



AZAVISTA™



## **TOUR OPERATOR TAX RECOVERY**

Tax and VAT recovery for Tour Operators, Travel Agencies,  
Event Agencies, DMCs and PCOs



## WHO ARE WE?

Azavista is a global travel technology organization. Our travel and event management tool is used by tour operators, travel agents, PCOs, DMCs, event agencies and enterprises around the world. Our aim is to support our clients in every step of the planning process. From sourcing suppliers and handling participants to measuring ROI and claiming VAT. Azavista offers an A-Z planning solution.

Azavista has established global partnerships with authorities and tax specialists in many countries. Utilizing our efficient technology platform, we are able to assist our clients with VAT and foreign tax reclaim. With our strong expertise and market insight, we offer our clients unrivaled service in Tour Operator Specific Refunds as well as the recovery of VAT incurred on travel expenses.

## REFUNDS – THE AZAVISTA WAY

Claiming back foreign tax is a complex and onerous task, which is why so many companies elect to outsource this service via Azavista. We take care of everything – sourcing the claimable invoices, preparing the refund application, dealing with legal queries directly with tax offices on your behalf and are constantly researching new refund opportunities for our clients.

It is a simple, risk-free way to turn your expenses into cash!

## TOUR OPERATOR SPECIFIC REFUNDS

The VAT and taxes incurred on the purchase of travel components such as hotels, car rentals, equipment rental and many more, are refundable in the following countries:

1. Netherlands
  2. UK
  3. Germany
  4. Denmark
  5. Sweden
  6. Canada
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## WHAT ABOUT TOMS?

Tour Operators selling travel packages often incorrectly assume that they are governed by the Tour Operator Margin Scheme ("TOMS"), and therefore are not entitled to input VAT refunds. This is fortunately not always true.

The Netherlands, UK, Germany, Austria, Denmark and Sweden do not apply TOMS to all Tour Operator transactions, and therefore a refund opportunity exists in these countries in respect of the transactions detailed below.

### NETHERLANDS - Invoices issued prior to 1 April 2012

Prior to 1 April 2012, The Netherlands did not implement TOMS legislation. As such, there exists no restriction on refunding input VAT. Provided the Tour Operator acts as a principal, the VAT on all input invoices dated 1 May 2009 – 1 April 2012 will be refunded.

### NETHERLANDS - Invoices issued from 1 April 2012

From 1 April 2012, The Netherlands implemented TOMS but only for all travel services sold to individuals. As such, VAT on inputs will still be refundable if the Tour Operator:

- acts as a principal;
- sells to corporations or travel agents; and
- sells travel packages (more than 1 travel component, for example, a hotel and car rental combined).

### UNITED KINGDOM

The United Kingdom applies TOMS for travel services sold to corporates and individuals. As such, VAT will be refundable if the Tour Operator:

- acts as a principal;
- sells to travel agents; and
- sells travel packages to travel agents (more than 1 travel component, for example, a hotel and car rental combined)





## GERMANY

Germany applies TOMS only for travel services sold to individuals. As such, VAT will be refundable if the Tour Operator:

- acts as a principal; and
- sells to corporations or travel agents.

\* For Germany it is not required for a Tour Operator to sell packages to qualify for a refund.

## DENMARK

VAT will be refundable if the Tour Operator:

- sells leisure travel packages to individuals,
- acts as a principal; and
- sells to corporations or travel agents.

\* For Denmark it is not required for a Tour Operator to sell packages to qualify for a refund.

## SWEDEN

Sweden applies TOMS for travel services sold to corporates and individuals. As such, VAT will be refundable if the Tour Operator:

- acts as a principal;
- sells to travel agents; and
- sells travel packages to travel agents (more than 1 travel component, for example, a hotel and car rental combined)

## CANADA

All GST/HST/QST incurred on hotel accommodation will be refundable to the Tour Operator if it meets certain requirements. The Tour Operator must:

- act as a principal,
  - sell leisure travel packages,
  - have its place of business outside of Canada, and
  - sell to non-Canadian residents.
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## SUMMARY TABLE

Country	Year of Invoice Entitled to Reclaim	Current Deadline	The Tour Operator's Client can be	Is a package required?
Netherlands	1 Jan 2009 - 31 March 2012	30 Dec 2013	Individuals; Corporations; or Tour Operators	No
	From 1 Jan 2013	30 Sep 2014	Corporations; or Tour Operators	Yes
United Kingdom	2013	30 Sep 2014	Tour Operators	Yes
Germany	2013	30 Sep 2014	Corporations; or Tour Operators	No
Denmark	2013	30 Sep 2014	Individuals; Corporations; or Tour Operators	No
Sweden	2013	30 Sep 2014	Tour Operators	Yes
Canada	2013	1 year after issue date	Individuals; Corporations; or Tour Operators	Yes

\* The above table applies for companies based in the EU. Other deadlines or regulations might apply for non-EU based entities

## CLAIM PROCESS

Azavista offers two types of VAT Refund Services:

**1. Full Audit Service:** An Azavista officer will attend your company's premises and locate, extract and collect all relevant and eligible VAT invoices for processing.

**2. Self Retrieval Service:** The client sends Azavista the relevant and eligible VAT invoices for processing.

Azavista handles tax recovery claims based on a no-cure no-pay basis – we take a percentage of the VAT successfully refunded by the tax authorities. In the event that a VAT reclaim is not successful, there are no other costs for the service and no financial commitments.

Depending on the nature of the claim, the refund process may range from 2 weeks up to 6 months. We enable our clients to monitor and track the status of their claim through our portal. Updates and changes are communicated automatically.



AZAVISTA™

**AZAVISTA.COM**

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Travel Sourcing Technology | Event Management Platform | VAT Recovery



## NEW DEVELOPMENTS

Please note that we are in the process of testing Tour Operator tax refunds for various other EU countries. Once successful, your dedicated Azavista support team will notify you. Should you wish to be a part of a test case for other EU countries, kindly contact us.

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