



Belastingdienst

Manual

Data Delivery by Payment Service Providers (PSP)

Part 1 - General

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1 Introduction

1.1 General

This manual is intended for payment service providers who must provide The Netherlands Tax and Customs Administration with quarterly data on cross-border payments from 1 January 2024. The legal basis is laid down in the legislative bill implementing the payment service providers directive. This legislative bill implements EU Directive 2020/284.

This manual provides insight into the background of the obligation to provide data for cross-border payment information, which payment service providers must report, and explains when, what and how must be provided.

The concepts that are important for this subject are repeated in this manual in the text sections - when first mentioned - in italics. These are also explained in Appendix 1 (Glossary).

This manual part 1 Data Delivery by Payment Service Providers consists of a General part, namely: fiscal and legal topics (relevant EU/EC Directives and amended national VAT legislation, in this case "Turnover Tax Act 1968" for the implementation of EU Directive 2020/284). This Turnover Tax Act 1968 forms the basis for the payment service providers for the registration and subsequent delivery of payment data to The Netherlands Tax and Customs Administration. The Message Specification XML/XSD is discussed in a separate part 2. A separate part 3 discusses the message specification XML/XSD with regard to the return messages from the CESOP with the intervention of The Netherlands Tax and Customs Administration to the relevant payment service provider (feedback CESOP no-error or error message). Specific examples are discussed in a separate part 4. Lastly, there is a part 5 Structure diagram.

The manuals parts 1, 2, 3, 4 and 5 respectively general part data delivery of *reporting payment service providers*, XML/XSD scheme reporting payment service providers, return messages from the CESOP, examples and finally the structure diagram are published at <https://odb.belastingdienst.nl/en/>.

Application.

A separate registration for registration with The Netherlands Tax and Customs Administration is not necessary.

Note: Logius does require an application if there is not yet a link to large messages.

1.2 Legislative bill implementing the Payment Service Providers Directive

1. *What is the reason?*

On 18 February 2020, the Council of the European Union adopted Directive EU 2020/284 introducing certain requirements for payment service providers. This directive is also referred to as the Payment Service Providers Directive (PSP Directive). This Directive must be implemented by 1 January 2024. The directive ensures that the Turnover Tax Act 1968 must be amended. This Directive will, after consultation of the legislative bill, be implemented in the Turnover Tax Act 1968 by means of the "Legislative bill implementing the Payment Service Providers Directive".

2. *Who are involved?*

- The payment service providers when they handle more than 25 cross-border payments per calendar quarter for the same payee.
- The Netherlands Tax and Customs Administration, which receives the data and forwards it to a European database CESOP (Central Electronic System of Payment Information, hereinafter referred to as CESOP). In the database, the payment data of all Member States is analysed by fraud experts from the Member States. The findings are shared with the Member States insofar as this relates to VAT fraud prevention.

3. *What is the problem?*

Combating VAT fraud is a challenge in cross-border Internet sales of goods and services. This is partly because the seller is often established in another Member State of the Union, or even outside the Union, and partly because of the nature of the transaction.

4. *What is the goal?*
The goal is to combat VAT fraud.
5. *What justifies government intervention?*
Government intervention is necessary because current methods are less effective in tackling VAT fraud.
6. *What is the best tool?*
VAT is harmonised in the EU. It is therefore preferable for both the government and the business community to tackle fraud in a uniform manner. An adjustment of the VAT Directive and subsequently the national VAT legislation is therefore the most suitable tool. The Turnover Tax Act 1968 will be amended.
7. *What are the consequences for the payment providers, among others?*
Payment service providers will be required to register. In the context of this registration obligation, payment service providers must provide information about cross-border payment data to The Netherlands Tax and Customs Administration.
The Netherlands Tax and Customs Administration must collect this data and exchange it in the EU's central database, CESOP. Based on signals from the CESOP, The Netherlands Tax and Customs Administration can combat VAT fraud¹.

1.3 Reason for this first new manual part 1

The release of this first new manual is mainly related to:

- the amendments to the Turnover Tax Act 1968 due to the implementation of Directive (EU) 2020/284 of the Council of 18 February 2020 amending Directive 2006/112/EC with regard to the introduction of certain regulations for payment service providers (Directive on Payment Services Providers (Implementation) Act).
- Article I of Directive EU 2020/284 is converted into the Dutch Turnover Tax Act 1968, in this case Chapter VI, Section 6. Article I of Directive EU 2020/284 and the aforementioned Dutch Turnover Tax Act 1968 regulate the definitions and legal text regarding the general obligations for European and Dutch payment service providers respectively.
- Article 2 of Directive EU 2020/284 is converted into the Dutch Turnover Tax Act 1968, in this case Article II of the Turnover Tax Act 1968. Article 2 of Directive EU 2020/284 and Article II of the aforementioned Dutch Turnover Tax Act 1968 merely regulate the entry into force for all EU Member States and the Netherlands respectively.
- The aforementioned amendments to the Turnover Tax Act 1968 read as follows: Article I: After Chapter VI, Section 5, a Section 6 "General obligations for payment service providers" is inserted; consisting of Article 39a, Article 39b, Article 39c and Article 39d. Article II: This Act shall enter into force on 1 January 2024 and shall be referred to in Article III as: Payment Service Providers (Implementation) Act. Sections 39a to d of the Turnover Tax Act 1968 are discussed in more detail in Chapter 2 of this manual.

¹ See also answers to seven questions from the integrated assessment framework for policy and regulations ("IAK").

