



EUROPEAN COMMISSION
DIRECTORATE-GENERAL
TAXATION AND CUSTOMS UNION
Indirect Taxation and Tax administration
VAT and other turnover taxes

Brussels, October 2010
TAXUD/C/1

VAT in the European Community

**APPLICATION IN THE MEMBER STATES,
FACTS FOR USE BY
ADMINISTRATIONS/TRADERS
INFORMATION NETWORKS ETC.**

Note

This document collates a range of basic information on the application of VAT arrangements in the Member States which has been obtained from the tax authorities concerned.

The sole purpose of distributing details of national provisions is to create a work tool. In no way does this document reflect the views of the Commission of the European Communities. Nor does it signify approval of the relevant legislation.

DENMARK

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GENERAL INFORMATION

1. IF A FOREIGN TRADER WANTS TO OBTAIN INFORMATION ABOUT YOUR VAT SYSTEM, WHOM SHOULD HE CONTACT? (ADDRESS, TELEPHONE, FAX, EMAIL)

Traders established abroad can obtain information on Danish VAT rules at one of the local tax centres. You can find the addresses of the local tax centres at www.skat.dk/kontakt.

You can contact SKAT (the Danish Tax Authorities) electronically at www.skat.dk/English. Click on "Send an e-mail to SKAT".

SKAT's telephone number is +45 72 22 18 18.

You can read more about the Danish VAT rules in our VAT guide (E 104), which is available in the following languages:

- English: [VAT for Foreign Enterprises](#)
- German: [Mehrwertsteuer für ausländische Unternehmen](#)
- Polish: [VAT dla przedsiębiorstw zagranicznych](#)

As of January 1 2010, foreign traders from EU-countries, who are not registered for VAT in Denmark, must apply electronically for refunds of Danish VAT via the tax authorities in their own country.

Foreign traders from places outside the EU, who are not registered for VAT in Denmark, must make requests for refunds of Danish VAT by sending "[Blanket 31.004](#)" (form 31.004) to the following address:

Skattecenter Tønder
8/13 moms
Pionér Allé 1
DK-6270 Tønder

2. WHAT IS THE ADDRESS OF THE NATIONAL TAX ADMINISTRATION WEBSITE? WHICH CATEGORIES OF INFORMATION ON VAT IS AVAILABLE ON THAT WEBSITE (GENERAL INFORMATION, LEGISLATION, CONTACT POINTS, FORMS, ETC.)? AND IN WHICH LANGUAGE(S)?

The tax administration's website is: www.skat.dk. Here you will find the commercial and legal guides as well as forms relating to VAT. Addresses of the local tax centres as well as SKAT's telephone number can be found on www.skat.dk/kontakt.

Guides, newsletters, and forms are available at www.skat.dk. Some are available in various foreign languages.

3. WHERE IS IT POSSIBLE TO FIND NATIONAL VAT LEGISLATION AND REGULATIONS? IN WHICH LANGUAGE(S) ARE THEY AVAILABLE?

National legislation and provisions in the area of VAT can be found at www.skat.dk under the section headed “Rådgiver” (Adviser). Click on “Love og regler” (laws and rules), where the current VAT law etc. can be found. The VAT law is only available in Danish.

At www.skat.dk, you can also find a VAT guide (E 104) for foreign enterprises, which is available in the following languages:

- English: [VAT for Foreign Enterprises](#)
- German: [Mehrwertsteuer für ausländische Unternehmen](#)
- Polish: [VAT dla przedsiębiorstw zagranicznych](#)

The VAT guide contains instructions concerning registration and returns as well as descriptions of general rules on VAT registration and general rules on tax, excise duties and customs.

VAT REGISTRATION OF FOREIGN TRADERS

4. WHAT ARE THE CIRCUMSTANCES GOVERNING THE NEED TO BE REGISTERED FOR VAT?

It is the nature of a trader’s activities which determine whether or not he must be registered for VAT. Trading in goods and services is in principle subject to VAT. The registration threshold for VAT registration is an annual turnover of DKK 50 000 (ca. EUR 6 700).

Please note that this threshold only applies to traders who are established in Denmark. If the taxable person is a foreign trader, there is no lower threshold for registration.

Also, there is no lower threshold for taxable persons who supply new means of transport to other EU countries.

