

Joint letter

**State Secretary of Ministry of Finance
Mr. Rolf Bösingher,
Wilhelmstraße 97
10117 Berlin**

Brussels & Berlin, 2 March 2021

Dear Mr. Bösingher,

Ecommerce Europe, the voice of the European Digital Commerce industry, bevh, the Bundesverband E-Commerce und Versandhandel Deutschland, and logistic-natives e.V., an international logistics infrastructure network for modern commerce, would like to jointly bring to your attention some issues that have been flagged by our members in relation to the implementation and transposition of the EU VAT E-commerce Package.

The European Commission has already showed a forward-looking approach with regards to the implementation by postponing the entry into application of the expanded Union OSS scheme and the new Import OSS by 6 months, to 1 July in 2021. This was also due to the fact that some EU Member States had declared that they needed more time to set up the necessary technical framework, especially in light of the shift of focus caused by the COVID-19 pandemic. As Ecommerce Europe already previously declared, the postponement allows Member States and businesses to better prepare for the new rules, adapting or developing the national IT systems.

However, some Member States have declared that their IT systems will not be ready by 1 July 2021, which, in our opinion, is a serious concern. First and foremost, having the IT systems ready in all EU Member States except for one or two will nullify the efforts of both the Commission and the other Member States in ensuring to be ready on time, by creating a gap in the implementation scheme, which could be exploited for unfair trading practices and have a distortive effect on market competition.

In particular, Germany has publicly declared that it will not be ready by the deadline. On 3 November 2020, the German Federal Ministry of Finance announced that the German IT system compliant with the EU VAT E-commerce Package will be ready for usage no later than Q1 2022, although applications to register for IOSS VAT ID Numbers in Germany will be accepted by 1 April 2021. The statement has been confirmed by the German Customs on 17 February 2021. Hence, registration will be possible, but the necessary certification for those planning to use the new customs application compliant with the EU VAT E-commerce Package will only start in Q4 2021 at the earliest.

Furthermore, the new German Tax Act (*Jahressteuergesetz*) introduces a new requirement for marketplaces to record and constantly validate national VAT IDs of third-party sellers, meaning that EU

distance sellers will remain VAT registered in Germany even if they use the single OSS return. This law conflicts with the Union One Stop Shop and infringes the EU VAT E-commerce Package.

Considering this concern, Ecommerce Europe, bevh and logistic-natives would like to ask the German Federal Ministry of Finance to ensure the possibility for German business pre-registering in the extended Union-OSS and new Import-OSS as of April 2021 to report and pay VAT on distance sales outside Germany as of July 2021. At the same time, we would like to ask you to call on the German Customs to offer the possibility, when receiving the EU IOSS VAT ID in the dataset for the customs declaration, to automatically check and validate it against the central IOSS Number database made available by the European Commission.

Ecommerce Europe, bevh and logistic-natives look forward to hearing from the Federal Ministry of Finance about the concerns raised in this letter and we remain available to discuss and provide further information, if needed.

Yours sincerely,

Luca Cassetti

*Secretary General
Ecommerce Europe*



Christoph Wenk-Fischer

*Hauptgeschäftsführer
Bundesverband E-Commerce und
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Florian Seikel

*Geschäftsführer
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About Ecommerce Europe

Ecommerce Europe is the sole voice of the European Digital Commerce sector. As a result of joining forces with EMOTA, Ecommerce Europe now represents, via its 23 national associations, more than 100,000 companies selling goods and services online to consumers in Europe. Ecommerce Europe acts at European level to help legislators create a better framework for online merchants, so that their sales can grow further.

Website: www.ecommerce-europe.eu

About bevh

The German E-Commerce and Mail Order Association (bevh) is the e-commerce association and thus the industry association for interactive retailers (i.e., online and mail-order retailers). The bevh currently has 500 members. These include mail-order companies with catalog and Internet offerings, Internet pure players, teleshopping companies, mail-order pharmacies, sellers on online marketplaces and mail-order companies with a home in stationary retail. Mail-order booksellers are also included.

Website: www.bevh.org/

About logistic-natives e.V.

The logistic-natives e.V. is an international logistics infrastructure network for modern commerce, whose members are predominantly German SMEs. As an association, logistic-natives e.V actively represents the economic and legal interests of over 30,000 companies in the industry. The network is the first point of contact for representatives from politics, administration, business and other institutions wishing to create national and international solutions for tomorrow's commerce. The logistics-natives e.V. sees itself as a cross-sectional association for various branches of industries, making it relevant to all stakeholders involved in commerce.

Website: www.logistic-natives.com/