1.4 Part 1 of the manual

Part 1 of the manual consists of the following chapters. After the introduction in Chapter 1, Chapter 2 deals with the fiscal and legal aspects of the registration obligation and subsequently provide The Netherlands Tax and Customs Administration with cross-border payment data. Chapter 3 discusses in more detail which payment service providers are subject to the registration obligation and the payment service provider's associated obligation to provide the cross-border payment data to The Netherlands Tax and Customs Administration. A number of examples of cross-border payment data are discussed in which payment service providers play a role. Chapter 4 discusses in more detail what data the payment service providers must register and subsequently submit to The Netherlands Tax and Customs Administration. What is the legal basis for this provision? The protection of personal data and the retention obligation are also discussed. Chapter 5 deals with logistics. Lastly, Chapter 6 discusses the support provided by The Netherlands Tax and Customs Administration.

It should be expressly stated that part 1 of the manual has been written on the basis of the draft legislative bill for the Payment Service Providers (Implementation) Act. The condition is that this act has been implemented on 1 January 2024 and will then enter into force.

1.5 Point of contact for this manual

The Netherlands Tax and Customs Administration has set up a Contact Centre for first-line questions about the provision of cross-border payment data. You contact this centre if the manual provides no answer to your question specifically in the field of data exchange. See also Chapter 6 "Support".

1.6 Up-to-date information

If data needs to be provided to The Netherlands Tax and Customs Administration, the most up-to-date information is required to know which requirements must be met. This information is available at <https://odb.belastingdienst.nl/en/>. The XSDs for all elements and controls described in part 2 of this manual can also be found on this website. This website also contains information about parts 3, 4 and 5, respectively, return messages, examples and the structure diagram.

Other locations where the necessary information can be found are:

- <http://www.logius.nl>
Logius, the digital government service of the Ministry of the Interior and Kingdom Relations, provides Electronic Data Exchange (EDE) for The Netherlands Tax and Customs Administration via the 'Digipoort' facility.

2 Fiscal and legal topics

2.1 Legal basis

2.1.1 Introduction

Payment service providers are subject to a registration obligation. The registration obligation means that payment service providers keep sufficiently accurate records of cross-border payments they make for each quarter. Article 39d of the Turnover Tax Act 1968 regulates which data must be included in the registers of payment providers. Section 2.1.2 below lists the amended legislative text of the Turnover Tax Act 1968, which will come into effect on 1 January 2024.

Pursuant to the Turnover Tax Act 1968, payment service providers must, on their own initiative, provide the inspector with the data that must be recorded in the registers, in this case the *registers of payees* and the *payments of payment services* they provide for each calendar quarter. This is regulated in Article 39b, paragraph 7 of the Turnover Tax Act 1968, which takes effect on 1 January 2024.

The term payment service provider has a wide scope. The new EU rules are aimed at all payment service providers active within the EU. Therefore, for the Member State of the Netherlands, payment service providers must provide cross-border payment data to The Netherlands Tax and Customs Administration as stated in the paragraph above (Article 39b, paragraph 7 of the Turnover Tax Act 1968).

For the further interpretation of the term payment service provider, the definitions used in the second payment services directive (Directive 2015/2366 EU) are followed. Small payment service providers with a turnover of less than EUR 3 million and, in specific cases, commercial agents, electronic communication networks/services can also be classified under this term.

The basic principle is that the registration obligation rests on the payee's payment service provider if the payer's location and the payee's payment service provider are located in two different Member States of the Union. If the location of the payer's payment provider is in the Union and that of the payee is outside the Union, the registration obligation is shifted from the payee's payment provider to the payer's payment service provider. In that case, the registration obligation rests on the payment service provider of the payer. See also Chapter 3.

2.1.2 Implementation of Directive (EU) 2020/284 in national law 'Turnover Tax Act 1968'

Artikel I

De Wet op de omzetbelasting 1968 wordt als volgt gewijzigd:

Na **hoofdstuk VI, afdeling 5**, wordt een afdeling ingevoegd, luidende:

Afdeling 6

Algemene verplichtingen voor betalingsdianstaaubieders

Artikel 39a

Voor de toepassing van deze afdeling wordt verstaan onder:

- a. betalingsdianstaaubieder: een van de categorieën van betalingsdianstaaubieders als vermeld in artikel 1, eerste lid, onderdelen a tot en met d, van Richtlijn 2015/2366/EU, of een natuurlijke persoon of rechtspersoon aan wie op grond van artikel 32 van die richtlijn een vrijstelling is verleend;
- b. betalingsdienst: een van de in Richtlijn 2015/2366/EU, bijlage I, in de punten 3 tot en met 6 beschreven bedrijfsactiviteiten;
- c. betaling: behoudens de uitsluitingen in artikel 3 van Richtlijn 2015/2366/EU, een betalingstransactie zoals gedefinieerd in artikel 4, punt 5 van die richtlijn of een geldtransfer zoals gedefinieerd in artikel 4, punt 22 van die richtlijn;
- d. betaler: een betaler zoals gedefinieerd in artikel 4, punt 8, van Richtlijn 2015/2366/EU;
- e. begunstigde: een begunstigde zoals gedefinieerd in artikel 4, punt 9, van Richtlijn 2015/2366/EU;
- f. lidstaat van herkomst: lidstaat van herkomst zoals gedefinieerd in artikel 4, punt 1, van de in onderdeel a genoemde Richtlijn 2015/2366/EU;