5. WHAT ARE THE SITUATIONS WHERE REGISTRATION IS UNNECESSARY BECAUSE THE RECIPIENT OF THE GOODS OR SERVICES IS LIABLE FOR THE TAX? IN SUCH SITUATION, IS IT POSSIBLE TO REGISTER ON A VOLUNTARY BASIS?

In principle, all taxable persons engaged in the supply of goods and services which are not exempt from VAT under Section 13 of the Danish VAT Act (*momsloven*) must apply for VAT registration for their business. However, the exception to this is: cross-border transactions where the VAT is to be paid by the recipient (reverse charge). The types of transaction that this concerns are described in Section 46 of the Danish VAT Act.

6. WHOM SHOULD A FOREIGN TRADER CONTACT TO GET REGISTERED FOR VAT? (DETAILS ABOUT THE DEPARTMENT, INCLUDING ADDRESS, TELEPHONE AND FAX E-MAIL...)

Denmark has a one stop shop for registration. Erhvervs- og Selskabsstyrelsen (The Danish Commerce and Companies Agency) carries out the overall registration, including registration for VAT:

Erhvervs- og Selskabsstyrelsen
Kampmannsgade 1
DK-1780 Copenhagen V
Phone +45 33 30 77 00
Fax +45 33 30 77 99
E-mail ckk@eogs.dk

The registration form can be found here: [Registration form](#)

If the trader is established outside of the EU, the Faroe Islands, Greenland, Iceland or Norway, he must be registered through a representative resident in Denmark.

Traders established in the EU, the Faroe Islands, Greenland, Iceland or Norway can elect to be registered directly at their home address.

7. PLEASE DESCRIBE THE DETAILED PROCEDURES (INCLUDING NECESSARY DOCUMENTS) FOR ISSUING VAT IDENTIFICATION NUMBERS, SPECIFICALLY TO FOREIGN TRADERS.

Denmark has two different procedures for VAT registration of traders established abroad.

Traders established outside of the EU, must be registered through a representative resident in Denmark. However, this does not apply to traders established on the Faroe Islands or in Greenland (which are parts of the Kingdom of Denmark, but not part of the EU) or in Iceland or Norway. The registration form can be found here: [Registration form](#). After registration, the trader will receive a registration certificate.

Traders established in the EU, Greenland, the Faroe Islands, Iceland or Norway can elect to be registered directly at their home address.

THRESHOLDS

8. WHICH THRESHOLD DO YOU OPERATE AS REGARDS INTRA-COMMUNITY DISTANCE SELLING UNDER ARTICLE 34 OF THE VAT DIRECTIVE (2006/112/EC)?

Taxable persons who supply goods by distance selling in Denmark from other EU countries do not have to be registered and pay tax in Denmark, if the supply concerns goods other than goods subject to excise duty and the total supply in Denmark through distance selling does not exceed DKK 280 000 (ca. EUR 37 500) in either the current or preceding calendar year.

9. WHICH THRESHOLD DO YOU OPERATE AS REGARDS ACQUISITIONS BY NON-TAXABLE LEGAL PERSONS OR EXEMPT PERSONS UNDER THE SECOND SUBPARAGRAPH OF ARTICLE 3(2) OF THE VAT DIRECTIVE (2006/112/EC)?

Non-taxable legal persons and taxable persons who are not under an obligation to register must be registered if the total value of acquisitions in the current or preceding calendar year exceeds DKK 80 000 (ca. EUR 10 730).

These acquisitions do not include goods subject to excise duty.

APPOINTMENT OF TAX REPRESENTATIVES BY FOREIGN (NON-EU) TRADERS

10. WHAT ARE THE SITUATIONS IN WHICH THE APPOINTMENT OF A TAX REPRESENTATIVE IS OBLIGATORY?

Taxable persons who have their permanent place of business in a country outside of the EU with which Denmark does not have a legal instrument relating to mutual assistance similar in scope to the rules in the EU and who supply goods and services in Denmark must be registered through a person who is resident in Denmark or through a company which has its place of business in Denmark. The same applies if the foreign trader makes acquisitions of goods from other EU countries. The requirement for a tax representative currently applies to traders in all countries and areas outside of the EU, apart from the Faroe Islands, Greenland, Iceland and Norway.

Taxable persons with a place of business outside of Denmark do not have to be registered if the customer is made liable to pay.

