DRŽAVNI ZAVOD ZA STATISTIKU
CROATIAN BUREAU OF STATISTICS

GUIDE
for Intrastat reporting units

2024

INTRASTAT

December 2023

All information and clarifications regarding the Intrastat reporting, technical support and methodological explanations are provided by:

Customs Administration

Intrastat Department

Intrastat HelpDesk

_____

E-mails: intrastat.helpdesk@carina.hr

                  intrastat.prijava@carina.hr

                  intrastat@carina.hr

Phone: **+385 42 234 255** (**Intrastat Helpdesk**)

Websites:

                  Državni zavod za statistiku - Intrastat (gov.hr)

                  Customs Administration - Home (gov.hr)

                  Overview - International trade in goods - Eurostat (europa.eu)

                  CIWS - Hrvatski Intrastat Web Servis (carina.hr)

CONTENTS

1. FOREWORD

Guide to providers of statistical information 2024 is intended for all business entities obliged to submit monthly statistical reports to the Intrastat System in the Republic of Croatia. This Guide is also intended for agents, i.e. for all business entities, that submit monthly statistical reports to the Intrastat System on behalf of providers of statistical information.

For easier navigation, this Guide is divided into several parts as regards to its contents:

PART ONE – INTRASTAT SYSTEM BASICS

Contains basic information on the Intrastat System in the Republic of Croatia, on the content and format of the Intrastat report, on delivery deadlines, on who are Intrastat providers, and on the beginning and the end of the Intrastat reporting obligation.

PART TWO – COMPLETING THE INTRASTAT FORM

Contains precise explanation on each individual field in the Intrastat form, their meaning and how to fill them in.

PART THREE – INTRASTAT REPORTING METHODOLOGY

Contains a large number of practical examples and methodological explanations on how to declare goods that are the subject of complex types of transactions, such as: triangular transactions, processing, quasi transit, specific goods, specific movements, etc.

PART FOUR – APPENDICES

Contains some of the codebooks needed to fill in the Intrastat form. All other codebooks are available for download in Excel format on the CBS website (Državni zavod za statistiku - Codebooks (MS Excel format) (gov.hr)) and on CIWS website (CIWS - Croatian Intrastat Web Service (carina.hr)).

2. NEW IN INTRASTAT SYSTEM IN 2024

I   New annual exemption thresholds for Intrastat system inclusion in 2024.

The new Intrastat exemption threshold value for flow ARRIVALS amounts to **EUR 450 000.**
The new Intrastat exemption threshold value for flow DISPATCHES amounts to **EUR 300 000.**

II   New Combined nomenclature for 2024

The Combined nomenclature (CN) for 2023 was published in the Official Journal of the European Union (OJ L 2023/2364, 31.10.2023) under the title Commission Implementing Regulation (EU) 2023/2364 of 26 September 2023. It will apply from 1 January 2024 to 31 December 2024 in all EU Member States for the purposes of completing Intrastat forms.

III   Simplifications in the Croatian Intrastat system

As of 1 January 2024, two new Combined Nomenclature codes are going to be introduced into the Croatian Intrastat system, which will allow for a simplified reporting on parts of motor vehicles and airplanes:
- **CN code 9990 87 00** (parts of motor vehicles of the value less than EUR 1 000 per invoice item)
- **CN code 9990 88 00** (parts of aircraft of the value less than EUR 1 000 per invoice item)

In addition, certain modifications have been introduced in the existing **CN code 9950 0000**, allowing for the reduction of administrative burden to traders, along with small-value consignments, the CN code 9950 0000 can be used with invoice items of the value less than EUR 1 000, with no value limitation per form.

IV   Reporting period – modifications in purchase and sale transactions

As of 1 January 2024, all goods included in purchase and sale transactions (**the evidence of which is the invoice reported in tax forms**) must be reported to Intrastat based on the month of the creation of the taxable event. Providers of statistical information that used to report such goods based on the month of physical crossing of goods over the Croatian border were most often faced with differences between the Intrastat data and tax data. These modifications are introduced in order to reduce such differences as much as possible and, in general, to facilitate the completion of the Intrastat forms.

V   Advance payments in the Intrastat form

Concerning advance payments within the European Union, the VAT liability occurs at the moment of acquisition/supply of goods within the European Union (not before). An invoice for a collected/settled advance payment within the EU is immediately booked in the internal accounting documentation, but it is NOT reported on the VAT form, and neither is it reported to Intrastat.

More information on each of the topics is included in this Guide.

PART ONE – INTRASTAT

BASICS OF THE

INTRASTAT SYSTEM

3. INTRASTAT SYSTEM IN THE REPUBLIC OF CROATIA

3.1. Glossary

INTRASTAT SYSTEM	A system for collecting statistical data on trading in goods between EU Member States. It includes statistical data, information system and participants (PSIs and agents as well as CBS and Customs Administration).
INTRASTAT SURVEY	A statistical survey on intra-EU trade in goods carried out by national statistical institute in every Member State.
INTRASTAT FORM	An Excel form specially adapted for entering statistics on intra-EU trade in goods and for generating XML Intrastat reports, that are further submitted to the Customs Intrastat System. It contains fields for entering statistics in a predefined order. The format of the Intrastat form is prescribed, and so are the XML format of Intrastat report and XML scheme for submitting it to the Intrastat System. **Synonym: Intrastat declaration**
INTRASTAT REPORT	Completed Intrastat form. An electronic set of statistical data on goods submitted monthly to the Intrastat System by PSIs or their agents.
Provider of statistical information (PSI)	A business entity obliged to provide statistical data to the Intrastat System of the Republic of Croatia. PSI may be a resident or a non-resident in the Republic of Croatia. **Synonym: Intrastat provider**
Agent	Any business entity authorised by the PSI via the Intrastat Application Form to submit Intrastat reports on behalf of the PSI. An agent in the Intrastat System <u>does not need</u> to have any kind of customs credentials. *Notice: Although the agent submits the Intrastat reports on behalf of the PSI, the PSI still remains legally responsible for accuracy, timeliness and completeness of data provided.*
Intrastat exemption threshold	The value threshold of intra-EU trade. It is determined by CBS for each calendar year for every particular trade flow. **In Croatia, the Intrastat thresholds in 2024 are set to:** • **Trade flow ARRIVALS: EUR 450 000** • **Trade flow DISPATCHES: EUR 300 000**
ARRIVALS	Trade flow involving the physical transport of the goods from another EU Member State to Croatia (the goods arrive in Croatia) **Synonym: intra-EU import**
DISPATCHES	Trade flow involving the physical transport of goods from Croatia to another EU Member State (Croatia dispatches the goods) **Synonym: intra-EU export**

3.2. What is the Intrastat System?

Intrastat is a system of official statistical data on trade in goods between Member States. It was introduced in 1993 when the Single market was created and the customs formalities for the intra-EU trade in goods were abolished. After entering EU, Croatia also became obligated to collect statistical data in Intrastat System.

The EU legislation prescribes a legislative framework binding for all Member States, which divides the system of official EU statistics on foreign trade in goods into two parts:

↘ **EXTRASTAT** – a statistical information system that records data on trade in goods with non -EU countries (*extra-EU trade*). Extrastat system takes over data on goods from electronic customs declarations.

↘ **INTRASTAT** – a statistical information system that records data on trade in goods exclusively with Member States (*intra-EU trade*). Data on goods are submitted into Intrastat System by taxable business entities who trade in goods on the territory of the European Union and exceed the prescribed annual Intrastat threshold.

3.3. The importance of Intrastat System data

Intrastat data on intra-EU trade in goods together with statistical data on non-EU trade in goods (collected through the Extrastat System) constitute the foreign trade in goods statistics of the Republic of Croatia. This statistic is a key component for producing the balance of payments of the Republic of Croatia and for the calculation of the gross domestic product (GDP). As such, they are indicators of economic efficiency and development of the country.

Official statistical data of the Republic of Croatia on trade in goods are the ground for making macroeconomic decisions and the basis for preparing further market analyses and forming of trade politics. This means that there are many data users, for example: The Government of the Republic of Croatia, the Croatian National Bank, the European Commission, UN, IMF, WTO, OECD, institutes, scientists, traders, faculties, etc.

The Croatian Bureau of Statistics disseminates official statistical data of the Republic of Croatia in aggregated form.

4. WHO ARE INTRASTAT PROVIDERS?

4.1. Who is obliged to submit the Intrastat reports?

All business entities in the Republic of Croatia (<u>residents and non-residents[1]</u>) who meet the following three conditions are obliged to provide Intrastat reports:

↘ **They are registered for VAT purposes in Croatia, which means** they have a Croatian VAT ID number, irrespective of whether they are domiciled inside or outside Croatia (residents and non-residents);

↘ **They trade in goods with other EU Member States,** where the term "intra-EU trade in goods" includes all goods physically transported from Croatia to other EU Member States and all goods physically transported from other EU Member States to Croatia, irrespective of the type of transaction (e.g., purchase/sale of goods, sending/receiving goods for processing, returning goods, moving goods without ownership transfer, sending/receiving goods for consignment, donations, goods subject to leasing, etc.);

↘ **They have exceeded the annual Intrastat threshold,** determined by the CBS once a year and applicable from 1 January to 31 December of the calendar year. Traders sum up the value of intra-EU trade generated from January onwards, expressed by trade flows and become the Intrastat providers of statistical information (PSIs) since the calendar month in which the Intrastat threshold is exceeded.

EXEMPTION THRESHOLD VALUE FOR INTRASTAT SYSTEM IN 2024	
Trade flow	**Threshold value in EUR**
ARRIVALS	**450 000**
DISPATCHES	**300 000**

Table 1: Intrastat exemption threshold value in the Croatian Intrastat System for 2024

---

[1] Non-residents in the Republic of Croatia – all business entities residing outside Croatia, but to whom the Croatian VAT ID number has been assigned since they are taxable persons registered with the Croatian Tax Administration. In order to register as taxable person in the Republic of Croatia, a foreign company does not need to have either a business unit (e.g., branch office) in the Republic of Croatia, nor office, nor employees. All information and terms for getting a Croatian VAT ID number is provided by the Customs Administration of the Republic of Croatia (Home (porezna-uprava.hr))

4.2. How does the trader join the Intrastat System?

4.2.1. Self-applying in the Intrastat System

Based on own business documentation generated from January of the current calendar year onwards, the trader determines the total value of the realised intra-EU trade. In the calendar month of exceeding the Intrastat threshold value, the trader should:

> ➢ contact the Croatian Customs Administration – Intrastat Department by phone: +385 42 234 255
> ➢ fill out the table entitled **Self-Applying 2024 – Table for Determining the Value of the Trade in Goods**, which is available on the CIWS website or here: APPENDIX 2 – Self-Applying 2024 – Table for Determining the Value of the Trade in Goods
> ➢ email the filled-out table to: intrastat.prijava@carina.hr.

All business entities are obliged to self-apply in the Intrastat System in the month in which the value of their intra-EU trade exceeds the Intrastat threshold value for a particular trade flow.

4.2.2. Mandatory registration in the Intrastat System

If the trader fails to self-apply in Intrastat System, the Customs Administration – Intrastat Department and CBS determine the obligation officially as follows:

↘ **During a calendar year** – **for new Intrastat providers**

CBS and the Customs Administration checks and analyse fiscal data reported by business entities on tax forms (PDV form, PDV-S form, ZP form, PZ 42_63 form). If the cumulative value of intra-EU trade for the reference period has exceeded the annual Intrastat exemption threshold and, at the same time, the business entity has failed to self-apply to the Intrastat System, the CBS and the Customs Administration determine the Intrastat obligation. In such a case, the business entity will be obligated to retroactively provide statistical data to the Intrastat System, starting from the month in which its realised Intrastat threshold value was exceeded.

↘ **Once a year –** **for the existing Intrastat providers**

Based on previously submitted Intrastat reports on arrivals in Croatia from other EU Member States and dispatches from Croatia to other EU Member States. The existing Intrastat data are compared to fiscal data on intra-EU supplies and acquisitions reported on VAT forms for the previous accounting period (twelve months).

❑ If PSI has exceeded the Intrastat threshold value set for the next calendar year, **the Intrastat reporting obligation will continue in the next calendar year**.

❑ If PSI has not exceeded the Intrastat threshold value set for the next calendar year, **the reporting obligation for Intrastat will be terminated.** The PSI will be informed about it through the Intrastat Reporting Termination Notice sent via e-mail.

Fiscal data on the intra-EU trade reported on VAT forms are considered evidence of exceeding the Intrastat exemption threshold.

You are a taxable person in Croatia who is engaged in trade in goods with other EU Member States

If the intra-EU trading value **exceeds** the Intrastat System threshold

If the intra-EU trading value **does not exceed** the Intrastat System threshold

YES! You have the Intrastat reporting obligation since you exceeded the annual Intrastat System threshold!

NO! You do not have the Intrastat reporting **obligation** since you did not exceed the annual Intrastat System threshold!

You have to **self-apply** to the Intrastat System by calling +385 42 234 255 or by e-mailing to **intrastate.prijava@carina.hr**

If you have failed to self-apply, you **will be** contacted by the Customs Administration – Intrastat Department (by phone or e-mail) and informed that you have become an Intrastat provider!

Your monthly Intrastat reporting starts only upon receiving the *Intrastat Obligation Notice* via registered mail.

Figure 1: How does one become an Intrastat provider in Croatia

4.2.3.   <u>Voluntary registration</u> in the Intrastat System

If the trader is engaged in intra-EU trade, but does not exceed the annual Intrastat System exemption threshold (meaning there is no obligation for Intrastat reporting) and still wants to report, the trader is allowed to voluntarily apply to the Croatian Intrastat System.

The most frequent voluntary reports are made by business entities who have a large volume of returned goods at the annual level and exceed the Intrastat exemption threshold value only in one flow of goods. In that case, the voluntary reporting for another flow of goods (in which the Intrastat threshold has not been exceeded) helps trader to better control the goods to be returned and to have a more accurate comparison of internal business records with fiscal and Intrastat data. All business entities, taxable persons in Croatia, who are trading with other EU Member States, but do not exceed the annual exemption threshold, and at the same time believe that reporting for the Intrastat will help them in recording business transactions, may voluntarily apply to the Intrastat System and report for either a particular trade flow or for both trade flows.

4.3.   How can the PSI submit Intrastat reports in the Republic of Croatia?

The trader in the Republic of Croatia (resident or non-resident), who is obliged to submit Intrastat reports, can either **self-report or engage an agent**.

An agent in the Intrastat System is any business entity (legal entity, craftsman, etc.) authorised by the PSI to submit Intrastat forms on its behalf. An agent in the Intrastat System <u>does not need</u> to have any kind of customs credentials, which means that it can be a dispatching company, or an accounting company, or craft, etc. An agent for the Intrastat System can also be a company seated outside the Republic of Croatia.

The PSI can change the agent at any time. The PSI can also engage more than one Intrastat agents, or arrange the submission of the Intrastat reports so that one month it is the PSI who sends it, and the next month it is the agent. All options are allowed.

Although it is the agent who submits Intrastat reports on behalf of the PSI, the **liability for sending timely, accurate and complete data always remains solely on the PSI** (regardless of whether it submits *Intrastat reports* itself or an agent submits them on its behalf).

Due to the fact that *Intrastat reports* are submitted electronically according to high standards of IT security, the following steps are required in order to successfully submit the *Intrastat report*:

- ↘ a digital certificate issued by FINA ([Digital certificates - FINA EN](#)),

- ↘ an access to internet,

- ↘ registration to the Customs G2B Service.

> **Important!**
> If the PSI changes information on the agent, contact persons, person in charge in a business entity, or information on the ownership structure, name of the company, address, etc., the PSI is obliged to inform the Intrastat Department about it by resubmitting the "**Intrastat Application Form"** with accurate and valid information.

5. INTRASTAT REPORTING OBLIGATION

5.1. The beginning of Intrastat reporting obligation

The Intrastat reporting obligation begins **with the calendar month when the Intrastat threshold is exceeded** for a particular trade flow. Business entities are informed on the obligation by receiving the written "**Intrastat Reporting Obligation Notice"** sent via registered mail. The assigned reporting obligation can be regular or one-time only:

5.1.1. Regular obligation

It occurs when the trader continuously performs the intra-EU trade. The regular obligation is valid from the month when the Intrastat threshold has been exceeded until the end of the calendar year (until 31 December).

> **Example 1**
> *The company XY from the Republic of Croatia purchases goods from other Member States on the regular basis and it generated the following turnover:*
>
> | | |
> |---|---|
> | *January* | *EUR 100 000.00* |
> | *February* | *EUR 200 000.00* |
> | *March* | *EUR 50 000.00* |
> | ***April*** | ***EUR 150 000.00*** |
> | *SUM TOTAL:* | *EUR 500 000.00* |

The company XY exceeded in April the Intrastat exemption threshold for the trade flow ARRIVALS. It will be assigned the **regular Intrastat reporting obligation since April and onwards**. There is no reporting obligation for the first three months, since the company XY did not exceed the Intrastat threshold in that period.

5.1.2. One-time obligation

It occurs if the trader has exceptionally performed the intra-EU trade only once. The one-time obligation is assigned only for a single calendar month in a year.

In the period to come, after the completion of its one-time obligation, the business entity can realise the intra-EU trade in goods in the amount of less than EUR 100 000 on the cumulative basis. In that case, its Intrastat reporting obligation will not be reassigned.

On the other hand, if the trader realises, after one-time reporting, the trade in goods of **more than EUR 100 000**, the Intrastat obligation will be reassigned, but rather as a regular than a one-time obligation, starting with the calendar month when the Intrastat threshold was initially exceeded.

Example 2

The company XZ from the Republic of Croatia does not typically engage in intra-EU trade, but produces clothes in the Republic of Croatia. However, from the beginning of the year, the following turnover was generated within EU:

January	*EUR*	*0.00*
February	*EUR*	*0.00*
March	***EUR***	***3 800 000.00***
April	*EUR*	*0.00*
SUM TOTAL:	*EUR*	*3 800 000.00*

The company XZ has exceeded the Intrastat exemption threshold for the trade flow ARRIVALS in March. The company will be assigned a one-time Intrastat obligation only for March.

Example 3

The company QW from Croatia bought in June a vessel from Italy in the amount of EUR 4 500 000, declared as an "intra-EU acquisition" in VAT forms. Later on, the company QW reported the "intra-EU acquisition" in the amount of EUR 380 000 in VAT forms for August.

The company QW will be assigned a one-time Intrastat obligation only for June in order to report the arrival of the vessel in Croatia. According to the tax data, the **regular reporting obligation will be retroactively reassigned from the month of exceeding the Intrastat threshold** to the company QW. Since the Intrastat report for June has been submitted, the company QW will send Intrastat reports for July and onwards. If no intra-EU trade was recorded in July, the company QW has to submit the nil Intrastat form to the Intrastat System.

5.2. The end of the Intrastat reporting obligation

5.2.1. The end of the regular reporting obligation

The reporting obligation for PSIs lasts until the end of the calendar year. The reporting obligation can be exceptionally terminated earlier (before the end of the year) in cases like liquidation, bankruptcy, changes in business style, etc. At the end of every calendar year, an audit is done of the total intra-EU trade for the previous reference period, carried out by the CBS and the Croatian Customs Administration, after which an appropriate decision is made for every particular PSI:

⮑ If PSI exceeded the Intrastat threshold value set for the next calendar year, its reporting obligation for Intrastat will continue in the next year.

⮑ If PSI did not exceed the Intrastat threshold value set for the next calendar year, its reporting obligation for Intrastat will be terminated and the PSI will receive the "**Intrastat reporting Termination Notice"** via e-mail.

5.2.2. The end of the one-time reporting obligation

The one-time obligation includes the beginning and the end of obligation in the same calendar month. The PSI, to whom the one-time Intrastat reporting obligation was assigned, will receive only one written "Intrastat Reporting Obligation Notification" stating clearly that the obligation ends automatically after the Intrastat report is recorded in the Intrastat System.

6. WHAT TO REPORT AND WHAT NOT TO REPORT IN INTRASTAT?

6.1. What is to be reported in Intrastat?

Goods having the customs status of "**Union goods**" are reported in the Intrastat report, providing that the goods are physically transported:

> ↘ from Croatia to another Member State (trade flow DISPATCHES) and

> ↘ from another Member State to Croatia (trade flow ARRIVALS).

The intra-EU trade in goods includes all goods that are physically transported between Croatia and other Member States, irrespective of the ownership of the goods. This means that the following goods are to be declared in the Intrastat report:

6.1.1. Goods with transfer of ownership at the moment of crossing the Croatian border (proof: an invoice)

- goods purchased from or sold to EU partners for own purposes,
- goods recorded as capital assets,
- goods as a part of investment,
- goods intended for further sale,
- triangular transactions, providing that goods physically cross the Croatian border,
- goods arrived, dispatched and exceptionally returned as part of financial leasing,
- goods (building materials and technical equipment) delivered as an integral part of a general construction or civil engineering contract,
- goods to be assembled (only goods are reported, assembly is excluded), etc.

6.1.2. Goods with no transfer of ownership at the moment of crossing the Croatian border (ownership can be transferred to the purchaser later on)

- goods arrived/dispatched for/after processing,
- goods delivered free-of-charge (e.g. donations), if they are not commercial samples or promotional materials and other goods exempted from reporting,
- goods dispatched or received in a consignment warehouse,
- goods for or following temporary use, if the expected duration of the temporary use is intended to be longer than 24 months (e.g., goods rented free of charge for the period longer than 24 months, or goods intended for operational leasing for more than 24 months),

- particular goods deliveries to vessels and aircraft,
- goods received or delivered for storage, if the duration of storage is more than 24 months and if the goods are returned to the owner afterwards,
- own goods transferred to distribution warehouse, goods dispatched or received in consignment or call-off warehouse, etc.

6.1.3. Physical returns of goods to/from another EU Member State

Goods that are dispatched and received as part of claims for inadequate consequences of a sales contract, including the return of damaged/defective goods and goods dispatched and received as replacements for damaged/defective goods.

6.2. What is <u>not</u> to be reported in Intrastat?

↘ services, except processing operations

↘ triangular trade – in cases when the goods <u>do not physically cross</u> the Croatian border

↘ transit – only in case when the following conditions are met in a transit Member State:
  1. *there is no change of ownership in a transit EU Member State,*
  2. *the dispatch/arrival has not to be declared as a supply/acquisition for VAT purposes in EU,*
  3. *there are no processing operations in a transit EU Member State.*

↘ monetary gold,

↘ means of payment which are legal tender and securities, including means which are payments for services such as postage, taxes, user fees,

↘ goods for or following **temporary use**, provided all the following conditions are met:
  1. *no processing is or was planned or carried out,*
  2. *the expected duration of the temporary use was or is not intended to be longer than 24 months,*
  3. *the dispatch/arrival has not to be declared as a supply/acquisition for VAT purposes,*

↘ goods moving between:
  1. *a Member State and its territorial enclaves in other EU Member States,*
  2. *the host Member State and territorial enclaves[2] of other EU Member States or international organisations.*

↘ software downloaded from the internet,

↘ goods supplied free of charge which are themselves not the subject of a commercial transaction, such as advertising material and commercial samples,

↘ goods for and after repair and the associated repair and replacement parts.

---

[2] Territorial enclaves include embassies and national armed forces stationed outside the territory of the mother country.

6.3. What are Union goods?

The term "goods" is defined in Article 3, Paragraph 2, Item (c), of the Regulation (EU) 2019/2152 of the European Parliament and of the Council[3]. In addition, the Union Customs Code (UCC) identifies two possible customs statuses of goods: the Union goods or non-Union goods:

Extract from Regulation (EU) No 952/2013 of the European Parliament and of the Council of 9 October 2013 on the Customs Code of the Union (amended) (L 269 of 10 October 2013):

23. "Union goods"[4] means goods which fall into any of the following categories:

  (A) goods wholly obtained in the customs territory of the Union and not incorporating goods imported from countries or territories outside the customs territory of the Union;
  (B) goods brought into the customs territory of the Union from countries or territories outside that territory and released for free circulation;
  (C) goods obtained or produced in the customs territory of the Union, either solely from goods referred to in Item (B) or from goods referred to in Items (A) and (B);

24. "Non-Union goods"[5] means goods other than Union goods or which have lost their customs status as Union goods.

The physical movement of non-Union goods between Member States can be realised only under customs supervision. As such, they are not subject to Intrastat reporting. Exceptionally, the physical movement of non-Union goods between Member States intended for inward processing, in line with the "*Single Licence for Inward Processing"* issued by the Customs Administration, is subject to Intrastat reporting.

---

[3] Regulation (EU) 2019/2152 of the European Parliament and of the Council of 27 November 2019 on European business statistics, repealing 10 legal acts in the field of business statistics (OJ L 327, 17.12.2019).

[4] Article 5, Item (23), of Regulation (EU) No 952/2013 of the European Parliament and of the Council of 9 October 2013, laying down the Union Customs Code (recast) (OJ L 269, 10.10.2013).

[5] Article 5, Item (24), of the Regulation (EU) No 952/2013 of the European Parliament and of the Council of 9 October 2013, laying down the Union Customs Code (recast) (OJ L 269, 10.10.2013). Intrastat providers in the Republic of Croatia do not have to buy user applications. Instead, they can always use the free-of-charge ''Intrastat Excel Form'' or they can fill in the form in CIWS, also free of charge.

7. DATA NEEDED TO FILL IN THE INTRASTAT FORM

7.1. Data needed to fill in the Intrastat form

Traders will need the information listed in the following table for filling in the Intrastat form:

INFORMATION needed for filling in the Intrastat form	Trade flow D I S P A T C H E S	Trade flow A R R I V A L S
VAT ID number of purchaser/consignee (VAT ID number of EU partner to whom you dispatch the goods)	**YES**	**NO**
Commodity code (eight-digit code according to the valid Combined Nomenclature)	**YES**	**YES**
Description of goods (understandable description of commodity item)	**YES**	**YES**
Country of destination/consignment code (EU Member State code according to the valid Geonomenclature)	**YES**	**YES**
Delivery terms (three-letter acronyms according to INCOTERMS 2020)	**YES**	**YES**
Nature of transaction code (according to the Nature of Transaction Codebook)	**YES**	**YES**
Mode of transport code (according to the Mode of Transport Codebook)	**YES**	**YES**
Country of origin code (code of the country of the World according to the valid Geonomenclature)	**YES**	**YES**
Net mass (expressed in kilograms using three decimal places)	**YES**	**YES**
Quantity in supplementary unit (SU) (supplementary unit of measurement of the quantity of goods to be entered only if prescribed by the Combined Nomenclature for a particular commodity code)	**YES** if it is prescribed by Combined Nomenclature	**YES** if it is prescribed by Combined Nomenclature
Invoice value (value of goods presented in the invoice/estimated market value of goods expressed in euro as a whole number without using decimal places)	**YES**	**YES**

Table 2: Data needed to fill in the Intrastat form

7.2. Where to find data and codes needed to fill in the Intrastat form?

7.2.1. Codebooks

All codebooks *(Nature of Transaction Codebook, Mode of Transport Codebook, Delivery Terms Codebook, Combined Nomenclature and Geonomenclature)* are available for download in Excel format on:

  ↘ the official CBS webpage Državni zavod za statistiku - Codebooks (MS Excel format) (gov.hr)
  ↘ the CIWS webpage CIWS - Hrvatski Intrastat Web Servis (carina.hr)

Official versions of the **Geonomenclature** and the **Combined Nomenclature for 2024** are published in the Official Journal of the EU and can be downloaded in PDF format from the CBS website Državni zavod za statistiku – Codebooks (MS Excel format) (gov.hr) or from the CIWS website CIWS – Hrvatski Intrastat Web Servis (carina.hr).

7.2.2. Information on goods

Information on goods are listed on received/issued invoices, documents related to the transport of goods, warehouse dispatch/receipt notes, e-mail orders, delivery notes, packing lists, contracts (e.g., buying and selling contract, further processing contract, etc.) and similar documents. **Any documentation that contains information on goods** can be used for filling in the Intrastat form*.

Recommendation!
It is highly recommended to retain the documentation used for filling in the Intrastat form in line with determined deadlines as prescribed in the General Taxation Act (OG, Nos 115/16, 106/18, 121/19, 32/20, 42/20 and 114/22) and the Accounting Act (OG, Nos 78/15, 134/15, 120/16, 116/18, 42/20, 47/20, 114/22 and 82/23).

7.2.3. VAT ID number of consignee / purchaser from another Member State

It refers to a VAT identification number of the consignee in another Member State, which must be entered **exclusively for the trade flow DISPATCHES**.

In all cases where the consignee in the destination Member State is not a VAT payer and therefore does not have a VAT ID number, a special dummy code QV999999999999 (QV and 12 nines) is entered in this field.

In case of triangular transactions, if the final recipient of the goods is not known – it is allowed to enter the VAT ID number of the invoiced partner or the dummy code QV999999999999 if the invoiced partner is not a VAT payer on the EU territory.

8. HOW TO SUBMIT THE INTRASTAT FORM TO THE INTRASTAT SYSTEM

In order for reporting units/declarants to be able to submit Intrastat reports, it is necessary to carry out technical preparation.

8.1. Steps in technical preparation for Intrastat reporting

8.1.1. Step 1 – Getting digital certificates

Digital certificates for electronic signing of documents must be requested from FINA, an authorised issuer of certificates in The Republic of Croatia (Digital Certificates - Fina) or from authorised commercial banks in the Republic of Croatia.

- **If Intrastat reports are sent by providers of statistical information itself**, then it must obtain certificates for electronic signing of documents. The certificates are valid for the entrepreneur – provider of statistical information and for their employee.
- **If an agent sends Intrastat reports** (on behalf of a PSI), then the agent must obtain certificates for electronic signing of documents. The certificates are valid for the trader – agent and for the employee within the company that is the agent. In this case, the provider of statistical information does not have to obtain certificates at all, but the agent uses his certificates.
- **Companies based outside the Republic of Croatia (non-residents** with Croatian OIB**)** – can also act as a PSI/agent. In that case, they first have to **request to be assigned the Croatian OIB** (dodjeljivanje OIB-a (porezna-uprava.hr)), and only after that can they request, using their Croatian OIB, the issuance of an LCP certificate from FINA (Digital Certificates - Fina) for digital signing of documents.

Important!

The duration of digital signature certificates is limited. They are usually issued for the period of two years, after which they have to be renewed either in FINA or in a commercial bank. **Once the digital signature certificate is renewed**, PSIs/agents are obligated to **contact the Customs Administration – Intrastat Department** (+385 42 234 255; intrastat.helpdesk@carina.hr) in order to update their digital signature certificates in the Customs G2B service.

Example 4

The company X becomes the Intrastat provider and submits the Intrastat reports via an agent – the accounting company Y.

In this case, the accounting company Y has to obtain the digital certificate in FINA for the company Y and for the employee in the accounting company Y. The company X is not obliged to obtain the digital signature certificates at all.

8.1.2.   Step 2 – Registration in Customs Administration G2B service

Registration to the G2B service of the Customs Administration is made by the business entity that holds the digital signature certificate (as explained in Step 1), i.e., either the PSI or the agent. The registration/login to the G2B service of the Customs Administration is done on the official website of the Customs Administration (https://e-carina.carina.hr/).

Customer service and support is provided by the **Intrastat Helpdesk** (phone: +385 42 234 255, e-mail: intrastat.helpdesk@carina.hr), on working days from 07:30 to 15:30.

8.1.3.   Step 3 – Creating an Intrastat report

Traders are offered the following ways for generating the XML Intrastat reports:

↘ **via the CIWS** CIWS - Hrvatski Intrastat Web Servis (carina.hr), traders can fill in the Intrastat form online (and save it on their PCs, if they want to), or they can submit the Intrastat report directly through CIWS;

↘ by downloading the *Excel Intrastat form* **free of charge** on the CBS website Državni zavod za statistiku - Intrastat Guide (gov.hr) or on the CIWS website CIWS - Hrvatski Intrastat Web Servis (carina.hr). Traders fill in the Excel Intrastat form on their own PCs, after which they generate an XML file on their PCs (in that case, the CIWS is used to submit the form);

↘ via the user application[6] that enables traders to generate the Intrastat report in XML format

8.1.4.   Step 4 – submitting the Intrastat report into the Intrastat system

The Intrastat report can be submitted to the Intrastat System in several ways:

↘ **Online at CIWS**
    The Croatian Intrastat Web Service (**CIWS)** enables the submission of Intrastat reports irrespective of which operational system (Windows, Linux, Mac, etc.) or the Office package (MS Office, Open Office, Libre Office, etc.) traders use on their own PCs. CIWS enables traders:
-    to upload the Intrastat report **in XML format** from their PCs
-    to upload the Intrastat report **in CSV format** from their PCs.

↘ **Via own user applications/IT systems**

Provided that the functionality for submitting the Intrastat reports in XML format is already built in the application/IT system.

---

[6] **User applications** for Intrastat can be bought on the open market from vendors (private companies). Intrastat reporters in Croatia are not obliged to buy user applications, but can always use the free-of-charge Excel Intrastat form or fill in the form free of charge through CIWS.

> **Important!**
> If the trader uses the user application/IT system that enables only generating of the Intrastat report but not its submission into the Intrastat system, the Intrastat report has to be submitted through the CIWS service.

8.2. CROATIAN INTRASTAT WEB SERVICE (CIWS)

Link: CIWS – Hrvatski Intrastat Web Servis (carina.hr)

CIWS is a web service created for PSIs and agents in particular, but also for all other traders who can find relevant information regarding Intrastat surveys in the Republic of Croatia and on the possibility of submitting Intrastat reports to the Intrastat System of the Republic of Croatia in one place.

CIWS is technically built on a modern IT architecture using new IT technologies, making it an advanced multifunctional web tool. It allows PSIs and their agents to submit the Intrastat reports in a simple way. Online submission of Intrastat reports via CIWS increases the efficiency of the Intrastat System, while reducing at the same time the administrative burden on traders.

CIWS is an IT tool for electronic collection of Intrastat data created and developed in the Ministry of Finance – Customs Administration as a response to improvement challenges of the European Statistical System.

The development and implementation of the CIWS project in the Republic of Croatia was financed by the European Commission on the basis of the *European Statistics Action Grant: ESTAT-2019-PA6-G-Intrastat* under the theme *B4468-2019-Intrastat/Redesigned and modernised Intrastat System implementation.*

This project is funded by the European Union

CIWS is structured in two basic parts: cover page (Module 1) and service for filling in and submitting Intrastat forms (Module 2).

8.2.1. CIWS – Module 1: cover page

It is available to all traders, irrespective of whether they are Intrastat providers or agents or even if they are not Intrastat providers at all. It contains all general information on the Intrastat survey in the Republic of Croatia, information on the Intrastat System and Intrastat forms, the reporting methodology, detailed technical instructions for submitting the Intrastat reports, explanations presented in text or on pictures, etc.

8.2.2. CIWS – Module 2: service for filling in and submitting Intrastat reports

It is strictly intended for and available to traders (PSIs and agents) who actually submit the Intrastat reports due to the fact that the access to the Module 2 requires digital signature certificates and registration in Customs G2B service.

The CIWS is fully in line with the European legislation, providing for traders an abundance of functionalities, such as:

❯ online filling in of the Intrastat forms and submitting the Intrastat reports,

❯ warning if the fields in the online Intrastat form are not filled in correctly,

❯ uploading the Intrastat report **in XML format** from traders' PCs

❯ uploading the Intrastat report **in CSV format** from traders' PCs

❯ automatic feedback from the Intrastat System on the status of the submitted Intrastat report,

❯ updated RSS news on the status of the customs Intrastat System (available, not available, etc.),

❯ etc.

Technical instructions for submitting the Intrastat reports through CIWS are available on the CIWS webpage. Traders can contact the **Intrastat Helpdesk** for help and support:

INTRASTAT HELPDESK

E-mail: intrastat.helpdesk@carina.hr,
intrastat.prijava@carina.hr
intrastat@carina.hr
Phone: **+385 42 234 255**

8.3. Excel Intrastat form

Providers of statistical information with a smaller number of monthly items for reporting can use the Excel format of the Intrastat form. Data are entered manually in the Excel Intrastat form. On the basis of this Excel Intrastat form, the XML format of the Intrastat form is generated (the file that is submitted to the Intrastat system). The generated XML form is uploaded to the Intrastat system via CIWS – Croatian Intrastat Web Service.

The Excel Intrastat form can be downloaded free of charge on:

> **the CBS website** (Državni zavod za statistiku – Intrastat Guide (gov.hr))

https://dzs.gov.hr/highlighted-themes/intrastat-674/intrastat-guide/964

The Intrastat form (IF) is an electronical form in XML format. The XML format of the Intrastat form can be generated from:

■ An excel file of Intrastat form

PSIs reporting fewer number of monthly items can use the Excel format of the Intrastat form. Data are to be manually entered into the Excel Intrastat form. After entering the data, an XML format of the Intrastat form (i.e., a file to be submitted to the Intrastat System) is generated from the Excel Intrastat form. The generated XML form is uploaded into the Intrastat System via CIWS – the Croatian Intrastat Web Service.

■ Excel Intrastat form 2023 (ZIP file for download)
■ Instructions for completing the Intrastat form (PDF)

> **the CIWS website** (CIWS – Hrvatski Intrastat Web Servis (carina.hr)):

https://e-carina.carina.hr/ciws-public/en.html#nav-obrazac-sp

Excel Intrastat Form

Excel Intrastat Form is available for the PSIs whose Intrastat reports contain lesser number of items. Data in Excel Intrastat Form is entered manually. XML format of the Intrastat Form (file which is submitted to the Intrastat system) is generated from the Excel Intrastat Form after it is filled in with data.

Excel Intrastat Form 2022.

Excel Intrastat Form 2023.(EUR)

Guide for downloading and saving Excel Intrastat Form on your computer

The content of the Intrastat form is divided into two parts: Basic information and Items.

8.3.1. Basic information

Basic information regarding a PSI, type of the Intrastat form, calendar month for which the report is submitted and an agent (if any) is entered. Data in the column heading are referent data for all items pertinent to a specific month and the reported trade flow.

FIELD	DESCRIPTION
Field 0	**Flow of goods** (code 1 – trade flow arrivals or code 2 – trade flow dispatches)
Field 1	**Information on PSI** (name, address of headquarters, personal identification number – OIB)
Field 2	Reference period (month and year)
Field 3	**Total number of items** (not visible)
Field 4	**Information on agent** (name, address of headquarters, personal identification number – OIB)
Field 5	**Type of form** (I – Original form, N – Substitute form, O – Nil form, B – Deleting)
Field 6	**Reference number** (assigned by Intrastat System after the Intrastat report has been received)
Field 7	**Date** (not visible)

Table 3: Basic information in the Intrastat form

8.3.2. Items

Information on goods that are the subject of intra-EU trade is entered.

FIELD	DESCRIPTION
Field 8	**Item** (ordinal number of the item)
Field 9	**VAT ID number of the consignee/purchaser** (entered only for DISPATCHES – VAT ID number of the consignee in another Member State)
Field 10	**Commodity code** (eight-digit commodity code according to the Combined Nomenclature (CN)
Field 11	**Description of goods** (understandable unencrypted usual trade name of goods)
Field 12	**Country of destination/consignment** (Geonomenclature code of a partner EU Member State)
Field 13	**Delivery terms** (three-letter INCOTERMS parity code + delivery location code)
Field 14	**Nature of transaction** (nature of transaction code)
Field 15	**Mode of transport** (code of a mode of transport used to transport the goods over the Croatian border)

FIELD	DESCRIPTION
Field 16	**Country of origin** (Geonomenclature code of country of the goods' origin)
Field 17	**Net mass (kg)** (expressed in kilograms using **three decimal places**)
Field 18	**Quantity in supplementary unit (SU)** (only if the supplementary unit is determined by CN code measure unit)
Field 19	**Invoice value (EUR)** (value of goods according to the invoice expressed in EURO **without decimal places**)

Table 4: Goods items in the Intrastat form

8.4. Generating Intrastat reports from user applications

The Intrastat form is submitted to the Intrastat system in XML format. The .xml format of the Intrastat form can also be generated from user applications. The functionality of generating the Intrastat form must be in accordance with the defined structure and format of the fields, as well as the formal controls of the Intrastat form. The XML **format of the Intrastat form must be generated in accordance with the defined .xml schema**.

Format, structure of the fields and formal controls of the Intrastat form and corresponding .xml shema schema are available on:

➤ the CBS web page: Državni zavod za statistiku – Intrastat Guide (gov.hr))

🔒 https://dzs.gov.hr/highlighted-themes/intrastat-674/intrastat-guide/964

■ User applications
User applications with implemented functionality for electronic data exchange with e-Customs submit the generated .xml immediately to the Intrastat system.

XML IF generated from user applications without implemented functionality for submitting IF can be submitted with CIWS web application.
All user applications for generating Intrastat reports must contain defined field structure and format of the Intrastat Form and formal field controls. XML format of the Intrastat Form must be generated in line with the default .xml schema.

■ Structure of the Intrastat form fields (PDF)
■ .xml shema

➤ the CIWS web page: CIWS – Hrvatski Intrastat Web Servis (carina.hr)

🔒 https://e-carina.carina.hr/ciws-public/en.html#nav-korisnickeAplikacije-sp

User applications

In order to submit Intrastat Forms by electronic data exchange PSIs/agents may acquire applications available on the market or develop their own system capable of generating Intrastat reports and data exchange.

All user applications for generating Intrastat reports must contain defined field structure and format of the Intrastat Form and formal field controls. The field structure and format of the Intrastat Form, also formal field controls are defined in the document Intrastat form - structure and formal controls.

Xml. format of the Intrastat Form must be generated in accord with the default xml. schema.

9. DEADLINES FOR SUBMITTING INTRASTAT REPORTS

The Intrastat report is submitted on **monthly basis** to the Customs Intrastat system in the period **from 1st until not later than 15th day** in the month following the previous calendar month, irrespective of whether the 15th day is a working day or a non-working day.

DEADLINES FOR SUBMITTING INTRASTAT FORMS IN 2024	
Reference period	**Final submission deadline**
JANUARY 2023	**Thursday, 15 February 2024**
FEBRUARY 2023	**Friday, 15 March 2024**
MARCH 2023	**Monday, 15 April 2024**
APRIL 2023	**Wednesday, 15 May 2024**
MAY 2023	**Saturday, 15 June 2024**
JUNE 2023	**Monday, 15 July 2024**
JULY 2023	**Thursday, 15 August 2024**
AUGUST 2023	**Sunday, 15 September 2024**
SEPTEMBER 2023	**Tuesday, 15 October 2024**
OCTOBER 2023	**Friday, 15 November 2024**
NOVEMBER 2023	**Sunday, 15 December 2024**
DECEMBER 2023	**Wednesday, 15 January 2025**

Table 5: Deadlines for submitting the Intrastat reports in 2024

Important!

Deadlines for delivery of Intrastat reports are determined in accordance with Art. 45 of the Official Statistics Act (OG, No. 25/20), i.e. according to the Annual Implementation Plan of Statistical Activities of the Republic of Croatia (hereinafter referred to as: AIP). If the AIP has not been adopted yet, the deadlines are determined based on Art. 32 of the Customs Service Act (OG, Nos 68/13, 30/14, 115/16, 39/19 and 98/19), i.e. according to the Notification on the reporting obligation for Intrastat.

PART II – COMPLETING THE INTRASTAT FORM

10. INTRASTAT FORM FIELDS – FILLING THEM IN

In order for the Intrastat report to be successfully recorded in the Intrastat System of the Customs Administration, it is necessary to correctly fill in the fields in the Intrastat form. Namely, Intrastat forms that contain formal errors will be rejected by the Intrastat System.

Detailed instructions on how to correctly fill in each form field in the Intrastat form are given below:

INTRASTAT FORM FIELDS			
BASIC INFORMATION		**ITEMS**	
Field 0	Flow of goods	**Field 8**	Ordinal number of the item
Field 1	Information on PSI	**Field 9**	VAT ID number of consignee/purchaser of goods
Field 2	Reporting period	**Field 10**	Commodity code
Field 3	Total number of items	**Field 11**	Description of goods
Field 4	Basic information on agent	**Field 12**	Country of destination/consignment
Field 5	Type of form	**Field 13**	Delivery terms
Field 6	Reference number	**Field 14**	Nature of transaction
Field 7	Date	**Field 15**	Mode of transport
		Field 16	Country of origin
		Field 17	Net mass (kg)
		Field 18	Quantity in supplementary unit
		Field 19	Invoice value (EUR)

Table 6: List of fields of the Intrastat form in 2024

10.1. FIELD 0: Flow of goods

It means **the trade flow of goods** in respect of the physical movement of goods within the EU territory:

> ↘ **Code 1 – refers to trade flow ARRIVALS,**
> ↘ **Code 2 – refers to trade flow DISPATCHES.**

The term ARRIVALS means physical movement of goods from other EU Member States to Croatia (*the goods physically arrive in the Republic of Croatia, that is why it is called arrivals*). Selection of code 1 means that all items, which are listed in that Intrastat form, physically crossed the Croatian border when transported from other Member States to Croatia.

The term DISPATCHES means physical movement of goods from Croatia to other EU Member States (the Republic of Croatia physically dispatches/sends/delivers the goods, that is why it is called *dispatches*). Selection of code 2 means that all items, which are listed in that Intrastat form, physically crossed the Croatian border when transported from Croatia to other EU Member States.

Important!

If you are the Intrastat provider for BOTH TRADE FLOWS (for both arrivals and dispatches), explanations given above mean that you are obligated to submit two *Intrastat report*s a month: one *Intrastat report* for ARRIVALS and one Intrastat report for DISPATCHES.

10.2. FIELD 1: Information on PSI

A provider of statistical information (PSI) is every business entity who is obligated to pay VAT in the Republic of Croatia (which means that they hold a Croatian VAT ID number, irrespective of whether the headquarters of the business entity is located within or outside Croatia), trades in goods with other Member States and his/her intra-EU trade value exceeded the Intrastat System threshold. Business entities are informed on the obligation through the written "**Intrastat reporting Obligation Notice"**, sent by registered mail.

A business entity obligated to submit the Intrastat reports in Croatia is called a provider of statistical information (PSI).

While completing the Intrastat form, the following three (3) subfields have to be correctly filled in in field 1 "Information on PSI":

> ↘ **Field 1a: ID of the PSI (OIB is entered)**
> ↘ **Field 1b: PSI name**
> ↘ **Field 1c: PSI's headquarters address.**

10.3. FIELD 2: Reference period (changes in 2024!)

The reference period is the calendar month for which the Intrastat report is submitted. A numerical mark from 1 to 12, which denotes the declared calendar month, has to be entered into this field.

10.3.1. Basic provisions for determining the reference period

In order for PSIs to correctly determine the reference period for ARRIVALS or DISPATCHES, it is necessary to be familiar to the legal provisions prescribing how to do it. **Annex V, Chapter I, Section 5 of the Commission Implementing Regulation (EU) 2020/1197**[7] provides the following:

> **ANNEX V**
> Technical specifications for European statistics on international trade in goods including trade in goods by enterprise characteristics
> **CHAPTER I**
> Section 5
> **Reference period**
> 1. For the purposes of intra-Union trade in goods statistics, the reference period shall be:
> (a)   the calendar month in which the import or export takes place;
>
> (b)   the calendar month during which the chargeable event occurs for the Union goods on which VAT becomes chargeable on intra-Community supplies and acquisitions, as referred to in the Council Directive 2006/112/EC.
>
>   However, when the time lag between the import or the export of goods and the chargeable event is **longer than two calendar months**, the reference period shall be the month in which the import or export takes place; or
>
> (c)   the calendar month during which the declaration is accepted by customs where the customs declaration is used as data source.

In its guidelines, Eurostat[8] explains the term "reference period" for the official statistics purposes covering all cases of submitting Intrastat reports:

↘ **Interpretation of Annex V, Chapter I, Section 5, Paragraph 1, Item (a) of the Commission Implementing Regulation (EU) 2020/1197:**

> (a) the calendar month in which the import or export takes place;

It is applied to all goods that are not the subject of purchase or sale (except vessels, aircraft and successive shipments of goods which are subjects to special provisions), while, in relation to goods that are the subject of purchase or sale, it is applied only if the time lag between their import or the export and the taxable event is longer than two calendar months.

---

[7] Commission Implementing Regulation (EU) 2020/1197 of 30 July 2020 laying down technical specifications and arrangements pursuant to Regulation (EU) 2019/2152 of the European Parliament and of the Council on European business statistics repealing 10 legal acts in the field of business statistics (OJ L 271, 18 August 2020).

[8] Eurostat (Statistical Office of the European Union) is an integral part of the European Commission.

It relates to the calendar month within which <u>physical dispatch/physical arrival</u> of goods takes place, i.e. the month within which the goods physically entered/physically left the territory of the reporting EU Member State.

↘ **Interpretation of Annex V, Chapter I, Section 5, Paragraph 1, Item (b) of the Commission Implementing Regulation (EU) 2020/1197:**

> (b) the calendar month during which the chargeable event occurs for the Union goods on which VAT becomes chargeable on intra-Community supplies and acquisitions, as referred to in the Council Directive 2006/112/EC.
>
> However, when the time lag between the import or the export of goods and the chargeable event is **longer than two calendar months**, the reference period shall be the month in which the import or export takes place; or

It is a calendar month for which the goods are declared in tax forms.

It is applied for all goods subject to purchase or sale, which means that, in the same calendar month, the same goods are declared both in tax forms and in the Intrastat report. Precondition is that the requirements set in Art. 29 – 31 of the Croatian Value Added Tax Act[9] are met.

The proof of purchase/sale is a commercial invoice that is reported on tax forms.

In order to facilitate correct determining of reporting period according to the type of transaction for PSIs/agents, an integral part of this Guide are tables for determining reporting periods by nature of transaction (NoT) code:
  ➢ 17.8 APPENDIX 8 – Reporting period according to the nature of transaction code
  ➢ 17.9 APPENDIX 9 – Reporting period according to the nature of transaction code (abbreviated table)

Important!
In line with Eurostat recommendations and for easier comparison of Intrastat and tax data on the value of intra-EU trade in goods, it is **strongly recommended in 2024** (**and from 2025 it will be mandatory**) to report all goods that are subject to purchase/sale transactions (NoT 11, 12, 33, 34, 71 and 80), according to Annex V, Chapter I, Section 5, Paragraph 1, Item (b) of the Commission Implementing Regulation (EU) 2020/1197, every time when the time lag between the physical crossing of goods over the border and the date of issuing the invoice is shorter than (or equal to) two calendar months.

Example 5
On 3 January, EU supplier physically delivers goods to the Republic of Croatia, while the invoice for them is issued on 27 January.
For Intrastat, the arrival of goods needs to be reported in the Intrastat report for JANUARY (in line with the Annex V, Chapter I, Section 5, Paragraph 1, Item (b) of the Commission Implementing Regulation (EU) 2020/1197).

---

[9] The Value Added Tax Act (consolidated text, Official Gazette of the Republic of Croatia, Nos 73/13, 148/13,143/14, 115/16, 106/18, 121/19 and 138/20; Constitutional Court Decision Nos 99/13 and 153/13); link: Regulations – (porezna-uprava.hr)

On 3 January, EU supplier physically delivers goods to the Republic of Croatia, while the invoice for them is issued on 14 February.

For Intrastat, the arrival of goods needs to be reported in the Intrastat report for FEBRUARY, in line with the Annex V, Chapter I, Section 5, Paragraph 1, Item (b) of the Commission Implementing Regulation (EU) 2020/1197) – the calendar month during which the chargeable event occurs, for easier comparison between the Intrastat and VAT data.

↘ **Interpretation of Annex V, Chapter I, Section 5, Paragraph 1, Item (c) Commission Implementing Regulation (EU) 2020/1197:**

(c)   the calendar month during which the declaration is accepted by customs where the customs declaration is used as data source.

It is a calendar month during which the customs administration received (accepted) the customs declaration. It applies to goods subject to customs clearance such as non-EU goods (not reported to Intrastat) or non-EU goods subject to inward processing in several Member States (reported to Intrastat).

10.3.2.   Additional provisions for determining the reference period

In addition to basic provisions regarding the reference period, there are some specific goods or specific movements of goods for which the reference period for Intrastat reporting differs from the reference period mentioned above:

↘ **for vessels and aircraft**

Pursuant to **Annex V, Chapter III, Section 21, Paragraph 3, Item (a) of Commission Implementing Regulation (EU) 2020/1197,** the reference period for the purchase/sale of vessels and aircraft is the calendar month within which the transfer of <u>economic ownership</u> occurs.
In the case of processing of vessels/aircraft, the reference period is the month of their arrival/ dispatch.

ANNEX V
Technical specifications for European statistics on international trade in goods including trade in goods by enterprise characteristics
CHAPTER III
SPECIFIC GOODS OR MOVEMENTS
Section 21
Vessels and aircraft
3. For statistics on exports and imports of vessels and aircraft, the following provisions shall apply:

(a)   The reference period for exports and imports referred to in point (a), (b) and (c) of paragraph 2 shall be the month when the transfer of economic ownership takes place. The reference period for exports and imports referred to in paragraph 2(d) shall be the calendar month in which the import or export takes place.

> **↘ for staggered consignments**

The calendar month in which the last consignment arrives or is dispatched.

> **↘ for activities involving operational leasing**

The calendar month in which goods physically arrives in the Republic of Croatia from EU or is dispatched from the Republic of Croatia to EU (at the beginning of contracting, if the contract is planned to last for longer than two years) or the calendar month in which it becomes clear that the goods will stay in another EU Member State for more than two years.

10.4. FIELD 3: Total number of items

It means the total number of entered items in the Intrastat report referring to a defined reference period. It is filled in automatically at generating the XML file as a sum total items in the report.

10.5. FIELD 4: Basic information on the agent

This field has to be filled in only if the Intrastat report is submitted by an agent on behalf of the PSI. If the PSI submits the Intrastat report on its own, this field remains blank!

An agent is any business entity (e.g. dispatching company, accounting company, bookkeeping trade, etc.) to which the PSI has entrusted the monthly submission of the Intrastat reports on their behalf. If an agent submits the Intrastat report, four subfields must be filled in:

> ↘ **Field 4a: Agent's ID number** – it is necessary to enter the agent's OIB. If the agent is a non-resident and has no OIB, the EORI number is entered instead.

> > *Important!* The ID number that is entered here is the same ID number used for registration in the Customs G2B service (OIB or EORI number). This field consists of 2 places for a letter code of a country and 18 alphanumeric places (Geonomenclature + ID).

> ↘ **Field 4b: Agent's name**
> ↘ **Field 4c: Agent's address**
> ↘ **Field 4d: Agent's country of residence.**

10.6. FIELD 5: Type of form

One of the codes defining the type of the Intrastat form is entered here. There are four types of Intrastat form:

Code	Name of the Intrastat form
I	**Original** form
N	**Substitute** form
0	**Nil** (blank) form
B	Deletion of previously submitted form

Table 7: Types of Intrastat forms

10.6.1.   Code I – Original form

Designates the **Original form** for a particular reference period. Along with basic information, item fields for goods that are being reported are also entered into the Original form.

10.6.2.   Code 0 – Nil form

The **Nil form** contains basic information, but the fields referring to goods items are not filled in (a form without entered items). The Nil form is submitted in case the PSI did not trade in goods with other EU Member States in a particular reference period.

Notice! If the PSI who submitted the Nil form for a particular reference period should later on find out that there was trading in goods in that period – that PSI, after sending the Nil form, submits a Substitute form to the Intrastat system.

10.6.3.   Code N – Substitute form

The **Substitute form** entirely replaces the previously submitted Intrastat report for a particular month. The Substitute form is submitted in the following situations:

 When the PSI finds out that it has unintentionally submitted incorrect data (e.g. incorrect CN code, incorrect net mass value, incorrect value of goods, etc.). If the PSI determines that the initially submitted form contains incorrect data, it is obligated to send the Substitute form with correct data. The Substitute form has to be submitted in the same month as the original one, in accordance with the legal deadline.

 When the PSI, which is the provider only for one trade flow (arrivals **or** dispatches) receives a credit note from the EU supplier or issues a credit note to a purchaser (irrespective of the fact if goods are physically returned to the supplier or not);

 When the PSI, which is the Intrastat provider for both trade flows (arrivals **and** dispatches), receives a credit note from the EU supplier for goods that stay in Croatia (which means that the goods are not physically returned to the supplier in another Member State);

↘ When the PSI, which is the Intrastat provider for both trade flows (arrivals **and** dispatches) issues a credit note to EU purchasers for goods that stay in EU (which means that the goods are not physically returned to the Republic of Croatia);

The submission of the Substitute form after the 15th day in the month (or for previous months in a year) must be justified in methodological terms!

Example 7

The credit note was received in December, which grants a deduction/debit to the invoice issued in June.
The submission of the Substitute form for June in December is justified in methodological terms!

Example 8

A commercial invoice was received in December for goods purchased and physically arrived in Croatia in August.
The submission of the Substitute form for August in December is not methodologically justified because the goods should have already been reported in the Intrastat report on the basis of the delivery note or transport documentation, or any other document containing the goods data!

Example 9

The Original form for March was sent on 11 April to the Intrastat System. On 13 April, the PSI determined that the form contains an incorrect information on net mass. On 15 April, the PSI submits the Substitute form containing the corrected information on net mass.
The submission of the Substitute form for March on 15 April is justified in methodological terms!

Example 10

The Original form for March was sent on 11 April to the Intrastat System. On 17 April, the PSI determined that the form contains an incorrect information on net mass and sends the Substitute form on the same day with the corrected information on the net mass of goods.
The legal deadline for the submission of the Intrastat report is the 15th day in the month for the previous month. Although incorrect data in the Intrastat report were defined after the prescribed deadline, the PSI is obligated to submit the Substitute form for March with corrected data.

10.6.4. Code B – Deletion of previously submitted form

The B form deletes a previously submitted Original, Nil or Substitute form. It is used in exceptional cases, for example, if the PSI, by oversight, sent the report for DISPATCHES and listed goods items that actually ARRIVED. In such a case, all items are actually incorrect and there is no sense in correcting them; instead, it is much easier to completely delete such Intrastat report.

In the B form it is necessary to enter ID information to the header of the form and to put a letter B to the field 5, which will delete the previously submitted form.

If the PSI submitted the Nil form for a particular month and after that wants to submit a Substitute form – it is not necessary to use the B (deleted) form.

Important!
After sending a B form for a particular period, there is no active report in the Customs' Intrastat System for that particular month. It is therefore necessary to immediately send a new Original form or a new Nil form for the same month after the B form has been submitted.

10.7. FIELD 6: Reference number

The information system of the Customs Administration assigns a reference number to the Intrastat report after it passed formal field controls and was received into the system. This field is seen in the returned message received by the PSI on successful receipt of the form into the system.

10.8. FIELD 7: Date

This field is completed automatically and contains information on the date of filling in the Intrastat report in the information system of the Customs Administration.

10.9. FIELD 8: Ordinal number of the item

Items in the Intrastat form are marked with ordinal numbers. The ordinal number of the last entered item must be equal to the number of items in Field 3.

10.10. FIELD 9: VAT ID number of consignee/purchaser of goods

In this field, it is necessary to enter the VAT ID number of a trade partner from another Member State to whom the goods are dispatched/delivered. VAT identification number (abbr. VAT ID number) of a purchaser from partner Member State is usually entered by a seller on the invoice or contract.

VAT ID number of your EU partner is entered as a combination of a **letter Geonomenclature code of the Member State** (the code of the Member State who is a consignee is entered strictly IN CAPITAL LETTERS) **and numeric codes without blanks and punctuations.**

The exception is Greece, whose VAT ID number begins with the letter code 'EL', while the Geonomenclature code for Greece is **'GR'** *(Notice: the code GR may appear in the field "Country of destination/consignment" or in the field "Country of origin").*

> ⚠️ **Important!**
> Field 'VAT ID number of consignee/purchaser of goods' is entered in the Intrastat form solely for the trade flow DISPATCHES!
>
> In the Intrastat form for the trade flow ARRIVALS – this field remains blank!

The Geonomenclature code of the country in field 'VAT ID number of consignee/purchaser' will in most cases be the same as the Geonomenclature code in field 'Country of destination/consignment' except in the following cases:

10.10.1. VAT ID number of consignee/purchaser of goods during triangular transactions

Triangular transactions in which the seller from Croatia is **the first in the sequence** and therefore issues the invoice to the purchaser from EU Member State A, while at the same time physically dispatches the goods to the final consignee in EU Member State B. In such a situation, this is what needs to be entered in field 'VAT ID number of consignee/purchaser of goods':

↘ **If the final consignee in the destination EU Member State to whom the goods are physically dispatched/delivered is known**, then the VAT ID number of that final consignee is entered;

↘ **If the final consignee in the destination EU Member State to whom the goods are physically dispatched/delivered is not known**, then the **VAT ID number of the partner to whom you issue the invoice is entered**. At the same time, the field 'Country of destination/consignment' will be filled in with the Geonomenclature code of the Eu Member State to which the goods are physically transported from Croatia. This will clearly show that the dispatched/delivered goods are a subject of triangular transaction.

Example 11
A Croatian company sells goods to a company from Slovenia, which then resells the same goods to a purchaser from Hungary. The goods are directly dispatched from Croatia to the final purchaser in Hungary.
The Croatian company fills in the Intrastat form in the following way:
- If the Croatian company has information on the VAT ID number of the final consignee of goods in Hungary, then the Hungarian VAT ID number of the final consignee is entered (the code HU + eight digits);
- If the Croatian company has no information on the VAT ID number of the final consignee of the goods in Hungary, then the VAT ID number of the Slovenian purchaser to whom the Croatian company issues the invoice is entered in field 'VAT ID number of consignee/purchaser of goods' (the code SI + eight digits);

As for field 'Country of destination/consignment', the Geonomenclature code of Hungary (HU) is entered, which is the country to which the goods are physically transported from Croatia.

10.10.2. VAT ID number of consignee/purchaser of goods during dispatches of goods from the Republic of Croatia to a consignment/commission stock

Due to the fact that the final purchaser is unknown at that moment, VAT ID number of a holder of a consignment/commission stock located in a partner Member State is to be entered.

10.10.3. VAT ID number of consignee/purchaser of goods during dispatches of goods from the Republic of Croatia to own distribution stock

If a PSI from Croatia is registered for VAT purposes in the destination EU Member State where the PSI holds its own distribution stock, i.e., if the PSI has the VAT ID number in the destination EU Member State, the VAT ID number assigned in the destination Member State is to be entered in this field.
If the PSI from the Republic of Croatia does not have the VAT ID number of in the destination EU Member State, then the VAT ID number of a holder of the stock in the destination EU Member State is to be entered.

10.10.4. VAT ID number of consignee/purchaser of goods during dispatches of goods from the Republic of Croatia to another EU Member State for processing

VAT ID number of the company that processes the goods (the processor company) in that EU Member State is entered, irrespective of whether the goods are going to be returned to Croatia or delivered to another country after processing. The processor company will issue an invoice for the service which must contain its VAT ID number.

If the Croatian PSI is registered for VAT purposes in the EU Member State in which processing will take place, then its own VAT ID number issued in the processor's EU Member State has to be entered in this field.

10.10.5. VAT ID number of consignee/purchaser of goods during dispatches of goods from the Republic of Croatia to a purchaser who is a private consumer (citizen)

If you dispatch/sell goods to a private customer located in another EU Member State who does not have a VAT ID number, then you have to enter a dummy code **QV999999999999** (a letter code QV and 12 nines).

10.10.6. What if the VAT ID number of the consignee/partner in another EU Member State is unknown for reasons not mentioned here?

If the VAT ID number of the EU partner, i.e. the consignee of goods in the destination Member State, is unknown for any reason not foreseen in this Guide, then the dummy code **QV999999999999** is entered to this field (a letter code QV and 12 nines).

Examples of possible situations: EU partner does not have a VAT ID number or you report the dispatch of a low value consignment classified in CN code 9950 0000[10], etc.

10.11. FIELD 10: Commodity code (Combined Nomenclature)

An eight-digit commodity code according to the currently valid Combined Nomenclature (abbr. CN) is entered. CN is a tariff and statistical EU classification of commodities. Every calendar year in October, the European Commission adopts an implementing regulation that defines the valid CN for the next calendar year. The Combined Nomenclature is a legal act **binding for all EU Member States.**

The Combined Nomenclature for 2024 was published in the Official Journal of the European (OJ L 2023/2364, 31.10.2023) under the title *Commission Implementing Regulation (EU) 2023/2364 of 26 September 2023.* It is going to be implemented from 1 January 2024 to 31 December 2024 for the purpose of filling in the Intrastat forms.

---

[10] A low value consignment is described in detail in Chapter 10.11.2. of this Guide.

10.11.1. How to correctly classify goods according to the Combined Nomenclature?

The goods are classified in CN exclusively according to **general rules** and **notes** (notes accompanying sections, notes accompanying chapters, notes accompanying subheadings and additional notes) and in no other way whatsoever.

Every person who submits the Intrastat report is obligated to correctly classify all arrived/dispatched goods according to the valid Combined Nomenclature in line with:
- ↘ general rules for the interpretation of the Combined Nomenclature,
- ↘ notes accompanying sections,
- ↘ notes accompanying chapters,
- ↘ notes accompanying subheadings and
- ↘ additional notes.

General rules for the interpretation of the Combined Nomenclature have to be strictly implemented in order in which they are listed (e.g., goods are classified in CN according to the General Rule 3a only if the General Rule 1 or 2 cannot be implemented, etc.). Having in mind that the PSI has the documentation on goods, which contains the description of goods, purpose and other important characteristics, it is necessary to implement, based on detailed information on goods (according to the documentation), a corresponding general rule on classifying of goods:

GENERAL RULE (GR)	GENERAL RULE – description
GR 1	The titles of sections, chapters and subchapters are provided for ease of reference only. For legal purposes, classification shall be determined according to the terms of the headings and any relative section or chapter notes and, **provided** that such headings or notes do not require otherwise, according to the following provisions.
GR 2	**a)** Any reference in a heading to an article shall be taken to include a reference to that article incomplete or unfinished, provided that, as presented, the incomplete or unfinished article has the essential character of the complete or finished article. It shall also be taken to include a reference to that article complete or finished (or falling to be classified as complete or finished by virtue of this rule), presented unassembled or disassembled.
	b) Any reference in a heading to a material or substance shall be taken to include a reference to mixtures or combinations of that material or substance with other materials or substances. Any reference to goods of a given material or substance shall be taken to include a reference to goods consisting wholly or partly of such material or substance. The classification of goods consisting of more than one material or substance shall be according to the principles of rule 3.
GR 3	When, by application of rule 2b) or for any other reason, goods are prima facie classifiable under two or more headings, classification shall be effected as follows:
	a) the heading which provides the most specific description shall be preferred to headings providing a more general description. However, when two or more headings each refer to part only of the materials or substances contained in mixed or composite goods or to part only of the items in a set put up for retail sale, those headings are to be regarded as equally specific in relation to those goods, even if one of them gives a more complete or precise description of the goods;
	b) mixtures, composite goods consisting of different materials or made up of different components, and goods put up in sets for retail sale, which cannot be classified by reference to 3a), shall be classified as if they consisted of the material or component which gives them their essential character, in so far as this criterion is applicable;

	c) when goods cannot be classified by reference to 3a) or 3b), they shall be classified under the heading which occurs last in numerical order among those which equally merit consideration.
GR 4	Goods which cannot be classified in accordance with the above rules shall be classified under the heading appropriate to the goods to which they are most akin.
GR 5	In addition to the foregoing provisions, the following rules shall apply in respect of the goods referred to therein: **a)** camera cases, musical instrument cases, gun cases, drawing-instrument cases, necklace cases and similar containers, specially shaped or fitted to contain a specific article or set of articles, suitable for long-term use and presented with the articles for which they are intended, shall be classified with such articles when of a kind normally sold therewith. This rule does not, however, apply to containers which give the whole its essential character; **b)** subject to the provisions of rule 5a), packing materials and packing containers presented with the goods therein shall be classified with the goods if they are of a kind normally used for packing such goods. However, this provision is not binding when such packing materials or packing containers are clearly suitable for repetitive use.
GR 6	For legal purposes, the classification of goods in the subheadings of a heading shall be determined according to the terms of those subheadings and any related subheading notes and, mutatis mutandis, to the above rules, on the understanding that only subheadings at the same level are comparable. For the purposes of this rule, the relative section and chapter notes also apply, unless the context requires otherwise.

Table 8: General rules for classification of goods in the Combined Nomenclature

> **Important!**
> The Combined Nomenclature for 2024 is available on the official CBS website Državni zavod za statistiku – Codebooks (MS Excel format) (gov.hr) and on the CIWS website CIWS – Hrvatski Intrastat Web Servis (carina.hr) in two formats, PDF and Excel:

- **Combined Nomenclature 2024 in PDF forma**t – it is the official version of CN for 2024 which must be used when filling in the Intrastat form and contains all necessary notes for classifying as well as the general rules for using the Combined Nomenclature;

- **Combined Nomenclature 2024 in Excel format** – it is a **non-official abbreviated version of CN** for 2024, which is useful only to persons who are familiar with the system of the Combined Nomenclature and know how to correctly classify goods. Since the Excel version of CN is not a legal act, you are obligated to check if codes are correct in the PDF version of CN for 2024.

- **Combined Nomenclature 2024 full headings in Excel format** – it is also a **non-official abbreviated version of CN** for 2024 with full headings and containing only eight-digit codes (excluding the previous levels of breakdown). If this CN version is used, PSI is obligated to check in the official PDF version of the Combined Nomenclature 2024 (OJ L 2023/2364, 31.10.2023) if the CN codes in Excel version are correct.

Recommendation! As an additional favour to your EU partners and aimed at boosting the quality of statistical data, it is recommended that you add an eight-digit CN code for goods on commercial invoices you issue. Thus, you can help your EU purchasers (who are Intrastat providers in other Member States) save the time needed to correctly classify the goods!

10.11.2. Special codes of the Combined Nomenclature as a simplification measure for reporting (new since 2024!)

In line with the general objective of modernisation of ESS[11], reduction of administrative burden on traders, is seen as a priority in statistical surveys at the EU level, maintaining at the same time a high level of quality of statistical data.
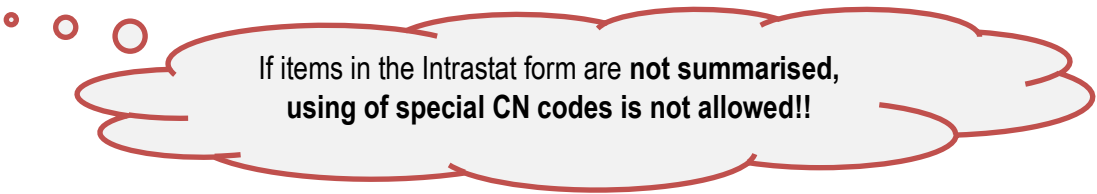
In accordance with Annex V, Chapter IV, Section 31 of Commission Implementing Regulation (EU) 2020/1197, various simplification measures for PSIs are prescribed in order to simplify the Intrastat reporting. This means that simplified Intrastat reporting vary in different EU Member States, depending on which simplification measure a particular national statistical authority decides to apply.

Detailed information on simplification measures is available in Chapter 11.1 Simplifications in the Intrastat System of the Republic of Croatia (new since 2024!).

As of 1 January 2024, two new Combined Nomenclature codes are going to be introduced into the Croatian Intrastat system as simplification measures within the Intrastat surveys in the Republic of Croatia, while the definition of the existing simplified CN code 9950 0000 has been extended and collective limitations from previous years per Intrastat form cancelled:

- ↘ **New CN code 9990 87 00** – for parts of motor vehicles (value not exceeding EUR 1 000 per invoice item)

- ↘ **New CN code 9990 88 00** – for parts of airplanes (value not exceeding EUR 1 000 per invoice item)

- ↘ **Existing CN code 9950 00 00** – in addition to **small value consignments** (total value of the invoice not exceeding EUR 1 000), it can also be applied to small value items (item value in the invoice not exceeding EUR 1 000)

Using special CN codes (9990 87 00, 9990 88 00, 9950 00 00) is optional. If the PSI/agent uses special CN codes in the Intrastat form – it is **mandatory to summarise such goods items in the Intrastat form according to summarising rules** (connection: summarising of items in the Intrastat form).

> If items in the Intrastat form are **not summarised,
> using of special CN codes is not allowed!!**

Important!
If using simplified CN codes 9950 00 00, 9990 87 00 and 9990 88 00 results in reduced quality of statistical data for a particular PSI or for a particular type of goods, as well as in case of suspicion on misuse, CBS and/or Customs Administration can forbid the use of simplified codes to such PSIs until further notice or for the specified period of time.

---

[11] ESS – European Statistical System

10.12. FIELD 11: Description of goods

This field is to be completed with the usual trade name of the goods, which must be **precise enough to ensure a clear identification** in line with codes of the Combined Nomenclature. If the usual trade name does not clearly identify the type of goods or if it does not ensure precise classification of goods according to the Combined Nomenclature – then it is necessary to add information on the type of material, processing, purpose or any other fact that can describe the type of goods more precisely (e.g., a car – a general term that does not clearly indicate the correct CN code).

Important!
For dispatches or arrivals of vessels, the <u>name of the vessel</u> must be stated!
When completing this field, it is not allowed to copy the description from the Combined Nomenclature and neither it can include special characters (-, /, !, „ ", #, $, %, &, etc.). The description of goods is to be written in the Croatian language and <u>up to 400 characters</u> can be entered.

Example 12
A *PSI from Croatia sells a new minibus to a Bulgarian company, where goods are physically dispatched from Croatia to Bulgaria. This is a new minibus with a diesel engine (cylinder capacity is 3 000 cm^3) and 12 seats.*
Prior to completing the field 11 (Description of goods), it is necessary to pay attention to the commodity code in the Combined Nomenclature for that minibus. The correct CN code in this example is 8702 10 11:

8702	Motor vehicles for the transport of ten or more persons, including the driver:		
8702 10	– With only compression-ignition internal combustion piston engine (diesel or semi-diesel):		
	–– Of a cylinder capacity exceeding 2 500 cm³:		
8702 10 11	––– New	16	p/st
8702 10 19	––– Used	16	p/st
	–– Of a cylinder capacity not exceeding 2 500 cm³:		
8702 10 91	––– New	10	p/st
8702 10 99	––– Used	10	p/st

Incorrect description of goods: 'minibus'
The description of the goods is too general, there is no certain information whether it is a new or a used vehicle, or what kind of engine is in question: diesel, petrol, etc. – so such a general description does not allow for the correct identification by the CN code.

Correct description of goods: 'New 12-seater minibus with diesel engine and cylinder capacity of 3 000 ccm'
The description of the goods is accurate and clear, although long – this is why it is possible to enter up to 400 characters in field 11.

10.13. FIELD 12: Country of destination/consignment

This field is to be completed by entering the code of the Member State to which goods are physically dispatched from Croatia *(*country of destination*)*, or code of the Member State from which the goods are physically delivered to Croatia *(*country of consignment*)*. Codes of Member States can be downloaded from the <u>Geonomenclature</u> that is available on the CBS website (link: <u>Državni zavod za statistiku - Codebooks (MS Excel format) (gov.hr)</u>) and on CIWS website (link: <u>CIWS - Hrvatski Intrastat Web Servis (carina.hr))</u>

The name of field 12 'County of destination/consignment' is interpreted in the following way:

When filling in the Intrastat form for <u>ARRIVALS</u> – Code of country of consignment is to be read, while the word "destination" is neglected because we know that the country of destination is Croatia and we want to know the Member State from which goods have been dispatched.

When filling in the Intrastat form for <u>DISPATCHES</u> – Code of country of destination is to be read, while the word "consignment" is neglected because we know that the country of consignment is Croatia and we want to know the Member State to which goods are to be dispatched.

> **Important!**
> ↘ The following geo-codes may appear on the Intrastat form in the 'Country of destination/consignment' field: AT, BE, BG, CY, CZ, DE, DK, EE, FI, FR, GR, HU, IE, IT, LV , LT, LU, MT, NL, PL, PT, RO, SK, SI, ES, SE, XI.
> ↘ The **code "GR"** stands for Greece (it is not allowed to enter the code "EL").
> ↘ The **code "XI"** stands for Northern Ireland (it is not allowed to enter the code "GB").

10.14. FIELD 13: Delivery terms

It consists of two subfields: delivery terms and place of delivery.

10.14.1. Subfield: <u>Delivery terms</u>

It is specified according to the INCOTERMS three-letter codes. The parity, i.e. the term of delivery, has to correspond the delivery parity agreed for a particular commodity item between a buyer and a supplier.

As a rule, the supplier enters the delivery parity on the invoice, but it can also be previously agreed and specified in the sales contract, in which case the delivery term will not be stated on individual bills. In exceptional cases, the seller will not specify the parity either on the bill or in the Terms – then the parity that best corresponds to orally agreed delivery terms of goods is selected.

INCOTERMS (*International Commercial Terms*) are international rules (other names: Incoterms delivery clauses/delivery parities/delivery terms) that regulate legal and economic relations between buyers and sellers in international trade regarding the transfer of risks and costs at the delivery of goods from one contract party to another. Incoterm delivery terms define the responsibility of sellers and buyers in regards to individual costs and risks, and when the responsibility of the seller is to be transferred to the buyer. Incoterms rules are harmonised with international rules for interpreting trade terms of the International Chamber of Commerce, whose authenticity is recognised even by commercial courts. Incoterm parities are revised every 10 years. The latest edition is **INCOTERMS 2020**.

There are four Incoterms categories (E, F, C, D), in which each category indicates a different degree of the seller's liability related to the delivery.

Delivery terms according to INCOTERMS			
CATEGORY E	**CATEGORY F**	**CATEGORY C**	**CATEGORY D**
(**EXW**)	**(FCA, FAS, FOB)**	**(CFR, CIF, CPT, CIP)**	**(DPU, DAP, DDP)**
The **seller** makes the goods available at his own premises to the buyer The **buyer** takes over the goods from the seller	The **seller** delivers the goods at his own premises to the buyer. The **buyer** takes over the goods from the seller	The **seller** is responsible for contracting and paying for carriage of the delivered goods, but he is not responsible for additional costs and risks related to the goods once they have been shipped. The **buyer** takes over the goods at the named place of destination.	The **seller** delivers the goods at the buyer's premises. He is responsible for all costs and risks related to delivering the goods to the named place of destination. The **buyer** takes over the goods at his own premises from the carrier.

Table 9: INCOTERMS parity categories

Notice!

INCOTERMS rules are recommended rules on internationally accepted common trade practice. There is no prescribed legal obligation to use INCOTERMS parity in international traffic, but they are useful to all parties involved in the purchase and sale business in case of possible legal misunderstandings. The International Chamber of Commerce[12] is responsible for the professional interpretation of INCOTERMS rules, while in Croatia the interpretations are issued by the ICC – Croatian Chamber of Commerce[13].

Delivery Terms Codebook according to INCOTERMS 2020 is available on the CBS webpage Državni zavod za statistiku – Codebooks (MS Excel format) (gov.hr) , on the CIWS webpage CIWS – Hrvatski Intrastat Web Servis (carina.hr), and it is a constituent part of this Guide (PART FOUR – APPENDICES).

10.14.2. Subfield: Place of delivery

Denotes a place where costs and risks are transferred from the supplier to the buyer. One of the following codes is to be entered here:

> ⭨ **Code 1** – denotes the territory of the **Republic of Croatia**

> ⭨ **Code 2** – denotes the territory of another **Member State**

> ⭨ **Code 3** – denotes the **non-EU territory**.

---

[12] International Chamber of Commerce – ICC: ICC | *International Chamber of Commerce* (iccwbo.org)

[13] ICC – Croatian Chamber of Commerce ICC // Hrvatska (hgk.hr)

Place of Delivery Codebook according to INCOTERMS 2020 codes is available on the CBS webpage Državni zavod za statistiku – Codebooks (MS Excel format) (gov.hr), on the CIWS webpage CIWS – Croatian Intrastat Web Service (carina.hr), and it is also a constituent part of this Guide (PART FOUR – APPENDICES).

10.15. FIELD 14: Nature of transaction (NoT)

A corresponding nature of transaction code is to be entered in this field. Nature of transaction code has two digits and denotes a **transaction type** according to which a particular goods item was traded. The type of transaction can be, for example, a purchase transaction, delivery of goods without payment (free shipments), transfer of own goods to a warehouse in another Member State, etc.

In accordance with **Commission Implementing Regulation (EU) 2020/1197**, all Member States have obligation to apply the new nature of transaction codes in the Intrastat reports.

