



Immediate  
Supply of  
Information  
on VAT



**BRITACOM virtual seminar**  
**Service and Administration for VAT in Digital**  
**Times**

## WHAT IS THE SII SYSTEM?

- A CHANGE in the VAT management system - a new book-keeping system maintained directly in the electronic office of the Spanish Tax Agency
- Companies supply their BILLING RECORDS. (The invoice is not sent, and it is not an electronic invoice) to the Tax Agency through electronic means
- The supply is made IMMEDIATELY (in four days' time at most - quasi real-time reporting). This shortens the time between invoice registration and the effective realisation of the economic transaction

### Books to be kept in the electronic office of the AEAT:

- Register Book of issued invoices.
- Register Book of received invoices.
- Register Book of investment goods.
- Register Book of specific Intra-Community operations

## WHO IS AFECTED? COLLECTIVE

Steady increase in number of enrolled taxpayers:

2017 - 54,000 taxpayers

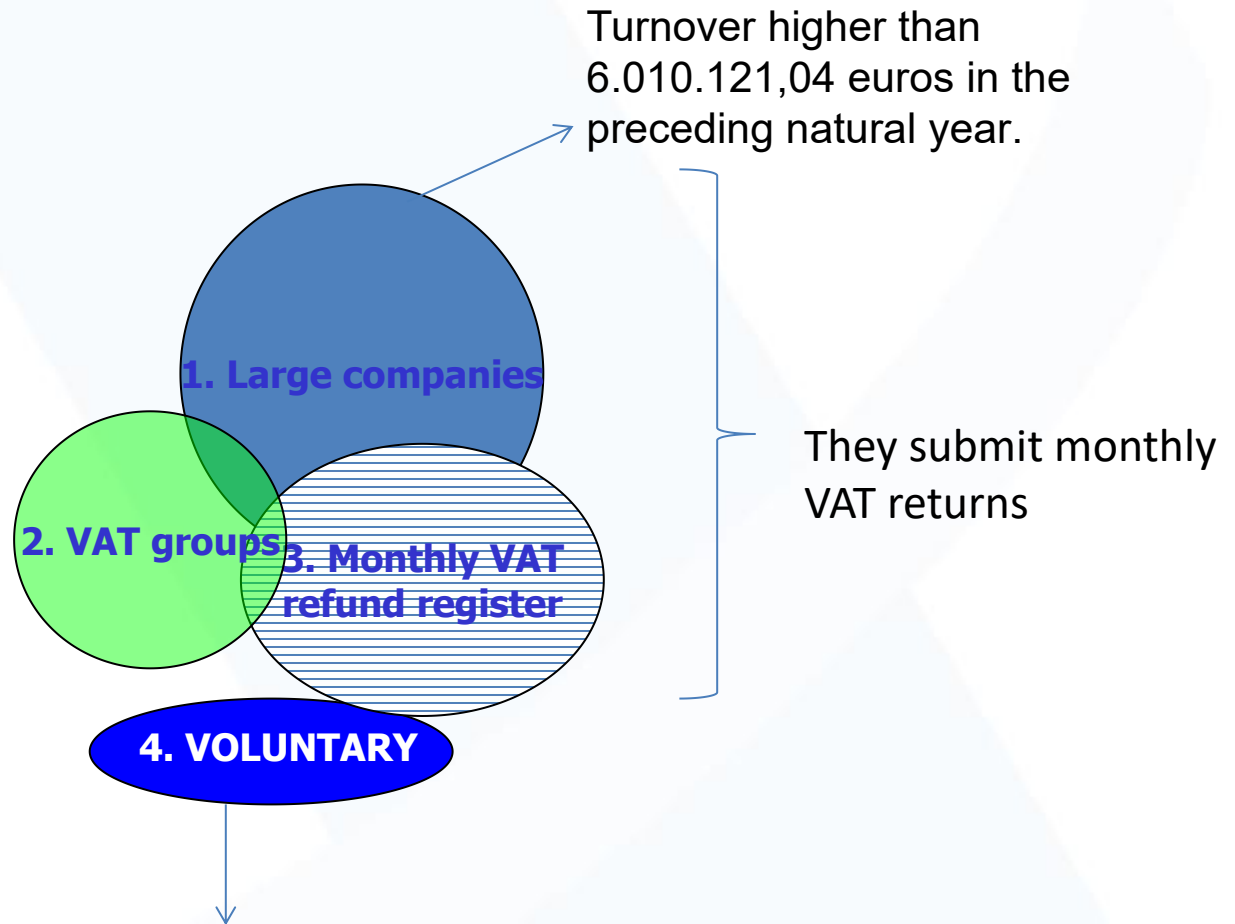
2020 - 64,358 taxpayers

(938 voluntarily registered)

