

Global Invoice – Tax Exemption Reason Codes

(Based on a guideline published 2014 on the Swedish Odette web site www.odette.se)

<i>Code</i>	<i>Description</i>	<i>Explanation</i>	<i>Application guideline</i>
E	Exempt from tax	Exempt export of goods.	To be used when invoicing goods which are exported from a country outside EU to a country within EU.
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	Article 146, 148 and 151 of Council Directive 2006/112/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-EU country and when invoicing certain services, where these are directly connected with the export of goods.
AAC	Exempt – Article 138 of Council Directive 2006/112/EC	Exempt Intra-Community supplies of goods.	To be used when invoicing goods which are delivered from one EU country to another EU country if the customer has a VAT number in another EU country. The goods have to be dispatched or transported by or on behalf of the vendor or the person acquiring the goods.
AAD	VAT exempt - Article 44 of Council Directive 2006/112/EC	VAT Exempt cross border supply of services to a customer in a non EU country.	To be used when invoicing all taxable services except from work on real estate, passenger transport, cultural, educational, entertainment, scientific and similar services, restaurant and catering services and short time hiring of means of transport.
AAE	Reverse Charge - Article 44 of Council Directive 2006/112/EC	Reverse charge cross border supply of services to a customer in another EU country.	To be used when invoicing all taxable services except from work on real estate, passenger transport, cultural, educational, entertainment, scientific and similar services, restaurant and catering services and short time hiring of means of transport.
AAF	Exempt – Article 346 of Council Directive 2006/112/EC	Exemption under the special scheme for investment gold.	To be used when invoicing investment gold to a customer in another EU country, where the special scheme for investment gold is applicable.
AAG	Exempt – Article 131, 132 and 135 of Council Directive 2006/112/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 – Title X11, Chapter 4 of Council Directive 2006/112/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 – Title X11, Chapter 3 of Council Directive 2006/112/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 198 of Council Directive	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

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	2006/112//EC		26b(C) of directive 77/388/EC. Under this “option to tax” arrangement, the customer is liable to account for VAT on supply, under the reverse charge procedure.
AAL	Reverse Charge Exempt - Articles 154 -164 of Council Directive 2006/112//EC	Special exemptions linked to international goods traffic.	<p>To be used when invoicing goods which are imported from a non EU country into an approved warehouse, or free zone, within the EU area, and held in warehouse under VAT suspension. This arrangement may also include VAT suspended goods movements between different approved warehouses within the EU provided that the goods are re-exported from the warehouse to a non-EU country. Should also be used for transport costs included in customs value.</p> <p>Example: a company in EU country A imports goods from US and stores them in an approved warehouse, under VAT suspension. The EU company A then sells the goods to a company in EU 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.</p>
AAM	Exempt New Means of Transport – Article 2, 3 and 4 of Council Directive 2006/112//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 EU country.
AAN	Exempt Triangulation – Article 141 of Council Directive 2006/112//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 EU countries and the goods delivered from the first part to the last part.
AAP	VAT exempt/reverse charge, within the construction business, Article 199 1 a-b of Council Directive 2006/112//EC	Reverse charge Supply of certain services within the construction businesses should be taxable by the purchaser instead of the seller.	To be used the services should concern property, building or other establishment. The services mentioned are land- and ground work, construction work, installations, construction finalize work, letting of construction machinery with driver, construction cleaning and letting of labour for these services. The purchaser should be a business which supplies the same services.
AAQ	Reverse Charge – Article 194 of Council Directive 2006/112//EC	Reverse charge procedure. Special scheme, so called domestic reverse charge, for both non VAT registered as well as for VAT registered companies within an EU country in case of domestic supply of goods and services to a VAT registered purchaser in that EU country.	To be used when invoicing goods and certain services, from a supplier (a foreign entity) who is not established and registered or a supplier that is VAT registered for VAT in an EC EU country, to a customer who is VAT registered in that EC EU country.