



## VAT TREATMENT IN CHAIN TRANSACTIONS

Guide to Ruling No. 111/2026 — Art. 36-bis VAT Directive | Art. 41-ter Italian Law 331/1993

### QUICK SUMMARY

**Art. 41-ter**  
Italian law reference

**Art. 36-bis**  
EU VAT Directive

**No. 111 2026**  
Revenue Agency Ruling

**VAT IT**  
Registration obligation

### TRANSACTION FLOW — RULING No. 111/2026

- Polish supplier** — Sells goods to the German company
- German company (DE)** — Resells to Italian buyer — organises transport
- Physical transport** — Poland → Italy (single movement)
- Italian buyer** — Receives goods in Italy

⚠ The German company communicated its **GERMAN VAT number (not Polish)** to the Polish supplier — this is the critical point

### TRANSPORT ALLOCATION RULE (ART. 36-BIS)

VAT number communicated to supplier	Supply to which transport is allocated	Result
VAT of DEPARTURE country (e.g. Poland → Polish VAT)	Transport → 2nd supply	Intra-EU = DE→IT
VAT of ANOTHER EU country (e.g. Poland → German VAT)	Transport → 1st supply	Intra-EU = PL→DE IT = domestic supply ⚠

### TRIANGULATION vs CHAIN TRANSACTION: KEY DIFFERENCES

ASPECT	TRIANGULATION (Art. 141)	CHAIN TRANSACTION (Art. 36-bis)
Parties	Exactly 3, in 3 different EU states	2 or more, not necessarily
Intermediary	No VAT registration in dest. country	May need to register for VAT
VAT mechanism	Reverse charge on final buyer	Domestic VAT in destination
VAT no. used	Not of departure / destination	Critical for transport allocation
Simplification	Yes — Art. 141 VAT Directive	No — standard regime applies

### OBLIGATIONS WHEN THE SUPPLY IS DOMESTIC IN ITALY

- ✓ Register for VAT in Italy (directly or via fiscal representative)
- ✓ Apply Italian VAT (22%) to the supply to the Italian buyer
- ✓ Issue invoices with Italian VAT and remit it to the Italian tax authority
- ✓ File periodic and annual VAT returns in Italy
- ✗ Cannot apply the triangulation simplification (Art. 141)
- ✗ Must not omit VAT registration — risk of penalties and retroactive recovery

### CHECKLIST: WHAT TO VERIFY BEFORE SUPPLYING GOODS IN ITALY

STEP	KEY QUESTION	WHY IT MATTERS
1	Who organises transport?	If intermediary arranges it → qualifies as interm. operator
2	Which VAT number to supplier?	Country of issuance → determines transport allocation
3	Where do goods end up?	Destination country → place of domestic supply
4	Is triangulation applicable?	Strict requirements — not automatic with 3 parties

### WARNING: RISKS OF FAILING TO REGISTER FOR VAT IN ITALY

- Administrative penalties · Recovery of unpaid VAT + interest · Potential criminal tax liability
- The Italian tax authority can requalify transactions and recover tax for prior years — retroactive effect
- ⚠ Verify your Italian VAT position BEFORE starting any supplies to Italy