



Advantages of the new VAT Calculation Service (VCS)

- Automated invoice generation
- VAT-exclusive pricing
- Higher chances to win the Buy Box

Agenda

- The Amazon Business Seller Programme
- Not yet activated Amazon Business? Upgrade for free
- Advantages of Amazon's new VAT Calculation Service (VCS)
- Enrollment into VAT Calculation Service in 4 easy steps
- Questions / FAQs

B2B is changing: more and more orders are placed online



Forbes forecasts¹:
By 2020 worldwide
B2B e-commerce will
be twice as big as B2C

Grow your sales by
giving attention to
B2B customers

1) Internet, "B2B eCommerce Market
Worth \$6.7 Trillion by 2020",
www.forbes.com

Amazon Business allows you to target Business customers



- ◆ Reach customers from various industries such as construction, handcraft, office, finance, education, governmental
- ◆ Use special business features such as quantity discounts, B2B-exclusive offers or VAT-exclusive price display



Win-win: Business customers & Business sellers

Amazon Business sellers (B2B + B2C)

Free upgrade to a professional seller account

Access to:

Automated VAT invoices,
VAT exclusive pricing,
volume discounts,
larger customer base

Sell to B2C **AND** B2B

amazonbusiness

Live on
Amazon.de
and
Amazon.co.uk

Verified Business customers (B2B)

Access to:

B2B-only offers,
multi-user accounts,
approval workflows,
business reporting

Consumer customers
(B2C)

Amazon Business – Registration

To get to the registration page:

Seller Central: **Settings > Account information > Your Service / Manage**
Then click “**Sell as an Amazon Business Seller**”

>>Start registration<<

On the registration page (see below): click register for Amazon Business

You're Eligible for the Amazon Business Seller Program

Thank you for your interest in the Amazon Business Seller program!

We would like to invite you to join the Amazon Business Seller Program (available in Amazon.co.uk, Amazon.de) and get access to features and offers for business customers.

Expand your possibilities with a Business Seller account

There are no additional fees for upgrading to an Amazon Business Seller Account

Registration enables you to start selling to business customers that are already buying on Amazon websites

As we are continuously improving this service, we will keep you informed about additional tools and features for Business Sellers

Amazon Business had a very successful US launch and generated more than one billion dollars in revenue in its first 12 months

Amazon Business US is growing 20% every month and serving more than 300.000 business customers

More than 30.000 sellers on Amazon Business US already use features such as Quantity Pricing and Exclusive Business Offers to increase sales

I want to enable my seller account for Amazon Business in Amazon.co.uk, Amazon.de

Register for Amazon Business

Advantages of the VAT Calculation Service (VCS)



Automated VAT invoicing for all your Amazon customers
Time & cost savings by reducing customer requests



Better visibility of your products for B2B customers
Higher chances to win the buy box



VAT exclusive prices on your offers in real time (for B2B)

Requirements for participation

To participate in the VAT Calculation Service you will need at least:

- A single ship-from country within the EU 28 for self-fulfilled orders
- VAT registered in at least one of the 28 European Union member states
 - VAT registered in ship-from country including
 - VAT registered in [all countries with FBA inventory](#)
- All VAT registration numbers need to be valid and belong to the business you operate
- Ability to stop generation of invoices for all your Amazon orders (our system will generate invoices on your behalf)

Requirements for participation - Examples

You fulfil yourself:

As a seller registered in the UK and shipping from there, you simply need a UK VAT number.

As a Swiss seller, you need a VAT number within the EU28 and a ship-from address in the same country.

Importing into the EU, but no EU warehouse: Use the import address, where your goods enter the EU and provide a VAT registration number for that address as well.

You use Fulfilment by Amazon:

You need a VAT registration number for each country for which you have allowed us to store inventory. Check your [Seller Central settings](#), if unsure.

E.g. if you use multi-country inventory, you need a VAT number for each country to which you directly send inventory. For our Programme on Central and Eastern Europe you need VAT numbers for your home country as well as Poland and the Czech Republic. If you participate in the Pan-European Programme, it is all 7 EU countries with Amazon fulfilment centers: Germany, UK, France, Italy, Spain, Poland and Czech Republic.

