

# YACHTLIFE

“The Italian Marketplace of Yachting”

## VAT exemption on “Charter Fee” applies in french waters only

The “french Memorandum” is an extraordinary solution



with the authority of Italian Ship & Yacht Brokers Association



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## VAT exemption on “Charter Fee” applies in french waters only



Due to the new VAT regulations (*Directive 2006/112/EC as amended by Directive 2008/8/EC*) effective in all member States of European Union as of 1st January 2010.

Considering that the VAT exemption on “Charter Fee” applies in french water only.

In order to avoid the unrest and confusion created by the extraordinary solution of french finance authorities with the “Memorandum” dated 17th May 2004.

ISYBA suggest the following “VAT clause” to be added to any Charter Agreement.

### **VAT Clause**

All amounts within this Agreement are inclusive of any VAT that may be due to the Owner.

The Owner confirms to know all information to perform this Charter may need for being able to comply in all respects with the VAT Directive CD 2006/112/EC as amended by CD 2008/8/EC and any applicable VAT legislation.

The Owner shall indemnify the Charterer on a continuing basis against any liability, including any interest, penalties or costs incurred, which is levied, demanded or assessed on the Charterer at any time in respect of the Owner’s failure to account for or to pay any VAT relating to payments made to the Charterer under this Agreement.