



SKAT

VAT deduction at meetings and events at hotels in Denmark

When you as a Danish or foreign business buy hotel accommodation, meals and course packages from hotels in Denmark



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In the following, you can read about the VAT deduction rules that apply when your business buys hotel accommodation, meals and course packages, etc. directly from hotels or course and conference centres in Denmark.

What is deductible?

If you buy accommodation and meals or a course package including accommodation and meals at a hotel or conference centre, you usually pay a total price per participant. This also applies if the package you buy comprises different items, namely 1) accommodation, 2) renting of rooms, 3) meals and 4) any other services such as renting of AV equipment.

From 1 January 2015, you may deduct:

1. the full VAT amount for accommodation
2. the full VAT amount for the renting of rooms, if VAT is added to such renting (VAT for renting of rooms for meetings, conferences, etc. can be omitted if service is not provided in the room).
3. 25% of the VAT amount for meals, including breakfast. (If breakfast is free, this must be indicated. See below).
4. the full VAT amount for renting of, for example, AV equipment or other services.

It is a condition that the expenses are strictly of a commercial nature and only incurred in connection with the business's activities that are fully subject to VAT.

How to complete the invoice

The invoice must contain information on the nature, scope and price of the deliveries. All deliveries must be stated on the invoice with separate indication of price and VAT. Accordingly, items such as hotel accommodation and breakfast must be stated on separate lines.

If a hotel, for example, sells accommodation incl. breakfast at a total price, this is regarded as the sale of two independent services.

Therefore, price and VAT amount must be specified for the individual parts of the total service. Both services must be stated on the invoice with separate price indication. This also applies to the sale of course and conference stays at a total price per day which includes accommodation, meals, renting of meeting facilities, etc.

If the hotel, for example, sells accommodation and breakfast at a total price, and the breakfast is in fact free for your business, such breakfast must be stated on the invoice at DKK 0.

In such case, the full VAT amount can be deducted, as the full payment relates to the accommodation.

If the invoice has not been specified as described above, you cannot deduct any part of the VAT amount.

For further information on VAT deduction and how to complete an invoice, see: www.skat.dk – Jura – Afgørelser – År 2011 – SKM2011.229.SKAT (in Danish).

VAT refund to businesses in other EU countries

If your business is not established in Denmark, you can apply for a refund of the VAT amount on hotel, course and conference stays. Foreign businesses can apply for a refund of their Danish VAT to the same extent as Danish businesses can deduct

VAT. This means that you can only apply for a refund of 25% of the VAT for the part of the total service that concerns meals/breakfast.

You must apply for a VAT refund from the competent authorities in your home country.

Such application must be submitted no later than on 30 September in the year following the invoice date. Documentation for the expenses must generally not be submitted.

Example:

A business in Sweden which has purchased accommodation and/or a course or conference stay in Denmark at a Danish hotel must accordingly apply for a refund of the Danish VAT amount via the Swedish "Skatteverket", whereas a German business must apply for a VAT refund via the "Bundeszentralamt für Steuern".

Read more

The EU has prepared a general overview of all EU countries demonstrating where and how foreign businesses must apply for a refund of VAT paid abroad, for example in Denmark.

See the list [here](#) or scan the code:

