

METHODOLOGICAL NORMS

SUBJECTS OF VAT TAXATION

As subjects of VAT taxation qualify:

- Non-resident companies without organizational and legal form in the Republic of Moldova, that provide services to the resident individuals from the Republic of Moldova (B2C) through electronic networks.

- Non-residents companies without organizational and legal form in the Republic of Moldova, through which resident individuals of the Republic of Moldova that do not carry out entrepreneurial activity pay for the services received through electronic networks from other non-residents, whose place of delivery is considered the Republic of Moldova.

The abovementioned subjects are required to register within the “e-Commerce VAT” system on the official web-site of the State Tax Service www.sfs.md.

OBJECT OF VAT TAXATION

Object of VAT taxation are the electronic services provided through electronic networks by non-residents that carry out entrepreneurial activity without having organizational and legal form in the Republic of Moldova to the resident individuals of the Republic of Moldova that do not carry out entrepreneurial activity.

The electronic services subject to VAT are considered the services provided through telecommunication information networks, including through the global web network “Internet”, with the use of information technologies. The law establishes the list of electronic services, which includes:

a) granting the right to use through Internet computer programs (including computer games), databases, including by granting remote access to them, as well as their up-grade and broadening functional possibilities;

b) providing advertising services on Internet, including with the use of computer programs and databases, which operate on Internet, as well as providing advertising areas (spaces) on Internet;

c) providing services for placing offers for purchase (sale) of goods (services, works), patrimonial rights on Internet;

d) providing services through Internet for granting technical, organizational, informational and other possibilities, carried out with the use of information technologies and systems, for establishing contacts and concluding transactions between sellers and buyers (including granting on-line trade spaces on Internet, where potential buyers offer their price through the automatic procedure and parties are notified about trading through an automatically generated sent message);

- e) ensuring and/or supporting commercial or personal existence on Internet, supporting users' information resources (Internet sites and/or webpages), ensuring access to other network users, giving users the possibilities of their modification;
- f) storing and processing information on condition that the person providing this information has access to it through Internet;
- g) granting online computational power for placing information in information systems;
- h) granting domains, providing hosting services;
- i) providing services for information systems and sites administration on Internet;
- j) providing automatic services through Internet upon entering data by the services' buyer, providing services for data searching, selecting and sorting on request, providing these data to the users through the information and telecommunications networks (especially, stock exchange reports in real time, automatic translation in real time);
- k) granting through Internet the rights to use electronic books (editions) and other electronic publications, informational, educational materials, graphic presentations, musical works with or without text, audio-visual works, including by granting remote access to them for viewing or listening;
- l) providing services for searching and/or providing to the beneficiary the information on potential buyers;
- m) granting access to Internet search systems;
- n) keeping statistics on Internet sites;
- o) digital transmission of radio or TV programs;
- p) granting access to audio-visual content.

PLACE OF SERVICES DELIVERY

The place of B2C delivery of services provided by non-residents without having organizational and legal form in the Republic of Moldova is considered the Republic of Moldova, if at least one of the following conditions is fulfilled:

- a) the individual's residence is the Republic of Moldova;
- b) the seat of the financial institution, where the account is opened, used for services payment, or of the operator of electronic financial means, through which the payment is made, is the Republic of Moldova;
- c) the network address (IP) of the device used by the buyer for the services purchase is the Republic of Moldova;
- d) the country prefix of the telephone number used for the services purchase or payment is assigned to the Republic of Moldova.

TAXABLE BASE AND VAT RATE

The taxable value of services provided through electronic networks by non-residents is the amount paid by customers (excluding the VAT).

The rate of the value added tax is 16.67%.

VAT DECLARATION AND PAYMENT

The tax period related to VAT for non-resident taxable subjects is the calendar quarter. Each non-resident taxable subject is required to submit the VAT Return for each tax period in which taxable transactions took place.

The VAT Return shall be filled out according to the form approved by the State Tax Service and shall be compulsorily submitted by automatic electronic reporting methods through the taxpayer's electronic cabinet until the 25th day of the month following the end of the tax period.

WAYS OF DOCUMENTING THE DELIVERY OF SERVICES

The ways of documenting the delivery of electronic services, subjected to VAT, to buyers – resident individuals from the Republic of Moldova that do not carry out entrepreneurial activity, are established by each supplier, in accordance with the agreed contractual relationship.