

Northern Irish businesses can use the One Stop Shop (OSS) Union scheme to manage and report the VAT due on intra-community distance sales of goods to EU countries, and make payments all in one place, instead of having to register for VAT in up to 27 EU countries.

Distance Selling: What's changed?

Distance sales before 1 July 2021

Individual EU Member States set a threshold above a certain value (between €35000 & €100000) for distance sales to non-VAT registered customers residing in that EU Member State.

Northern Irish traders selling goods online to EU customers above the threshold had to register for and pay VAT individually in each customer's EU Member State.

Distance sales using One Stop Shop

Since 1 July 2021, individual EU Member State thresholds are replaced by a single €10000 EU-wide threshold for the distance sale of goods to customers across all EU Member States.

Northern Irish traders can now opt-in to register with the new online One Stop Shop to file one quarterly VAT return that covers all EU VAT obligations for Business to Customer (B2C) distance sales.

From 1 July 2021



As the Northern Ireland Protocol only applies to goods, the UK's implementation of the EU's e-commerce package will only apply to supplies of goods in respect of Northern Ireland. This means that supplies of services between Northern Ireland and EU member states do not count towards the distance selling threshold.

Online Marketplaces: Who pays VAT via OSS?

NI Trader

NI businesses selling goods B2C via an Online Marketplace (OMP) to an EU customer remain liable to account for supply VAT and are required to submit a quarterly VAT return via OSS

Online Marketplace

Where goods located within NI are sold on behalf of sellers located outside of the EU or NI to an EU customer, an OMP will account for supply VAT and submit a quarterly VAT return via OSS.

Further guidance on changes to distance selling is available at [GOV.uk](https://www.gov.uk)

Follow the steps to report and pay VAT on distance sales of goods from Northern Ireland to the EU using One Stop Shop (OSS)

1. Register for OSS with HMRC

To register you will need to:

- Sell goods from NI to EU customers under the terms of the Northern Ireland Protocol
- Be registered for UK VAT
- Sell goods worth more than €10000 a year to EU consumers.

Visit [GOV.uk](https://www.gov.uk) to register for One Stop Shop now

2. Collect VAT on distance sales

NI traders must charge and collect VAT at the rate of the EU country where the goods are sent to, and account for VAT on all eligible distance sales of goods to EU consumers

Check VAT rates for all EU member states

3. Submit & pay via OSS

NI traders must complete a single quarterly return and make a payment for all EU VAT obligations using the HMRC OSS portal for all eligible distance sales of goods to consumers across the EU.

Visit [GOV.uk](https://www.gov.uk) to submit and pay VAT due on your OSS VAT return



NI traders selling goods to customers within the UK market should continue to submit a quarterly VAT return to HMRC when their VAT taxable turnover is more than £85000.

4. Keep records of all OSS sales for 10 years

For each sale, you must keep records of:

- the EU country where you made the sales & the date of supply
- the taxable amount, the VAT rate applied and the currency used
- any increase or decrease of the taxable amount
- the amount of VAT due and the currency used
- payments your business received – the dates and amounts
- any payments on account your business received for goods before you supplied them
- the information shown on any invoices you issued
- your consumers' names – where known
- the information you used to work out where a consumer is based