

EU VAT Changes Updated FAQ

In response to EU VAT regulation changes, implemented on 1st July 2021, Ingram Content Group (ICG) will be making alterations to the web ordering process for orders printing in the UK and US and shipping to EU27 week commencing Monday 8th November 2021.

1. How are EU VAT Regulations Changing?

According to new EU VAT rules applicable from 1st July 2021, all goods passing into the EU27 will be subject to VAT regardless of value (the previous VAT-free threshold of €22 removed).

2. What changes will ICGUK be making week commencing Monday 8th November 2021?

- In the UK, UPS Tracked Premium/UPS Tracked Rush DAP shipping options will remain available, but it is recommended that it be used for orders over 150 EUR **only**. UPS have advised that there may be delays and other issues with this option post 1st July and have recommended the use of the DDP or IOSS options. Please note you can obtain up to date UPS tracking information via the UPS website using the UPS tracking number provided (See section 7 for more information)
- In the US, only the International Premium shipping option will be available if an IOSS number is provided.
- Adding functionality to our order systems to allow you to pass IOSS reference numbers to ICG for B2C orders
- Adding functionality to our order systems to allow you to pass EORI reference numbers to ICG for B2B orders
- **No** changes to shipping options for B2B orders, or B2C orders over 150 EUR

3. What is IOSS?

The Import One-Stop Shop ("IOSS") is the electronic portal businesses can use **from 1st July 2021** to comply with their VAT e-commerce obligations on sales of B2C imported goods with a value less than 150 EUR to EU27 Countries.

According to the VAT rules applicable from 1st July 2021, all goods passing into the EU27 will be subject to VAT regardless of value (previous VAT free threshold of €22 removed).

The IOSS system allows Companies selling imported goods to End Customers in the EU27 to declare and pay the VAT applicable on their sales to the EU27 via a single monthly return.

The IOSS is being introduced to reduce customs delays by collecting tax away from the border.

For more see this link: [EU IOSS](#) and [EU VAT e-commerce Package](#).

4. What is EORI?

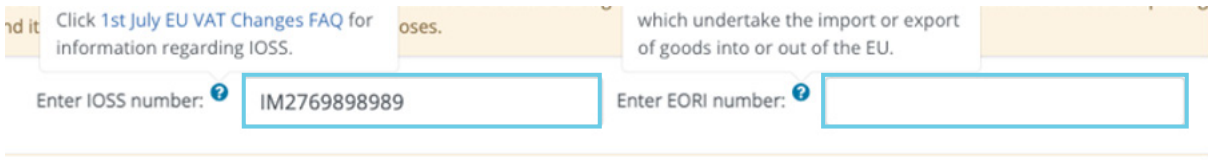
EORI stands for “Economic Registration and Identification number”.

Businesses and people wishing to trade must use EORI number as an identification number in all customs procedures when exchanging with customs administrations. Having one common type of identification number across the EU is more efficient, both for economic operators and customs authorities. It is also more efficient for statistical and security purposes.

For more information see this link: [Economic Operators Registration and Identification number \(EORI\) \(europa.eu\)](#).

5. Web Order Changes

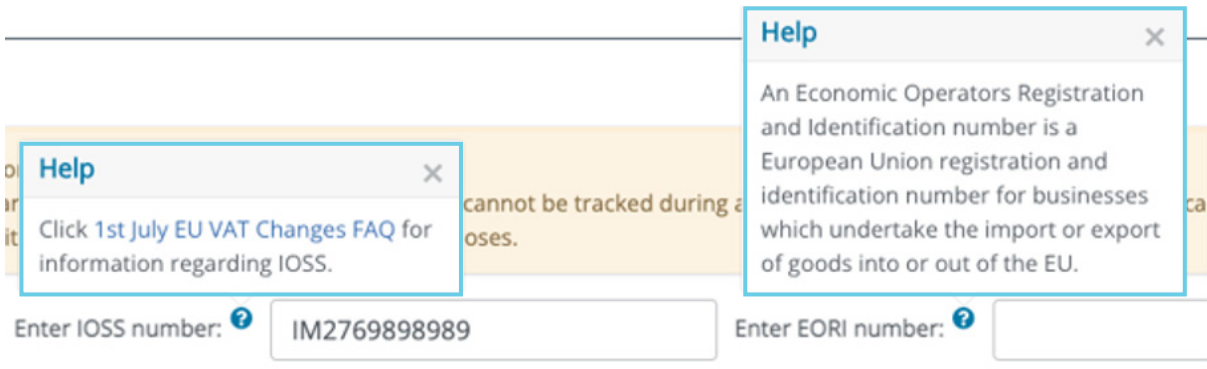
If shipping to one of the EU27 countries (see Glossary) the option to enter an IOSS or EORI number will be given:



