

Global Invoice V2 concerning Tax Exemption Reason Codes

(Based on a guideline published 2005-03-04 on the Swedish Odette web site www.odette.se)

Code	Description	Explanation	Application guideline
E	Exempt from tax	Exempt export of goods	To be used when invoicing goods which are exported from a country outside EC to a country within EC.
S	Standard rate	Standard rate applicable in the respective country	To be used when invoicing goods or services where the standard rate of VAT is applicable
AAA	Exempt – Article 15 of Directive 77/388/EC	Exemption of exports from the Community and like transactions and international transport.	To be used when invoicing goods which are delivered to a non-EC country and when invoicing certain services, where these are directly connected with the export of goods.
AAB	Exempt – Article 16 of Directive 77/388/EC	Special exemptions linked to international goods traffic.	To be used when invoicing goods which are imported from a non EC country into an approved warehouse, or free zone, within the EC area, and held in warehouse under VAT suspension. This arrangement may also include VAT suspended goods movements between different approved warehouses within the EC provided that the goods are re-exported from the warehouse to a non-EC country. Should also be used for transport costs included in customs value. <i>Example: a company in EC country A imports goods from US and stores them in an approved warehouse, under VAT suspension. The EC company A then sells the goods to a company in EC country B and transfer the goods from the warehouse in country A to a warehouse in country B, still under VAT suspension. Then the company in country B sells and delivers the goods to a company in Russia.</i>
AAC	Exempt – Article 28c(A) of Directive 77/388/EC	Exempt Intra-Community supplies of goods.	To be used when invoicing goods which are delivered from one EC country to another EC country if the customer has a VAT number in another EC country. The goods have to be dispatched or transported by or on behalf of the vendor or the person acquiring the goods.
AAE	Reverse Charge – Article 28b(C) (D) (E) (F) of Directive 77/388/EC	Reverse Charge Intra-Community transport services.	To be used when invoicing the transport of goods within the EC and ancillary services to these transports, services rendered by intermediaries, services on movable tangible property, where the customer is registered for VAT in a different EC country to that of the supplier.
AAF	Exempt – Article 26b(B) of Directive 77/77/388/EC	Exemption under the special scheme for investment gold.	To be used when invoicing investment gold to a customer in another EC country, where the special scheme for investment gold is applicable.
AAG	Exempt – Article 13 of Directive 77/388/EC	Exempt within the territory of the country.	To be used when invoicing, within the supplier's own country, goods and services that are exempt from VAT under the national legislation – e.g. banking-, insurance services, hospital care, medicine and education.
AAH	Margin Scheme – Article 26a of Directive 77/388/EC	Special arrangements applicable to second-hand goods, works of art, collectors items and antiques.	To be used when invoicing second-hand goods, works of arts, collector's items and antiques where the margin scheme is applicable.
AAI	Margin Scheme – Article 26 of Directive 77/388/EC	Margin scheme for travel agents	To be used when invoicing for travel arrangements where the margin scheme for travel agents is applicable.
AAJ	Reverse Charge – Article 26b(F) of Directive 77/388/EC	Reverse charge procedure applying to supplies of gold.	To be used when the supplier of the investment gold, which would otherwise be exempt from VAT, has exercised the right to "option to tax", under the Article 26b(C) of directive 77/388/EC. Under this "option to tax" arrangement, the customer is liable to

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			account for VAT on supply, under the reverse charge procedure.
AAK	Reverse Charge – Article 21 1.a of Directive 77/388/EC	Reverse charge procedure. Special scheme for non VAT registered companies within an EC country in case of domestic supply of goods and services to a VAT registered purchaser in that EC country.	To be used when invoicing goods and certain services, from a supplier (a foreign entity) who is not established and registered for VAT in an EC country, to a customer who is VAT registered in that EC country.
AAL	Reverse Charge Exempt - Article 16 (1) 2nd subparagraph of Directive 77/388/EC	Reverse charge procedure when goods cease to be covered by warehousing arrangements.	To be used when invoicing goods from a non-EC country which have been held in an approved warehouse and should be removed for consumption in an EC country (i.e. not re-exported as in AAB). <i>Example: still using the example above (AAB) as a base the company in country A sells and transfers the goods to a company in country B but in this case the company in country B sells and deliver the goods to EC country C for domestic consumption.</i>
AAM	Exempt New Means of Transport – Article 28a(2) of Directive 77/388/EC	Intra-Community supply of a new means of transport.	To be used when invoicing a supply of new means of transport to a customer in another EC country.
AAN	Exempt Triangulation – Article 28c(E)(3) of Directive 77/388/EC	Triangulation	To be used when invoicing by a company who is the middleman in a triangulation chain i.e. goods trade between three parties in different EC countries and the goods delivered from the first part to the last part.
AAO	Reverse Charge – Article 9.2.e of Directive 77/388/EC	Reverse charge procedure for services such as consultant, lawyer, information, ADB and translation.	To be used when invoicing taxable services for example consultant-, lawyer-, auditor-, translation- and information services, ADB and preparing systems and programs, advertising to EC countries and certain non EC countries.