Cross-border supplies of services made to VAT grouped branches

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The preliminary ruling of the Court of Justice of the European Union in Skandia America Corp. (USA), filial Sverige (C-7/13) poses new VAT questions for businesses with branches in the EU. Many businesses with EU branches may now need to look again at how they structure and allocate the costs of their cross-border intra-group supplies of services.

Until now, companies have generally been able to make cross-border supplies of services to their EU branches without having to charge VAT. However, that position looks set to become more complicated where such supplies are made to a branch which is a member of a "VAT group".

Read more information on the case and the impact on businesses.