

# AUSTRIA DOMESTIC REVERSE CHARGE

## NEW AUTHORITY GUIDE

THOMSON REUTERS TAX RESEARCH

MAY 2018 CONTENT UPDATE #1

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### Introduction

The authority of Austria Domestic Reverse Charge has been added to ONESOURCE Determination, including rates, catch-all rules and cross-border logic. It has been created in accordance with the Austrian VAT Act to account for Domestic Reverse Charge on the sale of some of the specific products listed in Article 19 (1) d. of the referred legislation.

The reverse charge for the specific products will be driven by the establishment of the buyer in the ship from location. Therefore, in order to trigger the Domestic Reverse Charge authority, it is necessary to set the establishment of the buyer in the ship from location to "Yes".

## PART I – UPDATES TO DETERMINATION

### Zone

The authority of Austria Domestic Reverse Charge has been attached to the country-level zone of Austria.

ZONE NAME	PARENT ZONE	ZONE LEVEL	3-CHAR CODE	DEFAULT PRODUCT GROUP
Austria	European Union	Country	AUT	Harmonized

## Registration Mask

The following registration mask was added.

REGISTRATION MASK
^ATU\d{8}\$ ^AT U\d{8}\$ ^d{2}\s\d{3}\d{4}\$ ^EU

## Authority Options

NAME	CONDITION	VALUE	START DATE
AT - Ancillary Transport Services Reverse Charge	Not Applicable	Not Applicable	01/01/1901
Chain transaction Transport	None	Either	01/01/1901
CL - Customer Location Reverse Charge	Not Applicable	Not Applicable	01/01/1901
CR - Registration Required	Domestic Transaction	Registration Required	01/01/1901
DS - Default Services Reverse Charge	Not Applicable	Not Applicable	01/01/1901
ER - Establishment Required	None	Yes	01/01/1901
ES - Electronic Services Reverse Charge	Not Applicable	Not Applicable	01/01/1901
Filling Group Goods	None	Yes	01/01/1901
GS - Goods Reverse Charge	Domestic Transaction	Registration Required	01/01/1901
Intra-Company tax free sale - Goods	None	Yes	01/01/1901

NAME	CONDITION	VALUE	START DATE
PP - Physical Performance Reverse Charge	Not Applicable	Not Applicable	01/01/1901
PRL - Parent Registration Lookup	None	Yes	01/01/1901
SI - Supplied and Installed Reverse Charge	Not Applicable	Not Applicable	01/01/1901
Turn Off Authority	None	Yes	01/01/1901
Triangulation Simplification	None	Not Registered in Ship To	01/01/1901
TS - Transport Services Reverse Charge	Not Applicable	Not Applicable	01/01/1901
UE - Used and Enjoyed	Not Applicable	None	01/01/1901
WG - Work on Goods Reverse Charge	Not Applicable	Not Applicable	01/01/1901

## Rate Updates

The following rates have been added in the authority of Austria Domestic Reverse Charge.

RATE CODE	RATE DESCRIPTION	RATE	START DATE
NL	Not Liable	0%	01/01/2018
LR	Reduced Rate	10%	01/01/2018
JR	Jungholz Rate	19%	01/01/2018
MR	Mittelberg Rate	19%	01/01/2018

RATE CODE	RATE DESCRIPTION	RATE	START DATE
R2	Reduced Rate 2	13%	01/01/2018
SR	Standard Rate	20%	01/01/2018
ZR	Zero Rate	0%	01/01/2018

## Catch-all Rules

The following catch-all rules have been added in the authority of Austria Domestic Reverse Charge.

RULE ORDER	RATE CODE	TAX TYPE	TAX TREATMENT	START DATE
5000	None	Acquisition	No Tax	01/01/2018
5001	None	Import	No Tax	01/01/2018
5002	None	Zero Rate Export	No Tax	01/01/2018
5003	None	Zero Rate	No Tax	01/01/2018
5004	None	European Community Dispatch	No Tax	01/01/2018
5005	None	Triangulation	No Tax	01/01/2018
5006	None	EC Sales List Services	No Tax	01/01/2018
5007	None	Taxable Export	No Tax	01/01/2018
5008	None	Distance Sale	No Tax	01/01/2018
5009	None	Intra-EU Reverse Charge	No Tax	01/01/2018

<b>RULE ORDER</b>	<b>RATE CODE</b>	<b>TAX TYPE</b>	<b>TAX TREATMENT</b>	<b>START DATE</b>
5010	None	Intra-Company	No Tax	01/01/2018
5011	None	VAT Groups	No Tax	01/01/2018
10000	None	Any	No Tax	01/01/2018

Also, a new no tax rule with an authority rule qualifier has been added in the authority of Austria to prevent the system returning two tax blocks when the rules contained in the authority of Austria Domestic Reverse Charge are applied.

The rule added to the authority of Austria is the following.