- g. lidstaat van ontvangst: lidstaat van ontvangst zoals gedefinieerd in artikel 4, punt 2, van Richtlijn 2015/2366/EU;
- h. betaalrekening: een betaalrekening zoals gedefinieerd in artikel 4, punt 12, van Richtlijn 2015/2366/EU;
- i. IBAN: IBAN zoals gedefinieerd in artikel 2, punt 15, van Verordening (EU) nr. 260/2012 van het Europees Parlement en de Raad;
- j. BIC: BIC zoals gedefinieerd in artikel 2, punt 16, van Verordening (EU) 260/2012;
- k. Richtlijn 2015/2366/EU: richtlijn van het Europees Parlement en de Raad van 25 november 2015 betreffende betalingsdiensten in de interne markt, houdende wijziging van de Richtlijnen 2002/65/EG, 2009/110/EG en 2013/36/EU en Verordening (EU) nr. 1093/2010 en houdende intrekking van Richtlijn 2007/64/EG (PbEU 2015, L 337);
- l. Verordening (EU) nr. 260/212: Verordening (EU) nr. 260/212 van het Europees Parlement en de Raad van 14 maart 2012 tot vaststelling van technische en bedrijfsmatige vereisten voor overmakingen en automatische afschrijvingen in euro en tot wijziging van Verordening (EG) nr. 924/2009 (PbEU 2012, L 94);
- m. Verordening (EU) nr. 904/2010: Verordening (EU) nr. 904/2010 van de Raad van 7 oktober 2010 betreffende de administratieve samenwerking en de bestrijding van fraude op het gebied van de belasting over de toegevoegde waarde.

Artikel 39b

1. Betalingsdienstaanbieders houden voldoende nauwkeurige registers van begunstigden en van betalingen betreffende betalingsdiensten die zij voor elk kalenderkwartaal verlenen, teneinde de bevoegde autoriteiten van de lidstaten in staat te stellen controles uit te oefenen op de leveringen van goederen en diensten die overeenkomstig het bepaalde in titel V van BTW-richtlijn 2006 geacht worden plaats te vinden in een lidstaat, om de doelstelling inzake bestrijding van BTW-fraude te behalen.
2. De in de het eerste lid bedoelde verplichting is alleen van toepassing op betalingsdiensten die verband houden met grensoverschrijdende betalingen. Een betaling wordt als grensoverschrijdende betaling aangemerkt indien de betaler zich in een lidstaat bevindt en de begunstigde in een andere lidstaat, in een derdelandsgebied of in een derde land.
3. De verplichting waaraan betalingsdienstaanbieders ingevolge het eerste en tweede lid zijn onderworpen, is van toepassing wanneer een betaaldienstaanbieder in de loop van een kalenderkwartaal betalingsdiensten verleent die betrekking hebben op meer dan 25 grensoverschrijdende betalingen aan dezelfde begunstigde.
4. Het aantal van de in het derde lid bedoelde grensoverschrijdende betalingen wordt berekend op basis van de door de betalingsdienstaanbieders verleende betalingsdiensten per lidstaat en per in artikel 243 quater, tweede lid, van de BTW-richtlijn 2006 bedoelde identificatiecode. Indien de betalingsdienstaanbieder over informatie beschikt dat de begunstigde meerdere identificatiecodes heeft, wordt de berekening per begunstigde verricht.
5. De in het eerste lid vastgestelde verplichting is niet van toepassing op door de betalingsdienstaanbieders van de betaler verleende betalingsdiensten voor elke betaling waarbij ten minste één van de betalingsdienstaanbieders van de begunstigde in een lidstaat is gevestigd als dat blijkt uit de BIC van die betalingsdienstaanbieder of uit een andere bedrijfsidentificatiecode die de betalingsdienstaanbieder en zijn locatie ondubbelzinnig identificeert. De betalingsdienstaanbieders van de betaler betrekken niettemin deze betalingsdiensten in de in het derde lid bedoelde berekening.
6. Wanneer de verplichting voor betalingsdienstaanbieders van het eerste lid van toepassing is, dan worden de registers:
 - a. door de betalingsdienstaanbieder in elektronische vorm gehouden voor een periode van drie kalenderjaren vanaf het einde van het kalenderjaar van de betalingsdatum;
 - b. overeenkomstig artikel 24 ter van Verordening (EU) nr. 904/2010 beschikbaar gesteld aan de lidstaat van herkomst van de betalingsdienstaanbieder, of aan de lidstaat van ontvangst indien de betalingsdienstaanbieder betalingsdiensten verleent in andere lidstaten dan de lidstaat van herkomst.
7. Indien de lidstaat bedoeld in het zesde lid Nederland betreft, worden de registers uit eigen beweging door de betalingsdienstaanbieder verstrekt aan de inspecteur.

Artikel 39c

1. Voor de toepassing van artikel 39b, tweede lid, en onverminderd de bepalingen van titel V, van de BTW-richtlijn 2006, wordt de locatie van de betaler geacht in de lidstaat te zijn die overeenstemt met:
 - a. het IBAN van de betaalrekening van de betaler of enige andere identificatiecode die de betaler ondubbelzinnig identificeert en de locatie van de betaler opgeeft, of, bij gebreke van een dergelijke identificatiecode;
 - b. de BIC of een andere bedrijfsidentificatiecode die de namens de betaler handelende betalingsdienstaanbieder ondubbelzinnig identificeert en de locatie van de betalingsdienstaanbieder opgeeft.
2. Voor de toepassing van artikel 39b, tweede lid, wordt de locatie van de begunstigde geacht in de lidstaat, in het derdelandsgebied of in het derde land te zijn die overeenstemt met:
 - a. het IBAN van de betaalrekening van de begunstigde of een andere identificatiecode die de begunstigde ondubbelzinnig identificeert en de locatie van de begunstigde opgeeft, of, bij gebreke van een dergelijke identificatiecode,
 - b. de BIC of een andere bedrijfsidentificatiecode die de namens de begunstigde handelende betalingsdienstaanbieder ondubbelzinnig identificeert en zijn locatie van de betalingsdienstaanbieder opgeeft.