1.7% of VAT taxpayers

80% of turnover

**Voluntary:** by registration in November of the previous year. The option will be valid for at least one year.



Turns into mandatory when registered as large Company, VAT group or turnover higher than 6.010.121,04 euros in the preceding natural year.

## INFORMATION TO BE SUPPLIED

**Invoices are NOT supplied.**

What is supplied is information about the invoicing relevant for VAT:

Register Book of issued invoices - Register Book of received invoices

- **Invoice number** (and serial number if applicable) – identification and crosschecks (*together with date of issuance and issuer's TIN*)
- Dates – Issuance, transaction, settlement period
- € - Taxable amount, tax rate
- Type of invoice (complete, simplified, amending)
- Description of the transaction
- Special regimes
- For **issued invoices**, whether the transaction is not subject / exempt from VAT
- For **received invoices**, the deductible amount



## SUBMISSION METHODS

1. System to system: ***XML messages through web services.***  
*Immediate and continuously.*
2. Completion of a ***"web form" at AEAT's web page.*** Exceptionally for taxpayers with few operations or for the correction of mistakes.

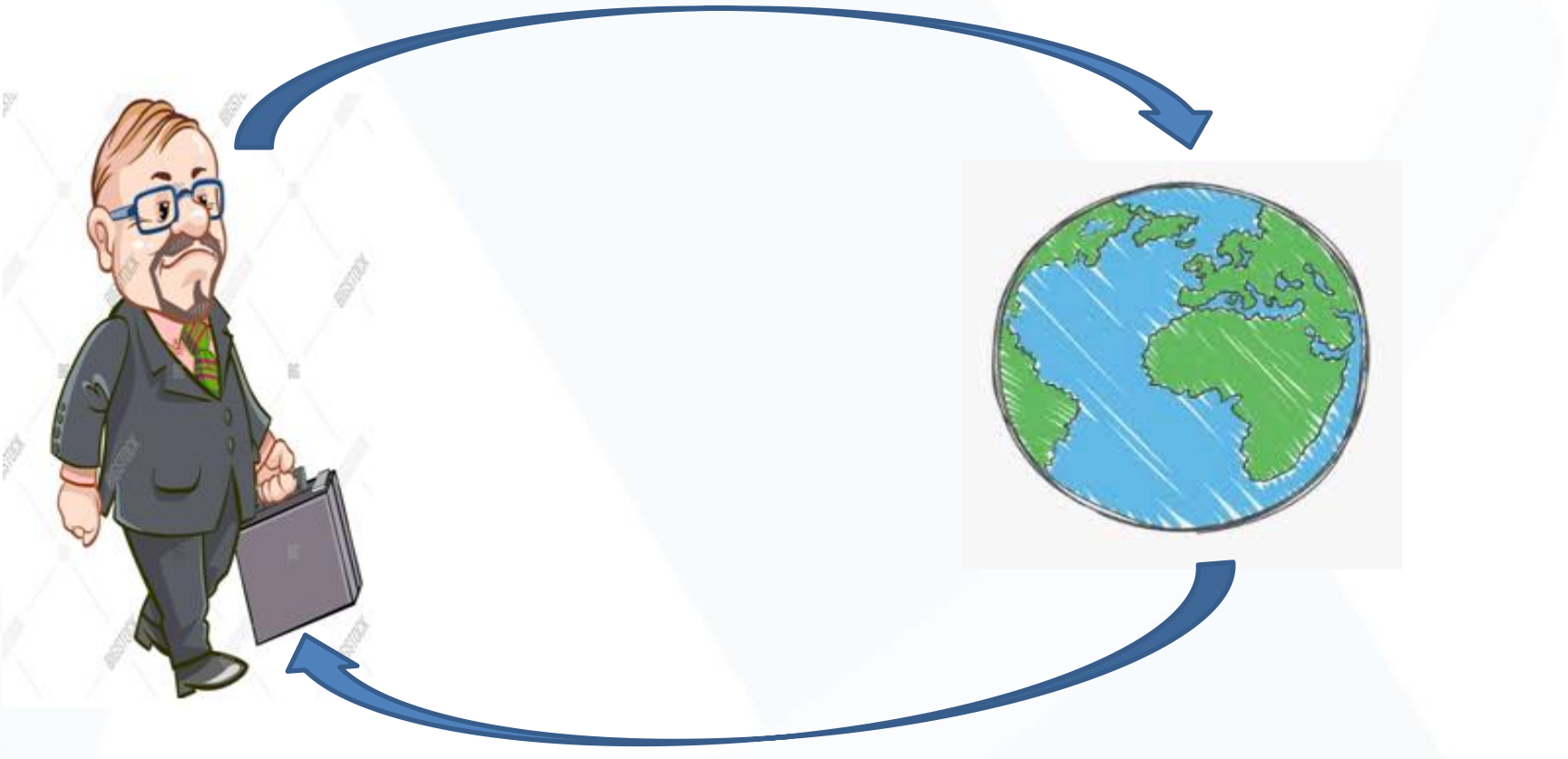


## FACILITATE COMPLIANCE – HELP THE TAXPAYER

- Simplification of formal obligations - Informative obligations considered redundant have been removed
  - Recapitulative statement
  - Statement of operations with third parties
  
- Information for taxpayers - Allows cross-checking of self-information with third parties' information also registered to the system, which prevents from making mistakes
  
- Assist in declaration

## INFORMATION FOR TAXPAYERS

Query of Contrast: Informs the SII taxpayer about all the invoices they have registered.



Query of information provided by counterparties: Inform the SII taxpayer about all the invoice their counterparties have registered in their registration book regarding them.

# INFORMATION FOR TAXPAYERS

## QUERY OF CONTRASTS: CONTRASTS STATUS OR CONTRAST INFORMATION.

**Factura**

Nº de factura: 15  