Enrolment into the VAT Calculation Service

Activation of Amazon's VAT Calculation Service follows these four steps:

Start enrollment

1. VAT registration number/s
2. Default ship from address
3. Product tax code
4. Activation date

To get to the VAT enrolment page:

Seller Central: **Settings > Seller Account Information > Tax Information**

Then click: **VAT information**

1. Provide the VAT registration number(s)

Enroll in VAT calculation service **1** VAT/GST Numbers **2** Shipping Address **3** VAT defaults

VAT/GST registration numbers

Provide the VAT and GST registration numbers associated with your business. Please indicate the registration number associated with your primary place of business. This registration number will be used to determine how VAT/GST will apply on your seller fees.

Country	VAT/GST registration number	Status	Primary	
Germany	DE123456789	Pending verification	Primary	Edit

[Add a VAT/GST registration number](#)

Information details about VAT calculation

- [View the tax calculation methodology](#)
- [View a sample invoice](#)

[Back](#)

[Continue](#)

Primary:
Used to calculate
VAT on selling fees

It is critically important that you add all VAT registration numbers of your business, especially all numbers associated with ship-from locations, registered business addresses or countries, for which you exceed distance-selling thresholds.

2. Provide the default ship from address

Enroll in VAT Calculation Service

✓ VAT/GST Numbers

2 Shipping Address

3 VAT Defaults

Default shipping address for orders you fulfill

This is the location where you dispatch your orders from. ¹

A European Union-based seller, fulfilling only via Amazon - Provide your primary place of business

Multiple locations where you self-fulfill orders - Provide the address that you fulfill from most frequently. ²

Based outside the European Union (EU) - Provide the address of importation into the EU (e.g. a EU freight-forwarding address.)

Country

Germany ⓘ Must be a country where you provided a [VAT number](#).

Address

Domagkstraße 28,

Amazon

City/town

München

Postal code

80807

¹ Any Fulfillment by Amazon order will automatically use the address of that fulfillment centre.

² If you self-fulfill orders from multiple countries, Amazon's VAT Calculation Service may not be suitable for your business as we can currently only accept a single country/location. This address will be used in VAT calculations and may therefore influence the VAT exclusive price of your offers.

Back

Continue

Warning: If you **self-fulfill your Amazon orders from warehouses located in multiple countries**, the system is currently not working for you.

3. Provide the standard Product Tax Code

Enroll in VAT calculation service ✔ VAT/GST Numbers ✔ Shipping Address 3 VAT defaults

VAT calculation defaults

Settings to define how VAT is calculated. This service is only available for VAT calculations within the EU.

Which Product Tax Code (PTC) should be set as default?

PTC is an Amazon-defined code that uses the correct set of VAT rates across the EU for a specific product category. Select the PTC that you will use for most of your listings. You can set a different PTC at the listing level later. [More information about PTC's](#)

- Always taxable at the standard rate - A_GEN_STANDARD
- Printed Books - A_BOOKS_GEN
- General Food Products - A_FOOD_GEN
- General Children's Clothing - A_CLTH_CHILD
- General Baby Clothing - A_CLTH_BABY

[Select another PTC](#)

How do you apply VAT on shipping or gift wrap?

By default, the taxability of both shipping and gift wrap will **Follow the item**. Follow the item means the VAT rate will be the same as the VAT rate on the product sold. Alternatively, the taxability can be changed to the standard rate. **Standard rate** taxability means the VAT rate will always be the standard rate.

Shipping taxability

Gift wrap taxability

Please choose the code that you use for the majority of your products.

3. Select a date to activate the service

When do you want the tax settings to take effect?

Activation is for all sales on any Amazon marketplace for private and corporate customers. Once the tax calculation is active you should no longer send invoices directly to Amazon customers.