Artikel 39d

1. De door de betalingsdienstaanbieders krachtens artikel 39b te houden registers moeten de volgende gegevens bevatten:
 - a. de BIC of enige andere bedrijfsidentificatiecode die de betalingsdienstaanbieder ondubbelzinnig identificeert;
 - b. de naam of bedrijfsnaam van de begunstigde zoals deze wordt vermeld in de registers van de betalingsdienstaanbieder;
 - c. indien voorhanden, een btw-identificatienummer of een ander nationaal fiscaal nummer van de begunstigde;
 - d. het IBAN of, indien er geen IBAN voorhanden is, enige andere identificatiecode die de begunstigde ondubbelzinnig identificeert en de locatie van de begunstigde geeft;
 - e. de BIC of een andere bedrijfsidentificatiecode die de namens de begunstigde handelende betalingsdienstaanbieder ondubbelzinnig identificeert en de locatie van de betaaldienstaanbieder van de begunstigde geeft, indien de begunstigde middelen ontvangt zonder over een betaalrekening te beschikken;
 - f. indien voorhanden, het adres van de begunstigde zoals het wordt vermeld in de registers van de betalingsdienstaanbieder;
 - g. de bijzonderheden van eventuele grensoverschrijdende betalingen als bedoeld in artikel 39b, eerste en tweede lid;
 - h. de bijzonderheden van alle terugbetalingen waarvan is vastgesteld dat zij verband houden met de grensoverschrijdende betalingen als bedoeld in onderdeel g.
2. De in het eerste lid, onderdelen g en h, bedoelde informatie bevat de volgende bijzonderheden:
 - a. de datum en het tijdstip van de betaling of de terugbetaling;
 - b. het bedrag en de valuta van de betaling of de terugbetaling;
 - c. de lidstaat van oorsprong van de door de begunstigde of in zijn naam ontvangen betaling, de lidstaat van bestemming van de terugbetaling, naargelang het geval, en de informatie die is gebruikt om de oorsprong van de bestemming van de betaling of de terugbetaling overeenkomstig artikel 39c vast te stellen;
 - d. alle verwijzingen die de betaling ondubbelzinnig identificeren;
 - e. in voorkomend geval informatie waaruit blijkt dat de betaling in de fysieke locatie van de handelaar is geïnitieerd.

Artikel II

Deze wet treedt in werking met ingang van 1 januari 2024.

Artikel III

Deze wet wordt aangehaald als: “Wet implementatie betalingsdienstverleners”.

Lasten en bevelen dat deze in het Staatsblad zal worden geplaatst en dat alle ministeries, autoriteiten, colleges en ambtenaren die zulks aangaat, aan de nauwkeurige uitvoering de hand zullen houden.

All in all:

The amendments to the Turnover Tax Act 1968 will come into effect on 1 January 2024 and these legislative amendments will apply for the first time to cross-border payments of the reporting payment service providers commencing on or after 1 January 2024. These payment service providers report on a quarterly basis.

2.1.3 Definition of cross-border payments

Article 39b, paragraph 2 of the Turnover Tax Act 1968 regulates the scope. The consumer acting as *payer* must always be in the EU. It should be noted that the payer is not always a consumer within the meaning of the Turnover Tax Act, but can also be an entrepreneur. The payer is defined as a natural person or *legal entity* who holds a *current account* and authorises a payment transaction from that account. If there is no current account, it is the natural person or legal entity who issues the payment order. This is not discussed further in the remainder of this manual and we use the term consumer/payer. This therefore concerns cross-border payments where the consumer/payer must be located in a Member State of the Union. On the other hand, the seller/payee may indeed be located outside the Union (third territory or third country) or in another Member State of the Union. A cross-border payment only exists if the payee/seller is located in a different Member State (from that of the consumer/payer), in a third territory or in a third country. For the qualification as a cross-border payment, the localisation is linked to (for example) the *IBAN* of the payer and the *IBAN* of the payee/seller.

The cross-border payment must relate to the supply of goods and services (Article 39b, paragraph 1 of the Turnover Tax Act 1968). In principle, the payment service provider of the payee is subject to the registration obligation and subsequent obligation to provide the cross-border payment data to The Netherlands Tax and Customs Administration (Article 39b, paragraph 5 of the Turnover Tax Act 1968). See also Chapter 3.

This provides insight into the payment details regarding the location of the payer up to and including the identification of the payee and his associated location. For VAT purposes, the location of the payer/consumer and the details of the seller/payee and his associated location are important. After all, the seller must pay VAT in the country of the consumer/buyer. It depends on the transaction whether 1) the place of performance coincides with the buyer's country and 2) whether the seller owes VAT pursuant to Article 12, paragraph 1 of the Turnover Tax Act 1968.