11. WHAT ARE THE CONDITIONS GOVERNING THE APPOINTMENT OF A TAX REPRESENTATIVE?

The representative must be a natural person resident in Denmark or legal person established in Denmark, and the representative must have agreed to act on the foreign trader's behalf.

If a trader from a country or area outside of the EU, Norway, Iceland, Greenland or the Faroe Islands is registered through a representative resident in Denmark, the representative and the trader are jointly and severally liable for the payment of VAT.

12. WHAT ARE THE RIGHTS AND OBLIGATIONS OF TAX REPRESENTATIVES?

The Danish representative shall submit VAT returns and recapitulative statements on behalf of the foreign trader. The trader's accounts must be directly available from the representative. The same rights apply as for ordinary registered traders in Denmark. If a trader is registered through a representative resident in Denmark, the trader and the representative are jointly and severally liable for the payment of the tax.

13. WHAT ACTION CAN YOU TAKE IN THE EVENT OF FAILURE BY A TRADER IN ANOTHER COUNTRY TO DESIGNATE A TAX REPRESENTATIVE IN YOUR TERRITORY?

If a non-EU trader refuses to allow himself to be represented by a representative resident in Denmark, the registration will be refused. If the trader nonetheless engages in activities, the case will be followed up. The trader could be liable to pay a fine.

14. IS IT NECESSARY TO SET UP A BANK GUARANTEE?

No requirements are made regarding the provision of security in connection with the registration of non-EU traders.

APPOINTMENT OF TAX REPRESENTATIVES BY FOREIGN TRADERS ESTABLISHED IN THE EU

15. IS IT POSSIBLE TO APPOINT A TAX REPRESENTATIVE?

Yes. See the reply to Question 7.

16. WHAT ARE THE CONDITIONS GOVERNING THE APPOINTMENT OF A TAX REPRESENTATIVE?

Since 1 January 2002, there is no requirement for a tax representative for EU traders, but the trader can elect to be registered through a representative. In that case, the representative must be a natural person resident in Denmark or a legal person established in Denmark, and the representative must have agreed to act on the foreign trader's behalf.

A representative who is resident in Denmark and represents a trader who is established in the EU, Norway, Iceland, Greenland or the Faroe Islands is not liable for the payment of VAT. In addition to information about the foreign trader, the registration application must contain information about the representative resident in Denmark. The application must also be signed by the representative.

17. WHAT ARE THE RIGHTS AND OBLIGATIONS OF A TAX REPRESENTATIVE?

The Danish representative must submit VAT returns and recapitulative statements on behalf of the foreign trader. The trader's accounts must be directly available from the representative. The same rights apply as for ordinary registered traders in Denmark.

18. ARE THERE SITUATIONS WHERE IT IS OBLIGATORY TO SET UP A BANK GUARANTEE?

Traders from other EU countries, Greenland, the Faroe Islands, Iceland and Norway who apply for registration may be required to provide security. Security only has to be provided if, at the time of the trader's registration, SKAT (the Danish tax administration) assesses that the failure to provide security would entail a likely risk of loss of tax revenues.

INVOICING

RULES ABOUT INVOICING

19. WHERE CAN THE RELEVANT RULES (LAWS, REGULATIONS, INSTRUCTIONS, GUIDELINES...) BE FOUND?

Relevant information, both rules and information (newsletters), is available at www.skat.dk.

ISSUANCE OF INVOICES

20. WHAT ARE THE CASES WHEN AN INVOICE NEEDS TO BE ISSUED

For all sales which are covered by the VAT rules, either a standard invoice (on paper or electronic), a simplified invoice or a till receipt must be issued, regardless of whether the buyer is another business or a private person.

Traders selling to private persons must issue a simplified invoice to the customer or use sales registration systems (e.g. a till) and provide a till receipt to the buyer.

If it is not technically (practically) possible to issue a till receipt (e.g. in the case of market sales or similar), the trader must issue a simplified invoice for sales of goods for over DKK 1 000 (ca. EUR 134).

For sales of services (e.g. tradesman services) to private persons, the trader must issue a standard invoice with, among other things, the buyer's name and address, if the total price exceeds DKK 5 000 (ca. EUR 670).

Supplies which are not covered by VAT legislation are exempt from the VAT legislation's rules on invoices.

