

VAT factsheet Supplying medical products in the Netherlands

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Healthcare institutions are under pressure to keep their costs as low as possible. Consequently, they have often also developed a keen eye for the price they pay for medical products. Whether a healthcare institution is charged 21% VAT or only 6% VAT, may be the deciding factor when choosing a particular vendor. Make sure you do not lose any orders or customers as a result. The recent plans to abolish the 6% rate for inter alia medical products appear to be discarded. For now it is therefore still possible to benefit from the 6% rate, which can often be applied more broadly than initially thought.

Competition based on the reduced VAT rate is not the intention of the legislator. In practice, it however happens that the same or very similar products are treated differently for VAT purposes. This is because it is not always easy to translate the commercial name and the specific medical function of products into the requirements for application of the 6% rate.

We have extensive experience in making this translation. In many cases we see that the reduced VAT rate can be applied more broadly than initially thought. Recently, for example, we have been able to conclude an advantageous agreement with the Dutch Tax Authorities concerning the application of the reduced VAT rate on endoscopes. For the supplier in question, this also meant that a substantial amount of overpaid VAT could be reclaimed.

Contact

Meijburg & Co's VAT advisors would naturally be pleased to also help you analyze the VAT rate that is applicable to your products and examine possibilities for submitting a refund request. They would be pleased to discuss these and other topics with you. Feel free to contact one of them or your regular advisor within Meijburg & Co.

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