The screenshot shows a portion of a web form. At the top, there is a yellow banner with text: "Click 1st July EU VAT Changes FAQ for information regarding IOSS." Below this, there are two input fields. The first is labeled "Enter IOSS number:" and contains the value "IM2769898989". The second is labeled "Enter EORI number:" and is currently empty. Both fields have a small question mark icon to their left.

Note: These are not mandatory fields

There are Help pop-ups with supporting information and links to assist



This screenshot shows the same web form as above, but with two help pop-ups overlaid. The first pop-up, titled "Help", is positioned over the IOSS number field and contains the text: "Click 1st July EU VAT Changes FAQ for information regarding IOSS." The second pop-up, also titled "Help", is positioned over the EORI number field and contains the text: "An Economic Operators Registration and Identification number is a European Union registration and identification number for businesses which undertake the import or export of goods into or out of the EU." Both pop-ups have a close button (X) in the top right corner.

If an IOSS number is entered, then the shipping methods will update to reflect the relevant IOSS shipping methods available.

LSUK Options:

How quickly would you like your order to be delivered?

- Standard (not trackable or insurable) - £ 2.91
- Premium - IOSS - £ 12.50
- Rush - IOSS - £ 18.46

*Available [Shipping Methods](#) vary by print location.

LSUS Options:

How quickly would you like your order to be delivered?

- International Premium (including Canada) - \$ 134.89

*Available [Shipping Methods](#) vary by print location.

Note: It is recommended and, in some cases, required for you to click on "Update Order" to ensure your order is showing everything correctly for your requirements.

Once you have submitted your order, on the order summary screen ahead of the payment page you will notice an additional Advisory message regarding IOSS.

"IOSS Number: IM2500909090

Please be advised, you are responsible for all tax, custom, and duty implications surrounding your IOSS declaration."

The screenshot shows the IngramSpark website interface. On the left is a dark sidebar with navigation links: Home, Titles, Reports, Orders (with sub-links: Place Order, Pending, Submitted, Search, Address Books), Marketing, and Help. The main content area has a top summary table:

Shipping	£ 3.32
Total	£ 7.79

Below the table is a yellow advisory box with the following text:

If you are shipping or receiving orders within the United States and have not provided your sales tax resale and exemption documentation in your account, sales tax may be applied to your order. [Click here](#) to learn how to provide tax documentation.

We strongly recommend that you order and review a print copy of your title before placing any orders for a title. By submitting this order, you (the content owner) have previously reviewed the above title(s) for quality or other issues (those originating from the title submission and found within the finished book), and agree to be solely responsible for any such quality issue, including whether a book is marketable as printed and hereby authorize Lightning Source to print the title(s).

IOSS Number: IM2500909090
Please be advised, you are responsible for all tax, custom, and duty implications surrounding your IOSS declaration.

Purchase Order Number:

Orders will only be processed once you have approved the title for production.
Please make sure to provide your approval on any outstanding eProofs to ensure your orders will print.

By entering an email address below, you will be notified when this order has been accepted and when this order has shipped.
You can enter multiple recipients separating each email address with a comma (,).

Email Address:

Retype Email Address:

Note: The email address entered above will be shared with the shipping company selected.