21. WHAT ARE THE RULES ON CORRECTIVE INVOICES (CREDIT / DEBIT NOTES)?

If goods are returned after an invoice has been issued, a credit note must be issued. A credit note or an invoice for corrective payment (corrective invoice) must also be issued if there is a change in the price. However, credit notes shall not be issued for price reductions on which VAT is not charged (e.g. discounts for cash).

The requirements regarding the form of credit notes and corrective invoices are the same as for invoices.

22. WHAT IS THE TIME LIMIT FOR ISSUING INVOICES?

Invoicing shall take place at the time of supply or as soon as possible thereafter. Invoicing must not take place later than is usual for the sector (e.g. weekly or monthly).

The time of invoicing (invoice date) is regarded as the time of supply, provided that invoicing takes place by or as soon as possible after the completion of the supply.

23. WHAT ARE THE RULES FOR SUMMARY INVOICING?

It is possible to issue a summary invoice covering several separate sales of goods and services. A summary invoice may cover supplies within a period of not more than one month. The requirements with regard to the content of a summary invoice correspond to a standard invoice. However, it is sufficient for the supply date and type and size of supply etc. to be shown on supporting documents (e.g. delivery notes), provided that these supporting documents are kept together with the summary invoice.

24. WHAT ARE THE CONDITIONS IMPOSED ON SELF-BILLING?

Subject to certain conditions, the invoicing obligation may be regarded as satisfied when it is the buyer who issues an invoice on the seller's behalf (a self-billing invoice). Self-billing invoices which cover sales on which VAT is to be charged may only be issued when both the seller and buyer are registered for VAT. The issuer of a self-billing invoice has an obligation to make sure that the seller is registered for VAT.

It is also a condition that a prior agreement exists between the seller and the buyer and that a procedure has been laid down whereby the seller approves each individual self-billing invoice. If there is a supply relationship in which there are statutory or similar

uniform rules for the supply and pricing of goods, this is equivalent to an agreement which can form the basis for the issue of self-billing invoices. This concerns, in particular, supplies by the agricultural sector to dairies, slaughterhouses, feedstuff businesses, etc.

Under current Danish rules the buyer has a joint responsibility with the seller to ensure that the seller has a valid VAT identification number. In practice, this responsibility can be exercised by, among other things, searching on [www.skat.dk/Mere Selvbetjening/Danske momsnumre](http://www.skat.dk/MereSelvbetjening/Danske_momsnumre) (More self-service/Danish VAT numbers), where the buyer can have the VAT identification number documented. In addition, verification can be done by contacting SKAT. Buyers must keep documentation of the verifications.

If a seller who is not registered for VAT receives a self-billing invoice on which VAT is shown, or any other indication that the amount includes VAT, the recipient has an obligation as before to make the buyer aware of this and to repay the VAT.

Self billing is not accepted in relation to intra-Community supplies.

25. IS THERE ANY SPECIFIC RULE IN RELATION TO OUTSOURCING OF INVOICES TO A PERSON WHO IS ESTABLISHED OUTSIDE THE EU?

No, but the conditions are the same as for the storage of invoices. This means that it is only allowed in countries where there is an instrument of cooperation, which means in practice that it is possible in Norway, Iceland, the Faroe Islands and Greenland.

CONTENT OF INVOICES

26. UNDER WHAT CONDITIONS MUST THE VAT NUMBER OF THE CUSTOMER BE ON THE TAX INVOICE?

The VAT number of the customer must be on the tax invoice only in relation to intra-Community supplies of goods and in situations in which the customer is the person liable to pay the VAT on the supply of the goods or the services (supplies referred to Article 226, point 4).

27. ANY OTHER SPECIFIC RULE IN RELATION TO THE CONTENT OF THE INVOICE

If it is necessary for control purposes, SKAT can require the translation of invoices into Danish where there is a question of sales in Denmark or sales from foreign traders.

ELECTRONIC INVOICING

28. AS REGARDS INVOICES SENT WITH ADVANCED ELECTRONIC SIGNATURES, IS IT OBLIGATORY TO USE QUALIFIED CERTIFICATED AND SECURE-SIGNATURE-CREATION DEVICES? IF SO, PLEASE GIVE DETAILS.

The issuing of electronic VAT invoices for domestic supplies are not subject to requirements regarding electronic signature or EDI – see reply to Question 31.