Select a date

Do not activate now

February 2017							>
SUN	MON	TUE	WED	THU	FRI	SAT	
			1	2	3	4	
5	6	7	8	9	10	11	
12	13	14	15	16	17	18	
19	20	21	22	23	24	25	
26	27	28					

Back

Save Settings

From activation date the service will calculate VAT and provide invoices on your behalf.

Review your VAT Settings

VAT collection settings

Pending activation

Your VAT calculation is scheduled to begin on **01 February 2017**.

[Cancel activation](#)

Primary VAT

Germany	DE123456789	Pending verification
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[Change your VAT settings](#)

Product tax codes

Default tax code	Always taxable at the standard rate A_GEN_STANDARD
Shipping taxability	Follow the item
Gift wrap taxability	Follow the item

Exclusive price calculation

Amazon.co.uk	Germany
Amazon.de	Germany
Amazon.es	Germany
Amazon.fr	Germany
Amazon.it	Germany

Default shipping address

Domagkstraße 28,
Amazon
80807 München, Germany

[Go back to Account information](#)

If you have a DE primary VAT registration number we would deduct DE VAT rates from your prices on all of Amazon's European marketplaces.

Example: Step 1 - calculate VAT exclusive price

This is how the service will calculate VAT exclusive prices on your items:

$$\begin{array}{ccccc} 11.90 & / & (1 + 0.19) & = & 10.00 \text{ €} \\ \downarrow & & \downarrow & & \downarrow \\ \text{Price} & & \text{Applicable VAT rate} & & \text{VAT exclusive} \\ \text{submitted} & & & & \text{price} \end{array}$$

[Access detailed methodology document](#)

Example: Step 2 - determine final price

Example 1 - B2C domestic:

VAT-registered seller lists an item at 11.90€ on Amazon.de (10€ net price), ships from Germany and sells to a B2C customer in Germany (VAT rate 19%):

$$\begin{array}{ccccccc} 10.00 & * & (1 + 0.19) & = & 11.90 \text{ €} \\ \downarrow & & \downarrow & & \downarrow \\ \text{VAT exclusive} & & \text{Applicable VAT rate} & & \text{Final price} \\ \text{price} & & & & \text{(DE VAT)} \end{array}$$

Example: Step 2 - determine final price

Cross-border examples:

[Access detailed methodology document](#)

Example 2 – B2C :

German and Austrian VAT-registered seller lists an item at 11.90€ on Amazon.de (10€ net price), ships from Germany and sells to a B2C customer in Austria (VAT rate 20%):

$$10.00 * (1 + 0.20) = \mathbf{12.00 \text{ €}}$$

**Final price
(AT VAT)**

Example 3 – B2B:

German and Austrian VAT-registered seller lists an item at 11.90€ on Amazon.de, (10€ net price) ships from Germany and sells to a B2B customer in Austria (VAT rate 0% - intracommunity supply of goods):

$$10.00 * (1 + 0.00) = \mathbf{10.00 \text{ €}}$$

**Final VAT
(VAT zero-rated)**

Net pricing – Higher chances of winning the buy box

- Your offers shown with net prices to business customers
> higher visibility and increased sales opportunity
- If enrolled in Amazon Business and meeting all criteria your offers will show as being from a certified Amazon Business Seller



Roll over image to zoom in

Ultra Slim LED Downlight | Warmwhite | 3.5W 350lm 240V | Recessed Spot [Energy Class A+]

by TEVEA

★★★★★ 193 customer reviews | 137 answered questions

#1 Best Seller in Unter- & Einbauleuchten

Price: EUR 79.99

Sale: EUR 36.05 excl. VAT

EUR 42.90 incl. VAT

FREE Delivery. Details

You Save: EUR 37.00 (46%)

In stock.