COMMISSION IMPLEMENTING REGULATION (EU) 2020/1197 of 30 July 2020 laying down technical specifications and arrangements pursuant to Regulation (EU) 2019/2152 of the European Parliament and of the Council on European business statistics repealing 10 legal acts in the field of business statistics (OJ L 271 of 18 August 2020). **ANNEX I** Elements of data to be transmitted for the detailed topics ***Part C. Classifications*** **Table 1. Nature of transaction breakdown**	

	A		B
1.	Transactions involving actual change of ownership with financial compensation	**1.**	Outright sale/purchase except direct trade with/by private consumers
		2.	Direct trade with/by private consumers (incl. **distance sale**)
2.	Return and replacement of goods free of charge after registration of	**1.**	Return of goods
		2.	Replacement for returned goods

51

	the original transaction	3.	Replacement (e.g. under warranty) for goods not being returned
3.	Transactions involving intended change of ownership or change of ownership without financial compensation	1.	Movements to/from a warehouse (excluding call-off and consignment stock)
		2.	Supply for sale on approval or after trial (**including call-off and consignment stock**)
		3.	Financial leasing
		4.	Transactions involving transfer of ownership without financial compensation
4.	Transactions with a view to processing under contract (not involving change of ownership)	1.	Goods expected to return to the initial Member State/country of export
		2.	Goods not expected to return to the initial Member State/country of export
5.	Transactions following processing under contract (not involving change of ownership)	1.	Goods returning to the initial Member State/country of export
		2.	Goods not returning to the initial Member State/country of export
6.	Particular transactions recorded for national purposes		
7.	Transactions with a view to/following customs clearance (not involving change of ownership, related to goods in **quasi-import or export)**	1.	Release of goods for free circulation in a Member State with a subsequent export to another Member State
		2.	Transportation of goods from one Member State to another Member State to place the goods under the export procedure
8.	Transactions involving the supply of building materials and technical equipment under a general construction or civil engineering contract for which no separate invoicing of the goods is required and an invoice for the total contract is issued		
9.	Other transactions which cannot be classified under other codes	1.	Hire, loan, and operational leasing longer than 24 months
		9.	Other

Table 10. Nature of transaction codes

The Nature of Transaction Codebook is available for download on the website Državni zavod za statistiku – Codebooks (MS Excel format) (gov.hr) and CIWS-a CIWS – Hrvatski Intrastat Web Servis (carina.hr), and it is also an integral part of this Guide (PART IV – APPENDICES).

10.16. FIELD 15: Mode of transport

In this field, it is necessary to enter the code of the transportation by which the goods physically crossed the Croatian border. For example: road transport (code 3), air transport (code 4), sea transport (code 1), railway transport (code 2), etc. In cases where there are several different modes of transportation, only the code of the transportation in which the goods crossed the Croatian border is to be entered.

10.16.1. Mode of Transport code 5 – postal consignment

Mode of transport *code 5 – "postal consignment"* is applied in cases of arrivals/dispatches of postal consignments accompanied by the following notes:

- �’ If the active mean of transport of the postal consignment is known to PSI (e.g., by truck), then the mode of transport code corresponding to the known active mean is entered (e.g., 3 – road transport) in the Intrastat form.

- ➘ If the active mean of transport of the postal consignment is not known to PSI, then the mode of transport code 5 – postal consignment is to be entered in the Intrastat form.

> **Important!**
> The mode of transport code 5 is only allowed for postal consignments weighting **up to 1 000 kg** (a thousand kilograms). For consignments weighting more than 1 000 kg it is necessary to accurately determine the mode of transportation.

10.16.2. Mode of transport code 7 – fixed transport installations

Mode of transport code 7 – fixed transport installations can only be used for the following Combined Nomenclature codes:

- ➘ **2201** – Waters, incl. natural or artificial mineral waters and aerated waters, not containing added sugar, other sweetening matter or flavoured; ice and snow

- ➘ **2709** – Petroleum oils and oils obtained from bituminous minerals, crude

- ➘ **2710** – Petroleum oils and oils obtained from bituminous minerals (excl. crude); preparations containing >= 70% by weight of petroleum oils or of oils obtained from bituminous minerals, these oils being the basic constituents of the preparations, n. e. s.; waste oils containing mainly petroleum or bituminous minerals,

- ➘ **2711** – Petroleum gas and other gaseous hydrocarbons,

- ➘ **2716** – Electrical energy (**reported exclusively with mode of transport code 7**)

- ➘ **2804** – Hydrogen, rare gases and other non-metals.

10.16.3. Mode of transport code 9 – own propulsion

Mode of transport code 9 – own propulsion is applied in cases of purchase/sale of transport means (e.g. car, aircraft, bus etc.), whereby the goods are not delivered/dispatched (carried) on other mean of transport but under their own propulsion and may only be used for certain Combined Nomenclature codes of Chapters 86, 87, 88 and 89.

Important!
In the case of incorrect use of mode of transport codes, the Customs Administration will request the correction of items and the submission of the Substitute Intrastat report.

The code book with Nature of transaction codes is available for download on the website of the Državni zavod za statistiku – Codebooks (MS Excel format) (gov.hr) and CIWS CIWS – Hrvatski Intrastat Web Servis (carina.hr), and it is also an integral part of this Guide (PART IV – APPENDICES).

10.17. FIELD 16: Country of origin

The "Country of origin" field must be filled in for both trade flows: for ARRIVALS and for DISPATCHES. A corresponding **Geonomenclature code of the country of the world** whose origin the goods acquired is to be entered in this field.

The country of origin is determined according to the Rules of Origin[14]. It is the country in which the goods are wholly produced or the last substantial transformation took place.

The goods in the production of which several countries participated are considered to originate from the country in which it was subjected to the last substantial, economically justified processing/transformation, which resulted in the production of the new product or is considered to be a substantial production stage. The origin of the goods can be changed only by processing or transformation. No other procedure (e.g. sale/purchase, return of goods, etc.) will not change the origin of goods.
Moreover, the duration of use of the commodity does not change its origin, even when its tariff number has changed (e.g., used cars). This is the reason why it is possible for a non-EU country Geonomenclature code to appear in the Intrastat report and it is also allowed to use the codes QW/QV prescribed by the Geonomenclature.

Important!

↘ **For the trade flow ARRIVALS**

When the country of origin cannot be correctly determined, it is allowed to enter the code of the Member State from which the goods have been physically dispatched to Croatia!

↘ **For the trade flow DISPATCHES**

PSIs are expected to enter the accurate country of origin. The country of origin code "HR" in the Intrastat report for dispatches is used in case when goods have been produced in Croatia or the last substantial transformation of goods took place in Croatia. In all other situations (e.g., the

---

[14] **Rules for determining the origin of goods** are regulated by customs legislation. Detailed explanations are available on the following link: https://carina.gov.hr/podrijetlo-robe/2502

product is assembled from parts of various origin), it is necessary to accurately define the country of origin according to the Rules of Origin.

↘ **For goods originating from United Kingdom**

- if the goods are originating from Northern Ireland (as part of the United Kingdom) – the **code XI** is entered
- if the goods are originating from Great Britain, Channel Islands and Isle of Man (as remaining part of the United Kingdom) – the **code XU** is entered
- the code GB is not allowed to be entered in the Intrastat form

↘ **For goods originating from Greece** – the Geonomenclature **code GR** is entered (the code EL is not allowed to be entered in this field)

↘ **For goods originating from Serbia** – the Geonomenclature **code XS** is entered (the code RS is not allowed to be entered in this field)

↘ **Code „EU" is not allowed to use in Intrastat form!**

The Geonomenclature codebook is available for download on the website of the Central Bureau of Statistics**:** Državni zavod za statistiku – Codebooks (MS Excel format) (gov.hr), and CIWS: CIWS – Hrvatski Intrastat Web Servis (carina.hr) **.**

10.18. FIELD 17: Net mass

Net mass is the weight of goods without packaging expressed **in kilograms using three decimal places**. Exception is electricity for which the net mass is not recorded but the quantity in supplementary unit expressed in megawatts.

If the information on net mass is not available, it has to be determined as accurate as possible using the "**Conversion factors for net mass estimation"** (available on the CBS webpage: Državni zavod za statistiku – Intrastat, and on the CIWS webpage: CIWS – Hrvatski Intrastat Web Servis (carina.hr).

Example 16
If data on LITRES of wine are needed to be converted to data on net mass expressed in KILOGRAMS, it can be done in the following way:
- To determine the exact CN code (of wine) from the Combined Nomenclature – let us take as an example the CN code 2204 21 23 White wines produced in Tokaj (*e.g. Aszu, Szamorodni, Máslás, Fordítás, in containers holding <= 2 l and of an actual alcoholic strength of <= 15% vol, with PDO (excl. sparkling wine and semi-sparkling wine)*)
- CN code 2204 21 23 prescribes data in SU according to the code 33
- Code 33 refers to LITRES, according to the Annex 10 'Supplementary unit'
- Open 'Conversion factors for net mass estimation' and find CN code 2204 21 23
- According to the code 2204 21 23, conversion factor is 0.9750
- Let us take an example of arrival/dispatch of the total of 25 112 litres of wine and that all 25 112 LITRES of wine refer to the CN code 2204 21 23.
- 25 112 LITRES * 0.9750 = 24 484.2 kg

Besides for the calculation of net mass, Conversion factors are used for the calculation of value of goods per kilogram. The column "**Conversion factor for value per kilogram**" is used when the goods, for which the exact value is not known at the moment of compiling the Intrastat report, are to be declared.

Example 17

Tokaj wine (from the previous example) has arrived at the consignment warehouse (NoT 12). The goods have arrived with the supporting bill of lading and CMR (there is no invoice stating the value of the goods). The type of goods is stated on the bill of lading (wine Tokaj).

The following actions are to be taken:

- Determine the net mass – let us assume that it is 24 484.2 KILOGRAMS (we do not use data on litres because we need data on kilograms, i.e., the net mass in kilograms).
- The goods are to be classified according to the eight-digit CN code: 2204 21 23.
- According to the CN code 2204 21 23, the conversion factor is 2.40552487899674 (rounded, 2.41). It concerns the value expressed in euro!!!
- Since we want to calculate the value of the goods, we have to multiply 24 484.2 kg by conversion factor 2.40552487899674 = 58 897.35224233198 (rounded, 58 897.35 euro).
- Therefore, the invoice value of the total amount of the received Tokaj wine is 58 897.35 euro.

10.19. FIELD 18: Quantity in Supplementary Unit

The Combined Nomenclature is needed for completing this field.

The quantity of goods in stipulated supplementary unit using three decimal places is to be entered, **but only if the supplementary unit is prescribed by the Combined Nomenclature**. Specifically, the supplementary unit is prescribed in the Combined Nomenclature only for a particular type of goods (see the fourth column of the Combined Nomenclature).

If the supplementary unit is not stipulated in the Combined Nomenclature for a particular type of goods, or if it concerns the specific movement of goods (industrial plants, goods delivered to vessels and aircrafts and offshore installations), this field in Intrastat form is to remain blank!

10.20. FIELD 19: Invoice value (IV)

In this field, the value of goods expressed in Croatian official currency (euro since 1 January 2023) is entered as a **whole number** without decimal places.

Invoice value means the value of sold or purchased goods expressed on the invoice. IV does not include VAT or other taxes. If there is no invoice, the invoiced value should be estimated on the basis of the amount which would have been invoiced in the case of sale or purchase of identical or similar goods.

Important!

➢ **YES –** invoice value includes additional costs such as freight costs, packaging, loading, reloading, and/or insurance only if included in the invoice value and stated **on the same invoice** as the goods.

➢ **NO –** if the mentioned additional costs such as freight costs, packaging, loading, reloading, and/or insurance are stated **on the separate invoice** – then they are not included in invoice value of the goods in the Intrastat form.

If the value of the goods on the invoice is shown in a foreign currency (different from euro), the invoice value is recalculated using the corresponding official exchange rate list of the CNB. The mean exchange rate of the official exchange rate list of the CNB for euro is used in relation to other currencies (Exchange rate list – CNB).

The invoice value related to processing activities is expressed in the following way:

ARRIVALS/DISPATCHES OF GOODS TO PROCESSING	ARRIVALS/DISPATCHES OF GOODS AFTER PROCESSING
• Goods or raw materials remains the property of the processor (owner supply) • There is no invoicing or transfer of ownership • Goods are supported by a delivery note or by a pro-forma Invoice • **Invoice value (IV) = value of goods received/dispatched for processing** • Notice: if the value of goods received for processing is not known, the invoice value is the **estimated** market value of the goods.	• Goods are processed or the new product has been manufactured • The invoice is issued by a processor (a processing or manufacturing company) • In case when processor issues invoice for processing **services:** **IV =** value of goods/materials originally received for processing + processing fee + the price of the materials and parts added • In case when processor issues invoice for new manufactured **product** (e.g. ship, vehicle, machine, …): **IV =** value of manufactured final product (according to the issued invoice, and includes material and manufacturing service) + value of originally received goods or raw material owned by a processor (*owner supply*).

Table 11. Expressing the invoice value of goods at processing

10.21. Summing up items in the Intrastat form

Individual items in the Intrastat form for the same trade flow, which are related to the identical CN code, are recommended to be summarised provided that the following descriptive data are **the same**:

- ↘ **VAT ID number of EU partner/consignee of goods** (only for dispatches),
- ↘ **country of destination/consignment** (for both trade flows),
- ↘ **delivery terms** – the first and the second subfields (for both trade flows),
- ↘ **nature of transaction** (for both trade flows),
- ↘ **mode of transport** (for both trade flows),
- ↘ **country of origin** (for both trade flows).

The "Description of goods" field does not have to be completely identical, but **it is important that the goods are classified under the same CN code**. The summation is done by summing up the numerical values of the same data type (net weight, supplementary unit, invoice value) of each individual item in the Intrastat form, as in the following example.

UNSUMMED ITEMS:

VAT ID number of EU partner/consignee	CN code	Goods description	Country of destination/ consignment	Delivery terms	Place of delivery	Nature of transaction	Mode of transport	Country of origin	Net mass	SU	Invoice value (IV)
NL020234	19021100	LASAGNA	AT	EXW	2	11	3	AT	294.000		10 000
NL020234	19021100	NOODLES	AT	EXW	2	11	3	AT	2 520.000		18 000
NL020234	19021100	VERMICELLI	AT	EXW	2	11	3	AT	1 200.000		9 000
NL020234	19021100	MACARONI	AT	EXW	2	11	3	AT	1 800.000		13 000
NL020234	19021100	FUSILLI	AT	EXW	2	11	3	AT	1 080.000		8 000
NL020234	19021100	SPAGHETTI	AT	EXW	2	11	3	AT	1 120.000		9 000

SUMMED UP ITEMS:

VAT ID number of EU partner/consignee	CN code	Goods description	Country of destination/ consignment	Delivery terms	Place of delivery	Nature of transaction	Mode of transport	Country of origin	Net mass	SU	Invoice value (IV)
NL020234	19021100	LASAGNA, NOODLES, VERMICELLI, MACARONI, FUSILLI, SPAGHETTI	AT	EXW	2	11	3	AT	8 014.000		67 000

It is possible to enter at most 400 characters in the field 11 "Description of goods"!

The result of summing up is just one item under the CN code 1902 11 00 instead of previous six items. It is possible to enter at most 400 characters in the field "Description of goods", therefore all types of pasta are listed from the CN code concerned (lasagne, noodles, vermicelli, macaroni, fusilli and spaghetti).

Given the field "Description of goods" in Intrastat form allows for entering of 400 characters, it is desirable to enter more than one article, i.e. to include, or sum up, as many different articles as possible according to the field size.

If the same article is repeated several times, there is no need to enter its heading more than once in the field "Description of goods", it is enough to enter it only once.

PART THREE – INTRASTAT METHODOLOGY

11. METHODOLOGY OF INTRASTAT SURVEY

The methodology of the Intrastat survey includes information on methods and procedures used in reporting of particular goods on the Intrastat report as well as on the mode of reporting. Since there is a large number of transactions which goods are subject to in the framework of trade in general, the following text offers descriptions how to correctly complete the Intrastat report in various situations. It is accompanied by a large number of practical examples aimed at easier understanding of methodological rules of the Intrastat reporting.

In spite of these examples, many specific situations not covered by this Guide can always occur. This is why PSIs and agents can always contact the Intrastat Helpdesk for consulting, getting answers or expert interpretations, either by phone or e-mail:

INTRASTAT HELPDESK
- technical and methodological support -

E – mail: **intrastat.helpdesk@carina.hr** (submit questions 24/7)

                    intrastat.prijava@carina.hr (submit questions 24/7)

                    intrastat@carina.hr (submit questions 24/7)

Phone: **+385 42 23 42 55** (working days from 7:30 till 15:30)

          +385 40 30 40 53 (working days from 7:30 till 15:30)

11.1. Simplifications in the Intrastat System of the Republic of Croatia (new since 2024!)

Commission Implementing Regulation (EU) defines various simplification measures for declaring goods in the statistical Intrastat report. The decision on the implementation of simplification measures is made by the national statistical authority of every EU Member State based on the Annex V, Chapter IV, Section 31, Paragraph 10 of the Commission Implementing Regulation (EU) 2020/1197:

> **ANNEX V**
> *Technical specifications for European statistics on international trade in goods including trade in goods by enterprise characteristics*
> **CHAPTER IV**
> SPECIFIC PROVISIONS FOR THE EXCHANGE OF CONFIDENTIAL DATA ON INTRA-UNION EXPORTS OF GOODS
> Section 31
> **Simplification measures**
>
> **10.** | NSAs:
> (a) may refuse or limit the application of the simplification measures under this section if they consider that the aim of maintaining a satisfactory quality of statistical information overrides the desirability of reducing the reporting burden;
> (b) may require reporting units to ask in advance to be allowed to make use of the simplification.

Simplified Intrastat reporting is different in every EU Member State, depending on which simplification measure the national statistical authority has decided to apply. In the Intrastat System of the Republic of Croatia in 2024, the following simplification measures are going to be implemented:

- simplified reporting on the parts of motor vehicles (CN code 9990 87 00)
- simplified reporting on the parts of airplanes (CN code 9990 88 00)
- simplified reporting on consignments and small value items (CN code 9950 00 00)
- simplified reporting on industrial plants (CN code 9880 xx 00)
- simplification for the statistical value of goods.
-

Using special CN codes (9990 87 00, 9990 88 00, 9950 00 00) is optional. If the PSI/agent uses special CN codes in the Intrastat form – it is **mandatory to summarise such goods items in the Intrastat form according to summarising rules** (connection: summarising of items in the Intrastat form).

If items in the Intrastat form are **not summarised**,
using of special CN codes is not allowed!!

> **Important!**
> If using simplified CN codes results in reduced quality of statistical data for a particular PSI or for a particular type of goods, as well as in case of suspicion on misuse, CBS and/or Customs Administration can forbid the use of simplified codes to such PSIs until further notice or for the specified period of time.

11.1.1. Simplified reporting of parts of motor vehicles – new CN code 9990 87 00

Reporting of motor vehicles' parts and accessories generally requires classification of a wide range of goods into various subcodes of the Combined Nomenclature. Therefore, as of 1 January 2024, a possibility of simplified declaring of parts of motor vehicles has been introduced into the Intrastat System of the Republic of Croatia in order to reduce the administrative burden for PSIs/agents.

Parts of motor vehicles purchased or sold by the PSI, whose **invoice value per item does not exceed or is equal to EUR 1 000**, can be reported on the Intrastat form according to a special CN code 9990 87 00.

In this is the case, the **code QV is entered into the field "Country of origin"**, whereas a precise Geonomenclature code of the partner EU Member State is to be entered into the field "Country of destination/consignment".

Concerning the flow "dispatches, a dummy code QV999999999999 (QV and 12 nines) can be entered into the field "VAT ID number of purchaser/consignee of goods" if there are more than one different purchaser in the partner EU Member State. If there is only one purchaser, a precise VAT ID number of the purchaser, which is also valid in the VIES base, is entered.

The implementation of this special CN code is optional and it refers equally to new and second-hand parts of motor vehicles, which can be reported by PSIs/agents in two ways:
- according to standard CN codes, or
- in a simplified way, according to the special CN code 9990 87 00, provided that the value of the parts of motor vehicles per item on the commercial invoice does not exceed or is equal to EUR 1 000.

Important!

1) If the PSI/agent uses the CN code 9990 87 00 in the Intrastat form – it is **mandatory to sum up such items in the Intrastat form using the summing up rules** (connection: item summing up in the Intrastat form).

2) CBS and/or Customs Administration may limit or prohibit the use of the simplified CN code 9990 87 00 for a particular PSI or for a particular type of goods.

3) Types of goods for which the simplified CN code 9990 87 00 is **not allowed** to be used in the Intrastat form: **RUBBER PRODUCTS, OILS AND ACCUMULATORS**.

Example 18
The Croatian PSI receives an invoice from a vendor from Hungary for a second-hand passenger car and parts, and an invoice of a vendor from Germany for Electronic assemblies for electrical apparatus of the value of EUR 752. How to report the received goods in the Intrastat?

The aforementioned goods can be reported in the Intrastat in two ways:

STANDARD WAY OF FILLING IN THE INTRASTAT FORM:

Number	Code of goods	Goods description	Country of destination/ consignment	Country of origin	Nett mass	IV (EUR)
1	39263000	Gasket	**HU**	HU	23.4	**510**
2	39263000	Trunk holder	**HU**	JP	4.545	**101**
3	70091000	Rear-view mirrors for vehicles	**HU**	SK	14.817	**216**
4	70071110	Safety glass for incorporation in motor vehicles	**HU**	PL	7.941	**268**
5	87034010	Motor cars, vehicles	**HU**	HU	9997	**138962**
6	85389091	Electronic assemblies for electrical apparatus	**DE**	DE	3	**752**

Therefore, a total of six goods items are to be entered in the Intrastat form classified according to the standard CN codes and precise names of countries of goods origin. But, according to the new special CN code, all parts of motor vehicles whose values do not exceed EU 1 000 per item can be classified into a single CN code 9990 87 00 by summing up all numeral values and by entering the code QV into the field "Country of origin":

Number	Code of goods	Goods description	Country of destination/ consignment	Country of origin	Nett mass	IV (EUR)
1	39263000	Gasket	**HU**	HU	23.4	**510**
2	39263000	Trunk holder	**HU**	JP	4.545	**101**
3	70091000	Rear-view mirrors for vehicles	**HU**	SK	14.817	**216**
4	70071110	Safety glass for incorporation in motor vehicles	**HU**	PL	7.941	**268**
	99908700	**Parts of motor vehicles**	**HU**	**QV**	**50.703**	**1095**
5	87034010	Motor cars, vehicles	**HU**	HU	9997	**138962**
6	85389091	Electronic assemblies for electrical apparatus	**DE**	DE	3	**752**

After summing up, only three goods items will remain on the Intrastat form:

SIMPLIFIED WAY OF FILLING IN THE INTRASTAT FORM:

Number	Code of goods	Goods description	Country of destination/ consignment	Country of origin	Nett mass	IV (EUR)
1	**99908700**	**Parts of motor vehicles**	**HU**	**QV**	**50.703**	**1095**
2	87034010	Motor cars, vehicles	**HU**	HU	9997	**138962**
3	85389091	Electronic assemblies for electrical apparatus	**DE**	DE	3	**752**

As item No. 3 (Electronic assemblies for electrical apparatus) is also a part of motor vehicles not exceeding EUR 1 000 per invoice item, it may consequently also be declared according to the special CN code 9990 87 00. Item are separated by the country of destination/consignment:

Number	Code of goods	Goods description	Country of destination/ consignment	Country of origin	Nett mass	IV (EUR)
1	99908700	Parts of motor vehicles	HU	QV	50.703	1095
2	87034010	Motor cars, vehicles	HU	HU	9997	138962
3	99908700	Parts of motor vehicles	DE	QV	3	752

In that manner, the special CN code is used for the parts of motor vehicles separated according to the partner EU Member State that can be seen in the field "Country of destination/consignment". If the PSI/agent uses special CN codes in the Intrastat form – it is mandatory that such goods items are summed up in the Intrastat form according to the summing up rules.

11.1.2. Simplified reporting of the parts of <u>aircraft</u> – new CN code 9990 88 00

Since 1 January 2024, a possibility of simplified declaring of parts of aircraft has been introduced into the Intrastat System of the Republic of Croatia in order to reduce the administrative burden for PSIs/agents.

Parts of aircraft and accessories purchased or sold by the PSI, whose **invoice value per item <u>does not exceed or is equal to EUR 1 000</u>**, can be reported on the Intrastat form according to a special CN code 9990 88 00.

If this is the case, the **code QV is entered into the field "Country of origin"**, whereas a precise Geonomenclature code of the partner EU Member State is to be entered into the field "Country of destination/consignment".

Concerning the flow "dispatches, a dummy code QV999999999999 (QV and 12 nines) can be entered into the field "VAT ID number of purchaser/consignee of goods" if there are more than one different purchasers in the partner EU Member State. If there is only one purchaser, a precise VAT ID number of the purchaser, which is also valid in the VIES base, is entered.

The implementation of this special CN code is optional and it refers equally to new and second-hand parts of aircraft.

> **Important!**
> 1) If the PSI/agent uses the CN code 9990 87 00 in the Intrastat form – it is **mandatory to sum up such items in the Intrastat form using the summing up rules** (connection: <u>item summing up in the Intrastat form</u>).

Example 19
The Croatian airline company receives an invoice from a vendor from Germany and an invoice from a vendor from the Netherlands for purchased parts of the airplane. The value of each invoice item does not exceed EUR 1 000. Can a special CN code be used here for parts of the airplane?
The aforementioned goods can be reported in the Intrastat in two ways:

STANDARD WAY OF FILLING IN THE INTRASTAT FORM:

Number	Code of goods	Goods description	Country of destination/ consignment	Country of origin	Nett mass	IV (EUR)
1	63079010	Signal flag	**DE**	DE	0.7	**245**
2	87087099	Shock absorber	**DE**	SE	15	**327**
3	73181699	Nuts of iron or steel	**DE**	US	0.005	**32**
4	88073000	Parts of aeroplanes, n. e. s.	**DE**	FR	0.021	**998**
5	76169990	Articles of aluminium, uncast, n. e. s.	**DE**	FR	0.192	**861**
6	40169300	Gasket	**DE**	AT	0.12	**470**
7	74130000	Conductor of static electricity	**DE**	FR	0.26	**51**
8	88073000	Parts of aeroplanes, n.e.s.	**DE**	XU	0.032	**134**
9	94059200	Wing light cover	**NL**	CA	0.64	**707**
10	73181595	Screws of iron or steel	**DE**	DE	0.238	**546**
11	84219990	Filter housing	**DE**	US	0.16	**270**
12	73181660	Self-locking nuts of iron or steel	**DE**	US	0.018	**17**
13	76161000	Washers of aluminium	**DE**	FR	0.048	**39**
14	73182300	Rivets of iron or steel	**DE**	US	0.04	**56**
15	39269097	Articles of plastics and articles of other materials	**DE**	MX	0.275	**14**
16	39269097	Articles of plastics and articles of other materials	**DE**	FR	0.02	**89**
17	73181631	Blind rivet nuts	**DE**	BE	0.024	**106**

Therefore, there will be a total of 17 goods items in the Intrastat form classified according to the standard CN codes and precise countries of goods origin. But, according to the new special CN code, all parts of aircraft whose values do not exceed EU 1 000 per item can be classified into a single CN code 9990 88 00 by summing up all numeral values and by entering the code QV into the field "Country of origin":

Number	Code of goods	Goods description	Country of destination/ consignment	Country of origin	Nett mass	IV (EUR)
1	63079010	Signal flag	**DE**	DE	0.7	**245**
2	87087099	Shock absorber	**DE**	SE	15	**327**
3	73181699	Nuts of iron or steel	**DE**	US	0.005	**32**
4	88073000	Parts of aeroplanes, n. e. s.	**DE**	FR	0.021	**998**
5	76169990	Articles of aluminium, uncast, n. e. s.	**DE**	FR	0.192	**861**
6	40169300	Gasket	**DE**	AT	0.12	**470**
7	74130000	Conductor of static electricity	**DE**	FR	0.26	**51**
8	88073000	Parts of aeroplanes, n.e.s.	**DE**	XU	0.032	**134**
10	73181595	Screws of iron or steel	**DE**	DE	0.238	**546**
11	84219990	Filter housing	**DE**	US	0.16	**270**
12	73181660	Self-locking nuts of iron or steel	**DE**	US	0.018	**17**
13	76161000	Washers of aluminium	**DE**	FR	0.048	39
14	73182300	Rivets of iron or steel	**DE**	US	0.04	56
15	39269097	Articles of plastics and articles of other materials	**DE**	MX	0.275	14
16	39269097	Articles of plastics and articles of other materials	**DE**	FR	0.02	**89**
17	73181631	Blind rivet nuts	**DE**	BE	0.024	**106**
	99908800	**Parts of the aircraft**	**DE**	**QV**	**17.153**	**4255**
9	94059200	Wing light cover	**NL**		0.64	**707**

If the PSI/agent uses the special CN codes in the Intrastat form – it is mandatory to sum up such items in the Intrastat form using the summing up rules. According to the invoice of the German supplier, there will be only two items on the Intrastat form after summing up:

SIMPLIFIED WAY OF FILLING IN THE INTRASTAT FORM:

Number	Code of goods	Goods description	Country of destination/ consignment	Country of origin	Nett mass	IV (EUR)
1	99908800	Parts of the aircraft	DE	QV	17.153	4255
2	94059200	Wing light cover	NL	CA	0.64	707

As item No. 2 (Wing light cover) is also a part of the aircraft not exceeding EUR 1 000 per invoice item, it may consequently also be declared according to the special CN code 9990 88 00. Items are divided by the country of destination/consignment:

Number	Code of goods	Goods description	Country of destination/ consignment	Country of origin	Nett mass	IV (EUR)
1	99908800	Parts of the aircraft	DE	QV	17.153	4255
2	99908800	Parts of the aircraft	NL	CA	0.64	707

In that manner, the special CN code is used for the parts of aircraft separated according to the partner EU Member State that can be seen in the field "Country of destination/consignment".

11.1.3. Simplified reporting of small value consignments and small value items – existing CN code 9950 00 00

According to the Appendix V, Chapter IV, Section 31, Item 3 of the Commission Implementing Regulation (EU) 2020/1197, 'small value consignment' means all transactions during the reference month which are subject of the same invoice. If the **total amount of the consignment of goods stated on a single invoice is less than or equal to EUR 1 000**, than the entire invoice, irrespective of the number of items, can be reported on the Intrastat form as a single item of goods classified according to the special CN code 9950 00 00.

A **small value item is a single item in the invoice in the amount less than or equal to EUR 1 000**, which can also be optionally declared on the Intrastat form according to the special CN code 9950 00 00.

Simplified reporting of small value consignments and items is intended primarily to small business entities who manually fill in the Intrastat form in Excel by copying or writing out item by item from respective documents.

If this is the case, the **code QV is entered into the field "Country of origin"**, whereas a precise Geonomenclature code of the partner EU Member State is to be entered into the field "Country of destination/consignment".

Concerning the trade flow "dispatches, a dummy code QV999999999999 (QV and 12 nines) can be entered into the field "VAT ID number of purchaser/consignee of goods" if there are more than one different purchasers in the partner EU Member State. If there is only one purchaser, a precise VAT ID number of the purchaser, which is also valid in the VIES base, is entered.

Total limitations per Intrastat form, which applied in previous years (a maximum of 1 000 kg net mass and a maximum of EUR 1 000 of invoice value a month) has no longer been in force since 1 January 2024. It is also important to point out that goods items reported according to the special CN codes can be the only items in the Intrastat form.

> **Important!**
> If the PSI/agent uses the special CN codes in the Intrastat form – it is **mandatory to sum up such items in the Intrastat form using the summing up rules** (connection: <u>item summing up in the Intrastat form</u>).

Example 20: Small value consignment
A Croatian PSI generated in February 2024 the following consignments: from Germany in the amount of EUR 1 000, from France in the amount of EUR 540, from Austria in the amount of EUR 780 and from Hungary in the amount of EUR 1 050. Each of EU suppliers issued a single invoice, which was declared in VAT forms as "Intra-EU acquisition of goods". Can a simplified Intrastat reporting of small value consignments be applied in this case?
The PSI can use the CN code 9950 00 00 for declaring three small value consignments, those from Germany, France and Austria, since each individual invoice issued in these countries does not exceed EUR 1 000. Concerning the goods received from Hungary, the simplified reporting cannot be applied since the invoice exceeds the amount of EUR 1 000, which means that it is necessary to report all goods separately for this consignment according to their standard codes from the Combined Nomenclature 2024.

Example 21: Small value item
A Croatian PSI purchases a machine from the Belgian seller in the amount of EUR 20 000, along with some 20 spare parts for a machine whose individual value does not exceed EUR 1 000 per item in the invoice. Can the simplified code 9950 00 00 be applied in this case?
The PSI can apply the CN code 9950 0000 for reporting spare parts of the machine since the value of every single spare part does not exceed EUR 1 000, which is seen in the invoice. Therefore, instead 21 items, the Intrastat form contains only two items of goods reported applying the special CN code 9950 00 00:
- *The first item:* MACHINE, in the amount of EUR 20 000, according to the standard CN code for the machine
- *The second item:* SPARE PARTS (which can also be reported as "SMALL VALUE ITEMS" in the amount of about EUR 20 000 (**20 pieces of spare parts TIMES EUR 1 000 = EUR 20 000**), according to the special CN code 9950 00 00.

11.1.4. Simplified reporting <u>of industrial plants</u> – existing CN code 9880 xx 00

If components, intended for the construction of industrial plants, are products which are classified in the same chapter of the Combined Nomenclature – PSIs may request issuing of the Simplified Reporting Approvals from CBS if the following conditions are met:

1. **If the industrial plant is new –** the total value of the new industrial plant must **exceed 3 million euro.**

2. **If the industrial plant is used –** the value limit does not apply.

3. The PSI must submit the **"Request for the Simplified Reporting Approval"** in writing.

When using simplified CN codes, statistics on the trade in goods between EU countries include only dispatches and arrivals of component parts which are used in construction of new industrial plants or for used industrial plants.

This simplification is aimed at reducing the burden on PSIs so that PSI may declare its trade for each component using a single commodity code from Chapter 98 instead of using several different commodity codes from different subheadings of CN chapters. Commodity codes will be assigned as follows:

- ↘ the first four digits are **9880**
- ↘ the fifth and sixth digits indicate the **CN chapter to** which the components (**XX**) belong
- ↘ the seventh and eighth digits are zero (**00**).

When using simplified CN codes, information on the quantity in supplementary unit is not reported, but information on net weight is mandatory. The reporting period is the month in which the goods physically enter or physically leave the territory of the Republic of Croatia. If some components are delivered as successive consignments, it is reported only once, in the month when the last consignment arrived or was dispatched.

If the PSI does not submit a Request for Simplified Reporting Approval, it is then obligated to classify every single component of the industrial plant according to the appropriate Combined Nomenclature code (in which case it is not allowed to use tariffs according to simplified CN codes). In that case, the data on the quantity in supplementary unit is to be entered if it is prescribed by the Combined Nomenclature code.

11.1.5. Simplification for statistical value of goods

The **statistical value** is defined as a value of goods at the Croatian border. This variable is calculated from the invoice value of goods, adding or removing, depending on delivery terms (according to INCOTERM 2020 parities), a part of the value relating to costs of transportation to the Croatian border.

The abolition of the field "Statistical value" in the Intrastat form is the first simplification measure introduced in the Intrastat System a few years ago. It significantly reduced administrative burden on PSIs/agents. Instead of them, the calculation of the statistical value of goods is done automatically by the Customs information system at receiving the Intrastat forms.

In that way, the information on the statistical value of goods continues to be available to the users of statistical data, simplifying, at the same time, filling in of the Intrastat forms for Intrastat providers.

11.2. Credit notes and debit notes

A **credit note** is a form or a letter sent by a seller to a buyer, stating that a certain amount has been credited to the buyer's account.

A **debit note** is a form or letter sent by a seller to a buyer, which charges the buyer to increase the payment on the previously issued account (or accounts).

As the Intrastat methodology rules apply to both credit and debit notes, the term 'credit notes' will be used below.

Credit notes are issued in different situations for correcting errors such as an overstated invoice amount or the correct discount rate was not applied or goods spoiled while still under guarantee, or the goods are returned, or reductions have been granted with delay (rebates, discounts etc.), transfer prices etc.

All received/issued credit notes are reported in VAT forms, however only specific credit notes are used to correct the Intrastat reports.

11.2.1. What to do when a PSI receives/issues a credit note?

First, the following information has to be determined:

1. **Physical movement of goods** (information that is usually not stated in the credit note):
   The accurate information on whether the goods, for which the credit note is issued, has been physically returned from the EU Member State of the buyer to the EU Member State of the supplier is essential. If the answer is YES, there must be a transport documentation that corroborates that statement.

2. **Obligation in individual trade flows**
   It is necessary to determine if the PSI is the Intrastat provider for both trade flows (arrivals and dispatches) or only for a single trade flow (arrivals or dispatches).

Depending on the answer, the Intrastat procedure differs and it is best explained by the most common practical examples:

<div style="background-color: yellow">

Example 22

The Croatian PSI orders 100 pieces of merchandise from the EU supplier, 100 pieces are stated on the invoice, but only 80 pieces of goods have been physically delivered. The EU supplier issues a credit note for 20 pcs.

</div>

It is an unintentional error. The physical movement of goods was realised only once (from the EU supplier to the Croatian buyer). In this case, the same rules apply for all PSIs, irrespective of whether they are obliged to report for a single trade flow or for both of them:

↘ **If the EU supplier issues the Invoice and the credit note in the same calendar month** – differences in the value and/or quantity of ordered and delivered goods occurred due to the supplier's unintentional error should be by all means taken into account when reporting value and quantity for Intrastat. Therefore, the PSI immediately reports in the Original form, the ARRIVAL of 80 pieces of goods, nature of transaction code 11.

↘ **If the EU supplier issues the Invoice in one calendar month and the credit note in the next calendar month** – the PSI submits the Original form on the basis of the received Invoice and reports the ARRIVAL of 100 pieces of goods, nature of transaction code 11. After that, on the basis of the received credit note, the PSI submits the Substitute form for the month when the goods were originally received (in this example for the previous month), by which it corrects the earlier data and reports the ARRIVAL of 80 pieces, nature of transaction code 11.

<div style="background-color: yellow">

Example 23

The Croatian PSI orders 100 pieces of goods from the EU supplier, 120 pieces are stated on the Invoice but 120 pieces of goods have been physically delivered. The Croatian PSI physically returns 20 pieces of goods (surplus) to the supplier, while the EU supplier issues a credit note for 20 pcs.

</div>

In this case there are two physical movements – first from the EU supplier to the Croatian buyer and then the physical return of goods from the Croatian buyer to the EU supplier. In such a situation the procedure regarding Intrastat depends on whether the PSI is obliged to submit the *Intrastat reports* for a single flow of goods or for both of them:

↘ **Providers for both trade flows** – report the ARRIVAL of 120 pieces of goods with the nature of transaction code 11 and, in addition, they submit the form for the DISPATCH of 20 pieces of goods with the nature of transaction code 21.

> **Important!**
> The return of goods is reported on the Intrastat report for the month in which the return was physically realised (**PSI should not wait for the EU supplier to issue the credit note**, because, in theory, the supplier is allowed to issue the credit note even after, say, four months. The return of goods should be reported in Intrastat immediately – on the basis of the Delivery note, or the Warehouse note, or the transport documentation). Concerning the return of goods, the amount on the credit note is not reported in Intrastat, but only on VAT form. (The difference between the Intrastat and VAT data will be methodologically justified in this case)!

↘ **PSIs obliged to report only one trade flow (e.g., only arrivals)** first submit the Original Intrastat form (e.g., the report for January) for the ARRIVAL for all 120 pieces of goods with the nature of transaction code 11, and only **after receiving the credit note** should they submit the Substitute Intrastat form (for January) in which it is necessary to correctly report the arrival of 100 pieces of goods with the nature of transaction code 11.

Example 24

The Croatian PSI orders 100 pieces of goods from the EU supplier, 100 pieces are stated on the invoice, but 120 pieces of goods have been physically delivered – the Croatian PSI does not physically return 20 pieces of goods (surplus) to the supplier, but destroys them on the Croatian territory, while the EU supplier issues credit note for 20 pcs.