At the bottom right, there are buttons for "Change Order", "Save For Later", "Proceed To Payment", and a "Support" link.

6. Is there a cost implication to the shipping changes?

In the UK, most shipping options will be impacted by this, resulting in changes to the cost of moving goods into the EU27 and the shipping methods available to you. VAT rates for EU27 countries available in Glossary.

7. What are the shipping rate changes?

UK to EU27 Tracked		
Shipping Method	Charges Include	Process
UPS Premium/UPS Rush with IOSS Number	Print/Handling/Ship/Per Package Rate (£2.90)	VAT Charges managed by Publisher via IOSS. Streamlined customs process into EU27 as VAT arranged via IOSS. No customs checks required.
Shipping Options	Charges Include	Process
UPS Premium/UPS Rush (DDP) No IOSS Number	Print/Handling/Ship/Per Package Rate (£2.90)/ Disbursement Charge/ VAT & Duties	VAT charged upfront at ordering point. Streamlined into EU27 as VAT agreed ahead. Customs checks required.
UPS Premium/UPS Rush (DAP)* ¹	Print/Handling/Ship/Per Package Rate (£2.90)	VAT is charged to end customer. Destination countries UPS/Customs will arrange VAT, customs clearance charges and associated admin fees. Packages held until VAT paid and order cleared through Customs.

Note*¹: UPS Tracked Premium/UPS Tracked Rush DAP shipping options will remain available, but it is recommended that it be used for orders over 150 EUR only. UPS have advised that there may be delays and other issues with this option post 1st July and have recommended the use of the DDP or IOSS options. (See section 5 for more information)

In addition, there will be a reduction in the returns window for EU27, orders will be returned after 5 days if clearance has not been completed by the end customer, and all returned orders will be subject to a full non-discounted returns fee going forwards.

Please note all Returns fees are charged to ICGUK as the shipper and billed back to the Publisher.

UK to EU27 Untracked* ¹		
Shipping Options	Charges Include	Process
Standard (DAP) with IOSS Number	Print/Handling/Ship	VAT Charges managed by Publisher via IOSS. Streamlined customs process into EU27 as VAT arranged via IOSS. No customs checks required.
Shipping Options	Charges Include	Process
Standard (DAP) No IOSS Number	Print/Handling/Ship	VAT is charged to end customer. Destination countries postal service will arrange VAT, customs clearance charges and associated admin fees. Packages held until VAT paid and order cleared through Customs.

Note*¹: All orders are non-trackable and non-insured; if you select this ship method, ICGUK is not responsible for lost and/or damaged shipments

Note: Shipping options for B2B orders, and B2C orders over 150 EUR remain unchanged

US to EU27 Tracked	
Shipping Options	Process
International Premium with IOSS Number*1	VAT Charges managed by Publisher via IOSS. Streamlined customs process into EU27 as VAT arranged via IOSS. No customs checks required.
International Premium No IOSS Number*1	VAT is charged to end customer. Destination countries UPS/Customs will arrange VAT, customs clearance charges and associated admin fees. Packages held until VAT paid and order cleared through Customs.

Note*1: International Premium includes Canada

UK to EU27 Untracked*1	
Shipping Options	Process
Intl Economy No IOSS Number*1	VAT is charged to end customer. Destination countries postal service will arrange VAT, customs clearance charges and associated admin fees. Packages held until VAT paid and order cleared through Customs.

Note*1: The untracked service is not available for shipments with an IOSS number.

8. Further details on shipping options below:

Tracked DDP Service. ICGUK handle all VAT & customs clearance charges on your behalf. There will be no change to this service after 1st July 2021. The cost of this service reflects the additional charges incurred. Under this service, there will be no requirement to register for IOSS and the end recipient of the book will not be liable to pay any VAT or custom clearance charges as these have already been taken care of.