Want it delivered by tomorrow, 20 Jan.? Order within 4 hrs and 18 mins and choose One-Day Delivery at checkout. Details

Business Seller Sold by **tevea** and Fulfilled by Amazon. For Returns, please check the seller link. Gift wrap available

Business Sellers:

- VAT exclusive prices available
- Downloadable VAT invoices available

Automated invoices - Reduce the manual effort

- Invoices for all your Amazon orders generated automatically starting on the day of activation
- Ability to download your invoices issued in a 3-day cycle
- New reports with VAT-related information
 - [VAT Transactions report](#)
 - [VAT Calculations report](#)

Access the FAQ document

INVOICE

Billing Address or Business Address:

[Customer's name]
 [Customer's billing address] or
 [Address associated with the Customer's VAT Number (if B2B)]
 [Customer's VAT Number (if B2B)]

[Seller's legal name]
 [Address associated with the Seller's VAT Number]
VAT Number: [Seller's VAT Number]

Shipping Address:

[Recipient's name]
 [Full ship-to address]

Order Number: [Order ID]
Order Date: [Order Date (dd.MM.yyyy)]

Invoice Number: [Sequential invoice number, e.g. INV-GB-326970-2016-12345]
Invoice Date/Delivery Date: [Invoice Date (dd.MM.yyyy)]

Qty	Item Description	Unit Price (excl. VAT)	VAT Rate	Unit Price (incl. VAT)	Total Price (incl. VAT)
1	Item Description ASIN	£ 5.79	20%	£ 6.95	£ 6.95
1	Item Description ASIN	£ 6.95	0%	£ 6.95	£ 6.95
1	Item Description ASIN	£ 6.62	5%	£ 6.95	£ 6.95
	Shipping Charge	£ 6.18		£ 7.42	£ 7.42
	Gift Wrap	£ 2.08		£ 2.50	£ 2.50
	Promotions	- £ 2.08		- £ 2.50	- £ 2.50
TOTAL:					£ 28.27

VAT Exclusive Subtotal	VAT Exclusive Subtotal	VAT Exclusive Subtotal	VAT Subtotal	VAT Subtotal	VAT Total
0%	5%	20%	5%	20%	£ 2.73
£ 6.95	£ 6.62	£ 11.97	£ 0.33	£ 2.40	£ 3.26 (if required)

Questions?

Questions and Answers – Amazon Business

- **What is the Amazon Business Seller Programme?**

Amazon Business is a new marketplace that will soon help grow your sales by reaching Business customers on Amazon. As an Amazon Business Seller you will benefit from a suite of features that can help you increase your sales to Business customers. Create business prices & quantity discounts to increase sales conversion and benefit from reduced selling fees on high volume orders (in selected categories).

- **What are the key differences between the Amazon Business Seller programme and Sell on Amazon?**

With the Amazon Business Seller programme sellers can meet the special requirements of business clients by using the optimised functions for B2B transactions.

- **How can I join the Amazon Business Seller programme?**

Follow this link (sellercentral.amazon.co.uk/business/b2bregistration) and click on “Register for Amazon Business“

Questions and Answers – VAT calculation 1

- **What difference will activating the VAT Calculation Service make?**

If you activate VCS, all your orders will be automatically invoiced, net prices will be displayed on your business offers and you will get a Business Seller badge.

- **What if I don't subscribe to the VAT Calculation Service?**

You can still access most of the Amazon Business features such as Quantity Discounts or Business Pricing, but you will not be eligible to earn the Amazon Business Badge nor will you have access to VAT exclusive pricing, tax reporting and invoicing solution.

- **Is there more information on how Amazon will perform tax calculations via the VAT Calculation Service?**

Please refer to our [EU VAT Calculation Services Methodology document](#). This document will provide you with comprehensive information on the functionality as well as the logic and methodologies applied. You can find a [sample invoice here](#).

Questions and Answers – VAT calculation 2

- **Can I use Amazon's VAT Calculation Services globally or only within the EU28?**

Amazon's VAT Calculation Service can only be used for sales on the five Amazon EU marketplaces. In addition, the VAT Calculation Service only supports products that are dispatched from locations within the EU.

- **How do I know which Product Tax Code (PTC) applies to my product?**

Our VAT Calculation Service provide sellers with a wide variety of Product Tax Codes (PTCs) to select from. You find detailed information on each PTC by [visiting our FAQs here](#). Please contact your tax advisor for assistance on which PTCs best fit your needs.