2.2 To which payment service providers does the provision obligation apply?

This manual is intended for *payment service providers* who provide payment services in the Netherlands on the basis of the Directive and Regulation. It must concern cross-border payments for goods and services. These payment service providers are obliged to provide the payment data to The Netherlands Tax and Customs Administration if there are more than 25 cross-border payments to the same payee per quarter (Article 39b, paragraph 3 of the Turnover Tax Act 1968). The obligation to register and follow-up provision therefore applies from a minimum of 26 cross-border payments to the same payee per quarter. We refer to these payment service providers as *reporting payment service providers*.

To emphasise the scope of this manual to payment service providers who only provide payment services in the Netherlands on the basis of the Directive and Regulation. In part 2 of the XSD Scheme for the national collection of cross-border payment data, the message starts with PSPNL (PaymentServiceProviderNL).

Thus, reports must be made to the Member State where the payment service is provided. This concerns reporting to the home Member State of the payment service provider or reporting to the host Member State if the payment service provider provides payment services in Member States other than the home Member State. See Article 39b, paragraph 6, part b and paragraph 7 of the Turnover Tax Act 1968 (legislative text, see section 2.1.2). In brief: If a foreign payment service provider uses his 'PSD2 passport' in the Netherlands and provides payment services here, the obligations apply to him in the same way as if he were established in the Netherlands. This manual also applies in this case.

2.2.1 Definition of payment service providers

The term *payment service provider* meets the definition of Article 39a, letter a of the Turnover Tax Act 1968. This article refers to Article 1, paragraph 1, letters a to d of the *PSD 2 Directive* and to a natural person or legal entity under which Article 32 of that Directive has been granted an exemption.

Examples of payment service providers are banks and credit institutions.

A payment service provider provides sellers with support they need to access electronic payments, credit cards, digital wallets, and so on. The associated world of e-commerce/digital services means that the European tax authorities have only limited control options with regard to compliance with VAT obligations. After all, nothing physically crosses the border. Online purchases by European customers via transfers, automatic payments and card payments are only expected to increase. The payment service providers that have access to this payment information thus provide The Netherlands Tax and Customs Administration with a better picture of these online purchases by means of the mandatory provision of cross-border payment information as of 1 January 2024.

2.3 Commencement date and term of provision of payment data

As of 1 January 2024, national legislation, Turnover Tax Act 1968: Section 6, general obligations for payment service providers will come into force.

The obligation for payment service providers to register and subsequently provide cross-border payment data applies to the quarters commencing on or after 1 January 2024. The deadline for the provision of the first quarterly report and subsequent quarterly reports on cross-border payment information follows directly from Article 24 ter of Regulation EU 2022/283 - amendment of Regulation EU No. 904/2010 as regards measures to strengthen administrative collaboration to combat VAT fraud. This Regulation is binding in its entirety and is directly applicable in all Member States. Therefore, also for the Netherlands.

Article 24 ter, paragraph 1 reads as follows: "Each Member State shall collect the information on payees and payments referred to in Article 243b of Directive 2006/112/EC.

Each Member State shall collect the information referred to in the first sub-paragraph from payment service providers: (a) at the latest by the end of the month following the calendar quarter to which the information relates; b) by means of an electronic standard form”.

For this manual, this means that reporting payment service providers must provide data on cross-border payments within 1 month of the end of the relevant quarter.

In addition, Article 39b, paragraph 7 of the Turnover Tax Act 1968 stipulates that the registers are provided to the inspector by the payment service provider on its own initiative.

2.4 What does The Netherlands Tax and Customs Administration use the data for?

The Netherlands Tax and Customs Administration will have targeted access to international payment data. The Netherlands Tax and Customs Administration will use this data to combat VAT fraud, in particular e-commerce (cross-border Internet sales of goods and services). At EU level, this data is analysed by fraud experts.

The Netherlands Tax and Customs Administration will forward the data it receives from the (reporting) payment service providers to CESOP.

Article 24 ter, paragraph 3 of Regulation EU 2022/283 – amendment of Regulation EU No 904/2010 as regards measures to strengthen administrative collaboration to combat VAT fraud reads as follows: “The central liaison office, or the liaison departments or competent officials designated by the competent authority of each Member State, shall transmit to CESOP the information collected in accordance with paragraph 1 no later than the tenth day of the second month following the calendar quarter to which the information relates”.

Any return message flow from CESOP will be fed back to the relevant (reporting) payment service provider via Logius’ Digipoort.

3 Subject data delivery, Tax and Customs Administration providers

This chapter provides general information about the relevant subject regarding the data delivery. It only concerns the payment service provider that carries out cross-border payments in the Netherlands on the basis of the Directive and Regulation. If, from 2024, this payment service provider provides payment services in the course of a calendar quarter that relate to more than 25 cross-border payments to the same payee, then this payment service provider must provide the relevant payment information to The Netherlands Tax and Customs Administration. This makes this payment service provider a payment service provider reporting to The Netherlands Tax and Customs Administration (Article 39b, paragraph 7 of the Turnover Tax Act 1968). In part 2 of the manual, the XSD Scheme refers to PSPNL (PaymentServiceProviders NL). The manual only applies to reporting payment service providers (PaymentServiceProviders NL). These are payment service providers who provide cross-border payment services in the Netherlands on the basis of the Directive and Regulation.

3.1 Which situations are covered by the data delivery?

Below, three situations are described when the payment service provider must provide data to the (Dutch) tax authorities. In all three situations mentioned below, it is assumed that the criterion of more than 25 cross-border payments per calendar quarter to the same payee is met on a quarterly basis from 2024 onwards.