If an electronic (digital) signature is used, this must be based on an advanced electronic signature, which must have a security level at least equivalent to, for example, an OCES certificate (*Offentlige Certifikater for Offentlig Service* – public certificates for public services). This means that another equivalent digital signature is equally acceptable. The electronic signature system provides security which is crucial for confidence, i.e.

- authenticity – which provides the recipient of the invoice with reassurance that the invoice comes from the person who sent the invoice
- integrity – provides reassurance that the invoice has not been changed in transit.

Please also see www.digitalsignatur.dk

29. AS REGARDS INVOICES SENT BY ELECTRONIC DATA INTERCHANGE, IS AN ADDITIONAL SUMMARY DOCUMENT ON PAPER OBLIGATORY? IF SO, PLEASE GIVE DETAILS ABOUT ITS CONTENT AND PROCEDURE.

No additional document has to be sent on paper when using electronic data interchange (EDI). The use of EDI requires that a specific agreement exists between the buyer and seller laying down secure procedures for the electronic exchange of invoices using EDI. Its use requires the parties to use and uphold the special methods and rules necessary for data security, the authenticity of the data origin and integrity of the data content.

30. DO YOU ALLOW INVOICES ISSUED PURSUANT TO THE SECOND SUBPARAGRAPH OF ARTICLE 233(1) OF THE VAT DIRECTIVE (2006/112/EC) ("BY USING ANY OTHER ELECTRONIC MEANS")? IF SO, UNDER WHICH CONDITIONS AND FORMALITIES?

It is possible to use methods other than electronic signatures and EDT. This is subject to the condition that there is an informed agreement between the seller and buyer and a procedure which ensures that the authenticity and integrity are upheld. An example of such a method is the way in which monetary institutions offer internet banking, which is based on, among other things, agreements between the parties and password systems as well as possible data encryption.

31. ANY OTHER SPECIFIC RULE IN RELATION TO ELECTRONIC INVOICING

Traders using electronic invoicing must keep descriptions of the systems, including hardware and software, and the procedures used. The trader must also keep contracts and certificates as part of the description.

Traders who use, issue or receive electronic invoices for accounting purposes must keep the electronic invoices in their original form and format. The storage shall take place in a way that complies with the requirements regarding authenticity and integrity and so that data is not completely or partly lost as a result of errors, breakdown or other operational disruptions. This applies regardless of whether the data is stored by the trader or by a third party.

Specifically regarding electronic invoicing for domestic supplies of goods and services
In order to promote electronic invoicing and also not put obstacles in the way of electronic invoicing, Denmark has chosen to liberate the requirements for electronic invoicing for domestic (i.e. inland) supplies of goods and services. As of 1 January 1 2010, there are no special requirements in terms of advanced electronic signature or EDI (electronic data interchange) when it comes to electronic invoicing regarding domestic (i.e. inland) supplies of goods and services. For instance, an invoice that is sent as a PDF-file in an ordinary e-mail will meet the requirements of electronic invoicing under the provision that the invoice is domestic (i.e. inland).

STORAGE OF INVOICES

32. WHAT ARE THE RULES ON THE PLACE OF STORAGE OF INVOICES?

Accounting records, including invoices, must, as a general rule, be stored at the place of business in Denmark where the trader is registered. However, if the accounting records can be made available for inspection at SKAT's request at short notice, the records may be stored at locations in Denmark other than at the registered address.

However, under the rules on VAT, electronic VAT invoices may be stored in another country, subject to the condition that - the trader informs SKAT of the place of storage, - on request at any time and without undue delay SKAT is entitled to full online access, downloading and use of electronic invoices issued and received which the trader stores in another country, and - the storage does not take place in a country outside of the EU or the Nordic countries (Norway, Iceland, Greenland and the Faroe Islands). This means that SKAT must have direct terminal access to the same extent as the trader himself, regardless of whether access to the records is subject to access protection using passwords, encrypted content or similar. When storing purchase and sales invoices in another country, a trader, in addition to the Danish rules, must also comply with the rules concerning storage periods in the country in which the electronic invoices are stored.

It should be added that these special storage rules abroad for electronic invoices only apply in relation to the VAT rules. The storage rules for accounting records in the Bookkeeping Act (bogføringsloven) still apply (see the reply to Question 36 below).

