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By PwC Deutschland | 09 November 2026

EU Council approves further VAT simplification rules for online sales

The Council today agreed further measures to improve value-added tax (VAT) collection on e-commerce sales into the EU. The new rules make the framework for collecting this VAT fully aligned with recent reforms in the EU's customs system, in turn leading to better tax compliance and collection.

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Currently, non-EU online operators may use the digital VAT Import One Stop Shop (IOSS) to account for the VAT they need to pay on their sales into the EU. This means that they only have to register in one member state to take care of their VAT obligations for the entire EU. However, under current rules, the IOSS can only be used for parcels valued at under €150.

Today's package extends the use of the IOSS to all goods irrespective of their value, thereby enabling suppliers and platforms to account for VAT on higher value goods via the VAT IOSS. This will help businesses to meet their obligations and will improve VAT compliance, while lowering the administrative burden for tax and customs authorities.

With the launch of the EU customs data hub from 1 July 2028, non-EU online platforms will be treated as the deemed supplier for VAT purposes for all goods they sell into the EU, regardless of value. In practice, this means that the platform itself is responsible for collecting VAT on behalf of the underlying seller and the EU consumer and paying it to the relevant authorities.

Next steps

The European Parliament will now be consulted on the new rules, ahead of their formal adoption by the Council. They will then be applied from 1 July 2028.

Further details to be found in the Council's **press release of 9 November 2026**.

Keywords

Sales, collection of VAT, e-commerce