In this case there is <u>one</u> physical movement – only the initial movement of goods from the EU supplier to the Croatian buyer. In such a case, the same rules apply for all PSIs, irrespective of whether they are obliged to report for a single trade flow or for both of them:

↘ **If the EU supplier issues an invoice and a credit note in the same calendar month**
  Since all goods (all 120 pieces) physically arrived in Croatia, it means that all 120 pieces have to be declared in the Intrastat report for ARRIVALS, but their nature of transaction code will be different. Therefore, the PSI will immediately report the ARRIVAL of 100 pieces of goods in the Original Intrastat form with the **nature of transaction code 11** (Outright purchase/sale) and the ARRIVAL of 20 pieces of goods with the **nature of transaction code 34** (Transactions involving transfer of ownership without financial compensation).

↘ **In case when the EU supplier issues the invoice in one calendar month and the credit note in the next calendar month**
  PSIs first submit the Original Intrastat form (e.g., the report for January) for the ARRIVAL of all 120 pieces of goods with the nature of transaction code 11, and only **after receiving the credit note** should they submit the Substitute Intrastat form (for January) in which it is necessary to divide one item of goods (120 pieces) into two items with different nature of transaction codes. It means that the Substitute Intrastat form is used for the following purposes:
    - to report 100 pieces of received goods with the **nature of transaction code 11**, and
    - to report 20 pieces of received goods with the **nature of transaction code 34.**

Example 25

In February the Croatian PSI received goods and the related invoice from the EU supplier in the value of EUR 100 000. The review of the goods revealed defects in the part of the goods. On 5 March the PSI received a credit note for an inadequate part of February's goods, which approves a reduction in the payment in the amount of EUR 20 000.

In this case there is <u>one</u> physical movement – only the initial movement of goods from the EU supplier to the Croatian buyer. In such a case, the same rules apply for all PSIs, irrespective of whether they are obliged to report for a single trade flow or for both of them:
    - Since the PSI did not submit the Intrastat report for February by 5 March (deadline is the 15th day), the arrival of goods in the value of EUR 80 000 is to be reported in the Intrastat report for February (the invoice amount minus the credit note amount).

11.2.2. Correction of an item accounting for ≤ 5% of the original value reported, according to the credit note

If the credit note states the correction of:

↘ the **difference in the value of the goods** that is **less than or equals 5% (≤ 5%)** of the originally reported invoice value at the item level in the Intrastat report and, at the same time, the difference in the value is less than EUR 20 000

and/or

↘ the **difference in the net mass of the goods** that is **less than or equals 5% (≤ 5%)** of the originally reported net mass at the item level in the Intrastat report,

then the PSI is not obliged to state such a correction in the Intrastat report.

In practice, that means that PSIs are <u>obliged, on the basis of the credit note received or issued, to submit the Substitute Intrastat form for goods whose value is corrected for the amount that exceeds EUR 20 000</u>, even when the correction is less than or equals 5% of the original value of the initially reported item in the Intrastat report.

11.2.3.   Credit notes <u>not recorded</u> in Intrastat reports

Situations when received/issued credit notes are not to be recorded in the Intrastat reports:

↘   Credit notes issued for granting **discount or rebate for the entire contract** or for all previously performed transactions (that cannot be determined for individual deliveries) are <u>not reported</u> to Intrastat and do not require the value adjustment.

↘   Credit notes for granted discount on payment methods (e.g., **discount, advance payment, prepayment**, etc.) or discounts agreed upon between the supplier and the buyer are <u>not reported</u> for the Intrastat.

↘   A credit note issued for **delays in delivery** of goods is <u>not reported</u> to the Intrastat.

↘   A credit note issued as a bonus or a discount at the end of a certain period (e.g. at the end of the year or at the end of the quarter, etc.) or a credit note issued as a bonus for good results will not affect the value of transaction reported in the Intrastat form. Therefore, such credit notes are <u>not reported</u> for the Intrastat.

↘   Credit notes issued for the adjustment of **transfer prices.**

11.2.4.   Credit notes issued for transfer prices

'Transfer prices refer to terms and rules applied to transactions within multinational enterprises. They include prices payable between associated companies established in different countries for transactions within the company, i.e. for the transfer of goods and services. Having in mind that it is the companies within multinational enterprises that determine prices, it can happen that these prices are not adjusted to market prices. This represents a major problem for tax authorities due to the fact that multinational entities may use transfer prices for trans-border transactions aimed at reduction of taxable profit. The approach accepted by EU Member States for the determination of prices applied to intra-company transactions between associated companies is the arm's length principle. The arm's length principle requires that prices used in intra-company transactions correspond to prices that would be applied between non-associated companies for the same transactions (market prices)'[15].

Although the adjustment of transfer prices is officially done by using credit notes (which are reported on VAT forms), **credit notes issued for the purposes of transfer price adjustments <u>are not</u> to be reported in the Intrastat System**.

---

[15] Source: Smjernice za transferne cijene 7 i 8 2014.pdf (porezna-uprava.hr)

11.3. Return of goods and replacement of goods – connection to credit notes

Returned goods means that the goods are physically returned to the supplier in another Member State, after their initial physical movement from that same supplier to a buyer from another Member State. The following transactions are covered: Return of goods (NoT 21), Replacement for returned goods (NoT 22), Replacement (e.g. under guarantee) for goods not being returned (NoT 23).

If the returned goods are broken or defective and have to be physically returned to the supplier in another Member State, the following procedures are applied in Intrastat:

11.3.1. If the PSI provides information only for ARRIVALS

First, the arrival of goods should be reported in the Original Intrastat form (e.g. for January) under nature of transaction code 11 (based on the issued Invoice). After receiving the supplier's credit note (which is usually issued the next month) – the PSI submits the Substitute Intrastat form (for January) that contains the necessary corrections of net mass and invoice value.

Example 26

A Croatian company ordered 20 tonnes of tomatoes, value of EUR 60 000. During a long transport, most of the tomatoes spoiled. The spoiled tomatoes are returned to the supplier. The EU supplier issues a credit note on EUR 50 000.

In the Original Intrastat form for January, the PSI should report the arrival of 20 tonnes of tomatoes with the invoice value of EUR 60 000. The PSI cannot report the physical return of spoiled tomatoes because the PSI is not the Intrastat provider for the trade flow DISPATCHES. Therefore, the PSI has to wait for the EU supplier to issue the credit note for the returned tomatoes.

After receiving the supplier`s credit note, the PSI should submit the Substitute Intrastat form for January by which the initial quantity of received tomatoes has been corrected and the value reduced to EUR 10 000. This means that the data correction in the Intrastat report for January shows as if the quantity of 3 333 kg of tomatoes with the value of HRK 10 000 had initially been ordered and received.

Example 27

A Croatian company receives 100 TV sets from EU supplier in April. A part of received goods (20 TV sets) is of inadequate quality and physically returned to the EU supplier in May. In June, the EU supplier issues the credit note for the returned 20 TV sets.

On the Original Intrastat form for April, the PSI reports 100 TV sets, **nature of transaction code 11.** The PSI does not report the physical return of 20 TV sets from Croatia to EU in May, since it is not the Intrastat provider for the trade flow dispatches (but only for arrivals).

On the basis of the credit note issued by the EU supplier in June (that refers to 20 TV sets that were physically returned to EU), the PSI submits the Substitute Intrastat form for April, in which it reduces the quantity and value of received TV sets (which means that in the Substitute form for April the PSI reports the arrival of 80 TV sets, **nature of transaction code 11**).

*Instead of issuing the credit note, the EU supplier could also have sent in June, say, 20 new TV sets of adequate quality with no extra charge (without issuing a new invoice). In such case the PSI would have reported on the Original Intrastat form for June the physical arrival of 20 TV sets under the **nature of transaction code 22** (replacement for returned goods).*

11.3.2. If the PSI provides information only for DISPATCHES

First, the DISPATCHES of the total quantity of goods should be reported in the *Original Intrastat form* (e.g. for January) under nature of transaction code 11 (based on the issued invoice). After the goods have been physically returned to Croatia (the credit note is usually immediately issued for return of goods), the PSI should submit the Substitute Intrastat form (for January) that contains the necessary corrections of net mass and invoice value of initially dispatched goods.

Example 28

A Croatian company sells 20 tonnes of tomatoes in the value of EUR 60 000. During a long transport, most of the tomatoes spoiled. The spoiled tomatoes are returned to the supplier, who immediately issues a credit note on EUR 50 000.

In the Original Intrastat form for January, the PSI should report the arrival of 20 tonnes of tomatoes with the invoice value of EUR 60 000. The physical return of spoiled tomatoes from EU to Croatia cannot be recorded, since the PSI is not the Intrastat provider for the trade flow ARRIVALS.

After receiving the returned goods, the PSI issues the credit note for the EU buyer and submits, based on the issued credit note, the Substitute Intrastat form for January, by which the initial quantity of dispatched tomatoes has been corrected and the value reduced to EUR 10 000. This means that the data correction in the Intrastat report for January shows as if the quantity of 3 333 kg of tomatoes with the value of EUR 10 000 had initially been sold and dispatched.

11.3.3. If the PSI provides information for BOTH TRADE FLOWS

The PSI reports the return of goods in the month of physical return of goods from EU buyer to EU supplier under **nature of transaction code 21,** but the reduction of the value approved by the issued credit note is not needed. Therefore, when the physical return of goods is concerned, providing that the PSI is the Intrastat provider for both trade flows, the amount stated in the credit note is not to be reported in Intrastat.

> **Important!**
>
> The use of **nature of transaction codes 21, 22 or 23** in one trade flow are allowed if and only if the previous physical movement of goods was realised in the opposite trade flow under the **nature of transaction codes 11, 12, 31, 32, 33, 34, 71 or 72.**
>
> The return of goods for which the original transaction was reported under **NoT codes 80, 91 or 99** are to be declared again under the same nature of transaction codes (i.e. 80, 91 or 99), while the return of goods previously reported under **NoT code 41 or 42** is to be reported under **NoT code 51 or 52**.

Example 29

A Croatian company receives 100 TV sets from EU supplier in April. A part of received goods (20 TV sets) is of inadequate quality and physically returned to the EU supplier in May. In June, the EU supplier issues the credit note for 20 TV sets (or, for example, for 20 pieces of new functional TV sets).

On the Original Intrastat form for April, the PSI reports 100 TV sets, nature of transaction code 11. The PSI reports the physical return of 20 TV sets from Croatia to EU in the Intrastat form for DISPATCHES for May under the **NoT code 21 (Return of goods)**.

In June, the EU supplier sends the following:

↳ the credit note for 20 TV sets – the PSI **does nothing** in relation to the credit note, since the Intrastat report for DISPATCHES for May, when the physical return of goods has already been reported.

or

↳ The supplier delivers new 20 TV sets (functional) instead of the credit note – the PSI reports the arrival of 20 TV sets in the Intrastat report for June under the **nature of transaction code 22** (replacement for returned goods)

11.4.   Advance payments in the Intrastat form (new since 2024!)

Intrastat is a statistical system that monitors only physical movements of goods between EU Member States. The fact that advance payments are not goods but rather a compensation for payments of (a part) of goods settled in advance makes collected/settled intra-EU advance payments a service which is not reported in Intrastat forms.

In fiscal sense, invoices for collected/settled **intra-EU** advance payment is not reported in VAT forms pursuant to Article 38 of the Ordinance on Value Added Tax (Home (porezna-uprava.hr)).

Namely, the VAT liability for advance payments differs when referring to collected/settled advance payments within the Republic of Croatia from collected/settled advance payments within the European Union.

Concerning advance payments within the European Union, the VAT liability occurs at the moment of acquisition/supply of goods within the European Union (not before). An invoice for a collected/settled advance payment within the EU is immediately booked in the internal accounting documentation, but it is NOT reported on the VAT form, and neither is it reported to Intrastat.

VAT form is filled in only after the receipt/issuing of the invoice for physical acquisition/supply of goods within the European Union (i.e., only after the goods are physically delivered and invoice issued, not the invoice for the advance payment), as set in the Article 38 of the Ordinance on Value Added Tax:

ORDINANCE ON VALUE ADDED TAX
(Revised text, Official Gazette, No 79/13, 85/13-correction, 160/13, 35/14, 157/14, 130/15, 1/17, 41/17, 128/17, 1/19, 1/20, 1/21, 73/21, 41/22, 133/22, 43/23)
3 Advance payments in acquisitions and supplies within the European Union
Article 38

(1) If a taxable person settles the payment before the acquisition of goods within the European Union, the **obligation to calculate VAT shall not arise**.

(2) If a taxable person collects the intra-EU advance payment before the goods are supplied pursuant to conditions set in Article 41 of the Act, the **obligation to calculate VAT shall not arise**.

(3) Provisions on arising of obligation to calculate VAT as set in paragraphs (1) and (2) of this Article shall equally apply on advance payments related to services and goods for which the consignee is obliged to pay VAT, and which are either provided by the taxpayer with no headquarter, temporary residence or usual residence in the country or which are provided by consignee to such taxpayer.

The most important factor in the comparison of Intrastat data with VAT data is to correctly fill in tax forms. Concerning the collected/settled advance payments within the European Union, invoices are not reported neither in tax forms nor in the Intrastat forms. Therefore, there will be no differences.

However, if invoices for collected/settled advance payments within the European Union are reported in tax forms, it is obvious that tax forms are filled in incorrectly, not pursuant to Article 38 of the Ordinance on Value Added Tax. PSIs are obligated to correct such tax data.

11.5. Rebate, discounts and other reductions

A discount is a part of the price that determines the reduction. When completing the Intrastat form according to the Invoice that specifies the discount, the PSI is obliged to **precisely determine whether it is the discount on goods or a payment discount!**

↘   **REBATE** is a discount on the sales price given by the manufacturer to the wholesale or retail traders, usually based on significant amount of goods ordered. Rebate is generally considered to be a reduced price for goods and services in relation to the price stated on the price list, granted to certain customers under different conditions and at different times. Criteria for the rebate are agreed in advance. Rebate **is included** in the value of goods reported in Intrastat!

↘   **INVOICE DISCOUNT (sconto di fatture)** represents a discount of payments made on time (e.g., 5% or 10% payment discount if he payment is made within 10, 30 or 60 days from the day the Invoice was issued). The payment discount **is not included** in the value of goods declared in Intrastat!

↘   **QUANTITATIVE DISCOUNT** is a discount granted by the seller to the buyer of the goods that reached a particular quantity. If the quantity discount is agreed in advance (as a requirement for the sale) or the quantity discount is publicly available to all interested customers, then it **is included** in the value of goods reported in Intrastat!

↘   **DISCOUNTS FOR PREVIOUS DELIVERIES** are **not included** in the value of goods declared in Intrastat!

↘   **OTHER DISCOUNTS** – if available to all customers, then they are included in the value of goods reported in Intrastat.

11.5.1. Reductions that are needed to be included in the value of goods for Intrastat

↘   Rebates and discounts on delivered goods known to the PSI at the moment of declaring goods to Intrastat (NOT a payment discount, but discount on goods), which can be related to the delivery of particular goods, should be taken into account when reporting the value and quantity to Intrastat.

⬎ In the case when the arrival or dispatch of goods had already been reported to Intrastat, but later on the difference in the quantity or value has been established, the correction of the value and/or quantity of goods should be made by using the Substitute Intrastat form.

11.5.2. Reductions that are not needed to be included in the value of goods for Intrastat

⬎ Rebates and reductions granted for the whole contract or for previous transactions and subsequent changes of the underlying contract are not to be reported to Intrastat.

⬎ Reductions related to payment methods (e.g., advance payment), prepayment or discounts agreed upon between the supplier and the buyer are not reported to the Intrastat.

Example 30
Invoice for purchase/sale indicates the following values:

Value of goods	*EUR 1 000*
Discount (3% for advance payment)	*EUR 30*
Sum total	*EUR 970*

INVOICE DISCOUNT (sconto di fatture) is a cash discount. It represents a discount on payment on time, i.e., a reward for timely payment (e.g., 5% discount for payment within 10 days from the date of issuing the invoice). Since this is a payment discount (and not a discount on goods) – it is not reported to Intrastat which means that it is necessary to report the value of the goods in the amount of EUR 1 000 in the Intrastat form. If a company declares EUR 970 in the VAT form – such a difference between Intrastat and VAT data is justified!

Example 31
The invoice for purchase/sale indicates the following values:

Value of goods	*EUR 1 000*
Rebate	*EUR 30*
Sum total	*EUR 970*

REBATE is generally considered to be a reduced price in relation to the price according to the price list for goods and services, which is granted to certain customers under different conditions and in different periods, according to pre-agreed criteria. Since the rebate represents a discount on the quantity of goods, it is reported to Intrastat, which means that it is necessary to report the value of the goods in the amount of EUR 970 in the Intrastat form.

Example 32
The Invoice for purchase/sale indicates the following values:

Value of goods	*EUR 1 000*
Rebate	*EUR 30*
Early-payment discount before the movement of goods	*EUR 50*
Sum total	*EUR 920*

As mentioned in the previous examples, the rebate is reported and the INVOICE DISCOUNT (sconto di fatture) is not reported to Intrastat. So, the arrival/dispatch of goods value EUR 970 is reported in the Intrastat form.

11.6. Goods free of charge, samples and advertising material

11.6.1. Goods free of charge

Goods free of charge are reported to Intrastat under **nature of transaction code 34** (Transactions involving transfer of ownership without financial compensation). In such a case, the PSI receives/delivers the goods free of charge (there is a transfer of ownership, but without financial or other compensation). The goods are usually accompanied by a commercial invoice at EUR 0.00.

In cases when an EU supplier sends goods free of charge to a buyer in the Republic of Croatia accompanied with a commercial invoice containing a symbolic value of goods (e.g. 1 or 10 euro) – the arrival of the goods is reported to Intrastat, NoT code 34, but the value of the goods must be estimated according to actual market value. Therefore, in the Intrastat form, the market value of the goods is entered in the field 'Invoice value' and not the symbolic amount stated on the Invoice.

11.6.2. Samples and advertising material

A sample is one or more parts taken from a system whose purpose is to provide information on the system, and often serves as a basis for making an opinion about the system or its operation.

Commercial samples have some basic characteristics that distinguish them from the goods they represent**,** e.g., **smaller packaging** than the one intended for sale, a **label** that it is a sample or test product, they are delivered in a **reasonable quantity** sufficient for potential buyers to make a decision, based on samples, to buy the product itself or a decision on business cooperation with the supplier, etc. Particular attention should be paid to the quantity of free samples arrived/dispatched – if it is an appropriate quantity of the samples in question (quantity sufficient to decide on the beginning of business cooperation, e.g. several pieces), then the arrival/dispatch of free samples is not reported for Intrastat.

However, if the quantity of free samples is greater than adequate – then the arrival/dispatch is considered a consignment free of charge that must be declared in the Intrastat form under **nature of transaction code 34.**

Arrival/dispatch of **advertising material** and free commercial samples in appropriate quantity, the purpose of which is not a commercial transaction, but the preparation or support of future commercial transactions, are not reported to Intrastat.

Free promotional samples and testers with the supplier's logo sent to customers for marketing promotion (e.g., promo cups, pens, posters, flyers, T-shirts, etc.) are not submitted in the *Intrastat form.*

Important!
If commercial samples and advertising material **are paid for***,* regardless of the quantity, then they are reported for Intrastat, nature of transaction code 11.

Example 33

A Croatian company receives free commercial samples from an EU supplier in order to conclude a future Business Cooperation Agreement. The samples were physically delivered on a truck with a semi-trailer and it was determined that it was a quantity of 20 tonnes of samples.

In this case, the receipt of 20 tonnes of samples free of charge <u>cannot be considered an appropriate quantity</u> (the recipient may decide to continue business cooperation based on a smaller quantity of samples) and, in this example, the samples in question must be declared in the Intrastat form**, nature of transaction code 34.**

Example 34

A Croatian *company receives six pieces of shampoo samples, which do not have special labels indicating that it is a sample, the size of the shampoo package is identical to the size that can be bought in public stores and the supplier issued an Invoice for six pieces shampoo samples to be paid.*

In this case, the arrival of six pieces of samples must be declared in the *Intrastat form*, **nature of transaction code 11.**

Example 35

The customer orders certain goods, receives a consignment of the ordered goods together with the invoice, but during the inspection it was determined that a part of the goods (ordered and listed on the invoice) was still not delivered by the supplier. In this case, the buyer complains to the supplier that a part of the goods is missing in the consignment. The supplier acknowledges the complaint and issues a credit note to the buyer granting him a reduction of payment on the invoice for the missing part. Subsequently, the supplier physically delivers the goods to the customer in the Republic of Croatia (the part he previously forgot to deliver), but without payment.

This can be interpreted in the sense that the supplier has admitted his mistake, and in order to maintain good relations with the customer he delivers him goods free of charge – in this case it is a consignment free of charge that must be declared in the Intrastat form under **nature of transaction code 34.**

11.7. Newspapers and periodicals under subscription

The movement of goods such as newspapers and magazines from one Member State to another must be declared in the Intrastat report. However, deliveries of newspapers and magazines under **subscription** are excluded from Intrastat reporting and are considered trade in services.

Here it is necessary to distinguish between the terms 'seller' and 'subscriber':

Seller is a company that sells newspapers and magazines to customers, issues invoices for the respective purchase/sale transaction and <u>reports</u> to Intrastat the dispatch of newspapers and magazines to customers in the EU.

Subscriber is a customer (a legal entity or natural person) who has evidence of the newspapers/magazines subscription (annual, monthly, quarterly, etc.) and <u>does not report</u> the arrival to Intrastat, since it is a direct subscription.

Example 36

A PSI (seller) dispatches newspapers and magazines to customers and subscribers (companies, individuals and non-profit organisations) from other Member States on a monthly basis and issues invoices for the deliveries in question.

A PSI should report the total monthly quantity and value of goods dispatched to other Member States, nature of transaction code 11.

A PSI from the Republic of Croatia subscribes (subscriber) to the annual receipt of a magazine from the EU. The magazine is delivered by mail or electronically.

Trade in periodicals under direct subscription is considered as trade in services, so there is no reporting for Intrastat.

11.7.1. Returns

Returns represents unsold copies of printed matter. The PSI receives information on remainders after a certain period of time (e.g. two months). Upon the receipt of information on the remainder that is not returned to the sender, but remains with the customer (e.g. the customer will destroy the remainder or otherwise dispose of it) – it is necessary to submit a Substitute Intrastat form to correct the data on initially dispatched/received goods so that one item (e.g. newspaper) is presented as two items of the same goods (e.g., newspapers) under different nature of transaction codes:

- **for the quantity of sold/purchased goods –** based on the Invoice, the **nature of transaction code 11** is declared (Outright purchase/sale)
- **for the amount of remainder that is not returned to the sender –** the **nature of transaction code 34** is declared (transactions involving the transfer of ownership without financial or other compensation)

11.8. Distance selling

The term distance selling refers to a situation where a supplier of goods, registered for VAT purposes in one EU Member State, sells and delivers goods to **private consumers (citizens) in another EU Member State** or to legal entities that are not VAT payers in another Member State. Typical examples of distance selling are web sales, TV sales, telephone sales and catalogue sales.

The declaration of goods, which are the subject of a distance selling transaction, is a subject to **standard rules of Intrastat reporting,** pursuant to Annex V, Chapter I, Section 3, paragraph 2 (a) and (b) of the Commission Implementing Regulation (EU) 2020/1197: "Intra-Union trade in goods shall cover:

(a) intra-Union exports of the following goods leaving the Member State of export for a destination in another EU Member State:
   (i) Union goods, except goods which are in transit between EU Member States;
   (ii) non-Union goods placed in the Member State of export under the inward processing customs procedure.
(b) intra-Union imports of the following goods entering the EU Member State of import, which were initially exported from another EU Member State:
   (i) Union goods, except goods which are in transit between EU Member States;
   (ii) non-Union goods formerly placed in the EU Member State of export under the inward processing customs procedure, which are maintained under the inward processing customs procedure or released for free circulation in the EU Member State of import."

11.8.1. Distance selling in fiscal terms

Since 1 July 2021, the MOSS tax system (Mini One Stop Shop) has been extended to all services provided to non-taxpayers and to distance sale transactions and **MOSS has become OSS** (One Stop Shop). The purpose of introducing the OSS electronic system is to enable taxpayers to meet VAT obligations to all EU Member States in one Member State by filing a 'VAT return' through that system from which the return data will be automatically transferred to those Member States where supplies are taxable.

The distance sale of goods within the European Union is not considered to be the supply of goods to legal and natural persons whose acquisition is subject to VAT (taxpayers entered in the register of VAT payers, small taxpayers who have exceeded the acquisition threshold, etc.).

More details on this topic are available on the website of the Tax Administration of the Republic of Croatia (PDV_OSS (porezna-uprava.hr)).

11.8.2. Connection between OSS and Intrastat system

OSS is an IT system of the Tax Administration, while Intrastat is an official statistics system. Since OSS and Intrastat are not directly connected, the reporting of distance sale transactions in the OSS system does not exclude the obligation to submit the Intrastat reports for the goods that are subject of distance selling.

OSS registration in another Member State has no impact on Intrastat reporting in the Republic of Croatia if the company still retains its Croatian VAT ID number. The reporting obligation for Intrastat, regardless of the OSS system, is conditioned by three factors:
1. A business entity must have **a Croatian VAT ID number**
2. A business entity carries out intra-EU trade
3. The value of intra-EU trade exceeds the annual exemption threshold for joining the Intrastat system.

The Intrastat obligation for the PSI may be terminated **if and only if that PSI deregisters for VAT purposes in the Republic of Croatia** and thus cancels his Croatian VAT ID number.

Deregistration for VAT purposes means that condition number 1 *"Business entity must have a Croatian VAT ID number"* is no longer met. In that case, the PSI in the Republic of Croatia is obliged to inform the Customs Administration – Intrastat Department about the stated crucial change in the following way:

↘ Send an e-mail to intrastat.prijava@carina.hr containing the full company name and the Croatian VAT ID number that has been cancelled,

↘ Attach a document proving the above (e.g., a confirmation or an e-mail from the Croatian Tax Administration on the cancellation of the VAT ID number)

↘ Provide information on the date of that change.

After that, the Intrastat Department initiates the procedure of cancelling the Intrastat reporting obligation for the PSI and notifies the company about it by e-mail.

However, if a PSI uses the OSS system for distance sale transactions but still **retains the Croatian VAT ID number** (for other reasons) – then the PSI is obliged to continue to submit the Intrastat reports in which it should also declare the goods that are the subject of distance sale transactions.

11.8.3. Transactions similar to distance selling, but cannot be considered as such

It is necessary to distinguish distance sale transactions from transactions that are similar to distance sale but cannot be considered as such. In order to accurately distinguish distance sale from similar transactions, according to Eurostat guidelines, it is first necessary to understand the way in which the transactions in question are recorded in VAT forms.

In the distance sale transaction, the recipients of goods are natural persons (citizens) and legal entities that are not subject to VAT. Therefore, citizens and legal entities who are not VAT payers do not submit the Intrastat reports.

Transactions that are similar to distance selling, but cannot be considered as such, are best explained by the following case:

Example 38

Private consumer A from Croatia orders goods via the internet from Dutch seller B, who is a VAT payer in the Netherlands. The seller B owns a distribution warehouse in Croatia and holds the Croatian VAT ID number. The goods are delivered from the Netherlands first to the warehouse in Croatia, and then from the warehouse in Croatia to the customer A's address in Croatia.

The delivery of goods to a natural person after the goods have previously been stored in a distribution warehouse in the EU Member State of destination (in this case in the Republic of Croatia) cannot be considered as distance selling. In this example, it is first necessary to identify two different transactions:

- ⮞ **The first transaction** is the transfer of own goods (owned by Dutch seller B) from the Netherlands to a warehouse in the Republic of Croatia, which is subject to standard fiscal rules on intra-EU trade, and

- ⮞ **The second transaction** is a domestic sale transaction inside the Republic of Croatia where the goods will be consumed.

Since the seller B reports the transfer in tax forms in Croatia, he is at the same time the seller (the Dutch seller with the Croatian VAT ID number) who is also obliged to declare ARRIVAL of goods to the distribution warehouse for Croatian Intrastat (provided that he has exceeded the annual exemption threshold in the Croatian Intrastat System).

11.8.4. Return of goods from the Republic of Croatia to another EU Member State originally delivered as a part of distance selling

Although buyers (private consumers – citizens and legal entities that are not subject to VAT) physically return the goods from the Republic of Croatia to the seller in another Member State, if it is actually a return of goods originally purchased as a part of the distance sale – the seller who is an Intrastat provider in Croatia is obliged to declare the return of goods in his Intrastat report.

All distance sellers who exceed the annual Intrastat threshold for one trade flow (arrivals or dispatches) are obliged to submit the Intrastat reports for both trade flows (both for arrivals and dispatches), regardless of the fact that they have not exceeded the annual exemption threshold for the other trade flow.

In July, the company XY, based in Belgium, became the Intrastat provider for both trade flows: for ARRIVALS (for which the Intrastat threshold was exceeded) and for DISPATCHES (for which the Intrastat threshold was not exceeded).

The reporting obligation for both trade flows has been introduced for distance sellers so that they can also report physical returns of goods that their customers (natural persons in Croatia) return to another EU Member State.

The company ZZ will report the following goods to the Croatian Intrastat System:

- In the Intrastat report for ARRIVALS for February: mobile phone under the **nature of transaction code 12** (Direct trade with/by private consumers (incl. distance sale)), and

- In the Intrastat report for DISPATCHES for March: mobile phone under the **nature of transaction code 21** (Return of goods).

If it is a return of goods that buyers – private consumers (citizens) from the Republic of Croatia return to the seller to the address of his distribution warehouse located on the territory of the Republic of Croatia, in such cases the Intrastat report is not submitted since the goods do not cross the Croatian border.

However, if the seller after that moves the same goods from the distribution warehouse in Croatia to a distribution warehouse in another EU Member State, the movement in question must be reported again in the Intrastat report for DISPATCHES under the **nature of transaction code 31** (Movements to/from a warehouse (excluding call-off and consignment stock)).

11.8.5. Return of goods from another EU Member State to the Republic of Croatia originally delivered as a part of distance selling

In the case of a distance seller who delivers goods from Croatia to private consumers (citizens) in other EU Member States, there are also situations when the returned goods are to be reported in Intrastat.

For a better understanding of this issue, here is a tabular presentation of possible situations when buyers – private consumers (citizens) from another EU Member States are not satisfied with the goods received from Croatia:

Description of the potential situation	Intrastat procedure (PSI is liable for both trade flows: ARRIVALS and DISPATCHES)
Physical return of goods and money The buyer (EU citizen) physically returns the received goods to the Republic of Croatia, and the company returns the money to the buyer.	Physical return of goods from EU to Croatia must be reported in the Intrastat ARRIVAL form under **the nature of transaction code 21.**
Return of money without physical return of goods – the goods remain in EU Dissatisfied with the received product, the buyer wants to return the goods to Croatia, but due to high delivery costs, the return of goods is not worth it. The buyer requests the return of the money and the company does it. So the goods remain in EU, but the company returns the money to the buyer.	It is necessary to submit a Substitute form for DISPATCH for the month in which such goods were initially physically transported from Croatia to EU, and change the nature of transaction code 11 (Outright purchase/sale) to the **nature of transaction code 34** (Transactions involving transfer of ownership without financial compensation).
Physical return of goods and delivery of replacement goods The buyer (a private consumer from EU) physically returns the received goods to Croatia, and the company sends replacement goods to the buyer. There is no refund of money, but the replacement of goods. **Example:** _Klaus from DE receives a shirt from the Republic of Croatia, determines that the size does not suit him, returns the shirt to the Republic of Croatia, and the seller delivers a replacement shirt of the appropriate size._	The initial physical delivery of goods from Croatia to EU must be reported in the _Intrastat DISPATCHES report_ under the **nature of transaction code 11.** Physical return of goods from EU to Croatia must be reported in the Intrastat ARRIVALS Report under the **nature of transaction code 21.** Dispatches of replacement goods from Croatia to EU must be reported in the Intrastat DISPATCHES report (in the month in which the replacement goods crossed the Croatian border) under the **nature of transaction code 22** (replacement for returned goods).
Physical return of goods, refund and delivery of replacement goods <u>free of charge</u> The buyer (a private consumer from EU) physically returns the received goods to Croatia, and the company refunds the money to the buyer and (for some reason) also sends the replacement goods free of charge.	The initial physical delivery of goods from Croatia to EU must be reported in the Intrastat DISPATCHES report under the **nature of transaction code 11.** Physical return of goods from EU to Croatia must be reported in the Intrastat ARRIVALS report under the **nature of transaction code 21.** Dispatches of replacement goods from Croatia to EU must be reported in the Intrastat DISPATCHES report (in the month in which the replacement goods crossed the Croatian border) under the **nature of transaction code 34.**
Physical return of goods, refund and delivery of replacement goods <u>with payment</u> The buyer (a private consumer from EU) physically returns the received goods to	The initial physical delivery of goods from the Republic of Croatia to the EU must be reported in the Intrastat DISPATCHES report under the **nature of transaction code 11.** Physical return of goods from EU to Croatia must be reported in the Intrastat ARRIVALS report under the **nature of transaction code 21.**

Description of the potential situation	Intrastat procedure (PSI is liable for both trade flows: ARRIVALS and DISPATCHES)
Croatia, and the company returns the money to the buyer and delivers the replacement goods with payment (and a new Invoice).	The dispatch of replacement goods must be reported in the Intrastat DISPATCHES report (in the month in which the replacement goods crossed the Croatian border) under the **nature of transaction code 11.**
Refund without physical return of goods – goods are lost The buyer paid for the goods, but the goods were never physically delivered because they were lost during the delivery. The company refunds money to the buyer.	**If the goods disappeared on the territory of the Republic of Croatia** – there is no reporting for Intrastat. **If the goods have disappeared on the territory of another Member State** – then the goods must be reported in the Intrastat DISPATCHES report under the **nature of transaction code 99** (Other transactions which cannot be classified under other codes)
Delivery of replacement goods without refund and without physical return of original goods The buyer paid for the goods, but received the damaged and defective goods. The company from Croatia does not request the return of the goods (i.e. the original goods remain in the EU), and sends the undamaged replacement goods to the buyer in EU.	It is necessary to report the following in the Intrastat DISPATCHES report • **Original goods –** which arrived damaged (in the month in which the original goods crossed the Croatian border), under the **nature of transaction code 11;** • • **Replacement goods** (in the month in which the replacement goods crossed the Croatian border) under the **nature of transaction code 23** (replacement for non-returnable goods).

Table 12: Return of goods from another EU Member State to the Republic of Croatia originally delivered as a part of distance selling

11.9. Software and licences

The software is reported in Intrastat only if it is delivered on a physical (tangible) medium. In this case, the value of the goods represents the total value (hardware + support + licences).
If the software is delivered online, there is no reporting for Intrastat.

Licences that are delivered separately, i.e. without software or hardware, as well as licences that are delivered later on (after the physical delivery of software or hardware) are not registered in Intrastat at all, but are considered a service!

Example 41
The PSI physically received a desktop computer with installed Windows in January. In February, the PSI received the Windows licence (on paper or on CD, or similar) and a separate Invoice for the licence.
For Intrastat, it is necessary to report the ARRIVAL of the desktop computer according to the appropriate Combined Nomenclature code for computers. The invoice value of the computer includes hardware (computer) and software (Windows). The ARRIVAL of the licence in February is not reported for Intrastat at all, since it was delivered separately (one month later) and is considered a service.

What is to be reported for Intrastat:

⬎ In the case when hardware is supplied together with the software and licence, the total value of the hardware, software and licence is reported under the CN code for the hardware.

Example 42
Purchase of a personal computer equipped with software and a license.
For Intrastat, it is necessary to report the total value of the consignment (the value of the personal computer together with the software and the licence). The consignment must be classified under the CN code for hardware (e.g., 8471). Since the licence is included in the consignment, it is reported as an integral part of the consignment.

⬎ Serial production of standard software delivered on a physical medium (CD, USB, etc.) – the total value of goods (physical medium + software) is reported according to the CN code for the physical medium.

Example 43
Arrival of the standard software package "Windows 2000" on USB.

⬎ Upgrade (update) of standard software. If the upgrade is delivered on a physical medium (e.g., CD, USB, etc.), it is to be reported under the CN code for the physical medium.
  - In the case when the price for the delivery of updates has already been included in the invoice for the original purchase of software and no new invoice for updates has been issued, there is no reporting for Intrastat.

What is not to be reported for Intrastat:

⬎ Delivery of specially designed software for a specific customer – dispatches and arrivals are not reported for Intrastat.

Example 44
A Swedish software company supplies custom-made software to a Croatian company.

⬎ Software delivered via the Internet (no physical carrier)

Example 45
Additional licences, which are paid for the use of software that has already been supplied.
Licenses are considered a service and are not to be reported for Intrastat.

Example 46
Software delivered via e-mail.

⬎ Upgrade (update) of standard software, if the upgrade is delivered online (via the Internet) – there is no reporting for Intrastat.
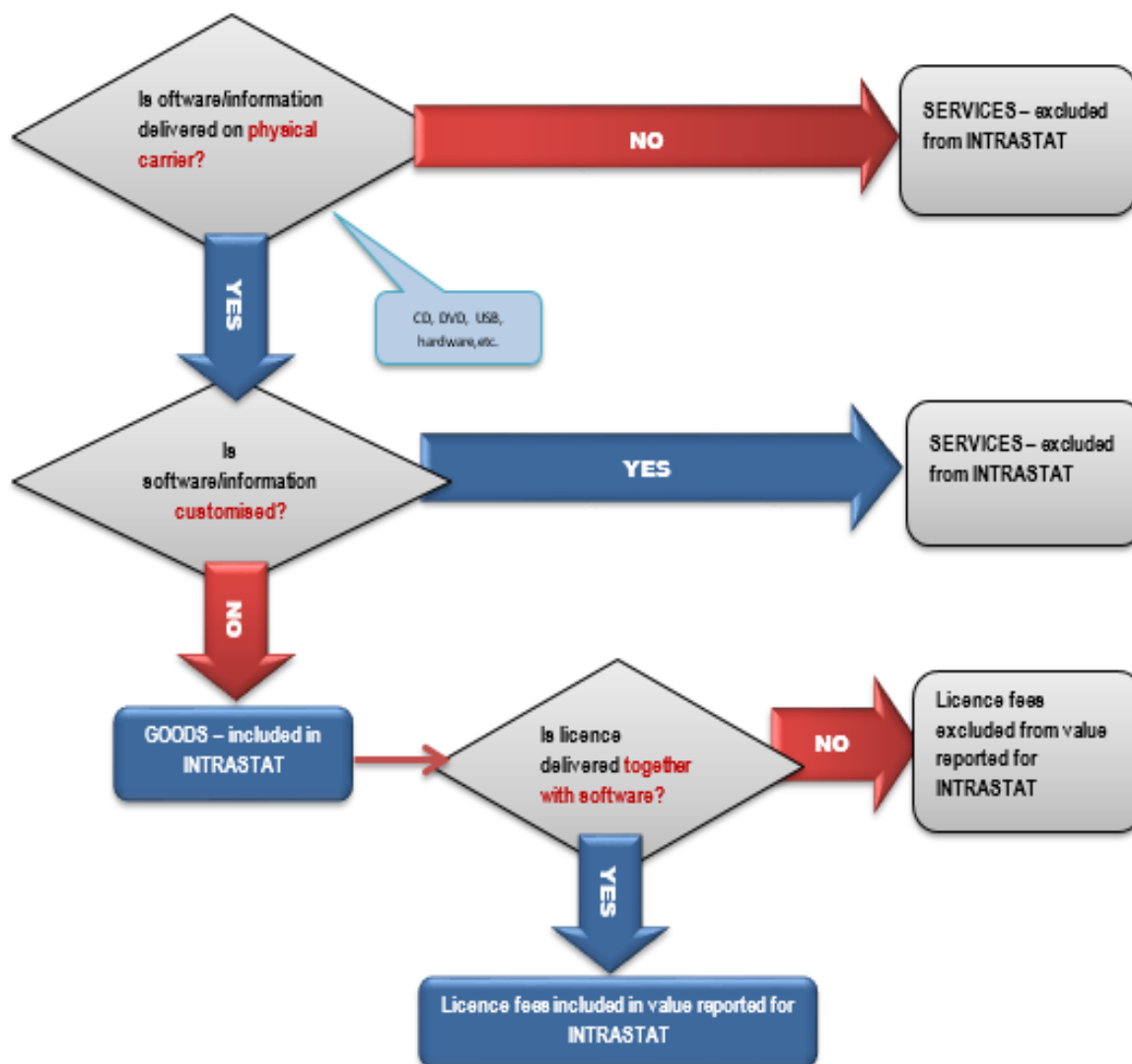
Figure 2: Scheme of the decision on reporting the software for Intrastat

11.10. Monetary gold and means of payment

11.10.1. Monetary gold

Monetary gold (CN code 7108 20 00) is gold owned by the national Government of a Member State and state institutions (or other companies whose operations are under the direct control of the Government or state institutions, such as authorised banks), which is considered a reserve *(financial reserve)*. Monetary gold is a financial asset of a country and not a commodity, therefore transactions with monetary gold are **excluded from Intrastat reporting.**

Transactions with monetary gold can be performed <u>exclusively between representatives of monetary authorities</u> of EU Member States (in Croatia it is the Croatian National Bank) or between representatives of the monetary authority of a Member State and an international monetary organisation (e.g., IMF).

