

**Notice to the Public about the VAT policy revision to be implemented regarding postal shipments by the European Union (EU) on their member countries W.E.F 01.07.2021**

The Following tax regulatory changes will be applicable to all goods (except letters) imported to the EU member countries with effect from 01.07.2021 including postal customers, online sellers and online market places.

1. All mail items sent to EU member countries will be subject to the applicable VAT Tax Policy and other Tariff Policies in accordance with the EU Agreement with the relevant EU destinations.
2. According to the new tax policy, the sender must pay this VAT directly to the EU member country for all postal goods valued less than (Euro) € 150.
3. This revised tax policy applies to any postal item which even containing a personal gift item sent by a person living in Sri Lanka to any person living in any member country in the EU.
4. The above EU VAT policy will apply to postal items, up to (Euro) € 150 in market value sent from Sri Lanka to an EU member country. Also, items valued at more than (Euro) € 150 will be subject to other customs regulations as determined by the relevant government in addition to the VAT policy of the EU member country. Hence, all applicable customs duties on postal items over (Euro) € 150 will be charged from the recipient of that particular postal item/items at the destination.
5. Customers who send mail (except letters) to any member country in the EU can obtain all information about these tax policies and how to make payments through the following web links and all the procedures to be followed regarding the relevant laws and regulations in this regard using the following websites. Customer should be aware of those policies, regulations and updates by referring the web links prior to hand over the goods at the counter.
6. All postal customers, including online retailers and online marketplaces, are required to provide the IOSS ID Number with the parcel/postal item at the post office counter, to ensure smooth customs clearance and timely delivery of the goods at the destination.
7. All customers who send postal goods to EU countries from 01.07.2021 are required to comply with applicable tax policies, in the event of non-compliance, the destination country reserves all the rights to add relevant taxes including VAT and other import tariffs. In addition, the recipient may cause to pay an extra clearance fee according to the import rules and regulations of the destination country. Additional charges at the time of import may cause the customer to refuse the goods. The Customer is responsible for any further action taken by the Postal Administration / Customs of the country in respect of the relevant

product and I kindly inform you that the Sri Lanka Postal Department will not be responsible for imposing and collection of these VAT or other tax payments.

8. You may directly contact import One Stop Shop (IOSS) through the web or, a private Institution has been established to coordinate financial transactions and tax accounting among customers and related countries in relation to the above payments. For more information, please contact the International Postal Services Division at the Department of Posts, by dialling **0112320017** or by the email address [supdt@slpost.lk](mailto:supdt@slpost.lk).

You may access to all the relevant information by referring the web links mentioned below.

[https://europa.eu/youreurope/business/taxation/vat/vat-rules-rates/index\\_en.htm](https://europa.eu/youreurope/business/taxation/vat/vat-rules-rates/index_en.htm)

[https://ec.europa.eu/taxation\\_customs/business/union-customs-code/ucc-introduction\\_en](https://ec.europa.eu/taxation_customs/business/union-customs-code/ucc-introduction_en)

[https://ec.europa.eu/taxation\\_customs/business/union-customs-code/ucc-legislation\\_en](https://ec.europa.eu/taxation_customs/business/union-customs-code/ucc-legislation_en)

[https://ec.europa.eu/taxation\\_customs/business/vat/vat-e-commerce\\_en](https://ec.europa.eu/taxation_customs/business/vat/vat-e-commerce_en)

<https://ec.europa.eu/vat-ecommerc>

Ranjith Ariyaratne

Postmaster General

22.06.2021

**EU Member States:**

Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain and Sweden.