33. IS PRIOR NOTIFICATION OF INVOICES STORED IN ANOTHER COUNTRY AN OBLIGATION? IF SO, PLEASE SPECIFY.

Yes. The trader must inform SKAT of the place where the accounting records are physically stored. This may take place subject to the conditions mentioned in the reply to Question 32 above.

34. WHAT IS THE OBLIGATORY STORAGE PERIOD FOR INVOICES?

The obligatory storage period for accounting records is five years from the end of the accounting year to which the records relate. However, traders who acquire real property or carry out extension or conversion work which is used wholly or partly in connection with the registered business must store the accounting records for ten years after the acquisition of the real property or the extension or conversion work.

35. WHAT ARE THE SPECIFIC RULES ON STORAGE FORM AND POSSIBLE CONVERSIONS?

The accounting records must be stored in a satisfactory manner and in a way that enables the relevant accounting records to be found independently and clearly.

The accounting records may be stored on microfilm, electronic media or in another similar way, providing that a description of the storage method is available so that the material can be found and printed off in hard copy without requiring processing, calculations or adaptations of any kind.

In addition to having a description of the system for finding and printing off accounting records in hard copy, there is the possibility of converting documents and records for other technological aids when storing, provided that the trader can demonstrate that this does not diminish the credibility or completeness of the accounting records in such a way that they can no longer be used as evidence of the accuracy of the records and accounts.

36. ANY OTHER SPECIFIC RULE IN RELATION TO INVOICE STORAGE.

Under general Danish bookkeeping law, all accounting records must in principle be stored in Denmark. However, accounting records for any activity for the current and preceding month may be stored abroad, provided that the records are stored in accordance with the rules of the Bookkeeping Act (bogføringsloven), that the records can be produced at any time, and that descriptions of the systems used etc. and any access codes are stored in Denmark so that the public authorities, including SKAT, are able to obtain access to the records at any time.

For activities which a trader has abroad where the foreign country does not make any demands regarding the original documents, the accounting records can be stored abroad for the most recent 3 to 4 months or throughout the storage period, provided that the records are stored in accordance with the rules of the Bookkeeping Act, that the records can be produced at any time, and that descriptions of the systems used etc. and any access codes are stored in Denmark so that the public authorities, including SKAT, are able to obtain access to the records at any time.

SIMPLIFIED INVOICES

37. WHAT ARE THE SITUATIONS WHERE SIMPLIFIED INVOICING IS ALLOWED PURSUANT TO ARTICLE 238 OF THE VAT DIRECTIVE? AND WHAT ARE THE SPECIFIC RULES?

Simplified invoices

A simplified invoice can be issued instead of a standard invoice in the case of sales to other traders when the sales amount is less than DKK 750 (ca. EUR 100).

Traders who for the most part sell to private persons may also issue a simplified invoice, if they do not use sales registration systems (e.g. a till) where a till receipt is printed out for the buyer (see the part about till receipts below).

However, a VAT-registered buyer can always ask to be issued a standard invoice.

Finally, traders who predominantly sell to other traders can elect to print out a simplified invoice for sales to private persons. However, a standard invoice must always be printed out for sales of tradesman services above DKK 5 000 including VAT (ca. EUR 670).

A simplified invoice must as a minimum contain the following details:

1. Trader's name and VAT identification number
2. Serial number (invoice number)
3. Date of issue (date of invoice)
4. Type of supply
5. VAT amount

The VAT amount can be indicated on the invoice by stating that the VAT makes up 20% of the total price including VAT (i.e. 25% of the price excluding VAT).

Till receipts

Traders who for the most part sell to private persons can use sales registration systems (e.g. a till) and provide a till receipt to the buyer. However, the trader can elect instead to issue standard invoices or simplified invoices (see above).

A till receipt must contain at least the following details:

1. Trader's name or VAT identification number
2. Date of issue (date of invoice)
3. Type of supply
4. VAT amount

The VAT amount can be indicated on the invoice by stating that the VAT makes up 20% of the total price including VAT (i.e. 25% of the price excluding VAT).

If the trader currently has a till which is not technically capable of printing out a till receipt with the details mentioned above, the trader may continue to use a till which can print out a till receipt containing details about the trader's name or VAT number and the size of the sales amount in accordance with the old rules.