Gold bars, which are held as a reserve by non-monetary institutions, are included in Intrastat reporting in case of the exchange between Member States and are declared as non-monetary gold.

Non-monetary gold (CN code 7108 1xxx) refers to all gold other than monetary gold (including gold held in allocated gold accounts). Transactions with non-monetary gold must be reported in the Intrastat report. Non-monetary gold can be in any form: gold coins, ingots, bars, powder etc., **with a purity of at least 995 parts per thousand.**

Gold jewellery, watches and other gold goods should not be classified under the non-monetary gold CN code, but under their respective goods code when filling in the Intrastat report.

Example 47
A bank buys gold bars for investment purposes on behalf of its client or for its own needs. The bars are physically dispatched from one EU Member State to other.
This transaction is considered non-monetary gold and must be reported for Intrastat.

Non-monetary gold which is legal tender and coins (**CN code 7118 90 00**) are excluded from Intrastat, underline provided they are in circulation.

If coins in circulation (CN 7118 90 00) are sold above their face value as collectibles, they are no longer considered means of payment, but commodities to be included in Intrastat reporting with their transaction value, since their function as a store of value prevails (e.g. a set of Euro coins of a EU Member State in mint or proof — **CN code 9705 00 00).**

11.10.2. Means of payment

Means of payment which are not in circulation – included in Intrastat

Means of payment which are not in circulation, such as unissued bank notes, securities and coins, should be included in Intrastat as products of the printing or manufacturing industry. The invoice value should be the transaction value of the printing or metal stamping costs involved in the production and any delivery costs of the goods. For used notes which are not in circulation, the value should be the cost of acquiring the notes and any delivery costs. Postage stamps and similar stamps (e.g. highway vignettes, road tax discs, motorway toll, repayment stickers and the like), provided that they are the subject of a commercial transaction, shall be included in Intrastat in the same way as unissued bank notes not in circulation.

Means of payment which are in circulation – excluded from Intrastat

Means of payment which are legal tender (e.g. banknotes in any currency – **CN code 4907 00 30)** and securities that represent evidence of financial claims, including means which are payments for services such as postage, taxes and user fees (e.g., highway vignettes, road tax discs, motorway toll prepayment stickers – **CN code 4907 00 10**), are excluded from Intrastat.

> **Important!**
>
> In general, the means of payment classified under CN codes **4907 00 10, 4907 00 30, 4907 00 90, 7108 20 00 and 7118 90 00** are excluded from the statistics under certain conditions:
>
> 1. **Means of payment or funds which are in circulation** are excluded from Intrastat reporting, i.e. they are **not reported in Intrastat forms!**
>
> 2. **Means of payment which are NOT in circulation but considered collectors' items** are not excluded, but **must be reported in Intrastat forms** in accordance with the methodological guidelines of Eurostat.

11.11. Goods for or following temporary use

Goods for or following temporary use (e.g. hire, loan or operational leasing, temporary storage abroad and following return), provided all the following conditions are met, are excluded from Intrastat:

1. **There is no transfer of ownership of the goods**
   The dispatch/arrival has not to be declared as a supply/acquisition for VAT purposes

2. **No processing is/was planned or carried out**
   (Goods will not be upgraded, modified, etc.)

3. **The expected duration of the temporary use was/is not intended to be longer than 24 months from the date of physical delivery**.

If goods hold the status of Union goods and meets all three conditions for temporary use, the arrival of the goods from EU to the Republic of Croatia is not reported for Intrastat, and neither is the dispatch of such goods. If any of the three conditions is no longer met, then the goods are reported to Intrastat as follows:

↘ **If the goods are subjected to the processing procedure in Croatia**
   The ARRIVAL is reported for Intrastat in the month when the processing started using the NoT codes 41 or 42.

↘ **If the goods are longer than 24 months has in Croatia, but still owned by the EU partner**
   For Intrastat, it is necessary to report the ARRIVAL of the goods **in the** month in which the conditions for temporary use of goods have been terminated, using the NoT code 91 (Lease, loan and operating lease for more than 24 months).

↘ **If there is a transfer of ownership of the goods with financial compensation**
   In that case, the transaction is to be reported in VAT forms as well, while, for Intrastat, it is necessary to report the ARRIVAL of the goods in the month in which the conditions for temporary use of goods have been terminated, using the NoT code 11 (Outright purchase/sale).

11.12. Packaging

YES – if the packaging is traded as ordinary goods, such a transaction is reported to Intrastat.

NO – if the packaging is treated as an integral part of the traded product, it is not necessary to report to Intrastat. Likewise, in the event that the packaging is expected to be returned to the seller, this is considered a temporary delivery and is not reported to Intrastat.

Empty bottles that are temporarily brought in/dispatched for later filling with certain goods are excluded from Intrastat reporting because it is considered a temporary arrival/dispatch of goods.

11.12.1. Pallets

If pallets are traded as standard goods and there is an Invoice for such purchased/sold pallets – such a transaction is reported to Intrastat under **nature of transaction code 11** and the invoice value of pallets according to the Invoice.

In the case where pallets are expected to be returned to the sender, this is considered a temporary delivery and is not reported to Intrastat.

If the pallets are listed on the invoice, but will not be charged (the value on the invoice is not stated or EUR 0.00 is stated), the invoice issued in this way implies that the ownership of the pallets has been transferred from the supplier to the buyer. In that case, the arrival of pallets in the Republic of Croatia must be reported in the Intrastat report for ARRIVALS using **nature of transaction code 34** (Transactions involving the transfer of ownership without financial compensation) according to the estimated market value of the pallets.

11.13. Waste products

Movement of waste across the Croatian border can be divided into purchase/sale transactions of valuable waste containing recovered (valuable) materials, transactions of processing of valuable waste and transactions of waste disposal:

↘ Purchase/sale of valuable waste
It is a trade transaction between two business entities that is considered a purchase/sale transaction for tax purposes and is reported to Intrastat as a standard sale (NoT code 11).

Example 48
Purchase/sale of ferrous scrap (CN 7204 10 00).

↘ Processing of valuable waste
The owner of the valuable waste instructs the processor to separate the valuable materials from the waste and to subsequently return the recovered materials. For Intrastat it must be reported as processing (NoT code 41/51).

Example 49
Processing of defective catalysts (CN 8421 39 60).

↘ Waste disposal
The company dispatches the waste for disposal including payment, that is, the company pays for the service of disposing of the dispatched waste. In this case, it makes no difference whether the waste

contains valuable materials that can be potentially recovered. For Intrastat it is reported under NoT code 99 and with the actual weight and value of EUR 1.00.

They are reported in the Intrastat report for arrivals under nature of transaction code 99, stating the actual net weight, and the invoice value of the goods (waste) in the amount of EUR 1.00. If this transaction is recorded in accounted books according to the value of, for example, EUR 10.00, it is also allowed to state the value of EUR 10.00 in the Intrastat report.

↘ **Waste and scrap**

They are reported and classified with the appropriate commodity code when there is a special code for waste products (e.g., CN 7602 00 – Aluminium waste and scrap, CN 5103 30 00 – Animal hair waste, CN 3825 10 – Municipal waste*, etc.*).

However, if there are no specific CN codes for particular waste products, the general rules for the interpretation of the CN are used.

11.14. Sales/purchases with the intermediation of an agent (intermediary)

An intermediary (agent) is an enterprise/person that performs foreign trade activities in the name and on behalf of the principal. The intermediary's role is to connect the principal with the buyer or seller without direct intervention in concluding the affair and to charge a commission for the performance of that transaction.

The flow of goods between companies A and C is reported. The company A reports the dispatch of goods to Croatia. The company C reports the arrival of goods from Hungary. The value of the goods does not include the commission intended for the company B.

11.15. Delivery of goods with the intermediation of a commission agent

The commission agent is a company/person that performs foreign trade operations in his own name, but on behalf and by order of his principal. Three parties are involved in the transaction: the seller, the commission agent and the buyer. There is an invoice between the seller of the goods and the commission agent and between the commission agent and the buyer of the goods.

If the commission agent is located in Hungary, he must report the DISPATCH of goods to Croatia. The value of the goods does not include the provision. In case the commission agent is located in Croatia, he must report the ARRIVAL of goods from Hungary. The value of the goods includes the provision.

11.16. Consignment and call-off stock

Consignment is a business arrangement in which the owner (consignor) transfers a certain quantity of goods to his agent (consignee) located on the consignment stock in another EU Member State, from which the consignee sells the goods on behalf of the consignor. Consignment relations are usually governed by the Consignment Agreement.

There is a difference between consignment stock transactions and call-off stock transactions:

- **Consignment stocks** are created when a business transfers its own goods to another EU Member State to create a stock **over which it has control and ownership**. Typically, there are multiple potential customers for consignment stock.

- **Call-off stock** is a transfer of goods by a business from one Member State to another to create a stock of goods for a particular customer, who **takes over the control over the goods** (e.g., the customer can 'call-off' the goods and distribute them to retail outlets at his own free will).

As regards intra-EU trade, goods supplied from one Member State to another to the consignment/call-off stock must be declared as a DISPATCH in the initial EU Member State and as ARRIVAL in the destination Member State in line with the open market value of the goods.

11.16.1. Nature of transaction code for consignment/call-off stock

I If the owner of the goods is not registered for VAT purposes in the destination Member State

If the business entity (owner of the goods) is not registered for VAT purposes in the destination Member State where the goods are dispatched for creating a consignment/call-off stock with the purpose of subsequent sale, this transaction is reported to Intrastat using the **nature of transaction code 32** (Supply for sale on approval or after trial (**including call-off and consignment stock**)).

A dispatch/arrival is reported by the warehouse keeper who holds a Consignment Agreement or a Call-Off Agreement with the owner of the goods. In such a case, a total quantity of dispatched/received goods is declared in the Intrastat report (and not subsequently invoiced goods) since the Intrastat survey records trade between Member States at the time of actual arrival or dispatch. What matters is the flow of goods, and not the flow of payment or subsequent sale.

Example 54
The company XY in Croatia receives goods at a consignment stock in Zagreb. The EU supplier is not registered for VAT purposes in Croatia. How is the ARRIVAL declared for Croatian Intrastat?

If the supplier (consignor) from another Member State is not registered for VAT purposes in Croatia, then the ARRIVAL is reported to Intrastat by the Croatian company XY, where the following information is important:

- **nature of transaction code 32** *(Supply for sale on approval or after trial (including call-off and consignment stock)),*
- the reference period is the calendar month of the actual physical arrival of the goods,
- the **total quantity of goods physically arrived in the month of crossing the Croatian border** (which will only subsequently be sold and subsequently recorded in VAT forms) is reported,
- the value of the goods, if not precisely determined, needs to be estimated!,
- the data source for filling in the Intrastat report is any documentation that contains information on the goods (e.g., CMR, e-mail order, delivery note, pro-forma invoice, etc.)
- subsequently invoiced goods are not reported to Intrastat (the goods have already been declared under nature of transaction code 32), nor is it necessary to correct the nature of transaction code 32 to nature of transaction code 11 after the Invoice has been issued. In that case, differences between Intrastat and VAT data will occur. However, such differences are methodologically justified.

II   If the owner of the goods is registered for VAT purposes in the destination EU Member State

If the business entity (owner of the goods) is registered for VAT purposes in the destination EU Member State, the correct nature of transaction code in the Intrastat report depends on how this transaction is going to be recorded in VAT forms:

↘ If the owner of the goods, registered for VAT purposes in the destination EU Member State, intends to declare a standard intra-EU acquisition **immediately** in the month of transferring the goods stock (immediately fills in the VAT form and VIES declaration), the following data should be declared in the Intrastat report:
  - **nature of transaction code 11** *(Outright purchase/sale)*
  - the goods are declared by the owner registered for VAT purposes in the destination EU Member State (the owner of the goods therefore has both the VAT ID number of the initial EU Member State and the VAT ID number of the destination Member State),
  - the reference period is the calendar month of crossing of the goods over the Croatian border,
  - the total quantity of goods transferred is reported.

↘ If the owner of the goods, registered for VAT purposes in the destination EU Member State, does not intend to declare an intra-EU acquisition immediately in the month of transferring the stock but **afterwards** (the time lag between movement of goods and the fiscal reporting obligation is allowed for up to 12 months), the following data should be declared in the Intrastat report:
  - **nature of transaction code 32** *(Supply for sale on approval or after trial (**including call-off and consignment stock**)),*
  - the goods are declared either by the owner registered for VAT purposes in the destination EU Member State or by the consignment/call-off warehouse keeper in the destination EU Member State (the one who declares an "intra-EU acquisition" in VAT forms declares also ARRIVAL for Intrastat),
  - the reference period is the calendar month of crossing of the goods over the Croatian border,
  - the total quantity of goods transferred is reported.

III   If the warehouse keeper in one EU Member State receives the goods in his own name and on his behalf from a supplier in another EU Member State

If the warehouse keeper in one Member State receives the goods in his own name and on his behalf from a supplier in another Member State, it is a typical sale transaction where the warehouse keeper reports the ARRIVAL of goods using **nature of transaction code 11.** In this case, the ownership of the goods is immediately transferred.

11.16.2. Return of unsold goods from a consignment/call-off stock

If unsold goods are returned from a consignment/call-off (or distribution) stock, the standard Intrastat reporting rules are applied, which refer to the physical return of goods.

Recommendation!
For easier monitoring of goods in Intrastat reports as well as for comparison with VAT forms, we recommend that PSIs keep their own records of the quantity of goods reported as arrivals/dispatches in the stock (consignment, call-off or distribution stock) and, at the same time, keep records of received/issued invoices for the quantity of goods in question. In this way, they will have updated information on the quantity of goods physically arrived from the EU in the Republic of Croatia (or vice versa) at all times as well as on how much of that quantity has been sold (proof: invoices declared in VAT forms) and on how much is yet to be sold or possibly returned to another EU Member State.

11.17. Goods delivered with installation or assembly

Goods delivered with installation or assembly represent a transaction involving the supply of goods and services (e.g. building materials and building services, delivery of goods and services for assembly or installation work, etc.) under a general contract for which no separate invoicing of the goods is required, but an invoice for the total contract is issued. In other words, the contract will cover the movement of goods and services combined.

The value to be declared in the Intrastat report only covers the value of the goods, which means that estimates might be necessary in order to apportion the different values of goods and services in the total amount of the contract.

11.18. Operational and financial leasing

11.18.1. Operational leasing

Goods under operational leasing are excluded from reporting to Intrastat when they are planned to stay for less than two years. Goods under operational leasing must be reported to Intrastat when the contract covers a period longer than two years. Arrivals and dispatches are reported using **nature of transaction code 91** (*Hire, loan, and operational leasing longer than 24 months*)**.**

The reference period is the month in which the goods are physically received or dispatched (at the beginning of concluding the contract) or the month in which it becomes obvious that the goods will remain for more than two years. The value of the goods is the estimated value at the time of concluding the contract.

Goods originally intended to be returned within two years but not returned during that period are reported with an estimated value in the Intrastat report for the month in which it becomes clear that the goods will remain for more than two years in the reporting Member State.

If the lessor transfers ownership to the lessee after the expiration of the operating leasing agreement (the reference period is the month in which the transfer of ownership occurred), the estimated open market value of the goods in the month of transferring ownership to the lessee is reported.

11.18.2. Financial leasing

Financial leasing is reported for Intrastat using **nature of transaction code 33** (Financial leasing). The financial leasing is a transaction involving three parties: a supplier of goods, a lessee and a lessor.

- ↘ **Direct leasing** exists when the supplier and the lessor are the same person;

- ↘ **Indirect leasing** exists when the leasing company (lessor) buys goods from the manufacturer or supplier and subsequently leases the goods to the lessee.

When the lessor and the lessee are located in the same EU Member State and the supplier of the goods in another Member State, the supplier reports the dispatch of the goods and the lessor reports the arrival of the goods.

If the supplier of the goods and the lessor are located in the same EU Member State and the lessee in another EU Member State, the dispatch of the goods is reported by the lessor of the goods and the arrival of the goods is reported by the lessee.

The value of the goods at the time of concluding the contract is reported using nature of transaction code 33. The reference period is the month when the goods arrived or were dispatched (usually the month when the leasing/rental agreement was concluded).

Example 55
A PSI from the Republic of Croatia purchased a machine from a Belgian supplier. The payment for the machine is made through a leasing company from the Republic of Croatia (the leasing company finances the purchase of the machine). The invoice of the Belgian supplier is issued to the leasing company and the place of delivery is the warehouse of the PSI in the Republic of Croatia.
In this example the supplier is the company from Belgium, the lessor is the leasing company from the Republic of Croatia and the lessee is the PSI from the Republic of Croatia. Given that both the lessor (the leasing company from the Republic of Croatia) and the lessee (the PSI from the Republic of Croatia) are located in the same EU Member State (i.e., in the Republic of Croatia), the lessor (leasing company) will report the arrival of the goods for Intrastat.

11.19. Processing

Processing is a wide concept that encompasses activities (transformation, performance, assembly upgrades, renovation, modification, conversion, etc.) to **produce a new or significantly improved product**. This does not necessarily lead to a change in the tariff number of the product. Here are some examples of processing operations:
- industrial assembly of products (components used in the production of a new product);
- canning (e.g., by adding preservatives);
- treatment (e.g., against parasites and rust);
- mixing products of different quality to produce new quality products;
- filling bottles with liquid (e.g., wine from the barrels);
- converting textiles into a product (e.g., clothes, handbags, curtains);
- diluting or concentrating liquids (e.g., juice), etc.

In practice, except in cases where there is *a* Processing Agreement concluded between the consignee of the processing service and the executor, there are also transactions that are reported to Intrastat in the same way as in the case of processing operations (e.g., a contract for the production of the finished product). Such transactions are also considered processing operations. Delivery of goods for processing or after processing under contract, as well as transactions that are considered processing, are reported to Intrastat.

The nature of transaction code for processing depends on whether there is a transfer of ownership over the goods dispatched/arrived for processing (raw materials or semi-finished products) or not. In this sense, different nature of transaction codes are used in the Intrastat report.

11.19.1. Nature of transaction code in processing if there is no change of ownership

This means that the goods (raw material or semi-finished product) remain the property of the ordering customer and are delivered accompanied with a delivery note without a commercial invoice, which means that the intra-EU supply/acquisition is not declared in VAT forms. The goods dispatched in this way are called 'owner supply'. In this case, the following information is entered in the Intrastat form:

↘ **dispatch/arrival of goods (raw materials/semi-finished products) sent for processing under the nature of transaction codes 41 or 42.**

In standard processing cases, in which the processor (performer of processing) issues an invoice for the processing service (and not for the goods), when dispatching/receiving the goods for processing, the following information is entered in the Intrastat form:
- **nature of transaction code 41 –** if the goods are expected to be returned to the initial Member State of dispatch
- **nature of transaction code 42 –** if the goods are not expected to be returned to the initial Member State of dispatch.

↘ **dispatch/arrival of goods (finished product) after processing under the nature of transaction codes 51 or 52**

In standard processing cases, in which the processor (performer of processing) issues an invoice for the processing service (and not for the goods), when dispatching/receiving the goods after processing, the following information is entered in the Intrastat form:
- **nature of transaction code 51 –** if the goods are returned to the initial EU Member State of dispatch
- **nature of transaction code 52 –** if the goods are not returned to the initial EU Member State of dispatch.

11.19.2. Nature of transaction code in processing – if there is a change of ownership

This means that the ordering party sells the raw material or semi-finished product to the company (the so-called processor) that will perform the processing operation, whereby the transaction in question is declared in the VAT form based on the commercial invoice. In this case, the following information is reported in Intrastat:
↘ dispatch/arrival of goods for processing under the **nature of transaction code 11** on the basis of the issued invoice for the goods,
↘ dispatch/arrival of goods (finished product) after processing is also reported under the **nature of transaction code 11** based on the issued invoice for the goods.

11.19.3. Nature of transaction code in processing – if there is a partial change of ownership

In case of dispatch/arrival of goods for processing with partial[16] change of ownership, it is necessary to distinguish the standard 'processing under contract' and 'processing activities on a processor's own account'. Therefore, for the purposes of Intrastat reporting, it is necessary to apply the following principle:

> ↘ When the value of material provided by the ordering party without transfer of ownership is **significant**

then the transaction should be treated as 'processing under contract' and reported to Intrastat under the standard nature of transaction codes 41/42 and 51/52 that define the processing operations.

> ↘ When the value of material provided by the ordering party without transfer of ownership is **negligible**

then the transaction should be treated as 'processing activities on a processor's own account'. The term "negligible value" means that the value of the goods sent for processing makes up **less than 10%** of the finished (processed) product value. Such a transaction is reported to Intrastat under the nature of transaction codes 99 and 11 in the following way:

I ARRIVAL of goods negligible value **for processing**
   - **Nature of transaction code 99** (Other transactions which cannot be classified under other codes).
   - The goods are accompanied by a delivery note and transport documentation
   - Invoice value = open market value of the goods received for processing (if there is no information on the value – IV needs to be estimated).

II DISPATCH of the final product to ordering party **after processing**
   - **Nature of transaction code 11** (Outright purchase/sale),
   - The goods are accompanied by an invoice (for the finished product) and transport documentation

Invoice value = gross value which includes the value of the finished product according to the invoice + the value of previously received goods (raw materials) for processing without transfer of ownership.

Example 56

Company A *from Germany orders the construction of a vessel in Croatia from company. The company A wants a special rudder to be installed in the vessel, the one which the company A already owns. The rudder is physically transported from Germany to Croatia for installation. Upon completion of the production, the new vessel with a built-in special rudder is delivered to the customer in Germany. The value of the rudder is 8% of the value of the manufactured vessel.*

The company A from Germany and the company B from Croatia signed a contract for the production of the vessel. The separately installed rudder represents the owner supply that will be installed in the vessel. The company B from Croatia must report the following to Intrastat:
- ARRIVAL of the rudder for processing under the **nature of transaction code 99;**
- DISPATCH of the vessel under the **nature of transaction code 11.**

---

[16] **Partial transfer of ownership of goods** intended for processing refers to the situation when the ordering party from one EU Member State sends part of the goods (raw materials/semi-finished products) to another EU Member State for processing without transfer of ownership (part of the goods that remains in the ownership of the ordering party), while the other part of the goods are sent with transfer of ownership (the ordering party sells the goods to the processor and issues an invoice for the goods/raw materials/semi-finished products sold).

The value of the dispatched vessel must include the value of the finished product (vessel) according to Invoice issued by the company B **plus the** value of the previously arrived **rudder** (previously reported as arrival). In this case, the value of goods in the Intrastat report for DISPATCHES will be higher than the value reported as 'Intra-EU supply' in VAT forms, but such a difference is methodologically justified for Intrastat.

11.19.4. Invoice value of goods in processing operations

In the case of a standard processing operation, in which the ordering party sends goods to another Member State for processing without change of ownership and the processor issues an **invoice for the service,** the value of the goods is reported as follows:

➘ ARRIVALS/DISPATCHES of goods **for processing**

- **Estimated market value of** goods arrived/dispatched for processing.
- The consignee sends the goods for processing with an accompanying delivery note or any other document that does not normally state the value of the goods. Therefore, the company receiving the goods for processing must estimate the value of the goods in question

➘ ARRIVALS/DISPATCHES of goods **after processing**

- **The value of the finished product** (processed goods) which represents the **gross value of the** goods received for processing, the consumed additional material and the work done based on the Invoice issued by the processor for the processing service.

In the case of processing operations in which the ordering party sends the goods to another Member State for processing with change of ownership (proof: invoice for the goods), and the processor also issues an **invoice for the goods** (proof: invoice for the finished product), the invoice value of the goods is stated on the basis of the invoice for the goods.

In the case of processing with partial change of ownership, the value of the goods arrived for processing is estimated (NoT 99), while the value of goods after processing (NoT 11) must be expressed in gross amount that includes the value of the finished product according to the Invoice + value of previously arrived goods (raw materials) for processing without change of ownership.

11.19.5. Examples for some processing cases

→	FLOW OF TRANSACTION
⟶	FLOW OF GOODS
☐	ENTERPRISE OBLIGED FOR INTRASTAT REPORTING
▢	PROCESSOR
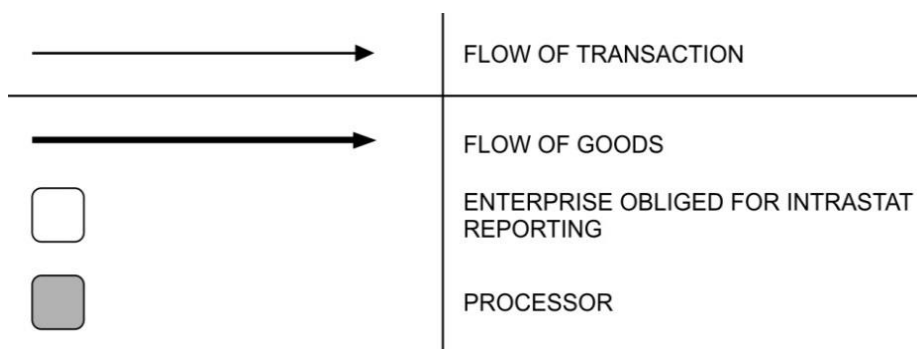
I   SIMPLE PROCESSING OPERATIONS
- two business entities included

Example 57

Company A1 from Croatia sends goods for processing to Hungary to company B1. After processing, the company B1 returns the processed goods to the company A1. Processing is done at the expense of the company A1.
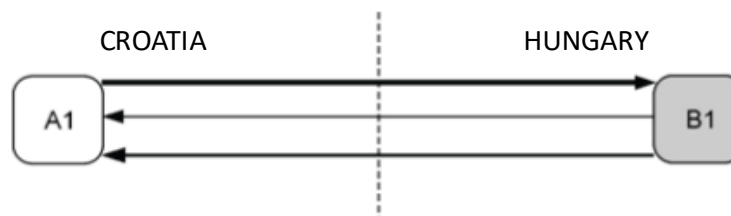
The company A1 reports the dispatch of goods for processing to Hungary under the **nature of transaction code 41**, and the receipt of goods after processing from Hungary under the **nature of transaction code 51.**

The Company B1 reports the arrival of goods for processing from Croatia under the **nature of transaction code 41**, and the dispatch of goods after processing to Croatia under the **nature of transaction code 51** (invoice value = gross value).

II   COMPLEX PROCESSING OPERATIONS
- several business entities included

II A) The goods are returned to the initial EU Member State

Example 58

Company A1 in Croatia sends goods for processing to Hungary to company B1. After processing, the company B1 returns the processed goods to Croatia, but to the address of the company A2. Processing is done at the expense of the company A1.
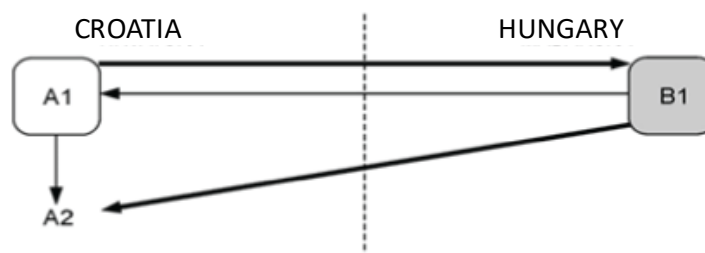
The company A1 reports the dispatch of goods for processing to Hungary under the **nature of transaction code 41** and the arrival of goods after processing from Hungary under the **nature of transaction code 51.**

The company B1 reports the arrival of goods for processing from Croatia under the **nature of transaction code 41**, and the dispatch of goods after processing to Croatia under the **nature of transaction code 51**.

The company A2 does not report to Intrastat (national transaction between A1 and A2).

Company A1 in Croatia sends goods for processing to Hungary to company B1, which subsequently sends the goods for further processing to company B2 in Hungary. After processing, the company B2 returns the processed goods to company A1 in Croatia.
B1 and B2 charge for the service and issue invoices to A1.
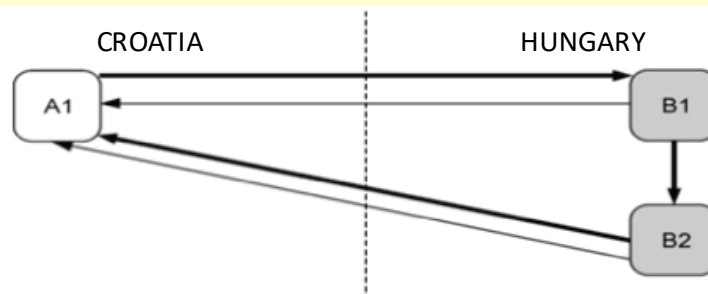
The <u>company A1</u> reports the dispatch of goods for processing to Hungary under the **nature of transaction code 41,** and the arrival of goods after processing from Hungary under the **nature of transaction code 51.**
The <u>company B</u> 1 reports the arrival of goods for processing from Croatia under the **nature of transaction code 41.**
The <u>company B2</u> reports dispatch of goods after processing to Croatia (gross value) under the **nature of transaction code 51.**

Company A1 in Croatia sends the goods for processing to Hungary to company B1, which then sends them for further processing to company B2 in Hungary. <u>Company B2 is a subcontractor of the company B1 and performs processing operations on behalf of company B1</u>. After processing, the company B2 returns the processed goods to the company A1 in Croatia.

The <u>company A1</u> reports the dispatch of goods for processing to Hungary under the **nature of transaction code 41**, and the arrival of goods after processing from Hungary under the **nature of transaction code 51.**
The <u>Company B1</u> reports the arrival of goods for processing from Croatia under the **nature of transaction code 41** and the dispatch of goods after processing to Croatia (gross value) under the **nature of transaction code 51.**
The <u>company B2</u> does not report to Intrastat (national transaction between B1 and B2).

II B) The goods are not returned to the initial EU Member State

- processing is performed <u>on behalf of the seller</u>

Company A1 in Croatia sells goods to company C1 in Germany. The company A1 dispatches the goods for processing to company B1 in Italy, which performs the processing operations <u>on behalf of the company A1</u>. After processing, the company B1 sends the goods to the customer, the company C1 in Germany.

CROATIA   ITALY   GERMANY
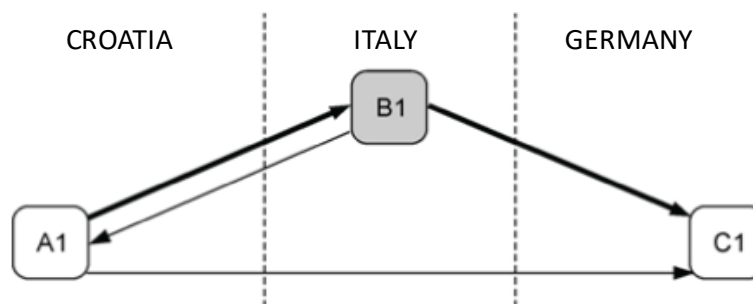
The company A1 reports the dispatch to Italy under the **nature of transaction code 42.**

The company B1 reports the arrival of goods for processing from Croatia under the **nature of transaction code 42** and the dispatch of goods after processing to Germany under the **nature of transaction code 52.**

The company C1 reports arrival of goods from Italy, gross value, under the **nature of transaction code 11 –** change of ownership for a fee. The company C1 will receive an Invoice from the company A1, which will contain the value of the processed goods.

Example 62

Company A1 in Croatia sells goods to company B in Hungary. The company A1 dispatches the goods for processing to company A2 in Croatia, which performs processing operations on behalf of the company A1. After processing, the company A2 dispatches the goods to the customer company B in Hungary. The company A2 charges the company A1 with processing costs.
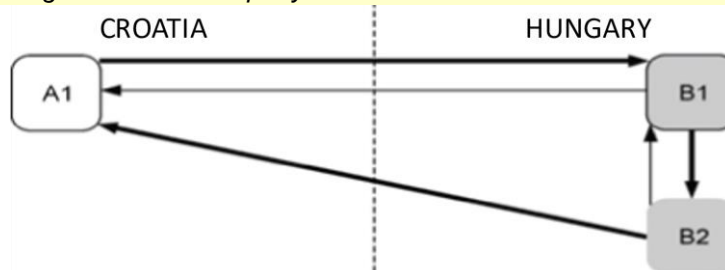
The company A1 reports the dispatch of goods to Hungary under the **nature of transaction code 11**, the value of the goods is that which A1 charges to company B.

The company B reports the arrival of goods from Croatia under the **nature of transaction code 11**, the value charged to it by A1.

The company A2 does not report to Intrastat.

Example 63

Company A1 in Croatia sells goods to company B2 in Hungary. The company A1 dispatches the goods for processing to company B1 in Hungary, which processes the goods on behalf of the company A1. After processing, B1 dispatches the goods to the customer, the company B2 in Hungary. The company A1 has a tax representative in Hungary (the company A1).*

The company A1 reports dispatch to Hungary under the **nature of transaction code 11**.

The company A1* (tax representative) reports arrival of goods from Croatia, net value, value of goods before processing, under the **nature of transaction code** 11.

The companies B1 and B2 in Hungary do not report to Intrastat.

II C) The goods are not returned to the initial EU Member State

> **- processing is performed on behalf of the final customer**

Example 64

Company C1 in Croatia buys goods from company A1 in Germany. The company C1 asks the company A1 to send the goods for processing to company B1 in Hungary. The company B1 performs the processing of goods on behalf of the company C1. After processing, the company B1 sends the goods to the customer (ordering party), the company C1 in Croatia.
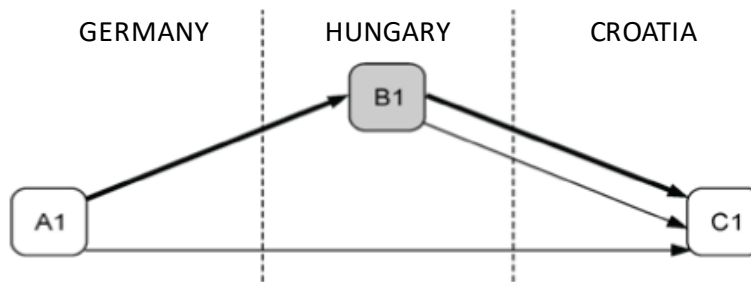
The company A1 reports the dispatch of goods to Hungary, the value before processing under the **nature of transaction code 11.**

The company B1 reports arrival of goods for processing from Germany, under the **nature of transaction code 42** (value of goods before processing), and dispatch of goods after processing to Croatia, using **nature of transaction code 52**, gross value of goods after processing.

The company C1 reports arrival of goods from Hungary, gross value, under the **nature of transaction code 11**.

IV = value of goods (according to the invoice for the goods issued by supplier A1 from Germany) **+** value of the processing service (according to the invoice for the service issued by company B1 from Hungary)

Example 65

Company B1 in Croatia buys goods from company A1 in Hungary. The company B1 asks the company A1 to send the goods for processing to company A2 in Hungary on behalf of the company B1. After processing, the company A2 sends the goods to the customer, the company B1 in Croatia.
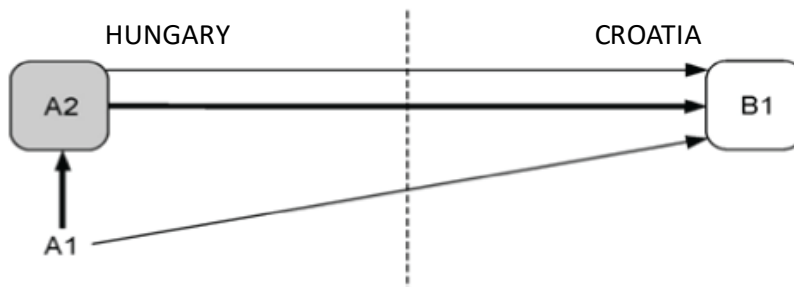
The company A2 reports dispatch of goods to Croatia, gross value under the **nature of transaction code 11** (value of goods to be processed, if not known to company A2 – must be estimated).

The company B1 reports arrival of goods from Hungary, gross value under the **nature of transaction code 11**.

The company A1 does not report to Intrastat.

Example 66

Company B2 in Croatia buys goods from company A in Hungary. The company B2 asks the company A to dispatch the goods for processing to company B1 in Croatia, which will carry out the processing on behalf of the company B2. After processing, the company B1 sends the goods to the customer, the company B2 in Croatia. The company B1 charges company B2 with processing costs.
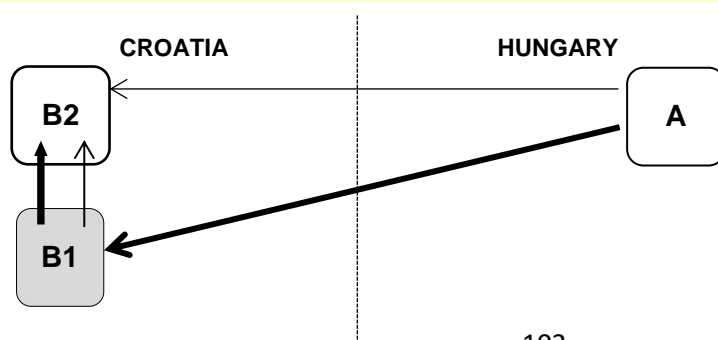
The company A reports dispatch of goods to Croatia, the value of goods before processing under the **nature of transaction code 11.**

The company B2 reports arrival of goods from Hungary, the value of goods before processing under the **nature of transaction code 11.** in this case, the processing operation is considered a domestic business transaction that occurred after the goods crossed the Croatian border, so it is not reported in Intrastat.

The company B1 in Croatia does not report to Intrastat.

11.20. Repair

Repair means returning the goods to their normal function or condition. The goal of repair is to maintain goods in good condition; this may include rebuilding, replacement or enhancement, but does not, in any way, change the nature of goods. In general, goods during repair and after it are therefore considered defective goods sent to a service technician in order to restore their original function. Also, the repair includes the situation when the service technician comes to repair the goods and subsequently issues an Invoice for the performed repair and spare parts.

<div align="center">

Delivery of goods during repair or after is <u>NOT</u> reported in Intrastat!

</div>

Example 67
Company A from Croatia bought a band saw from another Croatian company. After some time, the band saw must undergo a regular service. Authorised service is offered by a company in Slovenia and the saw was transported to Slovenia for repair and then returned to Croatia. Is it necessary to report the Invoice for the regular service in the Intrastat report?
No, the invoice issued by the service technician is the evidence that it is a repair service, which is not reported in the Intrastat report.

11.20.1. Spare parts installed as part of the repair

Spare parts installed as a part of the repair are replacement parts used by the service technician to repair/service the defective goods. The service technician can send back the damaged parts that he replaced together with the repaired goods. All these products are <u>NOT</u> reported to Intrastat when moved from one country to another.

In standard cases of repair (service), it is common for the service technician to issue an invoice listing the spare parts (i.e., new or used goods used in the repair) and working hours of the performed service. Such an invoice is written evidence that it is a repair and the goods listed on such an invoice are not reported to Intrastat, but are seen as replacement parts installed as part of the repair.

However, if the service technician issues a separate Invoice for spare parts used in the repair (and a separate Invoice for the service) – the spare parts used exclusively for repair also do not need to be reported to Intrastat if the PSI has the appropriate documentation from which it can be undoubtedly concluded that the goods indeed represent spare parts used as part of the repair. Such documentation may include, for example:
- E-mail or written order for service/repair or spare parts
- Response from the service technician (e-mail or in writing) stating which spare parts need to be procured for repair
- Request for execution of service, etc.

