



Reverse Charge of VAT & Construction Invoices

In the construction trade, where the consumer is VAT registered, invoices issued by the supplier must contain the words "VAT - reverse charge" ("*IVA – autoliquidação*"). Prior to 01 January 2013, before the application of Article nº 36 of Decree-Law nº197/2012, the expression used in invoices was "VAT due by the client".

Inversion of assessment

Invoices issued with an inversion of the taxable person (when he/she is the acquirer of the goods or services to settle VAT assessment) must therefore contain the words "VAT - reverse charge".

If the rule is applied to the taxable person, as referred to in Article 2 (1) (j) of the *CIVA*, the taxpayer must issue the invoices without VAT, and the consumer of the goods or services within the deadlines must carry out the self-assessment of the tax.