

## Thinking big can help keep your tax controversy small.

Today's global connectivity means it is easier for companies to be faced with multi-dimensional, multi-country tax controversy. How can you manage the risk?



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### EU cross-border VAT rulings — bringing clarity to complex transactions

The value-added tax (VAT) treatment of cross-border transactions is not always obvious or straightforward — which can lead to errors by taxpayers and increase disputes between businesses and tax administrations. As day-to-day business operations become more global, the possibility of being involved in VAT controversy is increasing.

The European Union (EU) has recognized the need for greater clarity and certainty in this area. It has set up a pilot project to allow taxpayers to obtain advance rulings on the VAT treatment of complex cross-border transactions. At present, the following Member States are participating in this project: Belgium, Cyprus, Denmark, Estonia, Finland, France, Hungary, Ireland, Italy, Latvia, Lithuania, Malta, Netherlands, Portugal, Slovenia, Spain, Sweden and the United Kingdom. Businesses that are considering carrying out cross-border transactions involving two or more of the participating Member States can request a ruling on the VAT treatment of the transactions they plan to undertake.

Details of the rulings that have been granted to date — and guidance on how to apply for a ruling — may be found on the [EU Commission's website](#) or connect with your [local EY VAT contact](#) for more information.

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