



## VAT Recovery - a corporate travel savings avenue

Most countries in the world today charge VAT as part of their fiscal policy. It can be as high as 25% in some countries. Every hotel stay or restaurant bill involves VAT. Payment of VAT during a business trip, is inevitable. Consequently, most companies just budget the VAT amounts as part of their Travel and Entertainment (T&E) expenses, and write them off as an expenditure. Many corporates do not realise that these amounts can be recovered. This can indeed become an interesting savings option on T&E budgets and expenditure.

VAT varies from 5% to 25%. The Scandinavian countries charge the highest rates. In some countries, different services or goods, attract different rates of VAT that are chargeable. Some of the countries that refund VAT are: Austria, Belgium, Canada, Denmark, Finland, France, Germany, Ireland, Italy, Japan, The Netherlands, Norway, South Korea, Spain, Sweden, Switzerland and the United Kingdom. It must be noted that not all countries refund to every country. Some apply the rule of reciprocity. In other words, they will only refund to travellers from countries, who refund to their own travellers.

Today **Coromandel SAS** offers companies a turn-key solution to recover their VAT expenditure. There is nothing you have to do except enter into an agreement, provide copies of some regular documents and hand over the original invoices that are eligible for refund. We will take care of the rest. **There are no up-front fees applicable.**

## Recover your VAT

Too many companies leave their recoverable Value Added Tax (VAT) unclaimed. Millions of dollars that can be refunded each year, are never claimed. It is all about corporate budgets and savings. Are you recovering your VAT?

## Standard VAT rates

| Country | Tax  | Rate | Country        | Tax    | Rate |
|---------|------|------|----------------|--------|------|
| Austria | MwST | 20%  | Italy          | IVA    | 22%  |
| Belgium | MwST | 21%  | Japan          | C. Tax | 10%  |
| Canada  | GST  | 13%  | Netherlands    | BTW    | 21%  |
| Croatia | PDV  | 23%  | Norway         | MVA    | 25%  |
| Denmark | MOMS | 25%  | S. Korea       | VAT    | 10%  |
| Finland | ALV  | 24%  | Spain X        | IVA    | 21%  |
| France  | TVA  | 20%  | Sweden         | MOMS   | 25%  |
| Germany | MwST | 19%  | Switzerland    | MwST   | 7.7% |
| Ireland | VAT  | 23%  | United Kingdom | VAT    | 20%  |

**NB. Rates may be changed without notice**  
 X: Spain refunds on Exhibitions and Trade Fairs only

# VAT Recovery - FAQs

## Some frequently asked questions:

**What is VAT?** It is Value Added Tax levied on goods and services in many countries - primarily in the European Union. It goes by many names. Some common terms used are: IVA, MwSt, GST, MOMS, MVA, TVA and BTW, among others. It should not be confused with Sales Tax. The rate of VAT applied may be as high as 25.50% and can be different, on different items of expenditure, even within one country.

**Who is eligible for VAT Recovery?** The facility to recover VAT expenditure is applicable solely to corporate entities. It is applied only to Business Travel.

**Why do countries refund VAT?** The refund of Value Added Taxes, encourages trade between participating countries. It could often be an extension of bilateral trade agreements. It must be noted that some countries will only refund to another country on a reciprocal basis. Spain is an example of such processes.

**Are there deadlines involved?** Yes, most countries need to have invoices submitted by 30th June for the preceding calendar year. The UK is an exception. Their deadline is 31st December for the preceding financial year.

**What happens to original invoices after the process is over?** If you require the originals back, we can arrange to deliver them to you as soon as the recovery process is over and relevant authorities return them to us.



## Some VAT eligible for refund

Expenditure under several categories are eligible for refund. Of course, not all items are refundable in all countries. Here are some of the VAT items that can be refunded: Hotels, Car Rentals, Meals, Banquets, Meetings, Seminars, Conferences, Training, Trade Shows, Legal, Advertising, R&D, and Technical Fees etc.

In some cases, we are able to go beyond the scope of just VAT recovery on corporate travel. There have been several instances where VAT has been recovered on corporate purchases as well, that have been paid through Accounts Payable Invoices. Special circumstances require advanced skills with VAT Recovery. We have access to some of the best in the Business.

## Professional

We have excellent working relationships with Tax Offices in all the key countries. People who handle your claim submissions are experts – either retired Tax Officers, or taxation professionals.

## Efficient

Your invoices are handled in our Processing Centre for submission, where all the form-filling etc., are done. We have an established recovery rate of over 95%.

## Reliable

We provide a reliable service: invoices move from country to country through well known courier services. These ensure timely submissions to relevant authorities.

## Confidential

All submissions to VAT refunding authorities are handled with the highest level of confidence. Your data and information is always safe with us.

### Your VAT Recovery specialists

#### Coromandel SAS

Coromandel SAS is a Bogotá based company registered with the Bogotá Chamber of Commerce and appointed representative for Colombia and South America for Universal VAT Services, a USA company based in Atlanta Georgia.

## Cost of service

There are **no up-front fees payable to utilise our service**. We work on a contingency fee basis; we only get paid after we have successfully recovered your refundable VAT.



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