Tracked DDP Service with IOSS. If you are registered for IOSS and have collected the VAT from your European customer, you can choose to send using our tracked DDP IOSS service. The cost will be significantly lower than our Tracked DDP service and no further customs charges should be applied when your order passes through EU27 customs*

Tracked DAP Service. Though still available, UPS have advised that tracked DAP will be available for orders under 150 EUR, they recommend the use of the DDP or IOSS options as they expect delays and issues with processing these post 1st July.

Untracked No IOSS: If items are sent untracked and a valid IOSS is not provided, the goods will be held by customs in the EU27 country of delivery. The domestic postal service used to move your item will contact the end recipient and will bill them for the VAT due on the goods plus an admin fee. This fee can vary widely by service ranging from £5 - £30+ per consignment. If the end recipient refuses to pay customs entry fees, the package may be returned, and additional shipping charges could be levied.

Untracked with IOSS: : If a valid IOSS is provided, goods will not be held by customs in the country of arrival and the domestic postal service will be able to deliver to the end recipient. While the overall shipping cost to you as the publisher will be the same as under Untracked No IOSS, your end customer will not have to pay the admin fee charged by the domestic postal service to handle the clearance. Please note that the publisher remains responsible for providing accurate tax information including VAT numbers, accurate declared values, and nothing herein changes a publisher's responsibility for all taxes and fees related to services provided on their behalf.

9. What is ICGUK required to provide for deliveries entering the EU27 from 1st July 2021?

A commercial invoice containing:

- i. Commodity Code
- ii. Country of Origin
- iii. Full address details for end customer (supplied by Publisher/Retailer)
- iv. Ingram's EORI number (if not going via a Freight Forwarder)

10. What is required from the Publisher/Retailer *in addition* to the usual order details?

- v. Publisher's IOSS number where available for orders under 150 EUR
- vi. A Declared Unit Value
- vii. A current phone number for the end customer
- viii. An EORI number (only when using a Freight Forwarder)

11. Why is a current end customer phone number required on the order?

This will allow for the destination country's customs and the courier to contact the End Customer if needed for streamlined resolution of any duties and taxes due and final delivery.

Glossary

Definitions:

UPS per package rate – this is a Customs Clearance Charge from the courier and is charged for DDP and DAP shipments into the EU. UPS is adding a 'Brexit fee' of £2.90 per consignment. This fee is to cover the additional administrative work created by the UK being outside the European Union.

UPS Disbursement Fee - When an item clears customs, a VAT fee will be calculated based on the declared value of the goods sent. If the sender or recipient of the goods has not shipped using a deferment account with the tax authority of that country, the carrier will make payment on their behalf. The disbursement fee is the charge the courier applies for this service.

EU VAT Rate – the local VAT of the destination country. Please see VAT Rate table below:

EU VAT Rates		
Code	Country	VAT Rate
AUT	Austria	10%
BEL	Belgium	6%
BGR	Bulgaria	20%
CZE	Czechia (The Czech Republic)	15%
HRV	Croatia	5%
CYP	Cyprus	5%
DNK	Denmark	25%
EST	Estonia	9%
FIN	Finland	10%
FRA	France	5.5%
DEU	Germany	7%
GRC	Greece	6%
HUN	Hungary	5%
IRL	Ireland	0%
ITA	Italy	4%
LVA	Latvia	12%
LTU	Lithuania	9%

EU VAT Rates		
Code	Country	VAT Rate
LUX	Luxembourg	3%
MLT	Malta	5%
NLD	Netherlands	9%
POL	Poland	5%
PRT	Portugal	6%
ROU	Romania	5%
SVK	Slovakia	10%
SVN	Slovenia	9.5%
ESP	Spain	4%
SWE	Sweden	6%

Note: Actual VAT rates may be modified from time to time by the countries' governments.

Acronyms:

B2C – Business to Customer

B2B - Business to Business

DDP – Delivery Duties Paid

DAP – Delivery at Place (formerly DDU DeliverDuties Unpaid)

IOSS – Import One Stop Shop

EORI - Economic Operator Registration and Identification Number

DUV – Declared Unit Value