

# Norway

Effective since 1 July 2011.

The Norwegian tax system has a simplified Value Added Tax registration and reporting scheme for electronic service providers (VAT on Electronic Services – VOES). The tax applies to electronic communication services provided to individuals and non-business customers.

## VAT Standard rate

The standard VAT rate in Norway in 2023 is 25%.

## VAT Reduced rates

**12%**

Intermediary services in renting rooms

**0%**

Books (including audiobooks), subscription to newspapers, news services, periodicals, and other publications

## VAT calculation peculiarity

VAT= Total revenue \* 25/125.

## Threshold

If the total value of supplies to customers in Norway exceeds NOK 50,000 within 12 months, electronic service providers must register with the Norwegian VAT register or with the VOES simplified VAT scheme.

## E-services list

- Capable of being provided from a remote location;
- Provided via the Internet or any other electronic network;
- Cannot be provided in the absence of information technology;
- Are of a nature that makes their provision essentially automated.

To be considered electronic services, all requirements must be met.

## **Registration procedure**

To report and pay VAT in Norway a foreign supplier has to use the simplified VOEC scheme. The Norwegian VOES scheme equals the non-union OSS VAT scheme. The VOES system applies only to sales to customers and does not apply to business sales.

## **Reverse charge mechanism**

When e-commerce sells services to Norwegian businesses there is no obligation on a seller to charge Norwegian VAT even if you have a VOES VAT number – it is an obligation of Norwegian business buyers to calculate VAT. Business should provide their organization number/business identification number, which has nine digits, starting with 8 or 9. If a Norwegian buyer cannot give you such a number you must treat such a sale as B2C.

## **VAT payment and returns filing date**

VAT must be declared every quarter and paid in Norwegian kroner. The deadline for declaring is 20 days after the end of the period.

## **Penalties**

If the business ceases to operate or ceases to meet the necessary conditions, the supplier will be excluded from the simplified registration system.

In addition, exclusion from the simplified registration system will follow for repeated failure to comply with its obligations under the Value Added Tax Act.

In the case of being removed from the simplified registration system, suppliers can register with the Norwegian VAT and must do so if they are still engaged in activities subject to VAT.

## **Keeping records**

Accounting records must be kept for at least five years after the end of the reporting year.