Example 68

Company XX from the Republic of Croatia sends a welding machine for repair to a supplier from Germany. After the repair, since the fault was caused by incorrect use, the supplier from Germany charges for the parts installed in the appliance and transport, but not for the repair service. How to report the receipt of parts?

In this particular case, these are spare parts installed as part of the repair, which are not reported to Intrastat. It should be noted that in this case the parts did not arrive in Croatia, but the welding machine that was serviced/repaired crossed the Croatian border. The parts are built into the appliance and form a whole (appliance). Although the value of the repair service is EUR 0.00, and spare parts and transport service are charged for – there is no reporting for Intrastat since it is considered a repair.

Example 69

Company AB from the Republic of Croatia made an agreement on the service of the machine with the Belgian company CD. Due to its size, the machine will not be transported to Belgium, but a service technician from Belgium will come to Croatia to service the machine. Upon completion of the work, an Invoice for the repair service and a separate invoice for the spare parts used in the repair were subsequently issued. Is it necessary to register the Invoice for parts (goods) in Intrastat?

In this particular case, it is a service (repair) and spare parts installed as part of the repair. A separate invoice for spare parts, which were used as part of the repair, also does not need to be reported to Intrastat.

11.20.2. PSIs that provide repair services

If the <u>service technician buys</u> spare parts from other Member States, which he later uses for repair purposes or returns some defective spare parts to the supplier, such transactions are included in Intrastat.

Example 70

Company XY from Croatia is engaged in vehicle servicing. They procure the parts in Slovenia and report the arrival to Intrastat. The buyer from Slovenia ordered a vehicle servicing to be done by the company XY. In Croatia, the buyer has spare parts installed in the vehicle. The buyer pays for the service and the installed parts in the vehicle and returns to Slovenia. In this case, is it necessary to report to Intrastat the installed parts, i.e., for the vehicle servicing?

Delivery of goods during the repair or after it and spare parts installed as part of the repair – are not reported to Intrastat. Only if the service technician buys spare parts from other EU Member States, which he later uses for repair purposes (or for some other purpose), or returns some defective spare parts to the supplier, then these transactions are included in Intrastat. In this particular case, this would mean the following:

↘ **Procurement of spare parts (goods) from Slovenia –** regardless of what these goods (spare parts) will be used for later, it is a pure purchase/sale transaction in which nothing is repaired, therefore the arrival of spare parts from Slovenia must be reported on Intrastat ARRIVAL report under the **nature of transaction code 11** (Outright purchase/sale).

↘ **The buyer from Slovenia orders servicing from the company XY in Croatia –** he drives his vehicle to the Republic of Croatia, the company XY performs servicing of the vehicle (service includes the installation of spare parts), and after the service (repair) is done, an Invoice for service (which includes spare parts) is issued to the buyer. This transaction is not reported to Intrastat.

11.21. Non-residents

For Intrastat, a non-resident is a PSI that does not have headquarters in the Republic of Croatia, but is registered for VAT purposes in the Republic of Croatia. To put it simply, a **non-resident is a foreigner (legal entity or craftsman) with a Croatian VAT ID number.** Since it has a Croatian VAT ID number, when it trades in goods with other Member States and when it has exceeded the annual Intrastat exemption threshold, the non-resident becomes liable for Intrastat reporting in Croatia.

Example 71

A classic non-resident purchase and sale transaction

The Austrian company X with the Croatian VAT ID number buys the goods from the German supplier Y. The goods are physically delivered from Germany to Croatia. The German supplier Y issues an Invoice with the clearly stated Croatian VAT ID number of the Austrian customer X.

It is a classic purchase transaction between two business entities. The Austrian company X with Croatian VAT ID number (non-resident), if it is the Intrastat provider in Croatia, reports the ARRIVAL from Germany under the **nature of transaction code 11** (Outright purchase/sale).

Example 72

Movement of goods owned by a non-resident

Austrian company A, which also has a Croatian VAT ID number, is physically moving part of its own goods from Austria to its own warehouse in Croatia. As there is no change of ownership (the goods are owned by the Austrian company A at all times) and there is no purchase transaction, there is no invoice for the goods in question.

The Austrian company A with Croatian VAT ID number (non-resident), if it is the Intrastat provider in Croatia, reports the arrival from Austria under the **nature of transaction code 31** (Movements to/from a warehouse (excluding call-off and consignment stock)).

Example 73

Croatian company registered for VAT purposes in another EU Member State – movement of goods

Croatian company A is physically moving part of its own stock from the Republic of Croatia to its own warehouse in the Netherlands. The Croatian company A is registered for VAT purposes in Netherlands, which means that, in addition to its Croatian VAT ID number, it also has a Dutch VAT ID number. Since there is no change of ownership (the goods are owned by the Croatian company A at all times) and there is no purchase transaction, there is no invoice for the goods in question.

The Croatian company A reports DISPATCHES for Intrastat (relocation) of its own goods from the Republic of Croatia to the Netherlands under the **nature of transaction code 31** (Movements to/from a warehouse (excluding call-off and consignment stock)).

Example 74

Non-residents and processing (Part I)

Company X from Member State A (Austria) sends goods value EUR 400 to company Y in Member State B (Croatia) for processing. The company X is the owner of the goods (there is no change of ownership). The company Y will receive EUR 50 for the processing service. The company X based in Austria (has an Austrian VAT ID number) is also registered in Croatia for VAT purposes. The final product (processed product) will be sold by the company X to company Z in the Member State C (Hungary) at the price of EUR 500 and delivered directly from the Member State B – Croatia (the address of the company Y) to the Member State C – Hungary (to the address of the company Z).
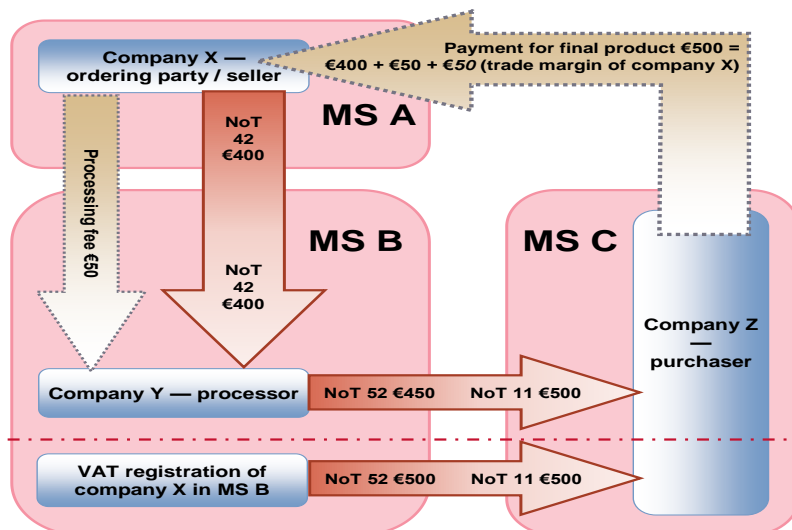
Non-resident X (Austrian company with Croatian VAT ID number) reports the ARRIVAL of goods from Austria under the **nature of transaction code 42.** X also reports the DISPATCH of goods to Hungary, under the **nature of transaction code 52** according to the gross value.

Company Y (Croatian resident) does not report to Intrastat at all.

Note! *Company Y reports the ARRIVALS and DISPATCHES for the Croatian Intrastat only in case when company X (Austrian company) does not have a Croatian VAT ID number.*

Example 75
Non-residents and processing (Part II)

Company X from Member State A (Austria) sends goods value EUR 400 to company Y in Member State B (Croatia, Zagreb) for processing with no change of ownership). The company Y will receive EUR 50 for the processing service. The company X is registered for VAT purposes in Croatia. The final product (processed product) will be sold to company Z in Member State B (Croatia, Split) at the price of EUR 500 and physically delivered directly from Zagreb to Split.
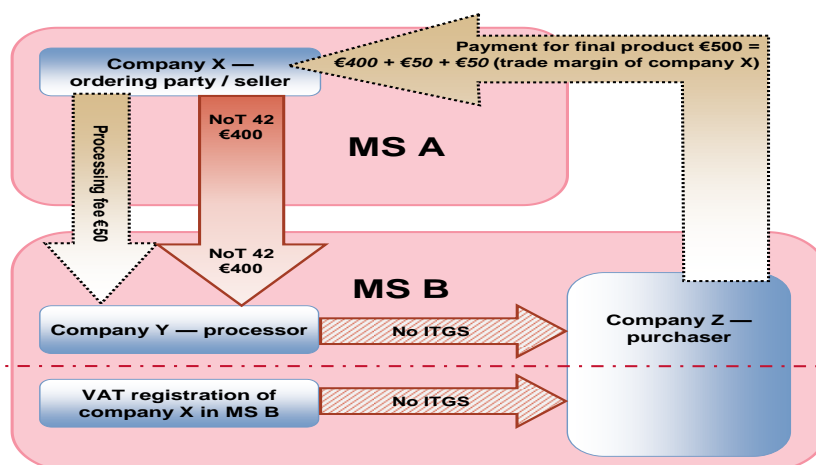
Non-resident X with Croatian VAT ID number) reports the ARRIVAL of goods from Austria under the **nature of transaction code 42.**

The company Y (Croatian resident) does not report to Intrastat at all.

Note! *Company Y reports the ARRIVALS for Croatian Intrastat only in case when company X (Austrian company) does not have a Croatian VAT ID number.*

Dispatch of goods from Zagreb to Split is not reported for Intrastat, because there is no crossing of goods across the Croatian border.

106

Example 76
Non-residents and processing (Part III)
Company X from Austria (Vienna) sends goods value EUR 400 to company Y in Croatia for processing without change of ownership. The company Y will receive EUR 50 for the processing service. The company X is registered for VAT purposes in Croatia. The final product will be sold by the company X to company Z in Austria (Graz) at the price of EUR 500 and physically delivered directly from Croatia to Austria (to the buyer's address in Graz).
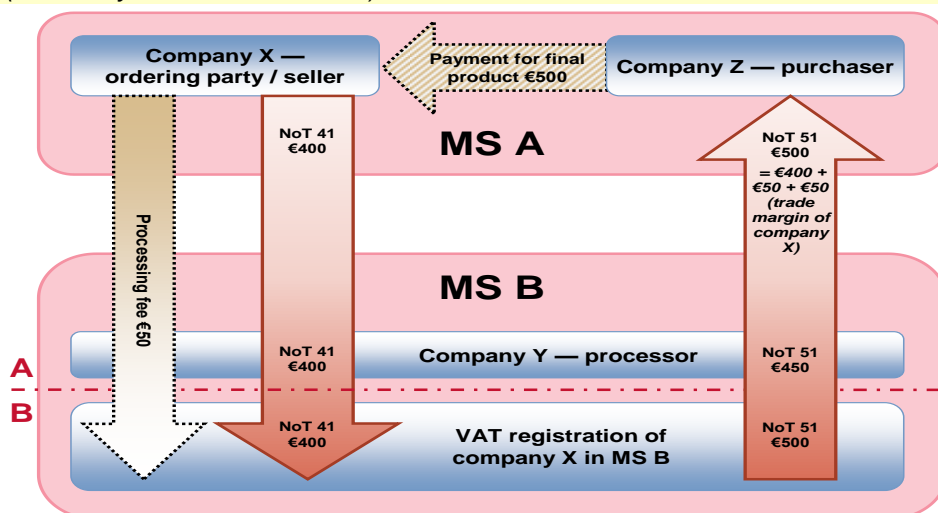
Non-resident X (Austrian company with Croatian VAT ID number) reports the ARRIVAL of goods from Austria under the **nature of transaction code 41**. X also reports the DISPATCH of goods to Austria, under the **nature of transaction code 51** according to the gross value.

The company Y (Croatian resident) does not report to Intrastat at all.

Note! *Company Y reports the ARRIVALS and DISPATCHES for Croatian Intrastat only in case when company X (Austrian company) does not have a Croatian VAT ID number.*

The company Z in Austria (Graz) reports the ARRIVALS of goods from Croatia for the Austrian Intrastat.

Example 77
A non-resident in the Republic of Croatia participating in a triangular trade involving two Member States.
German company A buys goods from the supplier B from Belgium, and then (re)sells the same goods to buyer C in Croatia. The German company A is registered in Croatia for VAT purposes (non-resident). The goods are physically dispatched from Belgium directly to Croatia to the address of the buyer C. The Belgian company B issues an Invoice to the German company A. The German company A issues an Invoice to the Croatian buyer C.
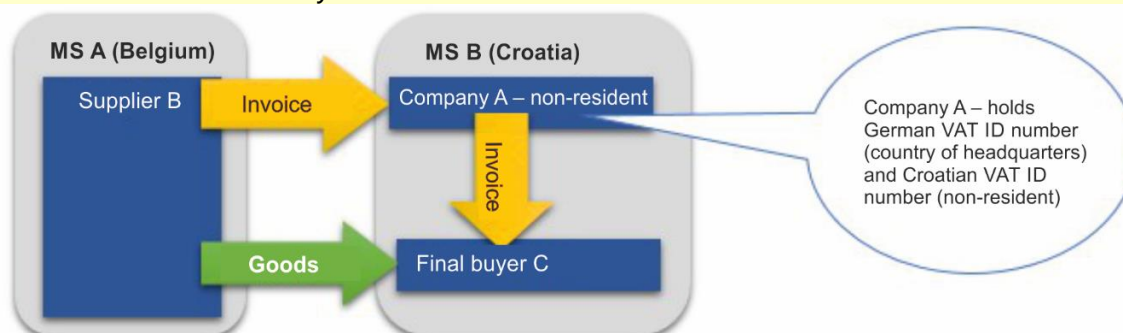
The Belgian company B reports the DISPATCH of goods to Croatia to Belgium's Intrastat.

Non-resident A (German company with Croatian VAT ID number) reports the ARRIVALS of goods from Belgium, under the **nature of transaction code 11**. The invoice of the Belgian seller must state the Croatian VAT ID number of the German buyer, according to the VAT rules on 'intra-EU supply'.

The final customer C to whose Croatian address the goods physically arrive from Belgium, does not report to Intrastat, and the Invoice received from the German seller presents a domestic/national transaction within the Republic of Croatia (the invoice must state the Croatian VAT ID number of the German seller and the stated and calculated Croatian VAT at the appropriate rate).

11.22. Used vehicles/vessels/aircraft – special margin scheme

From the provisions of Art. 4 of the VAT Act, it follows that used means of transport are those that are not considered new means of transport, namely:

(A) land motor vehicles with an engine capacity exceeding 48 cubic centimetres or an engine power exceeding 7.2 kilowatts, delivered six months after the date of first use and having travelled more than 6 000 kilometres

(B) vessels longer than 7.5 meters, delivered three months after the date of first use and having travelled more than 100 hours

(C) aircraft weighing more than 1 550 kilograms at take-off, delivered after three months from the date of first use and having travelled more than 40 hours.

If used vehicles/vessels/aircraft are traded within the EU, business entities whose value of trade exceeds the Intrastat exemption threshold for a particular trade flow are obliged to report the used means of transport in the Intrastat report regardless of how they are taxed. When reporting used vehicles/vessels/aircraft in the Intrastat report, the following should be kept in mind:

↘ **If the used means of transport are subject to VAT** – then Intrastat and VAT data will be comparable (exchange rate differences are possible);

↘ **If the used means of transport are subject to a special margin scheme** – then it will not be possible to compare Intrastat and VAT data, but such a difference is methodologically justified for Intrastat.

SELLER from another EU Member State	BUYER in Croatia	BUYER'S TAX OBLIGATIONS	REGISTRATION DOCUMENTS
Reseller who applies a special margin scheme	Taxpayer	- No obligation for paying VAT or administrative fees because the reseller from another Member State charged VAT of its Member State on the margin - Special tax according to the Motor Vehicle Special Tax Act Not reported in forms	- Decision of the Customs Administration on paying special tax - Invoice or another document issued by the reseller, which includes a note on implementing a special margin scheme The Tax Administration is not obliged to issue notes or clauses/certificates.

Table 13: Special margin scheme for used means of transport[17]

---

[17] SOURCE: Taxes payable when purchasing used vehicles from other EU Member States - gov.hr,

Example 78

Company XY from Croatia purchases and sells used vehicles. On the initial invoices for used cars from sellers from Italy, the code Art.36 D.L. 41/95 is stated, and such invoices are not reported as an 'intra-EU acquisition'. If such cars were reported in the Intrastat report, there would be a difference compared to the VAT form. What to do?

In this particular case, these are goods (cars) that are physically delivered from one EU Member State to Croatia – therefore the goods in question must be reported in the Intrastat ARRIVALS report.

The difference between Intrastat and VAT data, which will appear in this case, is methodologically justified since these are goods to which a 'special margin scheme' is applied, where the transactions in question are not reported in Croatian VAT forms. EU seller referred to Art. 36 D.L. 41/95 (article in the Italian tax legislation) on the invoice, which can be used by **resellers who apply a special margin scheme.** The invoice in question is not declared in VAT forms.

12. SPECIFIC GOODS AND SPECIFIC MOVEMENTS - special methodological provisions

Specific movements of goods are deliveries of goods which, due to their nature, require special methodological provisions. Specifics may be related to characteristics of the deliveries, type of goods, nature of transaction code or the business entities that trade in goods.

12.1. Industrial plants

An industrial plant is a combination of machines, devices, apparatus, equipment, instruments and materials from different chapters of the Combined Nomenclature, which together form a whole product of large dimensions, stationary units that produce goods (e.g., petroleum refinery, power station) or provide services (e.g., hospital) and act as a coordinated whole.

When filling in the Intrastat form, industrial plants can be reported in two ways:
- ⤵ according to standard codes of the Combined Nomenclature, or
- ⤵ in a simplified way – on the basis of a written approval of the Croatian Bureau of Statistics according to the special CN codes 9880 xx 00.

12.1.1. Simplified reporting of industrial plants

If components, intended for the construction of industrial plants, are products which are classified in the same chapter of the Combined Nomenclature – PSIs may request issuing of the *"Simplified Reporting Approvals"* from CBS if the following conditions are met:

- If the industrial plant is **new –** the total value of the new industrial plant must **exceed 3 million euro,**

- If the industrial plant is **used –** the value limit does not apply,

- The PSI must submit a written "Request for the Simplified Reporting Approval".

PSIs submit the **Request for the Simplified Reporting Approval** to the e-mail address intrastat.prijava@carina.hr, which must contain specific information relevant in the decision-making process, as follows:

- information on the PSI (*name of the PSI, address, OIB*)
- trade flow arrival/dispatch
- trade name of the commodity (plant), CN code
- contracted value of the job: value according to the contract
- list of commodities included in the same CN chapter, with stated value and quantity
- period in which arrival/dispatch will take place: from <date> to <date>
- contract number
- partner country (country with which the contract is concluded and country/countries from which the goods are dispatched)
- information on whether a trade partner in another EU Member State applies simplified reporting.

This simplification is aimed at reducing the burden on PSIs so that PSI may declare its trade for each component using a single commodity code from Chapter 98 instead of using several different commodity codes from different subheadings of CN chapters. Commodity codes will be assigned as follows:

↘ the first four digits are **9880**

↘ the fifth and sixth digits indicate the **CN chapter to** which the components (XX) belong

↘ the seventh and eighth digits are zero (**0**).

When using simplified CN codes, information on the quantity per unit of measure is not reported, but information on net weight is mandatory. The reporting period is the month in which the goods physically enter or physically leave the territory of the Republic of Croatia. If some components are delivered as successive consignments, it is reported only once, in the month when the last consignment arrived or was dispatched.

If the PSI does not submit a Request for Simplified Reporting Approval, it is then obligated to classify every single component of the industrial plant according to the appropriate Combined Nomenclature code (in which case it is not allowed to use tariffs according to simplified CN codes). In that case, the data on the quantity in supplementary unit is to be entered if it is prescribed by the Combined Nomenclature code.

12.1.2. Turnkey plants and turnkey construction investments (turnkey projects)

A turnkey contract is often used to contract the construction of large plants (e.g., geothermal power plants, wind farms, wastewater treatment plants, refineries, etc.) and large construction investments such as factories, buildings, industrial halls, farms, etc.

By contracting a turnkey clause, the investor (client) requires the contractor to build the investment to the final stage of construction and to hand over the plant/building suitable for use. The "turnkey" clause, in the figurative sense, presupposes that the contractor, after the construction of the plant/building is over, hands over the key to the client as a confirmation that the building is suitable for use or that the investor (client) can initiate the contracted investment.

In this case, the contracted price usually includes the value of all construction and engineering works (planned and unforeseen), goods, installation (organisation, implementation and supervision of

installation), quality control after construction and installation are completed, functional testing of installed equipment and commissioning (e.g., with the issuance of a certificate or a similar document on the readiness of the plant for operation). In the case of large plants, the handover of equipment and work performed is considered to have been done by signing the Handover Protocol.

Ownership over a turnkey investment is transferred to the buyer at the moment of the turnkey delivery (until then, the goods and materials are owned by the seller). Invoices issued by the seller can be issued in different ways: one invoice for the entire investment or several invoices issued according to the instalment payment of the investment, etc.

In the case of turnkey investment works involving a seller/contractor from one EU Member State and a buyer (investor) from another EU Member State, involving the physical movement of goods between EU Member States, such movement of goods must be reported to the Intrastat System of both the initial and destination EU Member State.

The delivery of goods and equipment under such investment projects is usually divided into several physical deliveries, either during the same calendar year or over several years. The seller/contractor may move his own goods from one EU Member State to the country of destination or may purchase the necessary goods and equipment in another EU Member States or in third countries; he may also purchase part of the goods/equipment in the EU Member State of destination, etc. Furthermore, the seller/contractor may have several subcontractors involved in the construction, installation or equipping of the entire investment.

Invoice value

For the purposes of Intrastat reporting, the rule applies here that only goods that are physically moving between Member States are reported in the Intrastat report. Services, which are an integral part of such investment projects (e.g., costs of construction, assembling, installation, accommodation and travel of employees, etc.) are not reported in the Intrastat report.

If the **value of goods without services** is not specified, the PSI is obliged to estimate the value of the goods and declare the estimated value for Intrastat.

Reference period

I   For the trade flow DISPATCHES

The reference period is the month of physical crossing of goods over the Croatian border (dispatch from Croatia is reported by the seller/contractor).

II   For the trade flow ARRIVALS

The reference period depends on whether the arrival is reported by the buyer/investor in Croatia or the arrival in Croatia is reported by a non-resident (seller/contractor) who is registered for VAT purposes in Croatia:

➘ **If the ARRIVAL is reported by the buyer/investor in Croatia –** the reference period is the calendar month in which the investment was handed over to the buyer ("turnkey" month);

➘ **If the ARRIVAL is reported by the seller/contractor** registered for VAT purposes in Croatia – the reference period is the calendar month in which the goods physically cross the Croatian border (the standard rules for Intrastat reporting apply).

Turnkey investment in the Republic of Croatia (Croatian investor, EU contractor)

In January the French company FR concludes a contract for the construction of a TURNKEY wind farm in Croatia with the Croatian company HR. For construction purposes, FR uses materials and other components from its own production in France (in which case the goods physically move on the route France – Croatia) and materials and components that it procures in other EU Member States and delivers them directly to Croatia (in that case, the goods move physically between another EU Member State and Croatia). After the entire wind farm was built, the start of operation and signing of the Handover Protocol took place in June next year.

If FR is not registered for VAT purposes in Croatia (it means if FR **does not have a** Croatian VAT ID number) – the ARRIVAL is reported by the Croatian buyer HR (buyer/investor):

⤷ The Croatian company HR reports the ARRIVAL to Intrastat after acquiring the right of ownership over the wind farm, i.e. in the Intrastat report for JUNE (in the month when the handover took place according to the "turnkey" system).

⤷ **Nature of transaction code 11** – if the seller/contractor has submitted an invoice with the exact values of the goods. If the value of the goods needs to be assessed (which means that the seller/contractor issues an Invoice that includes both goods and services) – then the **nature of transaction code 80** is used.

If the FR is registered for VAT purposes in Croatia (i.e., if the FR **has** a Croatian VAT ID number as well) – the ARRIVAL for Croatian Intrastat is declared by the FR (contractor).

⤷ All individual components and materials that have physically arrived in Croatia from other Member States are reported.

⤷ FR reports such ARRIVAL to Intrastat in the month (or months) of physical entry of goods into the territory of the Republic of Croatia (i.e., not in the month when the handover took place under the "turnkey" system, but over several months depending on the physical movement of goods).

⤷ If the individual plant components are delivered as staggered consignments – the French seller/contractor FR may apply the staggered consignment rules.

⤷ **Nature of transaction code 80** – for own goods that a French seller/contractor moves from France to Croatia directly to the construction site (invoice will be issued afterwards) and **nature of transaction code 11** – for goods purchased by the French seller/contractor in other Member States using his Croatian VAT ID number.

Turnkey investment in another EU Member State (EU investor, Croatian contractor)

In January the Croatian company HR1 concluded a contract for the construction of a TURNKEY factory in Germany, with the German company DE. For construction purposes, the Croatian company HR1 uses materials and other components from its own production in Croatia (in which case the goods physically move on the route Croatia – Germany) and materials and components that it procures in other Member States and delivers directly to Germany (in which case the goods move physically between another Member State and Germany). After the entire factory was built, the start of operation and signing of the Handover Protocol took place in September.

For the Croatian Intrastat, the Croatian company HR1 declares DISPATCHES from Croatia to Germany only of goods that were physically delivered from Croatia to Germany.

⤷ The reference period is the month or months of physical crossing of goods over the Croatian border (i.e., not in the month when the handover took place under the "turnkey" system, but over several months depending on the physical movement of goods).

⤷ **Nature of transaction code 80 –** for own goods delivered by the Croatian seller/contractor directly to the construction site in Germany (invoice will be issued afterwards).

↘ For materials and components that HR1 procures in other EU Member States and delivers directly to Germany (in which case the goods physically move between another EU Member State and Germany) there is no reporting for Intrastat because the goods do not cross the Croatian border.

12.2. Staggered consignments

Staggered consignments include the delivery of components of the whole product in an unassembled or disassembled state, which, for commercial or transport reasons, are delivered over several reference periods. In order for a consignment (delivery) of goods to be considered as 'staggered', the basic condition must be met: classification of the product (e.g., entire plant lines) under **a single Combined Nomenclature code** (**one item of goods in the Intrastat form**).

Given that in such cases goods classified in a single CN code are delivered during several calendar months (for transport or commercial reasons), the Intrastat methodology allows PSIs to declare the staggered consignments in the Intrastat report for the month of the last delivery.

The reporting period for the arrival or dispatch of staggered consignments is to be expressed in such a way that the data are reported only once, for the **calendar month in which the last consignment arrived or was dispatched**. The total value of all consignments is reported, while the CN code of the assembled product is entered in field 'Commodity code'.

12.3. Vessels and aircraft

When it comes to registering vessels and aircraft in Intrastat reports, the following is important:

↘ **In the case of vessels and aircraft that are <u>not considered</u> as specific goods or specific movements –** the standard rules on the physical movement between EU Member States appl;
↘ **In the case of vessels and aircraft <u>considered to be specific goods</u> or specific movements –** the standard rules on the physical movement of goods between EU Member States do not apply, but a trade transaction related to the transfer of economic ownership is recorded;

Important!

<u>Vessels</u> considered to be specific goods or specific movements include sea-going vessels in line with the CN chapter 89, tugs, warships and floating structures. Possible CN codes for their reporting are: **8901 10 10, 8901 20 10, 8901 30 10, 8901 90 10, 8902 00 10, 8903 22 10, 8903 23 10, 8903 32 10, 8903 33 10, 8904 00 10, 8904 00 91, 8905 10 10, 8905 20 00, 8905 90 10, 8906 10 00 and 8906 90 10.** The **transfer of economic ownership rule is applied** for these codes!

<u>Aircraft</u> considered to be specific goods or specific movements include airplanes within CN codes **8802 30 and 8802 40**. The **transfer of economic ownership rule** is applied for these codes!

<u>All other vessels and aircraft</u> classified within other CN codes (except those stated here) – are not considered to be specific goods or specific movements and therefore are reported in *Intrastat report* applying standard methodological rules on physical movement of goods.

12.3.1. How to report vessels/aircraft considered to be specific goods?

In the case that PSI from the Republic of Croatia sells/purchases a vessel or aircraft classified under one of the previously mentioned CN codes, a purchase transaction is reported for Intrastat **in the month of change of economic ownership**, whereby the vessel or aircraft does not have to be physically moved from one Member State to another.

In the case that PSI from the Republic of Croatia sells/purchases a vessel or aircraft classified under any other CN code for vessels or aircraft, a purchase transaction is reported for Intrastat in the month of physical dispatch/arrival of goods.

Trade in vessels and aircraft that are considered specific goods or specific movements does not involve the physical cross-border movement of goods within the Union, which means that the standard rules for declaring goods in Intrastat reports do not apply. The trade transaction that is recorded is associated with a transfer of economic ownership and processing activities. If there is no transfer of economic ownership, but only of legal ownership of the vessel – there is no reporting for Intrastat.

12.3.2. Economic ownership

The economic owner of a vessel/aircraft is a taxable person who claims the benefits associated with the use of a vessel/aircraft in an economic activity, provided that he/she also accepts the associated risks. The economic ownership may be the same as the legal ownership, but the economic ownership may also differ from the legal ownership of a vessel/aircraft.

Under some legal arrangements, risks and benefits are split between different parties. Therefore, the substance of the transaction, not a title of the contract, shall be considered in order to identify the economic owner of the vessels and aircraft. The transfer of economic ownership can most easily be determined by entry in/deletion from the State Register of vessels/aircraft. Namely, economic ownership of a vessel/aircraft should undoubtedly be transferred from one EU Member State to another as a result of a commercial transaction. This can serve as evidence for the ship/aircraft when there is a transfer to another EU Member State of, e.g., majority ownership, headquarters, decision making or legal responsibility. When the transfer of ownership of an entire vessel or aircraft takes place between two parties established in different EU Member States, deletion from the national register in the country of sale means reporting dispatches to Intrastat, and entry in the register of the purchasing country means reporting arrivals to Intrastat.

> **Important!**
> In case there is no transfer of ownership but the owner deletes the vessel or aircraft from the register of one country and enters it in the register of another country for other reasons (e.g., fiscal), there is no statistical movement of the vessel or aircraft and no Intrastat reporting.

When filling in the Intrastat form for vessels/aircraft considered to be specific goods or specific movements, special attention should be paid to the following elements:

⮡ **The reference period** for arrivals and dispatches is the month in which the transfer of economic ownership takes place (meaning not the month in which the sale took place – as evidenced by a commercial invoice, but the month in which the transfer of economic ownership of the vessel/aircraft occurred – as evidenced by entering a vessel/aircraft into the register).

- **Net mass** of the vessel/aircraft and **quantity in supplementary unit** (SU) prescribed by the Combined Nomenclature are mandatory data.
- **Invoice value** is entered without stating the tax amount.

- **Partner countries** must be:
  I   The Member State in which the seller of the vessel/aircraft (which transfers economic ownership to the buyer) is **established** and the Member State in which the buyer (to which economic ownership of the vessel/aircraft is transferred) is established;
  II **In the case of new vessels or aircraft:** the Member State in which the vessel/aircraft was built and the Member State in which the buyer's headquarter is located (transaction between the manufacturer and the first economic owner of the vessel/aircraft);
  III **In the case of processing operations**: the Member State in which the headquarter of the ordering party (economic owner of the vessel or aircraft) is located and the Member State which, under the contract, carries out the processing operation.

> **Important!**
> **For dispatches or arrivals of vessels, the name of the vessel must be stated!**
> When completing this field, it is not allowed to copy the description from the Combined Nomenclature and neither it can include special characters (-, /, !, „ ", #, $, %, &, etc.). The description of goods is to be written in the Croatian language and up to 400 characters can be entered.

12.4. Goods delivered to vessels and aircraft

Delivery of goods to vessels and aircraft includes delivery of short-term and long-term goods from the Republic of Croatia to a vessel or aircraft belonging to another Member State, provided that such **vessel/aircraft is anchored/located in a port on the territory of the Republic of Croatia**.

Delivery of **short-term goods** to vessels and aircraft, such as food, technical items, paints, oils, spare parts, etc., is also called **'supply of vessels and aircraft'.**

For goods intended for the supply of vessels and aircraft registered in the EU, as well as for vessels/aircraft registered outside the EU, a customs declaration (SAD) must be submitted to the competent customs office in the Republic of Croatia.

12.4.1. Customs treatment

Although there are no exports of goods (because EU Member States are considered), in accordance with Union customs legislation, an export SAD is submitted for products that are exempt from tax in accordance with national rules. The final destination of the vessel/aircraft may be inside or outside the EU. According to the Supplies to Vessels and Aircraft Instruction Manual No. 27/16 (Customs Administration, Class: 011-02/16-03/27, Reg. No.: 513-02-1220/1-16-1 of 28 April 2016):

- it is possible to lodge an oral customs declaration if the value of the goods does not exceed EUR 1 000 or 1 000 kg net weight. An oral declaration cannot be submitted for excise products (tobacco products, alcohol and alcoholic beverages).
- no export customs declaration shall be lodged for the refuelling of standard tanks of vessels and aircraft, as the fuel in standard tanks is considered to be part of the means of transport.

12.4.2. **Intrastat** treatment

The Intrastat report need not be submitted for goods intended for the supply of vessels and aircraft, provided that:
⬎ the trader has an export customs declaration for the goods in question where a simplified code **QR** (country of destination) is entered in Box 17**,** and
⬎ EU vessel/aircraft, to which the goods intended for supply have been delivered, is **anchored/located in a Croatian port.**

In all other cases the PSI must submit the Intrastat report, i.e., if:
⬎ the goods are orally declared to Customs (therefore there is no customs declaration, indirectly there are no data in Extrastat), or
⬎ the motor fuel is delivered and loaded into standard tanks of vessels and aircraft without an export customs declaration.

12.4.3. SHORT-TERM GOODS – supply of **vessels/aircraft**

The provisions apply exclusively to goods that are intended for consumption during the journey. Supply of vessels and aircraft includes delivery of products for the crew and passengers as well as for operation of engines, machines and other equipment of vessels and aircraft (e.g.: oil for propulsion of marine engines).

The vessel and the aircraft belong to the Member State in which the VAT payer (economic owner of the vessel/aircraft) has is seated. Statistics on trade in goods between Member States (Intrastat) cover only dispatches of goods delivered on the territory of the Republic of Croatia to vessels and aircraft belonging to another Member State. Simplified Combined Nomenclature codes can be used for the short-term goods in question:

⬎ **9930 24 00:** goods listed in chapters 1 to 24 of the CN

⬎ **9930 27 00**: goods listed in chapter 27 of the CN

⬎ **9930 99 00**: goods classified elsewhere.

When using simplified CN codes, data on quantity in supplementary unit (SU) is not reported; however, data on net weight are mandatory.

12.4.4. LONG-TERM GOODS – **delivery to vessels/aircraft**

This is the delivery of long-term goods and equipment that remain on the vessel and aircraft for a long time (it will not be consumed during the trip and therefore it is not considered a supply), such as: delivery of bedlinen or musical instruments for musicians on board, or TV sets for cabins, delivery of spare parts for marine engines, etc.

When declaring long-term goods delivered to vessels and aircraft in the Intrastat report, it is necessary to use the precise corresponding Combined Nomenclature code (it is not allowed to use simplified CN codes). In that case, the information on the quantity in supplementary unit shall be entered if it is prescribed by the CN code.

If an export customs declaration has been lodged for such delivery – there is no reporting to Intrastat.

Scenario	INTRASTAT reporting	Explanation
Delivery of goods from Croatia to national (Croatian) vessels/aircraft anchored/located in Croatia	Not reported in Intrastat	Inward transaction
Deliveries from Croatia to national (Croatian) vessels/aircraft anchored/located in another Member State (e.g. the Netherlands) or in non-EU country (e.g. Algeria).	Not reported in Intrastat	Exempt from Intrastat statistical coverage
Delivery of goods from Croatia to vessels/aircraft registered in the EU and anchored/located in Croatia – **export customs declaration has been lodged**	Not reported in Intrastat	If a simplified code **"QR"** of country of destination is entered in Box 17 of the export customs declaration (condition 1) and if the EU vessel/aircraft is anchored/located in a Croatian port (condition 2) – then it is exempt from the Intrastat coverage
Delivery of engine fuel loaded in standard tanks of foreign vessels/aircraft, registered in EU and anchored/located in Croatian ports – **export customs declaration has been lodged**	Not reported in Intrastat	If the simplified code „QR" is entered in box 17 of export customs declaration (condition 1) and if the EU vessel/aircraft is anchored/located in Croatian port (condition 2) – then it is exempt from the Intrastat coverage
Delivery of engine fuel loaded into standard tanks of vessels/aircraft, registered in EU and anchored/located in Croatia – export customs declaration has not been lodged	**YES – it is reported in Intrastat because there is no export customs declaration**	Included in the Intrastat statistical survey because it is not monitored through export customs declarations
Delivery of goods to vessels/aircraft registered in the EU and anchored/located in Croatia – the goods are orally declared to Customs	**YES – it is reported in Intrastat because there is no export customs declaration**	Included in the Intrastat statistical survey, because it is not monitored through export customs declarations

Table 14: Possible scenario of delivery to vessels/aircraft

12.5. Offshore installations

Offshore installation means equipment and devices installed and stationary in the sea outside the statistical territory (including the territorial waters) of any country. This includes equipment and devices for exploitation of mineral resources or for generating power.

For the purposes of statistical recording the term **'national offshore installation'** is used to describe an installation which is situated beyond the territorial waters of the reporting EU Member State (12 NM from baseline) but still within its exclusive economic zone (EEZ) (200 NM from baseline). Offshore installations located in other countries' EEZ are called **'foreign offshore installations'.**

The deliveries of goods to the equipment and devices installed and stationary in the territorial

waters of the reporting EU Member State are not considered to be specific goods or movements. All movements to or from such installations should follow the standard recording practices like any other goods moved into/from the territory of that EU Member State.

There are three basic types of business activities related to offshore installations: offshore oil and gas extraction, deep-sea mining and production of power from offshore wind farms. Oil and gas offshore industry is extracting hydrocarbons from the ocean floor. The offshore wind industry covers all activities related to the development and construction of wind farms in marine waters and exploitation of wind energy for generation of electricity. The deep-sea mining is process of extracting minerals from the ocean floor, usually in the high seas, which are outside of countries EEZ and legal continental shelf.

For the purpose of statistical recording of goods delivered to and from offshore installations, the statistical territory of the EU Member State is de facto extended beyond its territorial waters and comprises its exclusive economic zone. In all other cases of statistical recording of goods, the statistical territory is equal to customs territory, which comprises only the territorial waters of that Member State.

In practice, it means that offshore installations for statistical purposes are considered to belong to the EU Member State or non-EU country which has exclusive rights to exploit the seabed or subsoil where they are located. This ownership determines the partner country to be recorded in the trade statistics.

Current legislation does not cover the cases when an offshore installation is installed beyond the exclusive economic zone, on the continental shelf or even outside the shelf, on the high seas. Since the coastal states have the right to authorise and regulate drilling on their continental shelf where these rights are allocated to an EU Member State, for statistical recording the statistical territory of that Member State **should** be extended to the continental shelf.

For statistical purposes, offshore installations are considered to be the property of an EU Member State that has exclusive rights to exploit the seabed or the land where it is located. For Intrastat reporting, the partner country is determined according to the defined ownership.

It is also allowed to use the simplified code of the partner country **'QV'** (Countries and territories not listed in the framework of intra-EU trade*).*

12.5.1.   SHORT-TERM GOODS – supply of offshore installations

Supply of offshore installations include the delivery of short-term products intended for the crew (e.g., food) and the operation of engines, machines and other equipment of offshore installations (e.g., fuel, spare parts).

Simplified reporting for Intrastat is allowed for dispatches and arrivals of goods delivered to the crew and operation of offshore installation equipment. In that case, the following codes are used for goods delivered to offshore installations:

> ⬂ **9931 24 00:** goods listed in chapters 1 to 24 of the CN
> ⬂ **9931 27 00:** goods listed in chapter 27 of the CN
> ⬂ **9931 99 00**: goods classified elsewhere.

When using simplified CN codes, information on the quantity in supplementary unit (SU) is not reported; however, information on net weight is mandatory.