- **What are distance selling thresholds?**

There might be additional requirements from tax regulators like the distance selling thresholds, e.g. if you sell goods more than 35,000 € into France within one year. Please consult your tax advisor about that or [refer to the webinars here](#).

Questions and Answers – VAT calculation 3

- **How will we arrive at the VAT exclusive price?**

Please refer to our [EU VAT Calculation Services Methodology document](#). This document will provide you with comprehensive information on the functionality as well as the logic and methodologies applied. We will take the product price that you submitted and deduct the VAT rate that applies for the product tax code that you submitted in a specific country.

If you only have a UK VAT registration number we would deduct UK VAT rates from your prices on all of Amazon's European marketplaces.

If you also entered a VAT registration number for Germany, we would assume that you built German VAT rates into your prices for Amazon.de. Hence we would deduct UK VAT rates from your prices on Amazon.co.uk, Amazon.fr, Amazon.it and Amazon.es, but we would deduct German VAT rates from your prices on Amazon.de.

Once we arrived at the VAT exclusive price, our calculation service will add the right VAT rate for each order (B2B or B2C, source or destination country) to this net price to arrive at the final product price or use the exclusive price if the transaction would be tax exempt.

Questions and Answers – VAT registration numbers 1

- **What is VAT and how does it work?**

If you believe your business is required to be registered for VAT purposes, please consult your tax advisor on how to obtain a VAT registration number. [Learn more about VAT Registration in EU](#).

- **How will the selection of a ‘primary’ VAT registration number impact my account?**

The ‘primary’ tax registration number you select should be the tax registration number associated with your primary place of business. This is the tax registration number that will be used to determine how VAT/GST will apply on your seller fees.

The selection of your ‘primary’ tax registration number will not impact the use of that number in Amazon’s VAT Calculation Services. This means that if you are enrolled in VAT Calculation Services, all valid EU VAT registration numbers will be used in the service, irrespective of whether or not the number is designated as ‘primary’. If you need assistance in determining your primary place of business, please consult your local tax advisor.

- **How can I get a VAT registration number for my business?**

If you believe your business is required to be registered for VAT purposes, please consult your tax advisor on how to obtain a VAT registration number. You can [find tax advisors on this page](#).

Questions and Answers – VAT registration numbers 2

- **Is it mandatory to have a VAT registration number in the country where I have my default ship from address?**

Yes, in order to perform precise tax calculations, you have to provide a VAT registration number for your default ship from location. It is also important that you provide VAT registration numbers for any Amazon fulfillment locations that you signed up for as part of the FBA program. For a comprehensive overview, please [refer to the VAT Calculation Services Methodology document](#).
- **Will Amazon verify my VAT registration numbers?**

Yes, Amazon does take steps to verify a seller's VAT registration number, just as we do for business customers. This may include, but is not limited to, performing checks against the EU's VAT Information Exchange System (VIES). Please allow 1-4 business days for your new VAT registration number to complete the verification process.

Questions and Answers – Ship from address

- **What is the difference between the ship from address and the Registered Business Address on my account?**

The ship-from address represents the location from which seller-fulfilled goods are dispatched whereas your registered business address generally represents your primary or officially registered place of business.

- **What if I have multiple locations that I ship my inventory from?**

Currently, Amazon's VAT Calculation Services can only support a single ship from location for seller-fulfilled items. If you have multiple ship from locations, please carefully consider whether Amazon's VAT Calculation Services is suitable for your business by referring to the VAT Calculation Services Methodology document.

- **If I'm enrolled in FBA, do I need to enter the Amazon ship-from locations or my own?**

You should provide the address from where you self-fulfill your products as your default ship-from address. Our VAT Calculation Services will use Amazon's fulfillment location addresses for products fulfilled as part of the FBA program.

Questions and Answers – Automated Invoices

- **Where can I find the invoices generated by the system?**

You will get access to all invoices issued in a calendar month at the beginning of the following month in your [VAT Transactions Report](#). From there you will have the option to download these invoices individually.

- **Where can my customers find the invoices generated by the system?**

Your customers can download the invoices generated by the system from their [Amazon Order History](#).