

VAT Calculation Service Frequently Asked Questions

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1. VAT Calculation Service

FAQ

Answer

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| 1 | I have enrolled into VAT Calculation Service, but what is the service I will receive as a Seller? | Amazon's VAT Calculation Service provides sellers with tax calculation, VAT invoicing and transactional VAT calculation reporting functionality. By enrolling in our VAT Calculation Service, Amazon Business Sellers will also be able to surface VAT exclusive prices to Amazon Business customers. |
| 2 | Is there an incremental fee to enrol and use Amazon's VAT Calculation Service? | No, Amazon's VAT Calculation Service is available to all sellers as long as they fulfil the basic enrolment criteria. |
| 3 | Can I use Amazon's VAT Calculation Service globally or only within the EU? | Amazon's EU VAT Calculation Service can only be used for sales on the five Amazon EU marketplaces. In addition, VAT Calculation Service only supports products that are dispatched from locations within the EU. |
| 4 | Is there more information on how Amazon will perform tax calculation via the VAT Calculation Service? | Please refer to our EU VAT Calculation Service Methodology document . This document will provide you with comprehensive information on the functionality as well as the logic and methodologies applied. |
| 5 | Can I set my activation date to any date in the future? | By default, the VAT Calculation Service will be set to start calculation four days after you completed enrollment. However, you will be able to choose a later date for the service to start calculation. |
| 6 | I made an error, how do I update my Tax Settings | Simply go back to the VAT calculation settings page in Seller Central and update your information. |
| 7 | How will Amazon calculate my VAT exclusive price on sales to customers? | Amazon's VAT Calculation Service uses the tax inclusive selling price ("Display price") that you provided for the marketplace, as well as logic that is based on your VAT registration status in certain countries, in order to determine which VAT rate will be used to derive the exclusive price ("VAT exclusive price"). For comprehensive information on how tax calculations are performed and how that influences your pricing, please refer to the VAT Calculation Service Methodology document. |
| 8 | Will my VAT exclusive price be visible to buyers? | Your VAT exclusive prices will only be visible to Amazon Business customers and only if you are enrolled in Amazon's VAT Calculation Service. |

- 9 When will you start calculating VAT on my sales and generating VAT invoices? VAT calculation on your orders will start on the activation date you stipulate and on condition that your settings fulfil the eligibility criteria for participation in VAT Calculation Service.
- 10 Should I continue to issue VAT invoices once I enrol in Amazon's VAT Calculation Service? Our VAT Calculation Service will automatically create VAT invoices and credit notes to the customer on your behalf once the service is activated. You should ensure that you no longer produce VAT invoices and credit notes for transactions that occur after enrolment within the service. You would still need to provide credit notes, as required, for transactions that occurred prior to the activation of the VAT Calculation Service, but which are only returned/refunded thereafter.
- 11 If I'm enrolled in FBA, do I need to enter the Amazon ship-from locations or my own? You should provide the address from where you self-fulfil your products as your default ship-from address. Our VAT Calculation Service will use Amazon's fulfilment location addresses for products fulfilled as part of the FBA program.

2. Tax identification number

- 12 How can I get a VAT registration # for my business? If you believe your business is required to be registered for VAT purposes, please consult your tax advisor on how to obtain a VAT registration number.
- 13 Is it mandatory to have a VAT # to join Amazon's VAT Calculation Service? Yes – Sellers will be required to provide at least one valid European Union (EU) VAT registration number in order to enroll into the service. Sellers should provide all EU VAT registration numbers associated with their business, including VAT registration numbers for the countries within which they store inventory, e.g. as part of the FBA program. Storing FBA units in a country outside your home-marketplace country will trigger additional VAT registration and reporting obligations for your business. Please consult your local tax advisor for guidance, as necessary.
- 14 Will Amazon verify my VAT registration numbers? Yes, Amazon does take steps to verify a seller's VAT registration number. This may include, but is not limited to, performing checks against the EU's VAT Information Exchange System (VIES). Please allow 1-4 business days for your new VAT registration number to complete the verification process.
- 15 Can I enter multiple VAT registration numbers? Yes, Amazon's VAT Calculation Service allows you to enter multiple European Union (EU) VAT registration numbers as part of the enrollment process. VAT registration numbers can also be provided by visiting the Tax Information section on Seller Central's Account Info page.
- 16 How will the selection of a 'primary' VAT registration number impact my account? The 'primary' tax registration number you select should be the tax registration number associated with your primary place of business. This is the tax registration number that will be used to determine how VAT/GST will apply on your seller fees.

The selection of your 'primary' tax registration number will not impact the use of that number in Amazon's VAT Calculation Service. This means that if you are enrolled in VAT Calculation Service, all valid EU VAT registration numbers will be used in the service, irrespective of whether or not the

number is designated as 'primary'.
If you need assistance in determining your primary place of business, please consult your local tax advisor.

- 17 Is it mandatory to have a VAT # in the country where I have my default shipping address?
Yes, in order to perform precise tax calculations, you have to provide a VAT registration number for your default ship from location.
It is also important that you provide VAT registration numbers for any Amazon fulfilment locations that you signed up for as part of the FBA program.
For a comprehensive overview, please refer to the VAT Calculation Service Methodology document.
- 18 I received a new VAT registration number, where do I enter it?
You can edit, delete or add additional VAT registration numbers by going to the Tax Registrations Page in your Account Information within Seller Central.

3. Default shipping address

- 19 What is the default Ship from address used for?
The default ship from address serves multiple purposes, eg tax calculation and determination of the VAT exclusive/inclusive item price. For a comprehensive overview, please refer to the VAT Calculation Service Methodology document.
- 20 What is the difference between the ship from address and the Registered Business Address on my account?
The ship-from address represents the location from which seller-fulfilled goods are dispatched whereas your registered business address generally represents your primary or officially registered place of business.
- 21 What if I have multiple locations that I ship my inventory from?
Currently, Amazon's VAT Calculation Service can only support a single ship from location for seller-fulfilled items.
If you have multiple ship from locations, please carefully consider whether Amazon's VAT Calculation Service is suitable for your business by referring to the [VAT Calculation Service Methodology document](#).
- 22 Why do you need the complete address of my warehouse?
In order to perform precise tax calculations, Amazon's VAT Calculation Service requires sellers to provide a full ship-from address.
- 23 Does my VAT Calculation Service ship from address need to be in EU or anywhere in the world?
Yes, in order to be eligible for our VAT Calculation Service, your ship from address must be located in one of the European Union member states.

4. Product Tax Code

- 24 What are Amazon defined Product Tax Codes used for?
A Product Tax Code (PTC) is an Amazon-defined code that has the correct set of VAT rates across the European Union for a specific product category. The PTC is used to determine the appropriate VAT rate to apply to sales of your products. You can select the default PTC that you will use for most of your listings. Additionally, you can set a PTC at the offer listing level.

- 25 How do I know which Product Tax Code (PTC) applies to my product? Our VAT Calculation Service provides sellers with a wide variety of Product Tax Codes (PTCs) to select from. Please contact your tax advisor for assistance on which PTCs best fit your needs.
- 26 What do I set my default Product Tax Code (PTC) to? The default Product Tax Code (PTC) will be applied to all products that do not have an offer listing level PTC assigned. The default PTC should be the PTC that you want to use for most of your listings. Please contact your tax advisor for assistance on which default PTC best fits your needs.