Subject: Vouchers, VAT and business users
Posted by virtox on Thu, 21 Apr 2011 23:31:06 GMT
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I'm probably missing something but I can't figure out how VAT fits/works with vouchers. (from a business user perspective)

Trivial case:
When I buy a $25 voucher, my cart shows a value of $0 in VAT.
Which seems logical, as a voucher essentially equals money.

However when I then buy something with that voucher, the prices on the invoice include VAT.

Let's assume the product is $21 ex VAT, so the invoice price inc VAT shows $25.

Then it discounts/deducts the voucher leaving a total of $0.
And at the bottom it shows the amount of VAT 19% of $0 is $0.

But $4,- of VAT have still been payed, but are never declared on the invoices?

I know it's kinda silly to buy a voucher and use it yourself, but something still seems strange?

Oh well, it's way to late for this (1 am) but it been driving me nuts
Anyone with some bright insights?

Stijn

Subject: Re: Vouchers, VAT and business users
Posted by roy on Fri, 22 Apr 2011 14:27:05 GMT
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Hi Stijn,

Let me try to get rid of the confusion.

You are right in saying that when you buy a voucher of say 25$ it is equal to money so no VAT is charged.

Now when you use that voucher to buy a model of 25$ including VAT it is deducted to 0$. Actually there is no VAT impact at this point because you buy something worth 25$ incl VAT but we also

give you a discount of the 25$ including VAT.

It would be different if you e.g. would buy a model of 50$ including VAT and use a voucher of $25. In that case the vat calculation only applies to the difference of $25, which would then be split into say $4 VAT 21$ for the model.

I hope this makes sense/helps.

Regards,

Roy - Financial manager Shapeways