**Slovenia**

**1. General information**

VAT Act, currently in force, is available only in Slovenian version and can be find at <http://www.pisrs.si/Pis.web/pregledPredpisa?id=ZAKO4701>

The amended VAT Act, implementing also Council Directive (EU) 2018/1910, was published in the Official Gazette RS no. 59/19 on October 4th 2019. The amendments concerning quick fixes will come into force on January 1st 2020.

The amended VAT Act is also available only in Slovenian language and can be found at <https://www.uradni-list.si/glasilo-uradni-list-rs/vsebina/2019-01-2612/zakon-o-spremembah-in-dopolnitvah-zakona-o-davku-na-dodano-vrednost-zddv-1k>

**2. Current Law**

**2.1. Chain transactions**

In Slovenia, the VAT treatment of chain transactions is currently not regulated by law. In case of chain transactions, when it comes to the question to which supply the transport of the goods should be ascribed and thus which supply may be considered exempt, the EU case law is considered. Furthermore, according to the case law of the EU Court of Justice, transport can be allocated only to one supply in the chain and only that supply can be considered as exempt supply. All other supplies for the purposes of determining the place of taxation shall be considered as a supply without transport. In a chain transaction with three parties involved, where the middleman is organizing the transport, in general the transport should be allocated to the first supply.

Since the current legal rules do not specifically regulate these chain transactions, there is a lack of clarity in the implementation of the law.

**2.2. Call-off stock**

In Slovenia, a simplification for call-off stock transactions was introduced already in 2004 in Article 21 of the Rules on the Implementation of the VAT Act. In cases when a foreign supplier (taxable person identified for VAT purposes in another Member State) transfers goods forming part of his business assets in another MS to the customer who is registered for VAT purposes in Slovenia, with the purpose of establishing a stock of goods at the customer’s premises, such transaction shall be treated as an iC acquisition of goods in Slovenia by the customer when the customer takes the goods out of the stock.

In addition, in cases when a taxable person transfers goods forming part of his business assets from Slovenia to the customer in another Member State, with the purpose of establishing a stock of goods at the customer’s premises, such a transaction shall be treated as an iC supply of goods in Slovenia when such a transaction is considered as iC acquisition of goods in that other Member State.

However, in order to apply this simplification, the supplier and customer are obliged to provide in their bookkeeping sufficiently detailed information to control the stock of goods which are established at premises of the customer.

Furthermore, as such arrangements are not uniformly regulated across the Member States this creates an additional administrative burden for taxable persons and makes trade between Member States more difficult.

**2.3. VAT identification number of the recipient**

According to current rules, a VAT ID number of the recipient of an iC supply is a formal condition to be able to apply the exemption on the supply in Slovenia.

**2.3. Proof of Intra-Community transport**

The conditions for application of exemption to the iC supply are stipulated in the VAT Act, Art. 46. The transactions are VAT exempt, when goods are dispatched or transported by the vendor or the person acquiring the goods or another person on their behalf from the territory of Slovenia to another Member State, if these are performed to another taxable person or a non-taxable legal person acting as such in that other Member State.

Additionally, the Rules on the VAT Act in Art 79 stipulate that a taxable person who wishes to claim a VAT exemption, proves that the goods have been shipped or transported to another Member State, with an invoice and a transport document or other relevant document, from which it must be evident that it refers to the transport of the goods from the invoice.

If the goods are dispatched or transported from Slovenia to another Member State by the person acquiring the goods or by another person on his behalf, the supplier of the goods may, in addition to the invoice and instead of the transport document, as proof that the goods have been dispatched or transported to another Member State, also use a written declaration of transport of goods to another Member State, signed by the acquirer of the goods.

**3. Final Law**

**3.1. Chain transactions**

The new regulation from Council Directive (EU) 2018/1910 is properly implemented into the Slovenian VAT Act (Art 20a of the VAT Act).

If the same goods are supplied consecutively and are shipped from Slovenia to another Member State or vice versa, directly from the first supplier to the last customer in the chain, transport, for the purpose of applying the exemption, is allocated to the supply performed to the intermediate supplier.

However, if the intermediate supplier communicates to the supplier his Slovenian VAT ID no, the transport shall be ascribed to the supply performed by the intermediate supplier.

**3.2. Call-off stock**

According to the wording of the amended VAT Act, the relevant provisions from the Council Directive (EU) 2018/1910 are implemented correctly into national VAT Act (Art. 9.a) without any derogations.

The conditions for the use of this special arrangement are more precisely prescribed, but the regulation itself does in fact not change as it has been in force in Slovenia since 2004.

**3.3. VAT identification number of the recipient**

The amendment to the provision (Art. 46, point 1) clarifies the conditions to apply the exemption, in particular, it explicitly states as a substantive condition that the recipient of the goods must provide the supplier with a VAT ID number issued by a Member State, which is not a Member State in which transport starts. The supplier must include the recipient's information in his recapitulative statement.

If the supplier does not include this information in the recapitulative statement, the exemption may not be applied, unless the supplier provides justifiable reasons for its mistake and at the same time corrects the mistake.

**3.4. Proof of Intra-Community transport**

For proving the transport of an iC supply, Art 45a of the Implementing regulation (EU) No 282/2011 should now be considered. No other amendments to the current local VAT law are therefore foreseen.

**4. Other relevant information**

The amendment to the Rules on the Implementation of the VAT Act were not published yet as are still being processed. In these, among others, a new form of recapitulative statement will be published and current rule for call-off stock will be cancelled (as are now implemented in the VAT Act). The currently applicable Rules on the Implementation of the VAT Act (only in Slovene language) are available at <http://www.pisrs.si/Pis.web/pregledPredpisa?sop=2006-01-6170>.

The proposed amendments of the Rules (together with the proposal of VAT Act, which was already accepted) is available only in Slovene language and can be find at <https://e-uprava.gov.si/drzava-in-druzba/e-demokracija/predlogi-predpisov/predlog-predpisa.html?id=10203>.

Additionally, no guidelines from the tax authorities with detailed information or examples to the new regulations were published.