- A) *Payment service provider of the payer and that of the payee in two different Member States of the Union.* The registration obligation rests with the payee's payment service provider. If the payee's payment provider is located in the Netherlands in this situation, the data will be provided to The Netherlands Tax and Customs Administration. Rather: The Member State of this payment service provider of the payee is the Netherlands. This manual applies in this case.
- B) *The payment service provider of the payer is located in the Union and that of the payee outside the Union.* In this case, the registration obligation rests with the payer's payment service provider. If the payer's payment provider is located in the Netherlands in this situation, the data will be provided to The Netherlands Tax and Customs Administration. Rather: The Member State of this payment service provider of the payer is the Netherlands. This manual applies in this case.
- C) *The payment service provider of the payer is located in the Union, that of the payee in the Union but the payee itself is located outside the Union.* In this case, the registration obligation rests with the payee's payment service provider. If the payee's payment provider is located in the Netherlands in this situation, the data will be provided to The Netherlands Tax and Customs Administration. Rather: The Member State of this payment service provider of the payee is the Netherlands. This manual applies in this case.

Example A1: Payment service provider payer/consumer in Belgium and payment service provider payee/seller in the Netherlands. The payment service provider of the payee/seller in the Netherlands provides the payment details to The Netherlands Tax and Customs Administration. This manual applies in this case.

Example A2: reverse situation of example A1. Payment service provider payer/consumer in the Netherlands and payment service provider payee/seller in Belgium. The payment service provider of the payee/seller in Belgium provides the payment details to the Belgian tax authorities. This manual therefore does not apply in this case.

Example B: Payment service provider payer/consumer in the Netherlands and payment service provider payee/seller in Switzerland. The registration obligation is shifted from the Swiss payment service provider payee/seller to the Dutch payment service provider payer/consumer. The payment may indicate that VAT is owed by the Swiss seller in the Netherlands. Because the seller is established outside the EU, The Netherlands Tax and Customs Administration has few leads other than the payment by the Dutch payer/consumer. The payment service provider of the payer/consumer in the Netherlands now provides the corresponding payment data to The Netherlands Tax and Customs Administration. The details of the seller/payee are made visible in the payment details.

This manual applies in this case.

The consumer/payer must always be located in the Union, see also section 2.1.3. It follows that no reporting will take place if the payer is outside the Union, and the payee is inside the Union!

4 Object data delivery, personal data protection

This chapter focuses on general information about the cross-border payment information that payment service providers must provide and the composition thereof.

First, we will discuss which information payment service providers must include in their registers. Then we will discuss personal data protection, the location of the payer and the payee. Lastly, the retention obligation is discussed.

4.1 Data which payment service providers must include in their registers

- Article 39d of the Turnover Tax Act 1968 specifies the data that payment service providers must include in their registers and subsequently submit to The Netherlands Tax and Customs Administration. This includes information about:
- The identification of the payment service provider retaining the data. BIC or any other business identifier that unambiguously identifies the payment service provider.
- The identification of the payee. Name or company name of the payee
- If available, a VAT or another national tax number of the payee. The IBAN, if no IBAN is present, any other identifier that unambiguously identifies the payee and gives the location of the payee (OBAN). If available, the payee's address.
- The payments received by the payee.
- The payment transaction; such as the Member State of origin, the amount, the currency, the date and time of payment and any refund. The amount, currency, date, time and Member State of destination must also be stated in the case of a refund!
- If applicable, information showing that payment was initiated at the merchant's physical location.

Information on the identification of the payer (the consumer) is not part of the registration obligation for the payment service providers. After all, this information is not needed for detecting (VAT) fraud. Only the information relating to the location of the payer falls under the registration obligation.

Information on the identification of the payee is part of the registration obligation of the payment service providers. See above under the 3rd bullet. This information is needed for detecting (VAT) fraud.

Due to the lack of cross-border nature, domestic payments by definition fall outside the registration obligation and the subsequent provision obligation.

4.2 Personal data protection

In accordance with Regulation EU 2016/679 on the protection of personal data, it is important that information is only kept and provided by the payment service providers insofar as this is proportionate and remains limited to what is needed to combat VAT fraud. Therefore, only information about the payer's location should be kept/provided. After all, this is the only information that is important to determine whether and where VAT is due in the Union.

The European Data Protection Supervisor was consulted by Directive EU 2020/284 of 18 February 2020 in accordance with Article 42, paragraph 1 of Regulation EU 2018/1725 and issued an opinion on 14 March 2019. Directive 2006/112 EC should therefore be amended accordingly. Directive EU 2020/284 regulates the amendment of Directive 2006/112 EC as regards the introduction of certain requirements for payment service providers.

4.3 Location payer and payee

Article 39c, paragraph 1 of the Turnover Tax Act 1968 regulates the location of the payer. The location of the payer is deemed to be in the Member State corresponding to the IBAN of the payer's current account or any other identifier that unambiguously identifies the payer. If such an identifier is not available, the location of the payer will be deemed to be in the Member State by the BIC or another business identifier of the payment service provider acting on behalf of the payer. In the latter case, consider a money transfer in which funds are transferred by the payer, without using a current account in the name of the payer.

Article 39c, paragraph 2 of the Turnover Tax Act 1968 regulates the location of the payee. The location of the payee is deemed to be in the Member State, third territory, or third country corresponding to the payee's IBAN or any other identifier that unambiguously identifies the payee and specifies the location of the payee. If no such identifier is available, the BIC or another business identifier of the payment service provider acting on behalf of the payee will be used, which unambiguously identifies the payment provider and indicates its location.