PERIODIC VAT RETURNS

38. UNDER WHAT CIRCUMSTANCES IS A TRADER OBLIGED TO SUBMIT A VAT RETURN?

Registered traders are always required to submit periodic VAT returns.

39. AT WHAT INTERVALS ARE VAT RETURNS AND ASSOCIATED PAYMENTS TO BE MADE?

The tax period depends on the trader's turnover.

If the annual turnover is more than DKK 15 million, the VAT period is one month. For traders whose VAT period is one month, the VAT return must be submitted and the VAT paid no later than 25 days after the end of each VAT period. For the month of June, however, it is no later than one month and 17 days after the end of the VAT period.

If the annual turnover is more than DKK 1 million, but not more than DKK 15 million, the VAT period is three months. For traders whose VAT period is three months, the VAT return must be submitted and the VAT paid no later than one month and ten days after the end of each VAT period. For the April quarter, however, it is no later than one month and 17 days after the end of the period.

If the annual turnover is DKK 1 million or less, the VAT period is six months. For traders whose VAT period is six months, the VAT return must be submitted and the VAT paid no later than two months after the end of each tax period.

40. WHAT IS THE PROCEDURE FOR THE REPAYMENT OF EXCESS VAT REPORTED IN THE PERIODIC VAT RETURN? WHAT ARE THE TIME LIMITS FOR THE EXCESS VAT REPAYMENT IF ANY?

As mentioned in the reply to question no. 38, registered traders must always submit periodic VAT returns, whether they are positive, zero, or negative.

Generally, the repayment of excess VAT reported in the periodic VAT return will take place no later than three weeks after SKAT has received that VAT return.

The trader will be contacted, if SKAT for whatever reason should choose to check the trader's VAT accounts prior to completing the repayment. In this case, the repayment will not take place, until the trader has provided SKAT with the opportunity to check the VAT accounts.

If the trader has failed to submit previous VAT returns, the repayment will not take place, until the previous VAT returns has been received.

If the trader is indebted to SKAT in anyway, parts of or all of the repayment will be held back.

41. DOES A SPECIAL REGIME AS REGARDS PERIODIC VAT RETURNS EXIST FOR SMALLER TRADERS AND/OR CERTAIN CATEGORIES OF BUSINESS? IF SO, PLEASE DESCRIBE THEM.

No.

42. DO YOU OPERATE SIMPLIFIED CALCULATIONS OF TAX LIABILITY? IF SO, WHAT ARE THE QUALIFYING CRITERIA, TO WHOM DO THEY APPLY AND WHAT IS THE NATURE OF THE SIMPLIFICATION?

No.

RECAPITULATIVE STATEMENTS

43. DO YOU ALLOW SUBMISSION OF RECAPITULATIVE STATEMENTS BY CALENDAR QUARTER? IF SO, UNDER WHICH THRESHOLD AND CONDITIONS?

Yes, recapitulative statements (listeangivelse) must – until further notice – be submitted by calendar quarter. The deadline for submission is the 20th in the month after the end of each quarter.

Monthly recapitulative statements for larger traders will come into operation in 2011.

44. IS ANY ADDITIONAL INFORMATION REQUIRED OTHER THAN THAT SET OUT IN ARTICLE 266 OF THE VAT DIRECTIVE (2006/112/EC)?

No.

45. DO YOU OPERATE SIMPLIFIED PROCEDURES AS REGARDS RECAPITULATIVE STATEMENTS AS PROVIDED FOR IN ARTICLE 269 OF THE VAT DIRECTIVE (2006/112/EC)? IF SO, WHAT ARE THE RELATED THRESHOLDS FOR APPLYING SUCH PROCEDURES?

No.

ELECTRONIC RETURNS

46. IS IT POSSIBLE TO SUBMIT VAT RETURNS BY ELECTRONIC MEANS? IF SO, HOW AND USING WHICH TECHNOLOGY? WHO SHOULD BE CONTACTED TO APPLY TO SUBMIT RETURNS ELECTRONICALLY?

All VAT returns must be submitted by electronic means at www.skat.dk/, TastSelv Erhverv.

If a business does not have access to an on-line computer, it is possible to order a giro form by calling SKAT at: +45 70 10 10 70. The giro form must be ordered every time a VAT period deadline approaches.