Fecha de factura: 31.07.2014  
Fecha de vencimiento: 14.08.2014  
A pagar EUR: 1.162,06

Descripción	Cantidad	Unidad	Precio	Importe
<b>Navío Santa Ana</b> El navío español Santa Ana fue botado en 1884 en El Pinar. Era el prototipo de una serie de 8 barcos y tenía 112 cañones.	1	unidad	599,00	599,00
<b>US Navío Constelación</b> El U.S. Constellation empezó su carrera en 1899 y se terminó en 1955. Sus motores fueron vendidos a pesar numerosos buques o impedir la anexión de las islas de Hawái al por parte de los ingleses en 1843.	1	unidad	599,00	599,00

Subtotal sin IVA: 1.198,00  
Descuento 3 %: -35,94  
IVA 21 % de 1.162,06: 244,03  
Retención -21 % de 1.162,06: -244,03  
**Total EUR: 1.162,06**

-NON CONTRASTABLE.

-NOT CONTRASTED.

-CONTRASTED.

-PARCIALLY CONTRASTED.

- CONTRAST INFORMATION IN  
PROCESS.





## INFORMATION FOR TAXPAYERS



### QUERY OF CONTRASTS: “NON CONTRASTABLE”

**NON CONTRASTABLE:** When providers or customers are not registered in the SII or AEAT is not able to determine that. We can not provide fiscal information.

For instance:

- When the counterparty are not in the SII.
- Simplified invoices (where customer identification number is not mandatory).

We do not know who the customer is.

**NON CONTRASTABLE VS CONTRASTABLE.** Once the contrastable nature has been verified, the system checks if the information/invoice sent by one party has also been sent by the counterparty. The resulting status options are:

## INFORMATION FOR TAXPAYERS

### QUERY OF CONTRAST: "NOT CONTRASTED"

When the system does not find two equals invoices in SII.

The system considers there are two equals invoice (one sent by one party, and other sent by the counterparty) when there are two invoice with the same **unique code** (issuer tax code, invoice number and date of issue).

### QUERY OF CONTRASTS "CONTRASTADED"

When the system has found two equals invoices in the ISI, an additional process is carried out to cross check the information contained in both records send by both parties. If taxable amount, VAT amount and total amount, match in both invoices, these invoice will be contrasted.

