



# Information sheet

## on the taxation of sales and services and the application of the reverse charge process for trade fairs and exhibitions from 01st January 2011

### I. General

Services in connection with trade fairs and exhibitions must be assessed as property services and are thus taxable at the location of the property. For trade fairs and exhibitions taking place on German trade fair grounds this means that these services are subject to the current German VAT rate of 19 %.

### II. Changes due to EU Directive

#### A. Event service

From 1 January 2011 the so-called event service (a standard service from a service provider) is incorporated into the German VAT law, which allows for the transfer of the tax liability (reverse charge). An event service is when, in addition to the stand rental, at least 3 other services from the catalogue of the UStAE 2011 (Cl. 4) are agreed with the exhibitor and provided (exhibitor must be an entrepreneur). If other services are subsequently agreed and provided (e.g. services by contractual partners of LMS, which are settled in the name and on behalf of LMS), these are considered as a supplement to the contract for the event service.

This applies to all trade fairs and exhibitions, for which Landesmesse Stuttgart GmbH is the organiser. If there is an event service, an invoice without German VAT must be issued to foreign exhibitors. Exhibitors from EU member states must also use their allotted valid VAT ID number. If no valid VAT ID number is present, then the invoice is calculated using the German VAT rate of 19 %. German exhibitors also obtain an invoice with 19 % VAT.

#### B. Non-event service

If there is no event service, then the invoice is to be calculated using the German VAT rate.

For trade fairs and exhibitions for which Landesmesse Stuttgart GmbH is not the organiser (guest events), there is no event service. In these cases the invoice is issued plus the German VAT rate which is currently 19 %.

### III. Exceptions and special conditions

a) The following services which are provided separately or not as an event service must be invoiced without charging the German VAT by application of a reverse charge to the exhibitor from outside Germany in accordance with the German VAT legislation (catalogue i.a.w. UStAE 2011 Cl. 4). (Exhibitors from EU member states must also use their allotted valid VAT ID number):

1. Transfer of telephones, fax machines and other communication means for use by the exhibitor
2. Transfer of information systems, monitors, loud speaker systems, etc. to instruct visitors
3. Clerical staff and similar services on the trade fair grounds
4. Transportation and storage of exhibition objects such as exhibits and stand equipment
5. Translation services
6. Entries in trade fair catalogues, advertisements and advertising media

b) The following services are always subject to German VAT (currently 19 %):

1. Entertainment, service and stand catering
2. Admission tickets
3. Services by contractual partners of Landesmesse Stuttgart GmbH, which are settled in its own name (insofar as this is not a service as per a) No. 1 – 6)

### IV. Congresses

Participation in congresses is interpreted as access authorisation for VAT purposes and is subject to the current German VAT rate of 19 %.