47. IS IT POSSIBLE TO SUBMIT RECAPITULATIVE STATEMENTS BY ELECTRONIC MEANS? IF SO, HOW AND USING WHICH TECHNOLOGY? WHO SHOULD BE CONTACTED TO APPLY TO SUBMIT STATEMENTS ELECTRONICALLY?

All recapitulative statements (listeangivelse) must be submitted electronically at www.skat.dk/, TastSelv Erhverv.

Businesses that do not have access to an on-line computer can ask SKAT for permission to submit recapitulative statements by using a special form (listeangivelsesblanket).

OBLIGATIONS AT IMPORTATION

48. WHO ARE THE PERSONS THAT CAN BE DESIGNATED OR RECOGNISED AS LIABLE TO PAY IMPORT VAT UNDER ARTICLE 201 OF THE VAT DIRECTIVE ?

It is the importer of goods from places outside the EU who is liable to pay import VAT.

49. WHAT ARE THE RULES FOR DECLARATION AND PAYMENT OF IMPORT VAT?

Private persons or traders who do not have a VAT registration, who import goods to Denmark from places outside the EU, must declare and pay import VAT according to chapter 4 in the customs law.

VAT registered traders must declare and pay import VAT via the VAT return.

50. DO YOU APPLY THE OPTION OF "POSTPONED ACCOUNTING" REFERRED TO IN ARTICLE 211 OF THE VAT DIRECTIVE? IF SO, UNDER WHICH CONDITIONS?

Yes, VAT registered traders need not pay the import VAT due at the time of importation. Instead, they must declare and pay import VAT via the VAT return.

ADMINISTRATIVE REQUIREMENTS

51. DO YOU OPERATE A FLAT-RATE SCHEME? IF SO, TO WHOM DOES THE SCHEME APPLY?

No.

52. DO YOU OPERATE SIMPLIFIED ADMINISTRATIVE REQUIREMENTS OTHER THAN THOSE ALREADY MENTIONED? IF SO, PLEASE GIVE A DESCRIPTION.

No.

53. IN WHICH LANGUAGE(S) ARE FORMS (PERIODIC VAT RETURNS AND RECAPITULATIVE STATEMENTS) AVAILABLE OR TRANSLATED INTO?

Periodic VAT returns and recapitulative statements are only available in Danish.

RIGHT TO DEDUCTION

54. FOR WHICH CATEGORIES OF GOODS AND SERVICES IS THERE NO RIGHT OF DEDUCTION?

There is no right of deduction regarding the following goods and services:

- Purchase of a van or lorry with total permissible weight of not more than 3 tonnes, if it is not exclusively used in connection with the trader's deductible supplies of goods and services.
- Food for the trader's owner and staff.
- Acquisition and operation of premises for the trader's owner and staff.
- Payment in kind of the trader's staff.
- Acquisition and operation of crèches, kinder gardens, recreational centres, holiday homes, summer cottages, and similar for the trader's staff.
- Entertainment and gifts.
- Acquisition and operation of passenger motor vehicles equipped for the carriage of no more than nine persons. However, this does not apply to the cost of crossing the fixed link over the Øresund or for traders who trade in or hire out motor vehicles or who operate driving schools.

55. ARE THERE CATEGORIES OF GOODS AND SERVICES IN WHICH THERE IS A PARTIAL RIGHT OF DEDUCTION? IF SO, WHAT IS THE PERCENTAGE?

There is a partial right of deduction in the following categories of goods and services:

- Hotel and catering services to the extent that they are of a strictly commercial nature. They can deduct 25% of the VAT amount.

- Course providers subject to VAT can deduct 25% of the VAT amount on purchases etc. relating to board and lodging of the course participants etc. to the extent that such purchases are in reasonable proportion to the courses held.
- Traders who hire passenger motor vehicles for more than six consecutive months can deduct VAT on the rental up to a maximum of 25% of the taxable amount (see below). It is a condition that at least 10% of the annual driving with the hired vehicle is done in connection with the trader's deductible supply of goods and services. The basis for deduction within the first three years after the first registration of the vehicle is 2% per month of the registration duty paid for the vehicle in Denmark and 1% per month in subsequent years. If a vehicle has been in use prior to registration or if the date of first registration cannot be determined, the period is calculated from the date of manufacture of the vehicle. If the registration amount is unknown, 55% of the acquisition price paid by the hire firm for the vehicle, including taxes, is used instead.