



Introduction of RSM Hungary's Fiscal (VAT) representation services

RSM Global Network

By [joining the RSM Global Network in 2009](#), RSM Hungary has all the capability and international background to support its clients with cross-border questions and complex solutions. With the help of [RSM Global Network's commitment](#), client-centric approach and strong collaboration among the RSM Member Firms, RSM is able to give you a tailor-made, practical and commercially-focused advice for your arising questions. We attribute our success to core values like excellent expertise, continuous knowledge development, diligence, precision, integrity, and systematism.



RSM in Hungary

Due to its favourable taxation regime, state-aid solutions and geographical location, Hungary has become a good option as an investment opportunity for entrepreneurs all over the world. To find the best option for your company to benefit from these opportunities and comply with the Hungarian legislation, RSM Hungary is here to give a hand.

RSM Hungary is on the Hungarian market for more than 20 years with its wide range of service lines to support Hungarian and multinational companies in every field of administrative and advisory area. Beside general bookkeeping, tax and legal advisory support, [RSM Hungary offers a full package of taxation services](#), including the mandatory [fiscal representation](#) as well. RSM Hungary has been providing fiscal representation services since 2004 and has become a sector leader by serving more than 100 Clients from all over the world. We have built a [strong connection with the Hungarian Tax Authority](#) over the past years thus our clients can benefit from this relationship.

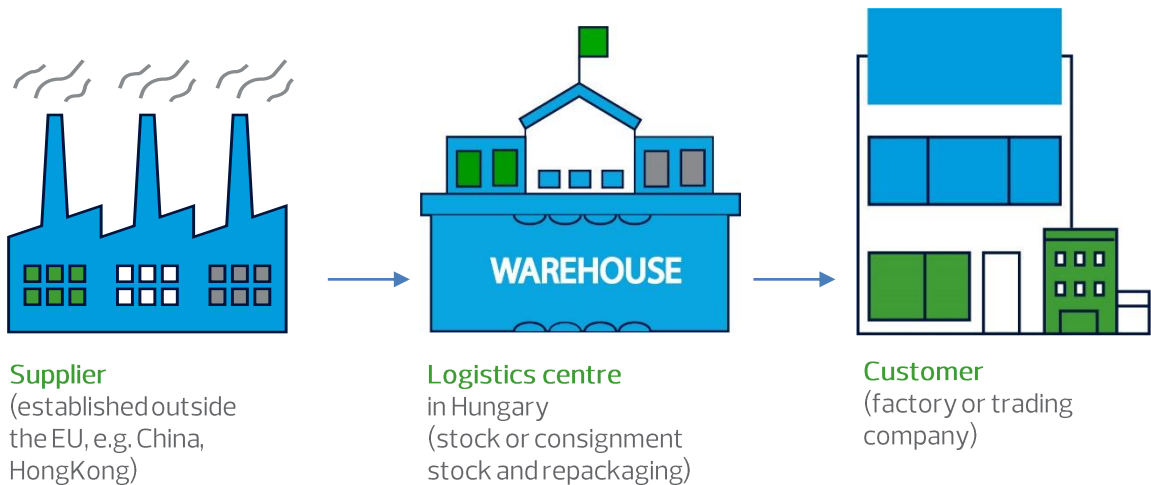
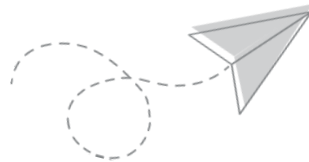


How Fiscal representation works in Hungary?

Based on the VAT legislations if a Company supplies goods in Hungary and this supply is rendered taxable in Hungary or subject to the Hungarian VAT Act (e.g. domestic sales, EU transactions, export transactions) and the customer of this Company cannot take over the related VAT obligations by the law, the supplier Company must register in Hungary for VAT purposes requesting a Hungarian VAT ID number.

Typical business model relating to a non-EU entity in Hungary

A Company will import its goods in Hungary due to a sales transaction to its customer. Upon arrival the goods are stored in a warehouse operated by our logistics partner as a stock or consignment stock. The importation and the storage of the goods is arranged by our logistics partner based on the timing required by the actual business model before the goods are needed by the end customer.



The above-mentioned typical business model requires that the non-EU supplier obtains a Hungarian VAT ID number via the VAT registration process in Hungary. In order to obtain the Hungarian VAT ID, Fiscal representation is also required by the law.

RSM Hungary as your fiscal representative

Based on several years of experience, RSM Hungary can support your company throughout the procedure, from the first setup and administrative tasks to the regular VAT compliance work. We will assist you [with all your country-specific tax challenges](#) you might face in Hungary. Thanks to our long-standing relationships and collaborations on the market, we can recommend well established logistics companies also.



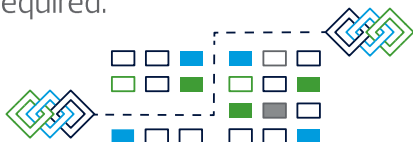
The VAT registration usually takes one month. [Two weeks](#) of that period is the processing time of the Hungarian Tax Authority before [they issue the VAT ID number](#).

What alternatives exist if fiscal representation doesn't align with the needs of your company?

There are cases when your business activity triggers a [permanent establishment](#) in Hungary, therefore Corporate Income Tax and other direct tax types might be applicable. Each case requires a thorough examination whether permanent establishment is created by the business activity or only a Hungarian VAT ID or none of these are required by law.

Such business activities (triggering the permanent establishment) could be e.g. the sales of tooling accompanied by its assembly taking place in Hungary if the duration of the assembly exceeds the timeframe specified by the relevant legislations and treaties.

In addition to our fiscal representation services, we also offer the full range of tax advisory and accounting services. This ensures that in the above case we can assist you with all tax matters and all aspects of establishing a branch or a subsidiary in case the legislations require it – in this case no fiscal representation is required.



For more information, please contact:



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ABOUT RSM HUNGARY

Accounting, tax consulting, payroll, digital tax solutions – these are the pillars of RSM Hungary Plc. Thanks to the outstanding quality we deliver our company is now acknowledged as one of the dominant market players of the Hungarian consulting community. In order to provide our clients with full range of financial consulting services RSM Audit Plc.'s services complement the activities of RSM Hungary Plc., and the legal representation and consultation services are provided by RSM Legal Szűcs & Partners Attorneys-at-law.

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