MEANS? IF SO, HOW AND USING WHICH TECHNOLOGY? WHO SHOULD BE CONTACTED TO APPLY TO SUBMIT RETURNS ELECTRONICALLY?

Tax returns can be submitted by electronic means online. The taxpayer must first obtain approval from the Tax Agency, however. The application is made on form SKV 4801. A security certificate is required for the electronic submission of a tax return.

Almost all traders can submit electronic tax returns. There are, however, still some restrictions, the most important of which is that a Swedish address and personal identity number, or corporate registration number, are necessary to obtain a security certificate.

ADMINISTRATIVE REQUIREMENTS

47. IS IT POSSIBLE TO SUBMIT RECAPITULATIVE STATEMENTS BY ELECTRONIC MEANS? IF SO, HOW AND USING WHICH TECHNOLOGY? WHO SHOULD BE CONTACTED TO APPLY TO SUBMIT STATEMENTS ELECTRONICALLY?

Yes, the statement can be submitted electronically using the Tax Agency's e-service Quarterly Reporting, or its file transfer service. File transfer requires special software which can be requested from the Tax Agency. The electronic services can be used without prior notification as to who is submitting the information. Anyone submitting information must, however, use a security certificate.

48. WHO ARE THE PERSONS THAT CAN BE DESIGNATED OR RECOGNISED AS LIABLE TO PAY IMPORT VAT UNDER ARTICLE 201 OF THE VAT DIRECTIVE (2006/112/EC)?

The person declaring the goods is responsible for payment of the VAT. The provisions of Article 64 of Council Regulation 2913/92 (the Customs Code) are applied to both customs duties and VAT. The goods may be declared by a person established in the Community or in Norway.

Additionally, for goods to be delivered to another EU Member State after import, a customs representative may not act as an indirect representative as referred to in Article 5 of the Customs Code. This means that the exemption from tax liability for goods delivered to another EU Member State may only be used by companies established in the Community or in Norway, i.e. by companies that are eligible to declare the goods themselves.

49. WHAT ARE THE RULES FOR DECLARATION AND PAYMENT OF IMPORT VAT ?

When VAT is payable on import, it is declared on the customs declaration and paid to Swedish Customs. Further information can be found at www.tullverket.se.

RIGHT TO DEDUCT

50. DO YOU APPLY THE OPTION OF "POSTPONED ACCOUNTING" REFERRED TO IN ARTICLE 211 OF THE VAT DIRECTIVE ? IF SO, UNDER WHICH CONDITIONS ?

No.

51. DO YOU OPERATE A FLAT-RATE SCHEME? IF SO, TO WHOM DOES THE SCHEME APPLY?

No.

52. DO YOU OPERATE SIMPLIFIED ADMINISTRATIVE REQUIREMENTS OTHER THAN THOSE ALREADY MENTIONED? IF SO, PLEASE GIVE A DESCRIPTION.

No.

53. IN WHICH LANGUAGE(S) ARE FORMS (PERIODIC VAT RETURNS AND RECAPITULATIVE STATEMENTS) AVAILABLE OR TRANSLATED INTO?

The forms are available in Swedish only. Instructions on how to fill in the tax return are also available in English (SKV 409b).

54. FOR WHICH CATEGORIES OF GOODS AND SERVICES IS THERE NO RIGHT OF DEDUCTION?

- Permanent residence, with certain exceptions. If a certain part of the building is separated from the part used as living quarters and specially adapted for commercial activities, a deduction may be granted for that part.
- Expenditure for business entertainment and similar purposes, for which the taxable person is not entitled to make deductions from income tax.
- Acquisition of goods for sale from ships on routes between Sweden and Norway, or between Sweden and Åland.
- Performance, in certain cases, of services by a property owner on his/her own property.

- Acquisition of goods from taxable retailers whose turnover from the goods is taxed in accordance with the rules on profit margin taxation.
- Acquisition in travel agency activities of goods and services that will directly benefit the travellers.
- Purchase and rental of passenger cars and motorcycles for purposes other than resale, rental, commercial passenger transport, transportation of deceased or driving lessons.

55. ARE THERE CATEGORIES OF GOODS AND SERVICES IN WHICH THERE IS A PARTIAL RIGHT OF DEDUCTION? IF SO, WHAT IS THE PERCENTAGE?

In cases of leasing (rental) of passenger cars and motorcycles for an activity that entails tax liability, the right to deduct input VAT is limited to 50%. This restriction on the right to deduct does not apply if the vehicle has been leased for passenger transport in commercial traffic, rental, transportation of deceased or driving lessons for which tax liability exists.