<b>RULE ORDER</b>	<b>RATE CODE</b>	<b>TAX TYPE</b>	<b>TAX TREATMENT</b>	<b>START DATE</b>
5000.0001	None	Any	No Tax	01/01/2018

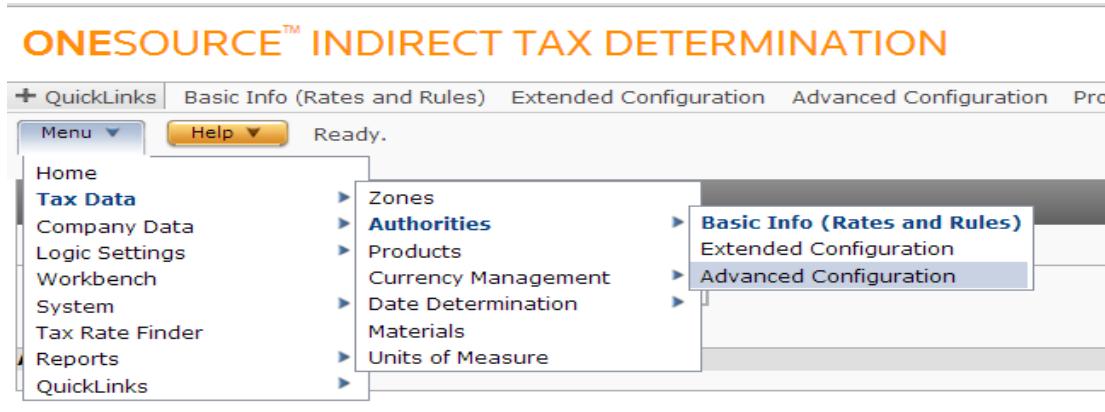
The authority rule qualifier added to the above-mentioned rule is the following.

<b>CONDITION EXPRESSION</b>	<b>OPERATOR</b>	<b>VALUE</b>	<b>START DATE</b>
Austria Domestic Reverse Charge	NOT_APPLIED_TAX_TYPE	S	01/01/2018

## PART II – USING THE AUTHORITIES

### Turning On the authority

The Austria Domestic Reverse Charge authority is turned off by default. To turn it on, select Tax Data, then Authorities, then Advanced Configuration.



In the Search for Authorities screen shown below select the authority name.

Authority Name	Product Group
Czech Republic	Harmonized
Czech Republic Domestic Reverse Charge	Harmonized
Czech Republic Private Copy Levy	Harmonized
Czech Republic Recycling Fees	Harmonized

On the Selected Authority screen below, select the Options tab and then the Actions button and select Add from the dropdown. Select the name of the option “Turn Off Authority” and set the condition to None, the value to No and the start date of 01/01/1901.

Name	Condition	Value	Start Date	End Date
Turn Off Authority	- None -	No	01/01/1901	31

Name	Condition	Value	Start Date	End Date
AT - Ancillary Transport Services Reverse Charge	Not Applicable	Not Applicable	01/01/1901	31
Chain Transaction Transport	- None -	Either	01/01/1901	31

## PART III – TAX RESULT EXAMPLES

### Test 1: Shipment of goods subject to Domestic Reverse Charge from Austria to Austria – Purchase

WORKBENCH ELEMENTS	VALUES
Company Role	Buyer
Transaction Type	Goods
Ship From	Austria
Ship To	Austria
Seller Registration	ATU12345678
Buyer Registration	ATU12345679
Buyer Establishment in Ship From	Yes

The image below shows the Scenario 2018 May Update - Austria DRC goods domestic transaction.

Scenario 2018 May Update - Austria DRC goods domestic transaction:						
View Results: 1 ▼		Gross Amount: 100000.00	Eff%: 0%	Type	Dir	Fee
Zone	Authority	Invoice Desc				
Country: AUSTRIA	Austria Domestic Reverse Charge	Domestic Reverse Charge 2012.85423 - Electronic integrated circuits (Art. 19 (1) d VATA)		RC	O	20% 20000.00
Country: AUSTRIA	Austria Domestic Reverse Charge	Domestic Reverse Charge 2012.85423 - Electronic integrated circuits (Art. 19 (1) d VATA)		RC	I	20% 20000.00
						0.00 EUR
<input type="checkbox"/> Authority Messages:						
Authority	Rule	Order	Message			

## Test 2: Shipment of goods subject to Domestic Reverse Charge from Austria to Austria – Sale

WORKBENCH ELEMENTS	VALUES
Company Role	Seller
Transaction Type	Goods
Ship From	Austria
Ship To	Austria
Seller Registration	ATU12345678
Buyer Registration	ATU12345679
Buyer Establishment in Ship From	Yes

The image below shows the Scenario 2018 May Update - from Austria to Austria sale.

Scenario 2018 May Update - Austria DRC goods domestic transaction:							
View Results: 1		Gross Amount: 100000.00	Eff%: 0%	Type	Dir	Fee Rate	Tax Amt
Zone	Authority	Invoice Desc					
Country: AUSTRIA	Austria Domestic Reverse Charge	Domestic Reverse Charge 2012.85423 - Electronic integrated circuits (Art. 19 (1) d VATA)		NL	O	0%	0.00
0.00							
<input type="checkbox"/> Authority Messages:							
Authority	RuleOrder	Message					

## CONCLUSION

This guide explains changes made in ONESOURCE Indirect Tax Determination in connection with the authority of Austria Domestic Reverse Charge. Please contact Customer Support with any additional questions.