12.5.2. LONG-TERM GOODS – delivery to offshore installations

The investment goods for the construction or technical improvement of the offshore installation is considered to be long-term goods and must be reported to Intrastat with appropriate CN codes (it is not allowed to use simplified CN codes). In that case, the information on the quantity in supplementary unit (SU) shall be entered if it is prescribed by the CN code.

12.5.3. Goods obtained or produced by an offshore installation

'Goods obtained from or produced by an offshore installation' include products extracted from the seabed or subsoil (e.g., gas and oil), or produced by offshore installations (e.g., electricity produced by wind turbines). Goods dispatched from an offshore installation must be reported to Intrastat under appropriate CN codes (there is no simplified reporting, the quantity in supplementary unit (SU) is also to be entered if it is prescribed by the CN code).

I   ARRIVALS are recorded:

↘ when goods are delivered from another EU Member State or non-member country to an offshore installation established in an area where the importing EU Member State has exclusive rights; or

↘ when the goods are obtained from or produced by an offshore installation established in an area where another EU Member State or non-member country has exclusive rights and sent to the importing EU Member State; or

↘ when the goods are obtained from or produced by an offshore installation established in an area where another EU Member State or non-member country has exclusive rights and sent to an offshore installation in an area where the importing EU Member State has exclusive rights.

II   DISPATCHES are recorded:

↘ when goods are obtained from or produced by an offshore installation established in an area where the exporting EU Member State has exclusive rights and delivered to another EU Member State or non-member country; or

↘ when the goods are delivered from the exporting EU Member State to an offshore installation established in an area where another EU Member State or non-member country has exclusive rights; or

↘ when the goods are obtained from or produced by an offshore installation established in an area where the exporting EU Member State has exclusive rights and sent to an offshore installation established in an area where another EU Member State or non-member country has exclusive rights.

12.6. Sea products

'Sea products' means fishery products, minerals and other products extracted from the sea or produced on a vessel, which have not yet been landed from seagoing vessels to a harbour in an EU Member State. Fishery products make up the most important part of the 'sea products' category.

However, other products extracted from the sea, such as minerals, salvage[18] etc., are also recorded in Intrastat reports.

The sea products are assigned to the non-EU country or to the EU Member State where the legal or natural person who exercises the economic ownership of the vessel is established. No matter in which geographical location the sea products were caught or acquired (in the territorial waters, exclusive economic zone, international waters, etc.), for the purpose of Intrastat reporting the sea products belong to the country where the **economic owner of the vessel is established.**

Both outgoing and incoming trade flows are recorded. It should be noted that **only trade of the first landing of the sea products** falls under these specific provisions; onward trade after the first landing is reported to Intrastat according to the normal legal and methodological provisions related to physical movement of goods between EU Member States.

Filling in the Intrastat report on sea products may be quite complicated particularly when the economic operators in the reporting Member State are in charge of a vessel which flies another country's flag. The definition of the partner country applicable for customs purposes and statistics is not the same:
  ↘ In customs terms, the definition of partner country for sea products relates to the geographical place where the sea products were caught or acquired,
  ↘ In statistical terms, sea products belong to the partner country where the economic owner of the vessel is seated.

Moreover, according to customs laws, the vessels' 'nationality' mainly depends on the flag which the vessel is flying, whereas for statistical purposes the vessel is attributed to the country of the establishment of the economic owner of the vessel.

Irrespective of the geographical location where the sea products were caught or acquired (in territorial waters, international waters, exclusive economic zones, etc.), the partner countries (Country of destination/consignment field in the Intrastat report) for sea products are:
  ↘ EU Member State where **the economic owner** of the vessel (catching) **is seated,**
  ↘ the first Member State to whose land the sea products are unloaded (**country of unloading).**

12.6.1. ARRIVALS of sea products

It is reported when a vessel, whose economic owner is seated in another EU Member State, unloads sea products in a Croatian port (Croatia is in that case the ARRIVAL Member State) or when a Croatian vessel (a vessel whose economic owner is seated in Croatia) acquires sea products at sea (on the high seas) from another vessel, whose economic owner has is seated in another EU Member State.

The field "Country of destination/consignment" is to be filled in under the Geonomenclature code of the EU Member State in which the economic owner of the vessel is seated or, in case of acquisition/purchase of sea products at sea (on the high seas), the Geonomenclature code of the EU Member State in which the seller of sea products is established.

---

[18] *Salvage* – refers to found sunk/stranded/abandoned vessels and all goods salvaged from these vessels. Maritime law foresees incentives for "saving" vessels that are not in function, such as lifting them or dragging them to the port. "saving" of vessels can be significantly awarded, which is usually much higher than the amount needed to compensate salvors for their efforts. This is aimed at encouraging salvage actions whenever it is needed.

12.6.2. DISPATCHES of sea products

It occurs when a Croatian vessel, whose economic owner is seated in Croatia, unloads sea products in the port of another EU Member State or when a Croatian vessel delivers/sells sea products at sea (on the high seas) to another vessel, whose economic owner is seated in another EU Member State (Croatia is in that case the Member State of DISPATCHES).

The field "Country of destination/consignment" is to be filled in under the Geonomenclature code of the EU Member State in which the sea products were unloaded or, in case of delivery/sale of sea products at sea (on the high seas), the Geonomenclature code of the EU Member State where the acquirer/buyer is established.
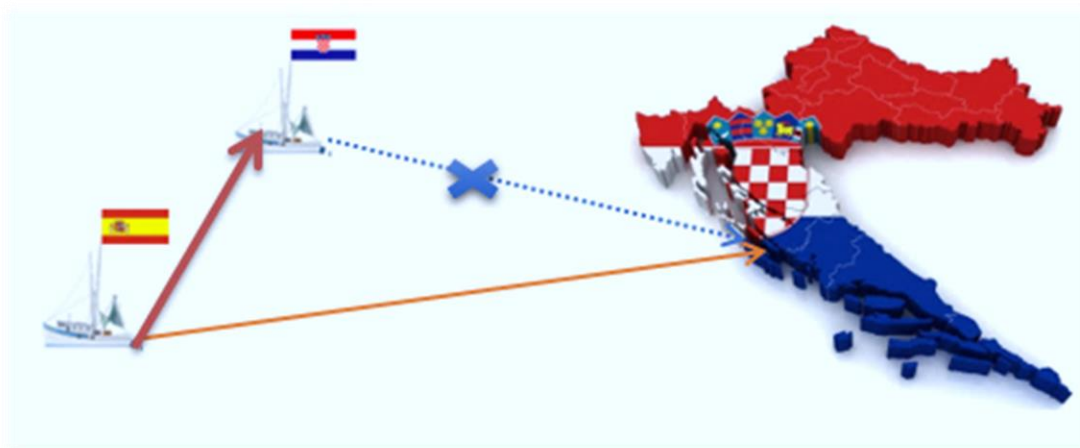
Figure 3: Reporting sea products to Intrastat

12.7.   Intrastat reporting on electricity and gas

According to Eurostat guidelines, electricity and gas are considered as specific goods and movements.

Electricity is classified under CN code **2716 00 00** and relates to the movement of electricity transmitted to/from the Croatian electricity system to/from the electricity system of neighbouring EU **Member States**.

Natural gas is classified under CN code **2711 21 00** and relates to natural gas in gaseous form which is dispatched to/received from the national gas transmission system. Specific methodological provisions for gas **apply only to gas transported by pipelines**. Liquid and gaseous gas not transported by pipelines (LNG etc.) are statistically treated as any other goods and are subject to standard Intrastat rules.

For the declaration of electricity/gas to Intrastat, the following conditions must be met:

1.   **There is physical arrival/dispatch of electricity/natural gas**

- electricity/gas having the status of Union goods (domestic goods) and arriving physically in Croatia (receipts) via international interconnection points with EU Member States
- electricity/gas having the status of Union goods (domestic goods) and physically dispatched from Croatia (dispatches) via international interconnection points with EU Member States.

2. **The electricity/gas are considered to be owned by the business entity at the moment they physically enter to/exit from the international interconnection points of neighbouring EU Member States.**

Specific characteristics of the Intrastat reporting on electricity and natural gas

Electricity
- Only the physical arrival/dispatch of electricity taking place at Croatia's international interconnection points with other neighbouring EU Member States (Slovenia and Hungary) is reported.
- The quantities of electricity delivered/received at the international interconnection points are evidenced on the monthly reports of the Croatian Transmission System Operator (HOPS).
- The destination/consignment country can **only be a neighbouring EU Member State** with which an international interconnection point is shared.

Gas
- Only physical receipts/dispatch of natural gas taking place with other neighbouring EU Member States (Slovenia, Hungary and Italy) at Croatia's international interconnection points are reported.
- The quantities of gas delivered/received at international interconnection points are evidenced on the monthly reports of the national gas transmission system operator (Plinacro).
- The destination/consignment country can **only be a neighbouring EU Member State** with which an international interconnection point is shared.

Invoice value

In Intrastat, an average value based on monthly electricity/gas trading on the market of each EU Member State is reported as an *invoice value*.

12.7.1.   What is not reported for Intrastat in electricity/gas trading

Purchases of electricity/gas at virtual trading points (VTP) or exchanges of EU Member States are **not reported** for Intrastat, as these trade transactions do not imply that the volumes purchased/sold will also be physically exchanged (delivered/received) between the EU Member States where the traders operating on the stock exchanges and VTP are based.

Transit of electricity/gas via the Croatian electricity systems; as it is only a service of provision of leased transport capacities, only the transit service is invoiced and there is no change of ownership.

Costs of using/maintaining/leasing pipelines arranged with another company – there is a separate invoice for the costs in question, which does not need to be included in the Intrastat report. But in the case when these costs are included in the price of electricity/gas and shown on the same invoice together with the goods, they are included in the invoice value of the goods.

Swap (substitute of gas volumes at different gas hubs without physical pipeline movements) – it is created when two companies from different EU Member States trade gas on VTP and the company who will sell the gas makes it available at another European gas hub. In such transactions, gas does not physically exit the country where the commercial transaction took place. This will not be visible on the meter of the transmission system operator, but the transaction will be recorded by the market operator at the virtual trading point (VTP)/exchange. The transaction in question is **not reported for Intrastat**.

Balancing energy – it is considered a service and services are not subject to statistics on trade in goods between EU Member States. Therefore, there is no reporting for Intrastat.

12.7.2. Specific nature of Intrastat reporting on electricity

I HOW TO REPORT ELECTRICITY IN INTRASTAT FORM

➢ Only physically arrived/physically dispatched electrical energy recorded at the international interconnection points in the Republic of Croatia that are shared with neighbouring EU Member States (e.g., Slovenia and Hungary) is reported.

➢ **Evidence of physical arrival/dispatch –** delivered/received amounts of electricity at the international interconnection points are evidenced on **monthly reports of the Croatian Transmission System Operator (HOPS[19]).**

> **Important!**
> *The **invoice** received from **the EU partner** (seller) or the invoice issued for the EU partner (buyer) is **NOT proof of the physical arrival/dispatch** of electricity from/to another EU Member State. The invoice is proof of the transfer of ownership of the goods and proof of sale.*
>
> *The only proof of physical arrival and physical dispatch of electricity within the EU is the confirmation of the Croatian Transmission System Operator (HOPS).*

➢ **The country of destination/consignment** can **only be a neighbouring EU Member State** with which Croatia shares an international interconnection point (e.g., Slovenia, Hungary).

II INVOICE VALUE

Due to the specific movements (continuous flow through transport systems) of electricity and the openness of the EU market, it may happen that, after several trade transactions (at different prices) on VTP or on the stock exchange, there exists only one physical arrival or only one physical dispatch of electricity to/from the Republic of Croatia, while the last issued/received invoice does not necessarily state the actual value of the physically arrived/dispatched electricity (net values, offsets, etc.).

---

[19] HOPS d.d. is the only operator of the electric power transmission system in the Republic of Croatia and the owner of the entire Croatian transmission network (voltage levels of 400kV, 220kV and 110kV), and holds the license to carry out the energy activity of electricity transmission as a regulated public service. (About us (hops.hr))

Based on everything stated in the Intrastat form, the invoice value of electricity needs to be calculated in the following way:

↘ make a monthly price calculation based on the realised monthly trading on the electricity market, which represents the average monthly price of realised transactions in the electricity trade

↘ it is necessary to include all transactions in the calculation and calculate the **average monthly trading price.** After that, it is necessary to evaluate the net amount of MWh arrived/dispatched to/from the Republic of Croatia based on the calculation.

↘ considering that the measurement unit for the value entered in the Intrastat report is "1 000 kWh" – it is necessary to convert "MWh" to "1 000 kWh"

Calculation of the average monthly trading price			
	MVh	Euro/MWh	Amount, euro
Buying	100	60	6 000.00
Selling	90	400	36 000.00
Total/Turnover	190		42 000.00
Average price		221.05	
Net delivery velue based on average price			
	10	221.05	2 210.53
Net delivery velue based on invoice			
	10	60	600

Table 15. An example of calculating the average monthly electricity trading price

Therefore, in the "Invoice value" field in the Intrastat report, it is necessary to enter the amount that represents the average monthly price of electricity trading multiplied by the net amount of MWh that physically arrived in the Republic of Croatia (ARRIVAL) or physically delivered from the Republic of Croatia (DISPATCH), and, finally, convert MWh into KWh.

III COMPARISON WITH TAX DATA AND HOPS' REPORTS

From a tax point of view, electricity trade within the Union is not considered a supply or acquisition of goods within the Union. Therefore, data on the value of electricity sold/purchased included in the invoice are not recorded in the fields "Delivery of goods within the EU" and "Acquisition of goods within the EU" either in the VAT form or in the VIES forms (VAT-S and ZP).

In terms of taxation, electricity that physically crosses the Croatian border is not recorded, but all incoming/outgoing invoices for purchased/sold electricity within the trade at VTP points are recorded. The physical delivery of electricity (which is reported for Intrastat) can also follow several related financial transactions which, unlike Intrastat reporting, are all recorded on tax forms. Therefore, it is impossible to connect the financial flows of electricity trade with their physical movements.

Consequently, the invoiced value of electricity reported in Intrastat CANNOT be compared with the values shown on the tax forms, since large differences will almost always appear.

That is why it is important to compare Intrastat data on the amount of electrical energy with HOPS's monthly reports. **The amount of electricity reported in Intrastat (kWh) and the amount of electricity reported on the HOPS report (MWh) for the same calendar month <u>must be identical after conversion to the same measurement unit (kWh or MWh).</u>**

12.7.3. Specific nature of Intrastat reporting on gas

I HOW TO REPORT NATURAL GAS IN INTRASTAT FORM

- ➢ Only the physical arrival/dispatch of natural gas recorded at the international interconnection points in the Republic of Croatia that are shared with neighbouring EU Member States (Slovenia, Hungary and Italy) is reported.
- ➢ Evidence of physical arrival/dispatch – delivered/received quantities of gas at the international interconnection points are evidenced on monthly reports of the **national operator of the gas transportation system (Plinacro[20])**

> **Important!**
> The ***invoice received from the EU partner*** *(seller) or the invoice issued for the EU partner (buyer) is **NOT** **proof of the physical arrival/dispatch** of natural gas from/to another EU Member State. The invoice is proof of the transfer of ownership of the goods and proof of sale.*
>
> *The only proof of the physical arrival and physical dispatch of natural gas within the EU is the confirmation of the Croatian operator of the gas transport system (PLINACRO).*

- ➢ The country of destination/consignment **can only be a neighbouring EU Member State** with which Croatia shares an international interconnection point (Slovenia, Hungary and Italy).

II INVOICE VALUE

Due to the specific movements (continuous flow through transport systems) of natural gas and the openness of the EU market, it may happen that, after several trade transactions (at different prices) on VTP or the stock exchange, there exists only one physical arrival or dispatch of natural gas to/from the Republic of Croatia, while the last issued/received invoice does not necessarily state the actual value of the arrived/dispatched natural gas (net values, offsets, etc.).

Based on everything stated in the Intrastat form, the invoice value of natural gas must be calculated in the following way:

- ↘ **make a monthly price calculation** based on the realised monthly trading on the natural gas market, which represents the average monthly price of realised transactions in the natural gas trade.
- ↘ it is necessary to include all transactions in the calculation and **calculate the average monthly trading price.** After that, it is necessary to evaluate the net amount of TJ (terajoules) arrived/dispatched to/from the Republic of Croatia.

---

[20] PLINACRO d.o.o. – Gas Transport System Operator – Plinacro Group

Therefore, in the "Invoice value" field in the Intrastat report, it is necessary to enter the amount that represents the average monthly price of natural gas trading multiplied by the net amount of TJ that physically arrived in the Republic of Croatia (ARRIVAL) or physically delivered from the Republic of Croatia (DISPATCH).

III   COMPARISON WITH TAX DATA AND PLINACRO'S REPORTS

From a tax point of view, trade in natural gas within the Union is not considered a supply or acquisition of goods within the Union. Therefore, data on the value of natural gas sold/purchased included in the invoice are not recorded in the fields "Delivery of goods within the EU" and "Acquisition of goods within the EU" either in the VAT form or in the VIES forms (VAT-S and ZP forms).

In terms of taxation, natural gas that physically crosses the Croatian border is not recorded, but all incoming/outgoing invoices for purchased/sold natural gas within the trade at VTP points are recorded. The physical delivery of natural gas (which is reported for Intrastat) can also follow several related financial transactions which, unlike Intrastat reporting, are all recorded on tax forms. Therefore, it is impossible to connect the financial flows of natural gas trade with their physical movements.

Consequently, the invoice value of natural gas reported in Intrastat CANNOT be compared with the values shown on the tax forms, since large differences will almost always appear.

That is why it is important to compare Intrastat data on the amount of natural gas with PLINACRO's monthly reports. **The amount of natural gas reported in Intrastat (TJ) and the amount of natural gas reported on the PLINACRO report for the same calendar month must be identical**.

Example 81: Trade in natural gas
Company A from Croatia buys natural gas at the VTP Croatia from foreign suppliers registered for trading in Croatia. Company A has no information that the gas it buys from VTP was previously imported or resold by a foreign supplier within the Republic of Croatia. Is the mentioned natural gas reported to Intrastat?
NO – company A is not obliged to report the arrival of natural gas it buys from VTP Croatia, since, as a customer, it cannot know whether the gas it buys from VTP was imported or resold by a foreign supplier within the Republic of Croatia. The PSI for natural gas sold on VTP Croatia is the business entity that can prove the physical arrival/dispatch of natural gas at the international interconnection points (e.g., SLO-Rogatec; HU-Donji Miholjac).

The invoice issued to company A by the foreign supplier (or company A issued to the foreign partner) is NOT proof of the physical arrival/dispatch of natural gas from/to another EU Member State if there is no confirmation from the Gas Transport System Operator (Plinacro) about the lease of transport capacity and its physical flow at international interconnection points.

13. PARTICULAR TRADE FLOWS

Particular trade flows include goods in transit, triangular transactions and quasi transit.

13.1. Goods in transit

In accordance with Annex V, Chapter I, Section 1, point (j) of Commission Implementing Regulation (EU) 2020/1197, **"Goods in transit between Member States"** means goods which, on their way to the Member State of destination, move through any intermediate Member State or stop for reasons related only to the transport of the goods, without such movement being an import or export of goods in that Member State.

The criterion for precisely identifying whether the goods are in transit is the written statement of the destination to which the goods are intended. This means that there must be a written documentation of a **single transaction**, which unequivocally proves the EU Member State of origin and the EU Member State of destination.

If goods on their way from the initial Member State to the Member State of destination stops in an intermediate Member State for reasons not related to processing or with the transfer of ownership, this intermediate Member States is then considered a transit Member State where it is not necessary to register goods in the Intrastat System.

Example 82
German seller X sells goods to Croatian buyer Y and issues a commercial invoice on which the seller from Germany and the buyer from Croatia are clearly stated, where goods are physically moved from Germany to Croatia, but are stopped in Slovenia for a few days in order to reload them from one mean of transport to another.

In this case, Slovenia will not collect the Intrastat data because it is clear and unambiguous from the documentation (from the commercial Invoice) that the goods are intended for the buyer in Croatia. This means that there is no transfer of ownership in Slovenia and therefore there is no reporting for the Slovenian Intrastat System. In this case, the German seller declares the dispatch of goods for the German Intrastat, and the Croatian buyer declares the arrival of the goods for the Croatian Intrastat.

Important!

In the transit EU Member State:
1. **There is no change of ownership**
   the ownership is not changed and such goods are not reported into the tax forms of the transit country. The goods only physically pass through the territory of the transit EU Member State.

2. **There are no processing operations**
   no transformations whatsoever are done on goods in the transit Member State.

3. **The goods can be temporarily stopped in transit EU Member State**
   but only in order to be reloaded to another mean of transport (and providing that operations stated in points 1. and 2. do not take place).

13.1.1. What is not transit?

Proper understanding and precise definition of the EU Member State of transit has proved to be very problematic in practice. Collecting information on the reasons for misunderstanding the concept of transit showed that, in practice, business entities ignore the fact that there must be written documentation of a single transaction. Namely, in most cases, business entities have documentation on two sales transactions, which were performed one after the other (which means that they have two commercial invoices for the same goods, but for different values), where the goods are not physically unloaded, but continues to move to the final buyer on the same mean of transport.

Since one Invoice represents only one transaction, the existence of two Invoices means that there are two transactions and **each transaction needs to be observed separately**.

Figure 4: Cases of goods in transit and goods not in transit

Example 83

A *seller from Austria sells goods to a buyer in the Republic of Croatia and issues the Invoice No. 1, then the buyer from the Republic of Croatia resells the same goods to a buyer in Bosnia and Herzegovina and issues the Invoice No. 2, whereby the goods are physically transported from Austria to Croatia and continue their movement to Bosnia and Herzegovina on the same mean of transport.*
For Intrastat, it is necessary to report the arrival of goods from Austria according to the invoice No. 1 because on the territory of the Republic of Croatia there is a change of ownership over the goods. According to the Invoice No. 2, an export customs declaration is submitted to the customs office in the Republic of Croatia and there is no Intrastat reporting on dispatch.

Therefore, this is not an example of transit, considering that the goods, at the beginning of their movement from Hungary, were intended for the Republic of Croatia, which is proven by the invoice and transport documentation that accompany the goods.

It is irrelevant whether the goods are physically present on the territory of the Republic of Croatia for <u>a few minutes or a few months</u>. The invoice is an evidence that the goods are intended for the Republic of Croatia, so the arrival must be reported in the Intrastat report. The new destination for goods (Slovenia) is determined only after their arrival in the Republic of Croatia, which is proven by a new invoice issued by the Croatian seller A to Slovenian final customer C. Therefore, although the goods physically continue their movement to Slovenia, arrival of goods from Hungary must be reported in Intrastat.

13.2. Triangular trade

Triangular trade means a transaction involving <u>at least three business entities,</u> in two or three different countries, providing that <u>at least two of these countries are EU Member States</u>. Only those business entities in the Republic of Croatia who buy or sell goods to a trading partner (VAT payer) in another Member State, and when the goods cross the Croatian border, must report to Intrastat.

Important!

Basic rules for Intrastat reporting in case of a triangular trade

1. **Physical movement of goods**
   Intrastat monitors the physical movement of goods between EU Member States, irrespective of the flow of invoices.

2. **VAT ID number of the trading partner on the Invoice**
   In the case of triangular trade in which there are **two different business entities (taxpayers) within the same EU Member State**, the Intrastat report is submitted by the business entity that has a trading partner from another EU Member State, which is evident from the partner VAT ID number stated on the invoice.

13.2.1. Examples of triangular trade involving EU Member States

FLOW OF TRANSACTION

FLOW OF GOODS

ENTERPRISE OBLIGED FOR INTRASTAT REPORTING
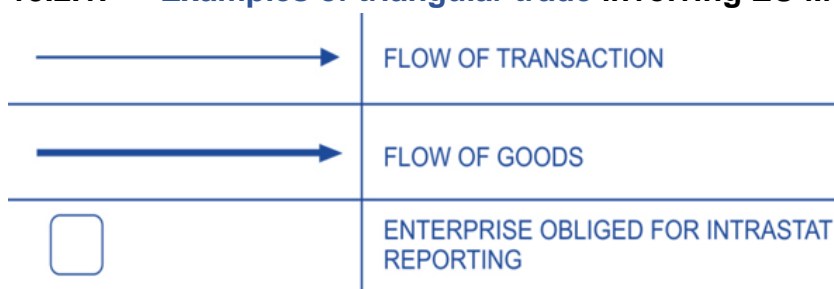
Company A1 from Croatia sells goods to company B in Austria, which sells those goods to another company A2 in Croatia. The physical flow of goods is from the company A1 to the company A2 in Croatia.

This transaction is not reported in Intrastat due to the fact that the goods do not leave the Croatian territory.

Company A1 in Croatia orders goods from company B1 in Germany and the goods are delivered directly to the buyer company C1 in France.
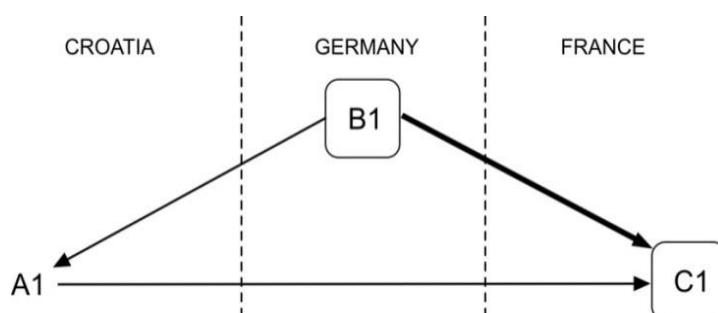
The company A1 in Croatia does not report in Intrastat because the goods do not pass through Croatia.

Company A in Croatia sells goods to buyer B in Germany, and the goods are physically delivered to the buyer directly from the address of another company C in Croatia (manufacturer).

The company A, which sells and invoices goods to buyer B, reports the dispatch of goods to Germany.
The company C does not report to Intrastat (the invoice issued by C to A proves that it is a national transaction inside Croatia (domestic transaction), which means that C has a trading partner in Croatia and not in another EU Member State).

Company A1 in Croatia sells goods to another company A2 in Croatia. The goods are procured and dispatched directly from company B1 in Germany to the company A2.
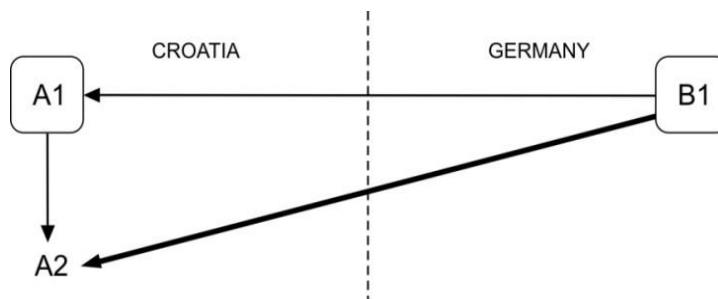
The company A1 must report the arrival of goods from Germany. Namely, it was the company A1 that purchased the goods from the manufacturer B1 in Germany, and not the company A2 to which the goods were dispatched).
The company B1 from Germany reports the dispatch of goods to Croatia.

130

CROATIA | DENMARK | GERMANY

B1

A1 ◄─────────────────────── C1
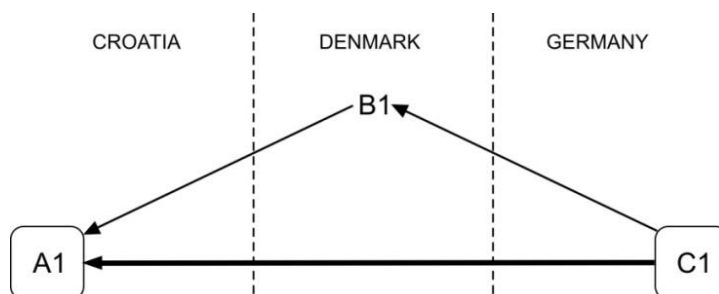
The company A1 in Croatia reports the arrival of goods from Germany, and the company C1 in Germany reports dispatch to Croatia.
The company B1 in Denmark does not report.

13.2.2. Examples of triangular trade involving a third country (non-EU country)

───────────► FLOW OF TRANSACTION

━━━━━━━━━━━► FLOW OF GOODS

▢ ENTERPRISE OBLIGED FOR INTRASTAT REPORTING

CHINA | CROATIA | GERMANY

B1

A1 ─────────────────────► C1

The company B1 does not report in Intrastat because the goods physically arrive from a non-EU country. The import customs declaration is submitted in Croatia where the goods are released for free circulation.

Example 91

French company C1 buys goods from company A1 from China, but company B1 from Croatia delivers the goods directly to the company C1 in France.
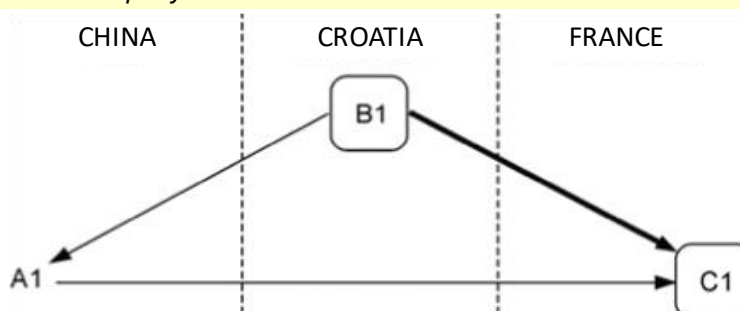
The company B1 in Croatia reports the dispatch of goods to France.
The company C1 in France reports the arrival of goods from Croatia.

Example 92

A Croatian company sells goods to a Slovenian company, which takes the goods over in Croatia and dispatches them to Albania. In this example, the exporter of goods from Croatia is the Slovenian company, and as a buyer of goods must fill in customs documents.

There is no reporting for Intrastat because the goods are delivered from Croatia directly to Albania.

13.3. Quasi transit (Rotterdam effect)

Quasi transit occurs when goods leave the territory of the Union[21] for export to a third country (a non-EU country) from one EU Member State, but the export customs declaration is lodged in the other EU Member State and, vice versa, when goods are imported from a third country onto the territory of the Union, the import customs declaration is lodged in one EU Member State and then the goods are dispatched to the other EU Member State. In both cases, in the transit Member State where the export/import customs declaration is lodged, the resident of the transit Member State does not acquire ownership of the goods.

Quasi transit occurs in two cases:

↘ **Quasi import**
   When non-EU goods from a third country are cleared through customs in an EU Member State A automatically changing their status to Union goods; the importer is not a resident in the Member State A and the Union goods are then delivered to EU Member State B.

↘ **Quasi export**
   When Union goods are physically dispatched from an EU Member State A to an EU Member State B and an export customs declaration is lodged in the EU Member State B (because the goods are exported to a third country). The exporter is not a resident in the EU Member State B.

The customs legislation provides for a possibility to release the goods for free circulation (via a representative) at any customs office in the EU, regardless of whether the goods are then transported to another EU Member State or not. Quasi-transit affects mainly imports into the European Union. The

---

[21]The territory of the Union – covers the customs territory of the Union (i.e. the territory of all EU Member States).

release of goods for free circulation at the external frontier of the European Union provides certain advantages: once customs duties have been paid, the trader is able to freely dispose of the goods without any further customs supervision or the goods can be stored in one Member State before being delivered to a purchaser in the other EU Member State.

However, exports are influenced as well. In exceptional cases, the exporters are able to carry out customs clearance, not in the actual EU Member State of export, but in the EU Member State of exit, i.e. in the EU Member State from which the goods are exported from the customs territory of the EU.

13.3.1. Quasi import

Quasi import is a situation when a non-resident imports goods from non-member countries (i.e., from third countries), clears them for import in one EU Member State and dispatches them to the other Eu Member State.
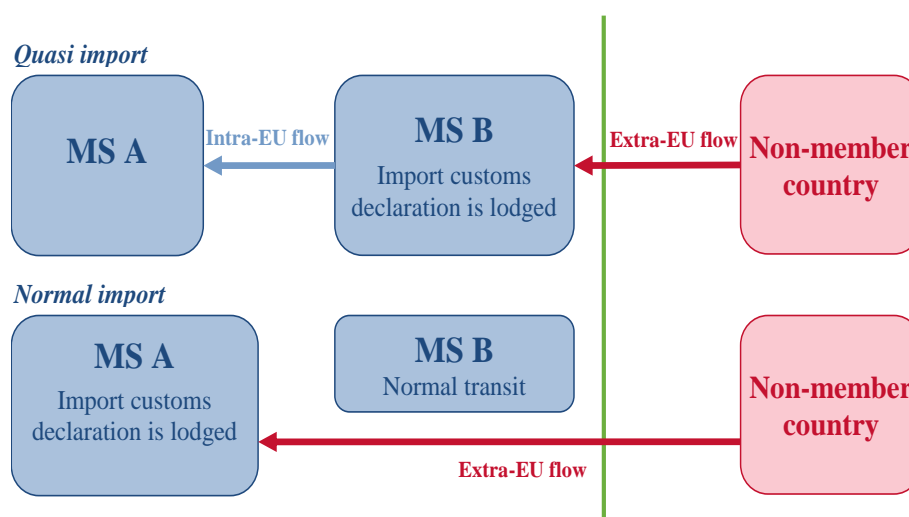
Figure 5: Difference between quasi import and regular import

Movement of goods between a non-member country and an EU Member State of final destination is divided into two trade flows — one reported for the **Extrastat System** ("**extra-EU trade"** – import of goods from outside of EU is declared on customs declarations), while a subsequent dispatch of goods is reported to the **Intrastat System** **("intra-EU trade"** – movement of goods between EU Member States is declared on Intrastat declarations/Intrastat reports). The customs clearance usually takes place in a first EU Member State located at the external frontier of the European Union. Very often, it happens in such countries as Belgium and the Netherlands, which have important ports for transhipment of goods, e.g. Rotterdam, Antwerp. These cases are sometimes referred to as the **Rotterdam effect** and reflect the interrelationship between the Intrastat and Extrastat data collection systems.

In order to clear the goods for customs, the owner of the goods (trader/importer) does not need to be seated in the EU Member State where the customs declaration is lodged. It is enough to be VAT registered in that EU Member State or to appoint a tax representative who will be in charge of clearing the goods in customs and fulfil VAT obligations. The entity, which handles customs procedures and pays import duties, does not become the owner of the goods. It may be a local tax representative or accountant dealing with customs and providing services to non-residents.

A part of the trade related to quasi-imports can be identified via **customs procedure codes 42 and 63.** These procedures were introduced by Customs in order to relieve the trader from paying VAT in the country of customs clearance, because the goods are destined for another EU Member State and VAT has to be paid in the country of final consumption.

↘ **Customs procedure 42** is a procedure for the release of goods for free circulation with exemption from VAT because the goods are destined for another EU Member State.

↘ **Customs procedure 63** is the re-importation with the simultaneous release of goods for free circulation with exemption from VAT because the goods are destined for another EU Member State.

All goods declared in these procedures should be declared in parallel as dispatches on the Intrastat declaration and as "inter-EU supply of goods" on the VIES declaration as well.

Example 93
Goods from China (third country) are customs-cleared for import in Slovenia, the port of Koper – the importer is a Croatian company, and the Slovenian dispatcher is a tax and customs representative of the Croatian company. After the customs formalities take place, the goods are physically dispatched to Croatia. This example is a typical quasi import. The movement of goods physically began in China (a non-EU country) with the intention of arriving to Croatia. The goods entered the territory of the Union (in customs terms, the territory of all Member States is considered the single customs territory of the Union) in the port of Koper, Slovenia. Until now, the goods have the customs status of non-EU goods.

The importer (a Croatian company, the buyer of goods), appointed a tax representative in Slovenia, who will be in charge of clearing the goods in customs and will fulfil VAT obligations. Upon completion of all import formalities, the customs releases the goods for free circulation, whereby the customs status of goods is automatically changed to Union goods.

The physical delivery (dispatch) of goods from Slovenia to Croatia follows. As these are Union goods moving physically between two EU Member States – the movement must be reported to the Intrastat System of both countries in the following way:

↘ for Slovenian Intrastat, the dispatch of goods to the Republic of Croatia is reported,

↘ for Croatian Intrastat, the Croatian PSI reports the **ARRIVALS from Slovenia under the nature of transaction code 11.**

For the purposes of compiling the Intrastat report, the Croatian PSI uses the following information:

↘ Invoice issued by the supplier from China.

↘ Parity in accordance with the invoice (FOB Koper), regardless of the fact that goods from Slovenia will arrive in the Republic of Croatia by road (FOB 2).

↘ Mode of transport code – considering that the goods cross the Croatian border by road, the mode of transport 3 (road) is entered.

↘ **Nature of transaction code 11** (Outright purchase/sale*).*

↘ **Country of origin:** China.

↘ **Invoice value in the case of parity FOB Koper (place of delivery 2)** is the amount of customs value of goods, but without the amount of customs duty *(*IV will include the value of goods in accordance with Article 70 and Article 74 of the Union Customs Code[22]: The primary basis for the customs value of goods shall be the transaction value, that is the price actually paid or payable for the goods when sold for export to the customs territory of the Union, adjusted, where

---

[22]Regulation (EU) No 952/2013 of the European Parliament and of the Council of 9 October 2013 on the Union Customs Code (recast).

necessary. The price actually paid or payable shall be the total payment made or to be made by the buyer to the seller or by the buyer to a third party for the benefit of the seller for the imported goods and include all payments made or to be made as a condition of sale of the imported goods.).

It should also be noted that the Intrastat report would had to be filled out in a different way if the Chinese supplier stated **FOB Shanghai parity** on the invoice. When it comes to parity with a place of delivery in a third country (FOB Shanghai), place of delivery 3 is reported for Intrastat (a third country), while the invoice value includes the value of the goods stated on the Invoice.

Example 94

Goods from a third country (e.g., China) are customs-cleared for import in the Croatian port of Rijeka. The importer is a Hungarian company, and the Croatian dispatcher is a tax and customs representative of the Hungarian company. After completing the customs formalities, the goods are physically dispatched to Hungary.

Dispatches of Union goods (the customs status of goods is automatically changed from "foreign goods" to "Union goods" at the time of completion of the release of goods for free circulation) from Croatia to Hungary must be reported to Intrastat as follows:

↘ for Croatian Intrastat, the Croatian dispatcher (customs and tax representative of the Hungarian company) reports

↘ the **DISPATCH of goods to Hungary** is reported

↘ **Nature of transaction code 71[23]** (Release of goods for free circulation in an EU Member State with a subsequent export to another EU Member State)**.**

For the purposes of compiling the Intrastat report, the Croatian PSI (dispatcher) uses the following information:

↘ Import customs declaration
↘ **Parity** in accordance with the import customs declaration
↘ **Mode of transport code** – since the goods cross the Croatian-Hungarian border by road, the mode of transport 3 (road) is entered
↘ **Nature of transaction code 71** (Release of goods for free circulation in a Member State with a subsequent export to another EU Member State)
↘ **VAT ID number of the consignee/partner:** VAT ID number of the Hungarian consignee

↘ **Invoice value in case of FOB Rijeka parity (place of delivery 1)** is the amount of customs value of the goods, but without the amount of customs duty (i.e., IV will include the value of goods in accordance with Articles 70 and 74 of the Union Customs Code: The primary basis for the customs value of goods shall be the transaction value, that is the price actually paid or payable for the goods when sold for export to the customs territory of the Union, adjusted, where necessary. The price actually paid or payable shall be the total payment made or to be made by the buyer to the seller or by the buyer to a third party for the benefit of the seller for the imported goods and include all payments made or to be made as a condition of sale of the imported goods.).

It should also be noted that the *Intrastat report* would had to be filled out in a different way if the Chinese supplier stated **FOB Shanghai parity** on the invoice. When it comes to parity with a place of delivery in a third country (FOB Shanghai), place of delivery 3 is reported for Intrastat (a third country), while the invoice value includes the value of the goods stated on the Invoice.

---

[23] Nature of transaction code 71 – it is intended exclusively to non-residents and tax agents

13.3.2. Quasi export

Quasi export is a situation when a trader transports the goods from one EU Member State to the border Member State, where customs clearance for export takes place.