4.4 Retention obligation

Article 39b, paragraph 6 of the Turnover Tax Act 1968 regulates the retention obligation of the payment service provider.

Payment service providers who, pursuant to Article 39b, paragraph 1 of the Turnover Tax Act 1968, must keep "sufficiently accurate" registers of payees and of payment services they provide each calendar year, must keep these registers in electronic form for a period of three calendar years. This is calculated from the end of the calendar year of the payment date.

This period is necessary due to the amount of information regarding the registration obligation, its sensitivity in terms of protection of personal data and the corresponding time required by tax authorities to investigate VAT fraud. This obligation only applies to the payment service providers if there is a payment service in connection with a cross-border payment that relates to more than 25 cross-border payments to the same payee on a quarterly basis (Article 39b, paragraphs 2/3 of the Turnover Tax Act 1968). In short: for this manual, the retention obligation therefore applies to the payment service providers reporting (to The Netherlands Tax and Customs Administration).

5 Logistics

5.1 General

It follows from The Netherlands Tax and Customs Administration Electronic Data Exchange Regulation that the required data is provided to The Netherlands Tax and Customs Administration by the reporting entities via a secure Internet connection. This is referred to as electronic data exchange ("EBV"). Part 2 of the manual provides more specific information on this.

Sources and reporters

For the provision of data, The Netherlands Tax and Customs Administration distinguishes *sources* and *reporters* in its administration. A source is the formal owner of the data and is obliged to provide the data. A reporter is the organisation that makes the actual provision on behalf of the source. As a rule, source and reporter will be the same organisation.

For this manual, the (reporting) NL payment service provider is the source. When a reporting NL payment service provider uses a service company for its data delivery, that company is regarded as the reporter.

The Netherlands Tax and Customs Administration communicates with the source about the provision obligation and quality of the data. The source receives the invitation letters, requests for corrections, and reminders.

The invitation letter does not provide a provision number. Each file must be provided with a (separate) provision number (in other words: identification number) according to its own system. Each file that is provided has its 'unique' identification. This number is used by The Netherlands Tax and Customs Administration in communications about the file.

The Netherlands Tax and Customs Administration communicates with the reporter about the processing of the data delivery. The reporter must comply with the obligations imposed on the source. If a reporter does not comply with this, The Netherlands Tax and Customs Administration will report this to the owner (the source) of the data.

To ensure the entire process runs smoothly, the data must be properly administered by The Netherlands Tax and Customs Administration. It is therefore important to pass on changes in name, address, place of residence and other contact details of the payment service provider as soon as possible.

5.2 (Renewed) provision and corrections

Once The Netherlands Tax and Customs Administration has received the cross-border payment data message from the payment service provider via Logius' Digipoort, The Netherlands Tax and Customs Administration checks the XML.

- If there are no (technical) errors in the XML of the relevant payment service provider, the message is automatically forwarded to the CESOP. However, the payment service provider does receive 'no-error message' feedback from The Netherlands Tax and Customs Administration via Logius' Digipoort. This means the message has been technically approved. The Netherlands Tax and Customs Administration is then, as it were, an intermediary. The CESOP further checks the content of the message against the business rules. Any feedback from CESOP in the form of a return message will take place via the route CESOP --> The Netherlands Tax and Customs Administration --> Logius' Digipoort --> payment service provider. If the CESOP has approved the content of the message, the payment service provider receives 'no-error message' feedback. If the CESOP has rejected the content of the message, the payment service provider will receive 'error message' feedback. Through the intervention of The Netherlands Tax and Customs Administration, it can be ensured that the return message 'no-error' or 'error' is sent back from CESOP to the correct payment service provider.
- If there is a technical error in the XML, a new provision is necessary. This new provision is the result of the 'error message' that the payment service provider received from The Netherlands Tax and Customs Administration via Logius' Digipoort. If this is the case, the payment service provider must ensure a new, improved data delivery. In the case of a new provision, the entire file must be provided. The new file must be provided in the same way as for the initial

provision. The payment service provider must use a unique provision number (identification number) for each provision.

- If there is no technical error in the XML, but the CESOP has rejected the content of the message on the basis of the business rules, the payment service provider will receive an 'error message' and the payment service provider will make a new provision or make corrections, depending on the error(s) found.
- The dialogue models can be consulted on the ODB website.

All in all, each provision by a payment service provider receives one or two return messages. On the one hand, a no-error/error message regarding the technical XML validation carried out by The Netherlands Tax and Customs Administration. On the other hand, a no-error/error message regarding the substantive validation of the business rules by the CESOP if there is a prior 'no-error message technical XML validation' from The Netherlands Tax and Customs Administration.

6 Support

6.1 Provision of services

The Netherlands Tax and Customs Administration has set up a number of support facilities to facilitate the data delivery process. This section describes those facilities.

Manual

Perhaps the most important support facility is this manual. Suggestions for improvement or clarification are welcome and can be reported to the Contact Centre described in more detail in section 6.2 below.

Electronic data exchange

The relevant data must be provided via a secure Internet connection, by means of electronic data exchange. More information about this can be found in part 2 of this manual.

Test facility

The Netherlands Tax and Customs Administration offers the possibility to have the files tested during the test phase.

If you develop software for exchanging messages with The Netherlands Tax and Customs Administration, you can validate your test messages in the Validation Test Service (VTS). The VTS checks whether your messages meet the specifications that apply to the message in question. You can test the dialogue via Digipoort (the exchange of messages) in Logius' Digipoort Connection Suite.

