



Italy: Distance sales

Tax Alert
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The Italian government has introduced a new measure regarding the distance sales of certain goods, partly implementing (and anticipating) the VAT E-commerce Directive⁽¹⁾.

The new measure is article 11-*bis* (paragraphs 11 to 15) of Legislative Decree no. 135/2018, converted into law by Law no. 12 of 11 February 2019. The Law Decree was published in the Official Gazette on 12 February and comes into force today.

Article 11-*bis* applies to taxable persons who facilitate - through the use of electronic interfaces such as marketplaces, platforms, portals or similar tools - distance sales of mobile phones, video game consoles, tablet PCs and laptops. They are deemed to have received the supply from the initial seller (deemed B2B supply) and then to have made a supply to the final customer (deemed B2C supply).

This rule covers:

- distance sales of such goods, imported from third territories or third countries, and with an intrinsic value of not more than EUR 150;
- intra-EU distance sales of goods made by non-EU suppliers to B2C customers.

For the purpose of the rule, it is assumed that the seller of the eligible goods is a taxable person and that the buyer is not a taxable person.

The taxable person who facilitates the distance sales in question must keep proper records of the supplies. The records must be sufficiently detailed to enable the tax authorities of the Member States where those supplies are taxable to verify that VAT has been accounted for correctly. The records must be made available electronically on request to the Member States concerned. They must be kept for a period of 10 years from the end of the year during which the transaction is carried out.

(1) Council Directive 2017/2455 of 5 December 2017, amending Council Directive 2006/112/EC of 28 November 2006.

If the taxable person facilitating the distance sales is not established in a country with which Italy has entered into a reciprocal assistance agreement, it should designate an intermediary to act in its name and on its behalf.

It is still unclear at the moment when these new rules will become applicable.

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