

wts newsletter

WTS Klient.
The Bridge.

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New rules on VAT for transactions with continuous settlement seems to be taken effect later

In accordance with the legislative amendment currently accepted by the Parliament, the new rules in the Act on Value Added Tax regarding transactions with continuous settlements, or periodic settlements, which attracted great interest and are detailed below, will not be applicable on 1 July 2014.

Parliament adopted the amendment in 2013. For transactions with continuous settlement, and in contrast to the previous legislation still in force, the amendment links the inception of the VAT payment obligation not to the payment date but instead, as a general rule, to the last day of the given settlement period.

Realising that modifying billing systems and records is a lengthy process for companies, an amendment proposal was accepted by the Parliament, according to which the changed rules of fixed-period settlements not need to be applied currently.

The newsletter accurately reflects the statutory provisions as they stand at the time of its issue. The authors of the news articles have endeavoured to provide general information that both reads well and is professional. Given the general nature of the content and possible changes to legal regulations, please contact us if you require this information tailored to your personal circumstances.

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WTS Klient Group • Tamás Gyányi, Partner
1143 Budapest • Stefánia út 101-103. • Hungary
Telephone: +36 1 887 3700 • Fax: +36 1 887 3799
tamas.gyanyi@klient.hu • www.klient.hu