Progress monitoring

As soon as a data delivery is made, The Netherlands Tax and Customs Administration monitors the data so that it is available in its administrations as quickly and accurately as possible. In the event of problems, the reporter will be contacted.

6.2 Contact options

The Netherlands Tax and Customs Administration has set up a Contact Centre for first-line questions about the provision of cross-border payment data. You contact this centre if the manual provides no answer to your question specifically in the field of data exchange.

The Contact Centre does not deal with general questions about laws and regulations and their interpretation. The Contact Centre has no knowledge of tax and related questions. As a rule, you will be referred to your own tax consultant for such questions. Like no other, he is able to make the connection between tax knowledge and your business operations.

(Tax) consultants too can pose questions to the Contact Centre. A question will only be dealt with if it concerns a specific problem regarding the provision of data from a specific financial institution. In his question, the consultant must clearly state on behalf of which financial institution he is asking the question and who the contact person is at that institution.

The Contact Centre can be reached by telephone and e-mail.

Telephone: +31 (0)800 0227 065 available on working days from 09:00 to 16:00.

E-mail: gegevensuitwisseling@belastingdienst.nl

Account managers

In addition to setting up the Contact Centre, The Netherlands Tax and Customs Administration has appointed account managers specifically for data exchange. They can inform you in good time about new developments and requirements, so your organisation can prepare for them. At your request, an account manager can visit you to discuss problems and to clarify matters. If inaccuracies or errors are found in the processing processes, the account manager can contact you to discuss and improve this. You can of course also contact us if you encounter process queries you cannot answer with the help of the manual or the Contact Centre.

Website support digital data exchange

The Netherlands Tax and Customs Administration also has a website with information and where questions can be asked in the field of data exchange. This website contains up-to-date information intended for software developers and data suppliers.

This website can be accessed via <https://odb.belastingdienst.nl/en/>. Here you can download the latest documentation, including this manual. You can register for this by following the procedure at <https://odb.belastingdienst.nl/en/>.

7 FINAL PROVISIONS

Entry into force

This manual will enter into force on 1 January 2024 and will be applied for the first time with regard to quarterly data to be reported from Q1 2024 and further quarters for payment service providers that provide payment services in the Netherlands on the basis of the Directive and Regulation. This must concern cross-border payments.

Official title

"Payment Service Providers (Implementation) Act".

This act with explanatory notes will be published in the Government Gazette.

8 Appendices

8.1 Appendix: Glossary

Term	Meaning
BIC	Meets the description of Article II, point 16 of Regulation EU 260/212. A business identifier that unambiguously identifies a payment service provider and whose elements are defined by the ISO (Article 39a, letter j of the Turnover Tax Act 1968).
CESOP	Central Electronic System of Payment Information. A central European system developed by the European Commission for the collection and exchange of payment data from and by the Member States of the Union.
Current account	Meets the description of Article 4, point 12 of PSD 2 Directive. An account held in the name of one or more payment service users that is used for the execution of payment transactions (Article 39a, letter h of the Turnover Tax Act 1968).
DDIC	Digital Data Interchange Support.
IBAN	Meets the description of Article II, point 15 of Regulation EU 260/212 (Article 39a, letter i of the Turnover Tax Act 1968). An international current account identification number, which unambiguously identifies an individual current account in a Member State and whose elements are defined by the International Standards Organisation (ISO).
Legal entity	A legal entity as defined in the Dutch Civil Code.
Payee	Meets the description of Article 4, pt. 9 of PSD 2 Directive, in this case a natural person or legal entity who is the intended recipient of the funds to which the payment transaction relates (Article 39a, letter e of the Turnover Tax Act 1968).
Payer	A natural person or legal entity who holds a current account and authorises a payment transaction from that current account. If there is no current account, it is a natural person or legal entity who issues a payment order.
Payment	Meets the description as referred to in Article 4, point 5 of PSD 2 Directive. An act of depositing, transferring or withdrawing funds, initiated by or on behalf of the payer or payee, regardless of whether there are any underlying obligations between the payer and payee. In addition, a payment also includes a money transfer as referred to in Article 4, point 22 of the PSD 2 Directive (Article 39a, letter c of the Turnover Tax Act 1968).
Payment service	Meets the description of one of the business activities as stated in Appendix I PSD 2 Directive points 3 to 6. For example, direct debits, payment transactions using a payment card and transfers, money transfers. Payment initiation services and account information services as listed in points 7 to 8 of the aforementioned Appendix I are therefore not covered. (Article 39a, letter b of the Turnover Tax Act 1968).
Payment service provider	Meets the description of Article 1 letters a to d of PSD 2 Directive such as a) credit institutions, b) electronic money institutions, c) postal cheque and giro services authorised under national law to provide payment services, d) payment institutions. In addition, the exempt payment service providers as referred to in Article 32 of the PSD 2 Directive, "turnover payment transactions" of less than EUR 3 million.
PSD II Directive	Regulation EU 2015/2366 of the European Parliament and the Council of 25 November 2015 regarding payment services in the internal market.
Reporting payment service provider	The payment service provider that provides the cross-border payment information to The Netherlands Tax and Customs Administration. This is the case when this payment service provider provides payment services in the course of a calendar quarter that relate to more than 25 cross-border payments to the same payee. This concerns payment service providers who provide cross-border payment services in the Netherlands on the basis of the Directive and Regulation.
Source	A source is the formal owner of the data and is obliged to provide the data.

8.2 Appendix: Glossary Dutch - English

Term Dutch	Term English
Betalingsdienstaanbieder	Payment service provider
Begunstigde	Payee