IIRB	RIRB
<u>Taxable amount</u> : 1.000	<u>Taxable amount</u> : 1.000
VAT : <u>210</u>	VAT : <u>210</u>
<u>Total amount</u> : <u>1.210</u>	<u>Total amount</u> : <u>1.210</u>

## INFORMATION FOR TAXPAYERS

### QUERY OF CONTRAST: "PARTIALLY CONTRASTED"

When the system has found two equals invoices in the ISI, but one or more of the followings amounts are different:

- taxable amount.
- VAT amount.
- Total amount.

IIRB	RIRB
<u>Taxable amount: 1.000</u>	<u>Taxable amount: 1.000</u>
<b>VAT :210</b>	<b>VAT: 310</b>
<u>Total amount :1.210</u>	<u>Total amount :1.210</u>

### QUERY OF CONTRAST: "CONTRAST INFORMATION IN PROCESS"

**CONTRAST INFORMATION IN PROCESS:** This is a temporary status, that starts when AEAT receives an invoice and finishes when AEAT decides the contrast status of this invoice. Usually, it could last only a few minutes.



## INFORMATION FOR TAXPAYERS



### QUERY OF CONTRASTS. STATS

August 2020

	IIRB %	RIRB %
NON CONTRASTABLE	80,32	42,56
CONTRASTABLE	13,70	46,06

### CONTRAST STATUS (CONTRASTABLE INVOICES)

	IIRB. Number	IIRB. %	RIRB. Number	RIRB. %
Contrasted	22.655.875	69,63	23.355.551	80,19
Partially Contrasted	245.337	0,75	271.859	0,93
Not contrasted	9.633.928	29,61	5.498.730	18,88
Processing constrast	372	0,001	478	0,001

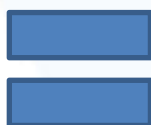


# ASSISTANCE IN DECLARATION

## Pre303. VAT RETURN SUPPORT OR VAT DRAFT.

*(2020) Restricted to taxpayers enrolled in the REDEME except for large companies and VAT groups, to assist them in preparing the VAT return (form 303)*

SUM UP OF Register Book of Issued Invoices



SUM UP RB



SUM UP OF Register Book of Received Invoices



Taxpayers can transfer the information from the aggregated books to the corresponding box of the VAT return and, if required, to modify them before submitting it (electronic submission is mandatory for SII taxpayers).

## IMPROVE CONTROL- CONTRAST RISKS

### CONTRAST RISKS. **Register Book of Received Invoices**

- RIRB- Percentage of contrasted invoices.
- RIRB- Percentage of not contrasted invoices.
- RIRB- Percentage of not contrastable invoices.
- RIRB- Percentage of partially contrasted invoice.

### AVERAGE

- RIRB- Percentage of total amount in contrasted invoices.
- RIRB- Percentage of total amount in not contrasted invoices.
- RIRB- Percentage of total amount in not contrastables.
- RIRB- Percentage of total amount in partially contrasted invoices.

# IMPROVE CONTROL- CONTRAST RISKS

## CONTRAST RISKS.

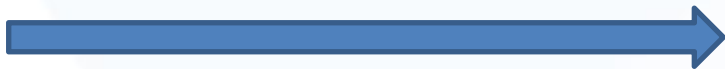
ISI INFORMATION

VS

VAT STATEMENT



RIRB:  
VAT  
10.000



RISK=5000

VAT RETURN  
DEDUCT:  
15.000

## IMPROVE CONTROL

① Speed – up tax returns (\*) without reducing controls

② Control tax returns the sooner the better



Correction of **arithmetical mistakes** in tax returns and correction of **diagreements with informatio** supplied by third parties



**DATA!**

Find and detect **most complex unfullfillments** and chase tax fraud **most sophisticated forms**





## SOME RECEIVED INVOICES REGISTER BOOK RISKS

Invoices received in **weekend, public-holidays or last 4 days of the month**

**Non-deductible VAT**



**Invoice issuer** main economic activity  
(i.e. jewelry, tobacco, food...)

List of activities that **are allowed to deduct** those invoices

Invoices issued by **new VAT taxpayers**



New taxpayers = **Registered 2 months before** date invoice

Invoices with **no VAT tax return**

Invoice issuer has **not submitted VAT tax return** in two previous periods



Agencia Tributaria