Taxable Supplies and their Consideration in VAT: Selected Issues related to Digital Economy

Characteristics of Supplies (Art 2 VAT directive):

Supply of Goods / Services

- Set up criteria for determining the existence of a supply
  - Legal Relationship
  - Willingness to perform and receive a supply
  - Consumption
  - Purpose or Result
  - Lawful / unlawful activities

- Distinguish between:
  - Supply of goods
  - Supply of services
  - Deemed Supplies
  - Non-supply
    o Supply without consumption
    o Supply without content

Consideration

- Purpose of obtaining income
- Direct link of consideration and supply
  - Subsidies
  - Third party consideration
  - Donations
  - Membership fees
- Barter transactions

Distinction:
Non-supply vs non-economic activity
- Non-economic activities
  - stand alone
  (=independent) “sphere”
  - part of taxable person’s activities

E-Vouchers
Shares
In-Game Money
Crowdfunding
Platform use
Sharing Economy
Homepage Use <> Supply of Data
Bitcoins