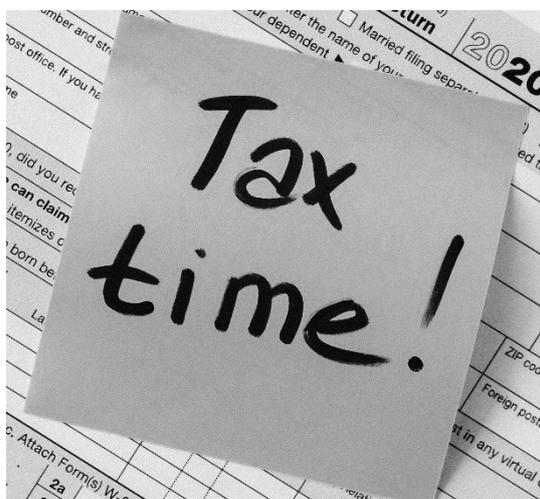


Deadline for applying sepecific VAT options

The purpose of this alert is to remind our clients that during the month of November 2021 the option to submit different applications and / or options related to certain VAT benefits and/ or is enabled, with effect from next January 1, 2022, onwards.

These are voluntary options and might be chosen depending on the particulars of each specific case by means of filing Form 036, "Censo de empresarios, profesionales y retenedores. Declaración censal de alta, modificación y baja y declaración censal simplificada".



i) Application for registration or cancellation in the REDEME (Monthly Refund Registry for VAT purposes) This option enables the taxpayer to apply for the refund of the input VAT that has not been offset against the output VAT in the monthly period involved.

Hence, such an option implies an improvement of the cash flow but also

triggers the need to file monthly VAT return and thus, the need to file the VAT invoicing ledgers using the SII.

ii) Import VAT deferral license. As in the first case, this system aims for a mitigation of the VAT cash flow issue attached to the recovery of any import VAT, as it allows to report such amounts in the monthly VAT return and provided the taxpayer has the full right to recover the input VAT, it will trigger a nil financial effect for the applicant. This option is only available for clients that are subject to the monthly VAT reporting system.

iii) Common deduction regime for taxpayers subject to different businesses activities/ sectors for the year 2021.

iv) Option or cancellation to file VAT electronic ledgers through the Immediate Information System (SII).

v) Option or cancellation of the possibility for the recipient or a third party to issue invoices.

Should you need additional information in this respect, please do not hesitate to contact any of us.

All the best,

bln palao abogados, S.L.P.

TAX ALERT- VAT



Deadline for applying sepecific VAT options

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