To export the goods outside the EU, from the administrative point of view, there are even less administrative procedures to follow for traders than when importing the goods. In order to lodge customs declarations in the exit EU Member State, the non-resident trader does not need to be registered in that Member State and does not need to appoint a tax representative.
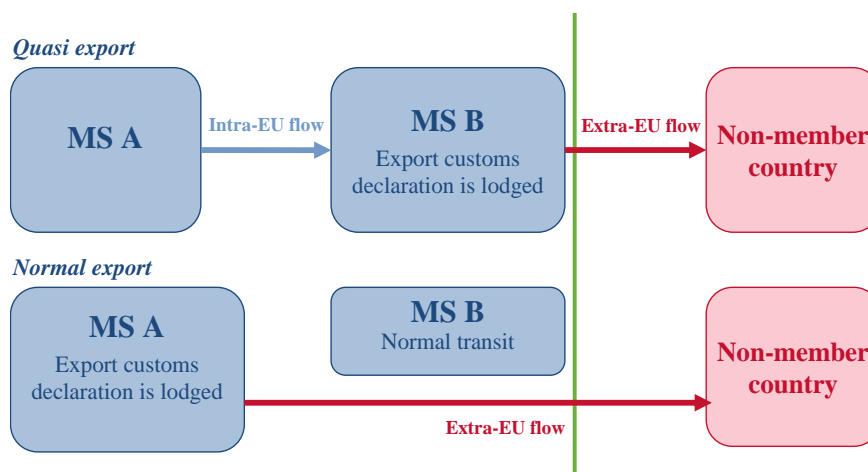
Figure 6: Difference between quasi export and regular export

According to the Union Customs Code implementing provisions, with some minor exceptions, the customs declaration can be lodged at one of the following customs offices:
- **customs office of <u>export</u>** (the customs office responsible for the place where the goods were or are to be presented to customs; the customs office responsible for supervising the place where the exporter is established; or where the goods are packed or loaded for export shipment)
- **customs office of <u>exit</u>** (the last EU customs office before the goods leave the customs territory of the European Union)

The trader in dispatching EU Member State does not need to provide VAT return and VIES declaration to the tax administration about the dispatch to EU Member State where the export customs declaration is lodged as there is no trade transaction between these two EU Member States.

Example 95

A *Croatian company sells goods to a buyer from India. The goods are first physically dispatched from Croatia to Slovenia, where the goods are customs-cleared for export. After that, the goods are exported to India (a third country). The exporter is a Croatian company, and the export customs declaration is lodged by the Slovenian dispatcher, who represents the Croatian company in the export procedures (the Slovenian dispatcher is the customs representative of the Croatian company in Slovenia). In the case of quasi exports, the Croatian exporter need not authorise anyone as the taxing representative in another EU Member State.*

Since the export customs declaration is lodged in Slovenia (another Member State), the following actions are to be done for Intrastat:

- for Croatian Intrastat, Croatian PSI reports the **DISPATCH of goods from the Republic of Croatia to Slovenia under the <u>nature of transaction code 11;</u>**
- for Slovenian Intrastat, the arrival of goods from the Republic of Croatia is reported.

136

For the purposes of filling in the Intrastat report in the Republic of Croatia, the following information is used:

❱ invoice issued by a Croatian PSI from the Republic of Croatia
❱ **parity** according to the invoice
❱ n**ature of transaction code 11** (Outright purchase/sale)
❱ **VAT ID number of the consignee/partner**: a dummy code **QV999999999999** (a letter code QV and 12 nines) is to be entered, since the buyer of the goods is from India, and in Slovenia there is no change of ownership
❱ Invoice value is the amount of the value of the goods according to the invoice.

Notice! If the Croatian PSI decides to submit the export customs declaration in Croatia, then the goods from the Republic of Croatia to Slovenia move under customs supervision. In that case, there is no reporting for Intrastat, given that statistical data on goods are automatically taken from the customs declaration and recorded in the Extrastat System.

Example 96

An *Austrian seller sells goods to a buyer in the USA. The goods are physically dispatched from Austria to the Republic of Croatia, to the port of Rijeka, and the export customs declaration is lodged in the Republic of Croatia. For the purposes of conducting the customs procedures in the Republic of Croatia, the Austrian seller has authorised the Croatian dispatcher for customs representation. In the case of quasi exports, the Austrian exporter does not need authorise anyone for customs representation in another Member State.*

Dispatch of goods from Austria to Croatia must be reported in Intrastat as follows:

❱ for Austrian Intrastat, the dispatch from Austria to the Republic of Croatia is reported,
❱ for Croatian Intrastat, the **ARRIVAL of goods from Austria is reported, under the <u>nature of transaction code 72</u>[24]** (Transportation of goods from one EU Member State to another EU Member State to place the goods under the export procedure).

For the purposes of filling in the Intrastat report, the Croatian dispatcher uses the following information:

❱ invoice issued by the Austrian company to a buyer from the third country,
❱ **parity** according to the invoice,
❱ <u>**nature of transaction code 72**</u> (Transportation of goods from one EU Member State to another EU Member State to place the goods under the export procedure)
❱ **invoice value** is the amount of the value of the goods according to the invoice.

13.4. Substitute forms for 2023 submitted to the Intrastat system in the course of 2024

In the period **until 15 April 2024**, PSIs/agents will have an opportunity to send substitute forms for the previous calendar year 2023. When sending Intrastat reports for a respective period, PSIs and agents are obligated to apply methodological rules that were valid in the period (calendar month) to which the Intrastat report relates.

If a PSI/agent sends the Intrastat report **in the course of 2024 relating to a period in 2023**, it is necessary to do the following:

❱ apply the methodological rules valid in 2023
❱ apply the Combined Nomenclature 2023.

---

[24] Nature of transaction code 72 – it is intended exclusively to non-residents and tax agents.

If, on the other hand, a PSI/agent sends the Intrastat report **in the course of 2024 relating to a period in 2024**, it is necessary to do the following:

> ↘ apply the methodological rules valid in 2024
> ↘ apply the Combined Nomenclature 2024.

14. STATISTICAL TERRITORY OF THE EUROPEAN UNION

In general, it can be said that trade in goods between territories with a Geonomenclature code of one of the EU Member States **(AT, BE, BG, CY, CZ, DE, DK, EE, ES, FI, FR, GR, HU, IE, IT, LT, LU, LV, MT, NL, PL, PT, RO, SE, SI, SK, HR, XI)** is intra-EU trade in goods statistics reported to the Intrastat statistical system. Trade in goods of an EU Member State with a territory with a different Geonomenclature code means extra-EU trade in goods statistics, which is reported to the Extrastat statistical system.

14.1. Statistical territory

The statistical territory of an EU Member State is generally defined according to customs territory pursuant to Article 4 of Regulation (EU) No 952/2013 of the European Parliament and of the Council on the Union Customs Code (with the exception of Heligoland, which belongs to statistical but not to customs territory of Germany).

Trade in goods statistics between EU Member States are processed on the basis of Intrastat data on goods moving physically between the statistical territories of EU Member States. If the trade takes place between an EU Member State and a territory that does not belong to the statistical territory of the European Union, such trade is generally monitored through the Extrastat system.

However, concerning certain specific movements of goods, Intrastat and Extrastat data are not determined by the statistical territory of the country (e.g., specific rules for some types of vessels and aircraft).

14.2. Customs territory

The customs territory of the European Union includes the land area, territorial waters, inland sea waters and airspace of all Member States; except for land area, territorial waters, inland sea waters and airspace of territories which do not belong to the customs territory of the EU.

14.3. Fiscal territory

The fiscal (VAT) territory of the European Union means the territory of the EU to which the provisions of Directive 2006/112/EC on the common system of value added tax (and any amendments thereto) apply. Some parts of the EU customs territory do not belong to the EU fiscal territory, with the result that VAT regulations cannot be fully applied in those territories. Trade between such non-fiscal territories of the EU and Member States is statistically monitored through customs declarations and is not reported in Intrastat in order to avoid duplication of data.

Below is a tabular overview of the EU's statistical, customs and fiscal territory, which helps PSIs to determine whether an exchange of goods is the subject of reporting for the Intrastat or Extrastat system.

EU Member State/country/territory	Fiscal territory	Customs territory	Statistical territory	Type of declaration from which goods statistics are collected
Belgium (BE)	Yes!	Yes!	Yes!	INTRASTAT
Bulgaria (BG)	Yes!	Yes!	Yes!	INTRASTAT
Czech Republic (CZ)	Yes!	Yes!	Yes!	INTRASTAT
Denmark (DK)	Yes!	Yes!	Yes!	INTRASTAT
Faroe Islands (FO)	NO!	NO!	NO!	Customs declaration
Greenland (GL)	NO!	NO!	NO!	Customs declaration
Germany (DE)	Yes!	Yes!	Yes!	INTRASTAT
Helgoland Island (DE)	NO!	NO!	Yes!	INTRASTAT
Büsingen (CH)	NO!	NO!	NO!	Customs declaration
Estonia (EE)	Yes!	Yes!	Yes!	INTRASTAT
Ireland (IE)	Yes!	Yes!	Yes!	INTRASTAT
Greece (EL)	Yes!	Yes!	Yes!	INTRASTAT
Mount Athos (EL)	NO!	Yes!	Yes! (¹)	Customs declaration
Spain including Balearic Islands (ES)	Yes!	Yes!	Yes!	INTRASTAT
Ceuta (XC)	NO!	NO!	NO!	Customs declaration
Melilla (XL)	NO!	NO!	NO!	Customs declaration
Canary Islands (ES)	NO!	Yes!	Yes! (¹)	Customs declaration
France including Corsica and Monaco (FR)	Yes!	Yes!	Yes!	INTRASTAT
French Guiana (FR)	NO!	Yes!	Yes! (¹)	Customs declaration
Guadeloupe (FR)	NO!	Yes!	Yes! (¹)	Customs declaration
Martinique (FR)	NO!	Yes!	Yes! (¹)	Customs declaration
Reunion (FR)	NO!	Yes!	Yes! (¹)	Customs declaration
Mayotte (YT) (²)	NO!	Yes!	Yes! (¹)	Customs declaration
Saint-Martin (FR) (French part)	NO!	Yes!	Yes! (¹)	Customs declaration
New Caledonia (NC)	NO!	NO!	NO!	Customs declaration
Saint-Pierre and Miquelon (PM)	NO!	NO!	NO!	Customs declaration
Wallis and Futuna Islands (WF)	NO!	NO!	NO!	Customs declaration
French Polynesia (PF)	NO!	NO!	NO!	Customs declaration
French Southern (TF) and Antarctic Territories	NO!	NO!	NO!	Customs declaration
Saint-Barthelemy (BL)	NO!	NO!	NO!	Customs declaration
Croatia (HR)	Yes!	Yes!	Yes!	INTRASTAT
Italy including Sicily and Sardinia (IT)	Yes!	Yes!	Yes!	INTRASTAT
Livigno (IT)	NO!	NO!	NO!	Customs declaration

EU Member State/country/territory	Fiscal territory	Customs territory	Statistical territory	Type of declaration from which goods statistics are collected
Campione d'Italia (CH)	NO!	NO!	NO!	Customs declaration
Italian waters of Lake Lugano (IT)	NO!	NO!	NO!	Customs declaration
San Marino (SM)	NO!	NO!	NO!	Customs declaration
Cyprus, including the UK Sovereign Base Areas of Akrotiri and Dhekelia (CY)	Yes!	Yes!	Yes!	INTRASTAT
Latvia (LV)	Yes!	Yes!	Yes!	INTRASTAT
Lithuania (LT)	Yes!	Yes!	Yes!	INTRASTAT
Luxembourg (LU)	Yes!	Yes!	Yes!	INTRASTAT
Hungary (HU)	Yes!	Yes!	Yes!	INTRASTAT
Malta (MT)	Yes!	Yes!	Yes!	INTRASTAT
Netherlands – European territory only (NL)	Yes!	Yes!	Yes!	INTRASTAT
Austria (AT)	Yes!	Yes!	Yes!	INTRASTAT
Poland (PL)	Yes!	Yes!	Yes!	INTRASTAT
Portugal including the Azores and Madeira (PT)	Yes!	Yes!	Yes!	INTRASTAT
Romania (RO)	Yes!	Yes!	Yes!	INTRASTAT
Slovenia (SI)	Yes!	Yes!	Yes!	INTRASTAT
Slovakia (SK)	Yes!	Yes!	Yes!	INTRASTAT
Finland (FI)	Yes!	Yes!	Yes!	INTRASTAT
Åland Islands (FI)	NO!	Yes!	Yes! (¹)	Customs declaration
Sweden (SE)	Yes!	Yes!	Yes!	INTRASTAT

Table 16: Overview of the EU's statistical, customs and fiscal territory

Explanation:

Yes!   indicates that the area belongs to the relevant territory
NO!   indicates that the area does not belong to the relevant territory
(¹)   indicates that trade in goods statistical data are retrieved from customs declarations (Extrastat)
(²)   Mayotte has been part of the statistical territory of France since 1 January 2014

14.4. Brexit

The United Kingdom has ceased to be a Member Stater since 1 February 2020 upon the entry into force of the Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community.

The United Kingdom and the EU have recognised the unique situation of Ireland and Northern Ireland. It resulted in concluding the **Protocol on Ireland and Northern Ireland,** which entered into force on 1 January 2021. The Protocol allows Northern Ireland to remain an integral part of the UK's customs territory, but at the same time to benefit from the European Union's single market.

The Protocol on Ireland and Northern Ireland for Intrastat reporting in the Republic of Croatia means the following:

↘ **Northern Ireland**
DISPATCHES of goods from the Republic of Croatia to Northern Ireland and ARRIVALS of goods from Northern Ireland to the Republic of Croatia must still be reported in *Intrastat reports!* The following is important:
- in the field Country of delivery/destination, **a Geonomenclature code XI** must be entered
- in the field Country of origin, **XI** for Northern Ireland or **XU** for the rest of the UK is entered
- **Geonomenclature code GB** must not appear in the *Intrastat report.*

↘ **The rest of the United Kingdom**
Trade in goods with the rest of the United Kingdom, which consists of the Great Britain (*England, Scotland, Wales),* the Channel Islands and the Isle of Man (excluding Northern Ireland), is not reported for Intrastat.

↘ **Republic of Ireland**
Trade in goods with the Republic of Ireland continues to be reported for Intrastat under the Geonomenclature Code **IE.**

Reminder: Ireland is an island on which the Republic of Ireland and the region of the United Kingdom – Northern Ireland are located.

15. Legal Basis

The legal basis for the conduct of the Intrastat survey in the Republic of Croatia is the European and national legislation.

15.1. **European** legislation

European regulations contain methodological rules for the collection of statistical data, the determination of Intrastat exemption thresholds and the treatment of specific movements of goods. European regulations are of supranational importance and apply in all Member States:

1. **Regulation (EU) 2019/2152 of the European Parliament and of the Council** of 27 November 2019 on European business statistics, repealing 10 legal acts in the field of business statistics (OJ L 327, 17.12.2019)

2. **Commission Implementing Regulation (EU) 2020/1197** of 30 July 2020 laying down technical specifications and arrangements pursuant to Regulation (EU) 2019/2152 of the European Parliament and of the Council on European business statistics repealing 10 legal acts in the field of business statistics (OJ L 271, 18.8.2020)

3. **Commission Delegated Regulation (EU) 2021/1704** of 14 July 2021 supplementing Regulation (EU) 2019/2152 of the European Parliament and of the Council by further specifying the details for the statistical information to be provided by tax and customs authorities and amending its Annexes V and VI (OJ L 339, 24.9.2021)

4. **Commission Implementing Regulation (EU) 2021/1225** of 27 July 2021 specifying the arrangements for the data exchanges pursuant to Regulation (EU) 2019/2152 of the European Parliament and of the Council and amending Commission Implementing Regulation (EU) 2020/1197, as regards the Member State of extra-Union export and the obligations of reporting units (OJ L 269, 28.7.2021)

5. **Commission Implementing Regulation (EU) 2020/1470** of 12 October 2020 on the nomenclature of countries and territories for the European statistics on international trade in goods and on the geographical breakdown for other business statistics (OJ L 334, 13.10.2020)

6. **Commission Implementing Regulation (EU) 2023/2364** of 26 September 2023 amending Annex I to Council Regulation (EEC) No 2658/87 on the tariff and statistical nomenclature and on the Common Customs Tariff (OJ L 2023/2364, 31.10.2023).

15.2. National legislation

The legal basis for conducting Intrastat surveys at the national level is:

1. **Official Statistics Act** (OG, No. 25/20)
2. **Programme of Statistical Activities of the Republic of Croatia 2021 – 2027** (OG, No. 29/22)
3. **Annual Implementation Plan of Statistical Activities of the Republic of Croatia**
4. **Customs Service Act** (OG, No. 68/13)
5. **Act on Amendments to the Customs Service Act** (OG, Nos 30/14, 115/16, 39/19 and 98/19)
6. **Act on the Introduction of the Euro as the Official Currency in the Republic of Croatia** (OG, No. 57/22).

15.3. Responsibility and data protection in Intrastat System

15.3.1. Responsibility of PSIs

Traders, who are obliged to submit data to the Intrastat System, are called 'providers of statistical information'. PSIs are responsible for the **timely submission of data on the Intrastat report and for their accuracy and completeness.**

If a PSI does not submit the *Intrastat report* within the set time limit, the misdemeanour proceedings will be initiated against the legal entity and the person responsible for Intrastat in the business entity in accordance with Article 76 of the Official Statistics Act (OG, No. 25/20) or Article 118, paragraph 1, item 4, of the Customs Service Act (OG, Nos 68/13, 30/14, 115/16, 39/19 and 98/19).

15.3.2. Responsibility of agents

An agent in the Intrastat System is **any business entity (legal entity, craftsman, etc.** authorised by PSI to submit Intrastat reports on its behalf. The agent in the Intrastat System does not need to have any kind of customs credentials*,* which means that even a dispatch company can be the agent, but also an accounting company or trade, etc.

Although the agent submits the Intrastat reports on behalf of the PSI, **the PSI is still responsible for providing timely, accurate and complete data** (regardless of whether it reports independently or by the mediation of an agent).

15.3.3. Responsibility of the Croatian Bureau of Statistics and the Customs Administration

Traders who are Intrastat providers submit Intrastat reports to the Customs Administration – Intrastat Department. The Customs Administration checks and verifies the submitted data, and then deliver them to the Croatian Bureau of Statistics, which is the producer of the Intrastat survey in the Republic of Croatia, in charge of processing and disseminating official national statistics. The CBS and the Customs Administration are bound by the Agreement on Mutual Cooperation for the Implementation of the Intrastat Survey. All statistical data received in the Intrastat system are considered confidential and are used exclusively for statistical purposes.

15.4. Confidentiality and protection of statistical data in the Intrastat System

Confidentiality of statistical data is one of the fundamental principles of official statistics in the European Union. Data on intra-EU trade in goods, which PSIs submit to the Intrastat System, are considered confidential and they are treated as an official secret.

Pursuant to **Articles 63 – 72 of the Official Statistics Act** (OG, No. 25/20), statistical data on goods reported in the Intrastat System are subject to the provisions on confidentiality and protection of statistical data and are used exclusively for statistical purposes.

Statistical data on goods, which traders submit to the Intrastat System, are protected by the CBS and the Customs Administration from misuse, counterfeiting, alienation and unauthorised disclosure. Officials who have access to statistical data sign a **Confidentiality Declaration** by which they undertake to act in accordance with the provisions of all regulations and rules relating to confidentiality and protection of statistical data even after termination of their employment, i.e. engagement in official statistics on the basis of which they could have access to confidential statistical data.

15.5. Deadlines for keeping Intrastat reports and documentation

The Intrastat report is available in the Republic of Croatia exclusively in electronic form, which is submitted to the Intrastat System by exchanging electronic documents between traders and the information system of the Customs Administration. There is no legal restriction in terms of keeping electronic Intrastat reports on the traders' computer due to the fact that the Intrastat Department keeps, stores and archives all active Intrastat reports of traders (from the current and from previous years) in the customs information system.

Therefore, the Customs Administration, Intrastat Department, only **recommends that** PSIs and agents keep their active Intrastat reports for the current and the previous calendar year in case they need to make a correction of previously sent forms.

Documentation containing information on goods is the basis for filling in the Intrastat reports by PSIs and agents. It is important to point out that the basis for filling in the Intrastat report is any documentation that contains information on goods, such as:
- purchase or sale invoices,
- warehouse receipt/delivery note,
- transport documents,
- contracts (e.g., sales contract, processing contract, ...),
- e-mail orders,
- other documentation containing information on the goods.

The Croatian Bureau of Statistics and the Intrastat Department **recommend that** PSIs and agents keep the documentation used for compiling the Intrastat report in accordance with the legal deadlines prescribed by the General Tax Act (OG, Nos 115/16, 106/18, 121/19, 32/20, 42/20 and 114/22) and the Accounting Act (OG, Nos 78/15, 134/15, 120/16, 116/18, 42/20, 47/20, 114/22).

These regulations explicitly state the deadlines for keeping documents, while Intrastat legislation does not cover the subject matter.

15.6. GDPR – protection of personal data in the Intrastat System

The General Data Protection Regulation (GDPR) has applied in all EU Member States since 25 May 2018. The main purpose of this regulation is greater **protection of individuals and their personal data.**

'Personal data is all information relating to an individual whose identity has been established or can be established**. Different information, which together can result in the identification of a particular person, also constitutes personal data.' (Source: https://commission.europa.eu/law/law-topic/data-protection/reform/what-personal-data_en).

Examples of personal data: identification number (OIB) of an individual, name and surname, residential address, e-mail address, data on professional attainment, job, bank accounts, credit indebtedness, etc. Every individual in Croatia, regardless of citizenship or residence, has the right to the protection of personal data.

The Croatian Bureau of Statistics and the Ministry of Finance – Customs Administration, as state administration bodies, are obliged to apply the General Data Protection Regulation (GDPR) and to comply with all principles and rules prescribed by this Regulation.

15.6.1.   Croatian Bureau of Statistics – implementation of the GDPR

The provision of Article 33 of the Act on the Implementation of the General Data Protection Regulation (OG, No. 42/18), and based on the provision of Article 89 of the General Data Protection Regulation (GDPR), prescribes derogations from certain rights established by the provisions of the General Data Protection Regulation, which restrict the right to access personal data, the right to rectification of personal data, the right to restrict the processing of personal data and the right to object to the processing of personal data.

These provisions were adopted in order to enable the production of official statistics while protecting the rights of respondents as much as possible. For any additional inquiries about the handling and processing of personal data of respondents, the Data Protection Officer in the CBS is available:

DRŽAVNI ZAVOD ZA STATISTIKU
Personal Data Protection Officer
Ilica 3
10000 Zagreb
E-mail: zastitapodataka@dzs.hr

15.6.2. Customs Administration – implementation of the GDPR

The Ministry of Finance – Customs Administration processes respondents' personal data in accordance with valid regulations governing the protection of personal data (General Data Protection Regulation 2016/679, Act on the Implementation of the General Data Protection Regulation (OG, No. 42/18), Customs Service Act (OG, Nos 68/13, 30/14, 115/16, 39/19 and 98/19) and other legal acts and specific regulations governing certain actions within the competence of the Customs Administration (e.g., General Administrative Procedure Act, Misdemeanour Act, Administrative Disputes Act, Bankruptcy Act, Enforcement Act, etc.)
The Customs Administration processes personal data of individuals only when there is a clearly defined legal basis for this – a legal obligation, consent of the respondent, or as part of the performance of a task of public interest, or in the course of exercising official duties. Personal data of individuals are processed by the Customs Administration only to the extent necessary to achieve the lawful purpose of processing (Intrastat survey).
More information on this topic is available at the link: Customs Administration - Personal Data Protection (gov.hr) For additional inquiries about the handling and processing of personal data, respondents may submit a written request to the Data Protection Officer at the Customs Administration:

MINISTARSTVO FINANCIJA
CARINSKA UPRAVA
n/a Data Protection Officer
Alexandera von Humboldta 4a
10000 Zagreb
E-mail: zastita.podataka@carina.hr

15.6.3. Personal Data Protection Agency – implementation of GDPR

The supervisory body for the protection of personal data in the Republic of Croatia is the Croatian Personal Data Protection Agency (abbr.: AZOP).
If you feel that any of your rights have been violated, you can file a complaint with the Personal Data Protection Agency at the following address:

Agencija za zaštitu osobnih podataka
Selska 136
10000 Zagreb
E-mail: azop@azop.hr

16. HELP AND SUPPORT FOR INTRASTAT PROVIDERS IN THE REPUBLIC OF CROATIA

16.1. Intrastat Helpdesk

The Intrastat Helpdesk operates as part of the Intrastat Department as part of the Customs Administration, and provides technical and methodological support and provides all other information related to Intrastat.

IT support	Methodological support	Feedback and complaint
intrastat.helpdesk@carina.hr intrastat.prijava@carina.hr	intrastat.helpdesk@carina.hr intrastat@carina.hr	intrastat@carina.hr
Phone +385 42 23 42 55	**Phone +385 40 30 40 53** **Phone +385 42 23 42 55**	**Phone +385 40 30 40 59** **Phone +385 42 23 42 55**

Table 17. Intrastat Helpdesk contact data

16.2. Customs officer for contact in the Intrastat Department

PSIs and/or agents are welcome to contact their customs officer for contact in the Intrastat Department for help, information and advice. If you are not sure who your Intrastat customs officer for contact is, send your inquiry to intrastat@carina.hr

16.3. Useful webpages

Državni zavod za statistiku – Intrastat (gov.hr)

CIWS – Croatian Intrastat Web Service (carina.hr)

Customs Administration – Home (gov.hr)

Overview – International trade in goods - Eurostat (europa.eu)

Digital certificates – FINA EN

PART FOUR – APPENDICES

17. APPENDICES

17.1. APPENDIX 1 – The Intrastat Application Form

DRŽAVNI ZAVOD ZA STATISTIKU
REPUBLIKE HRVATSKE

THE INTRASTAT APPLICATION FORM

1. Identification data of the business entity:

ID number:

Name:

Address: (street and number, settlement)

Zip code: (post number and post office name)

Party in business entity legally responsible for providing INTRASTAT data:

- first and last name:
- ID number / Passport No.*:
- home address: (street and number, settlement, post number and post office name)
- phone:
- fax:
- e-mail:

* Passport No. is entered by foreign nationals who do not have HR ID number.

2. Information on contact persons for providing INTRASTAT data:

a) For arrivals:

Contact person 1

- first and last name:
- phone:
- fax:
- e-mail:

Contact person 2

- first and last name:
- phone:
- fax:
- e-mail:

    Denote if above mentioned parties are contact persons for dispatches as well. ☐

b) For dispatches*:

Contact person 1

- first and last name:
- phone:
- fax:
- e-mail:

Contact person 2

- first and last name:
- phone:
- fax:
- e-mail:

* Field b) should not be filled in if you tagged the field for confirmation.

3. Methods of providing INTRASTAT data by business entity*:

- reports itself ☐
- reports via an agent ☐

* If partly reports itself and partly via an agent tag both fields for confirmation.

4. Identification data of the third party declarant (enter only if providing INTRASTAT data via an agent):

ID number*:

Name:

Address: (street and number, settlement)

Zip code: (post number and post office name)

Country:

* For an agent with residence outside the Republic of Croatia EORI number is to be entered.

Information on contact persons in the third party declarant:

Contact person for arrivals

- first and last name:
- phone:
- fax:
- e-mail:

Denote if above mentioned party is contact person for dispatches as well. ☐

Contact person for dispatches*

- first and last name:
- phone:
- fax:
- e-mail:

* Should not be filled in if you tagged the field for confirmation.

5. Remarks and other informaton:

Place and date:

Stamp and signature of the party in charge:

Please return the completed *INTRASTAT Application Form* within 10 days from the day you received *the INTRASTAT Reporting Obligation Notice* to the following address:

Carinska uprava

Zrinsko-Frankopanska 9

40000 Čakovec

By fax: (042) 234-215

Or e-mail to: Intrastat.prijava@carina.hr

Electronic INTRASTAT form is available at:

https://www.dzs.hr/default_e.htm

Thank you for completing and returning form and best regards.

If you have any additional questions with regard to reporting, please contact the Customs Administration via e-mail: Intrastat.helpdesk@carina.hr, by phone: (042) 234-255, or by fax: (042) 234-215.

The Intrastat Application Form is available for download:

⬎ on the official website of the Croatian Bureau of Statistics Državni zavod za statistiku – Intrastat (gov.hr) and

⬎ on the CIWS website CIWS – Croatian Intrastat Web Service (carina.hr)

17.2. APPENDIX 2 – Self-application 2024 – Table to help determine the value of trade in goods

Review of the trade in goods values which result in Intrastat reporting obligation				
OIB ID:				
NAME:				
ACCURATE POSTAL ADDRESS:				
Type of record*:				
PERIOD	Value of dispatch of goods to EU (euro)	Value of arrival of goods from EU (euro)		
2024-12				
2024-11				
2024-10				
2024-09				
2024-08				
2024-07				
2024-06				
2024-05				
2024-04				
2024-03				
2024-02				
2024-01				
TOTAL	0	0		
* Types of records may be e.g. VAT form, PDV-S, ZP, PZ 42 63, NPS delivery, NPS acquisition, PDV-MI, PDV-MU, internal warehouse documentation, etc.				

17.3. APPENDIX 3 – Nature of transaction codes

A		B	
1	Transactions involving actual change of ownership with financial compensation	**1**	Outright sale/purchase except direct trade with/by private consumers
		2	Direct trade with/by private consumers (incl. distance sale)
2	Return and replacement of goods free of charge after registration of the original transaction	**1**	Return of goods
		2	Replacement for returned goods
		3	Replacement (e.g. under warranty) for goods not being returned
3	Transactions involving intended change of ownership or change of ownership without financial compensation	**1**	Movements to/from a warehouse (excluding call-off and consignment stock)
		2	Supply for sale on approval or after trial (including call-off and consignment stock)
		3	Financial leasing
		4	Transactions involving transfer of ownership without financial compensation
4	Transactions with a view to processing under contract (not involving change of ownership)	**1**	Goods expected to return to the initial Member State/country of export
		2	Goods not expected to return to the initial Member State/country of export
5	Transactions following processing under contract (not involving change of ownership)	**1**	Goods returning to the initial Member State/country of export
		2	Goods not returning to the initial Member State/country of export
6	Particular transactions recorded for national purposes		
7	Transactions with a view to/following customs clearance (not involving change of ownership, related to goods **in quasi-import or export**)	**1**	Release of goods for free circulation in a Member State with a subsequent export to another Member State
		2	Transportation of goods from one Member State to another Member State to place the goods under the export procedure
8	Transactions involving the supply of building materials and technical equipment under a general construction or civil engineering contract for which no separate invoicing of the goods is required and an invoice for the total contract is issued		
9	Other transactions which cannot be classified under other codes	**1**	Hire, loan, and operational leasing longer than 24 months
		9	Other

17.4. APPENDIX 4 – Terms of delivery

Code	Incoterms 2020 – official ICC rules	Place
EXW	Ex Works	Named place of delivery of goods
FCA	Free Carrier	Named place of delivery of goods
FAS	Free Alongside Ship	Named port of shipment
FOB	Free On Board	Named port of shipment
CFR	Cost and Freight	Named destination port
CIF	Cost Insurance and Freight	Named destination port
CPT	Carriage Paid To	Named destination
CHIP	Carriage and Insurance Paid To	Named destination
DAP	Delivered at Place Note: DAP has replaced and consolidated previous Incoterms 2000 rules: DAF, DES and DDU.	Named destination
DDP	Delivered Duty Paid	Named destination
DPU	Delivered at Place Unloaded Note one: DPU has replaced the previous Incoterms 2010 rule DAT. Note two: DAT has replaced the previous Incoterms 2000 rule: DEQ.	Named destination

Additional delivery term[25]:

XXX	Delivery Terms Other Than the Above	Precisely stated terms of delivery in the contract

---

[25] The XXX delivery term is not prescribed by INCOTERMS 2020, but can be used when completing an Intrastat report.

17.5. APPENDIX 5 – Place of delivery

Code	Meaning
1	Territory of Croatia
2	Territory of another EU Member State
3	Territory outside the EU

CODE 1 – Territory of Croatia – costs and risks are transferred from the supplier to the buyer in the place of delivery located within the Republic of Croatia

CODE 2 – Territory of another Member State – costs and risks are transferred from the supplier to the buyer at the place of delivery located within the territory of another Member State (except Croatia)

CODE 3 – Territory outside the EU – for deliveries of goods from/to offshore installations and in case the Union goods (under customs control) are located in a non-EU country (customs warehouse) and from there are sold to a Member State (the goods are not released into free circulation in a non-EU country).

17.6. APPENDIX 6 – Mode of transport codes

Code	Description
1	Sea transport (including wagons, motor vehicles, trailers, semi-trailers and transhipment boats)
2	Rail transport (including vans transported by rail)
3	Road transport
4	Air transport
5	Postal consignment[26]
7	Fixed transport installations (pipelines, high-voltage cables)
8	Inland waterway transport
9	Own propulsion (imported or exported means of transport crossing the border using own propulsion, e.g., airplane, van, ship, etc.)

---

[26] If the mode of transport used is not known and the goods are delivered by courier service, the mode of transport code 5 (postal consignment) is used.

17.7. APPENDIX 7 – Supplementary Units (SU)

Unit of measure	What does unit of measure mean?	What is required according to the unit of measure code?
11	pcs	number of pieces
12	1 000 pcs	a thousand pieces
13	100 pcs	a hundred pieces
20	gi F/S	gram of fissile isotope
21	g	gram
25	ct/l	carrying capacity in tonnes
26	m	meter
27	m^2	square (square) meter
28	m^3	cubic meter
29	1 000 m^3	thousand cubic meters
31	kg/net eda	kilogram drained net weight
32	kg 90% sdt	kilogram of substance 90 % dry
33	l	litre
35	k	carat (1 metric carat = 2 x 10^{-4} kg)
36	1000 l	a thousand litres
37	l alc. 100%	litre of pure (100%) alcohol
45	pa	number of pairs
51	kg $C_5 H_{14} ClNO$	kilogram of choline chloride
52	kg H_2O_2	kilogram of hydrogen peroxide
53	kg K_2O	kilogram of potassium oxide
54	kg KOH	kilogram of potassium hydroxide
55	kg met.am.	kilogram of methylamine
56	kg N	kilogram of nitrogen
57	kg NaOH	kilogram of sodium hydroxide
58	kg P_2O_5	kilogram of diphosphorus pentoxide
59	kg U	kilogram of uranium
60	ce/el	number of cells
61	TJ	terajoule (gross calorific value)
64	1 000 kWh	a thousand kilowatt hours

17.8   APPENDIX 8 – Reporting period according to the nature of transaction code (new since 2024!)

NATURE OF TRANSACTION CODE		REPORTING PERIOD for goods to which **standard reporting** rules in the Intrastat System apply
11	Outright purchase/sale	Month of creation of a taxable event! *__Important!__* A time lag between a date of crossing of goods over the Croatian border and a date of the taxable event (on the invoice) **must not exceed two calendar months**
12	Supply for sale on approval or after trial, for consignment or with the intermediation of a commission agent	Month of creation of a taxable event! *__Important!__* A time lag between a date of crossing of goods over the Croatian border and a date of the taxable event (on the invoice) **must not exceed two calendar months**
21	Return of goods	Month of crossing of goods over the Croatian border! *(invoice is not issued for returned goods, delivery note attached)*
22	Replacement for returned goods	Month of crossing of goods over the Croatian border! *(invoice is not issued for replaced goods – if an invoice is issued for replaced goods, then NoT 11 applies)*
23	Replacement (e.g. under warranty) for goods not being returned	Month of crossing of goods over the Croatian border! *(invoice is not issued for replaced goods – if an invoice is issued for replaced goods, then NoT 11 applies)*
31	Movements to/from a warehouse (excluding call-off and consignment stock	Month of crossing of goods over the Croatian border! *(invoice is not issued at the moment of crossing the Croatian border – it will be issued later, after the sale)*
32	Supply for sale on approval or after trial (**including call-off and consignment stock**)	Month of crossing of goods over the Croatian border! *(invoice is not issued at the moment of crossing the Croatian border – it will be issued later, after the sale)*
33	Financial leasing	Month of creation of a taxable event! *__Important!__* A time lag between a date of crossing of goods over the Croatian border and a date of the taxable event (on the invoice) **must not exceed two calendar months**
34	Transactions involving transfer of ownership without financial compensation	Month of creation of a taxable event! *__Important!__* A time lag between a date of crossing of goods over the Croatian border and a date of the taxable event (on the invoice) **must not exceed two calendar months**
41	Operations with a view to processing under contract (no transfer of ownership to the processor); goods expected to return to the initial Member State of dispatch	Month of crossing of goods over the Croatian border! *(invoice is not issued at the moment of crossing the Croatian border, save in exceptional cases relating to non-residents)*
42	Operations with a view to processing under contract (no transfer of ownership to the processor); goods not expected to return to the initial Member State of dispatch	Month of crossing of goods over the Croatian border! *(invoice is not issued at the moment of crossing the Croatian border, save in exceptional cases relating to non-residents)*

51	Operations following processing under contract (no transfer of ownership to the processor); goods returning to the initial Member State of dispatch	Month of crossing of goods over the Croatian border! *(invoice is not issued at the moment of crossing the Croatian border (an invoice is issued only for the service provided), save in exceptional cases relating to non-residents)*
52	Operations following processing under contract (no transfer of ownership to the processor); goods not returning to the initial Member State of dispatch	Month of crossing of goods over the Croatian border! *(invoice is not issued at the moment of crossing the Croatian border (an invoice is issued only for the service provided), save in exceptional cases relating to non-residents)*
71	Release of goods for free circulation in an EU Member State with a subsequent export to another EU Member State **(NoT intended to non-residents and tax agents)**	Month of creation of a taxable event – *if the __sale__ in another EU Member State follows the import into Croatia!* ___Important!___ A time lag between a date of crossing of goods over the Croatian border and a date of the taxable event (on the invoice) **must not exceed two calendar months** Month of crossing of goods over the Croatian border – *if **transfer** of own goods to an initial EU Member States follows the import into Croatia!*
72	Transportation of goods from one EU Member State to another EU Member State to place the goods under the export procedure **(NoT intended to non-residents and tax agents)**	Month of crossing of goods over the Croatian border! *(goods are transported from EU Member States into Croatia, where the export customs declaration is lodged. The exporter in Croatian is an EU seller, there is no transfer of ownership over goods in Croatia)*
80	Transactions involving the supply of building materials and technical equipment under a general construction or civil engineering contract for which no separate invoicing of the goods is required and an invoice for the total contract is issued	Month of creation of a taxable event! ___Important!___ A time lag between a date of crossing of goods over the Croatian border and a date of the taxable event (on the invoice) **must not exceed two calendar months**
91	Hire, loan, and operational leasing longer than 24 months	Month of crossing of goods over the Croatian border! *(invoice is not issued at the moment of crossing the Croatian border – it is issued only for a single instalment of a hire/leasing, which is considered a service)*
99	Other transactions which cannot be classified under other codes	Month of crossing of goods over the Croatian border!

Exceptions!

Goods to which special rules apply for determining the Intrastat reporting period:

- specific goods or specific movements (e.g., vessels, aircraft) – reporting period is the **calendar month within which the transfer of economic ownership occurs**

- staggered consignments – the calendar month in which the last consignment arrives or is dispatched

- activities involving operational leasing – the calendar month in which goods cross the border of the Republic of Croatia (at the beginning of contracting, if the contract is planned to last for longer than two years) or the calendar month in which it becomes clear that the goods will stay in another EU Member State for more than two years.

17.9 APPENDIX 9 – Reporting period according to the nature of transaction (abbreviated table – new since 2024!)

NATURE OF TRANSACTION CODE	REPORTING PERIOD for goods to which **standard reporting** rules in the Intrastat System apply
11	Month of creation of a taxable event!
12	Month of creation of a taxable event!
21	Month of crossing of goods over the Croatian border!
22	Month of crossing of goods over the Croatian border!
23	Month of crossing of goods over the Croatian border!
31	Month of crossing of goods over the Croatian border!
32	Month of crossing of goods over the Croatian border!
33	Month of creation of a taxable event!
34	Month of creation of a taxable event!
41	Month of crossing of goods over the Croatian border!
42	Month of crossing of goods over the Croatian border!
51	Month of crossing of goods over the Croatian border!
52	Month of crossing of goods over the Croatian border!
71	Month of creation of a taxable event! (purchase/sale) Month of crossing of goods over the Croatian border! (transfer of own goods)
72	Month of crossing of goods over the Croatian border!
80	Month of creation of a taxable event!
91	Month of crossing of goods over the Croatian border!
99	Month of crossing of goods over the Croatian border!