

New EU VAT scheme

Effective July 1, 2021

The European Union has implemented its own VAT scheme, eliminating the €22 VAT de minimis, which means VAT is due on all low-value orders.

With this new scheme comes a new optional VAT collection method designed to help expedite the customs process.

Low-value order: an order where the total value of the goods is less than or equal to €150



What are my options?

Choose one of the three options below...

Import One-Stop Shop (IOSS)

Recommended for: shops selling high-volume into the EU

How does it work?

When VAT is collected:
At checkout

Who collects VAT:
Online retailer

Clearance speed:
Fastest

Pros/Cons:

Pros:

- Fastest customs clearance
- Most carrier fees waived

Cons:

- VAT registration required
- Monthly remittance required
- Intermediary representative required, at your expense

Collect VAT at checkout

Recommended for: anyone selling lower volumes into the EU

How does it work?

When VAT is collected:
At checkout

Who collects VAT:
Online retailer

Clearance speed:
Fast

Pros/Cons:

Pros:

- No EU registration
- No remittance
- Fast customs clearance

Cons:

- Carrier prepayment fees may apply

Don't collect VAT "Special Arrangement"

Recommended for: not recommended

How does it work?

When VAT is collected:
After import, prior to delivery

Who collects VAT:
Carrier

Clearance speed:
Slow

Pros/Cons:

Pros:

- You do nothing, no responsibility for VAT

Cons:

- Slow customs clearance expected, resulting in delayed delivery
- Frustrated customers due to lack of transparency on fees and landed cost

Zonos has you covered

Current Zonos customers

Business as usual: Current Zonos customers do not have to make any changes if they are collecting VAT at checkout! Everything is covered.

IOSS: If you choose to register as an IOSS, we have you covered and can facilitate VAT collection and reporting to keep you compliant.

Landed Cost Guarantee: Add to your account to get the benefits of IOSS without the need for registration, an intermediary, or remittance. Zonos will handle it all!

Not a Zonos customer?

Zonos Landed Cost products* can easily handle calculations and collection for you!

- Landed Cost
- International Checkout
- Landed Cost Guarantee
- Quoter
- Hello (free)

Add **Landed Cost Guarantee** to any Landed Cost service to get the benefits of IOSS, without the need for registration, intermediary, or remittance.

*APIs and plugins available *Use your own carrier