
Yacht charter VAT workshop

Barcelona 24 April 2017

A step into the future



Yacht charter VAT workshop – Barcelona 24 April 2017

Speakers:

- “ Toni Tió, President of the Barcelona Cluster Nautic
- “ Janet Xanthopoulos, Rosemont Yacht Services
- “ Beatriz Alonso, Evolution Yacht Agents
- “ Maja Ban, MYS Yachting - Croatia & Montenegro
- “ Christopher Pousse, Easy Tax
- “ Alex Chumillas, Tax Marine





THE MARITIME INDUSTRY, AN ECONOMIC DRIVING FORCE FOR BARCELONA

Barcelona, April 2017



THE NAUTICAL CLUSTER

Founded in 2013 by the Town Hall and the Port of Barcelona,
and now with more than 80 members

Goal: to transform the maritime industry and water sports
activities into an economic driving force for Barcelona

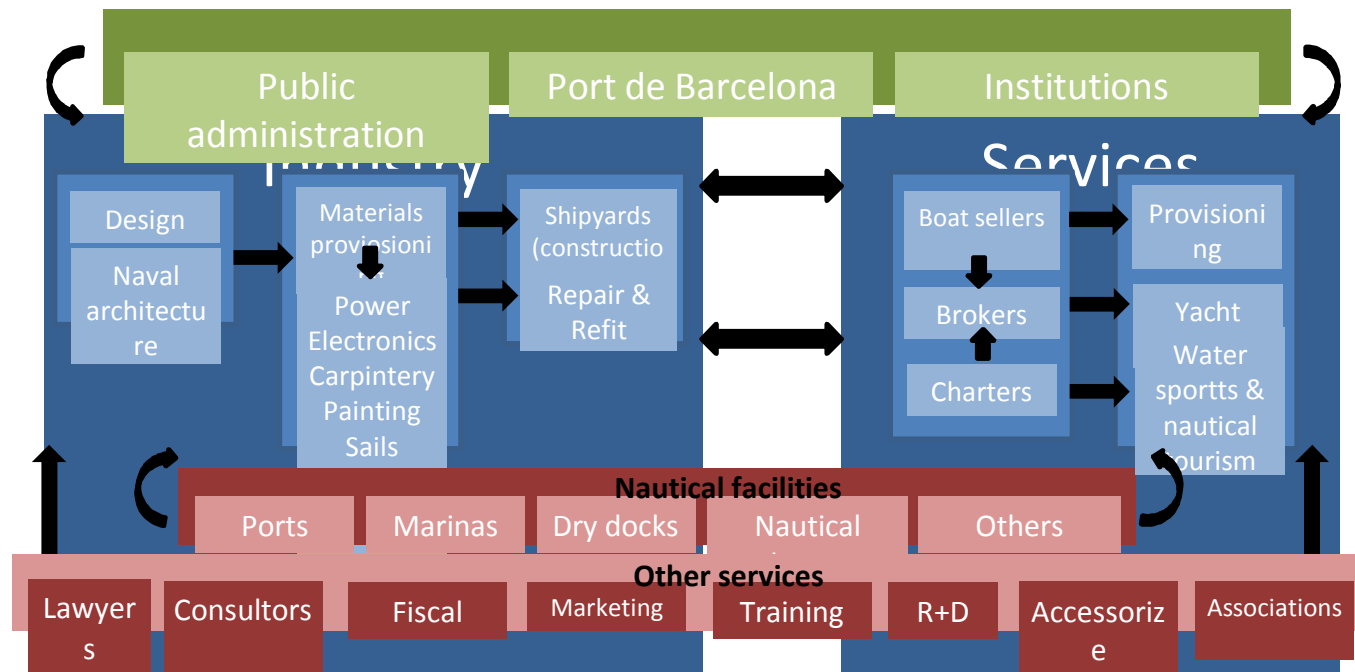
Working areas:

- Promotion and internacionalization
- Specialized training
- Legal environment
- Business opportunities



THE NAUTICAL CLUSTER

Public administration + private companies
Including all the services needed by the superyacht fleet



THE NAUTICAL CLUSTER

All the services together in Barcelona
Under the umbrella of the Barcelona Clúster Nàutic

- Accesorios
- Otros
- Asociación
- Acastillaje
- Charter
- Club deportivo
- Compra-venta de barcos
- Diseño y arquitectura
- Jarcia
- Electricidad
- Electrónica
- Federación
- Formación
- Gestoría y consultoría
- Interiorismo y tapicería
- Servicios jurídicos
- Motor
- Ocio y turismo náutico
- Puertos y marinas
- I+D
- Reparación, carpintería y pintura
- Comunicación
- Suministros y servicios
- Velas



THE NUMBERS OF THE MARITIME INDUSTRY IN BARCELONA

According to the study on the nautical sector prepared by the Barcelona's Chamber of Commerce:

350 COMPANIES

836 M
TOTAL TURNOVER

8,300
JOBS

89 M
INVESTMENTS

The objective:

To multiply by 6 the volume of the sector in the coming years

THE CHALLENGE

To attract the superyacht fleet to Barcelona:

- “ Each superyacht represents 9 new jobs
- “ Each superyacht leaves almost 1 million Euro by year at the city where she is moored
- “ It is an economic driving force for the whole nautical sector in Barcelona

- “ More than 5,000 superyachts worldwide
- “ About 350 moorings for superyachts in Barcelona

WHY BARCELONA

- “ It is an international touristic destination: tourism accounts for about 12% of GDP in Barcelona
- “ The Port of Barcelona, located in the centre of the city, registers an annual traffic of 2.5 million cruise passengers (first cruising port in Europe)
- “ Barcelona attracts business and international investors
- “ It is a cosmopolitan and modern city



WHAT CAN BARCELONA OFFER TO THE SUPERYACHT FLEET?

- Barcelona is a very attractive city for the superyachts fleet: it is a touristic destination and attracts business and investment
- It has a strategic position, half way between the Mediterranean and Caribbean, locations for summer and winter seasons, and it has an international airport
- The city has more than 1,500 moorings for boats and yachts, 350 of them for superyachts
- Superyachts marinas as OneOcean Port Vell and Marina Vela are located in the centre of the city



WHAT CAN BARCELONA OFFER TO THE SUPERYACHT FLEET?

- The world leading company in yacht refit & maintenance is located in Barcelona Marina Barcelona 92
- Maritime industry in Barcelona includes all the services for the superyacht fleet: consultors, duties, provisioning, maintenance, etc.
- Barcelona hosts international regattas and other major sporting events
- And much more...



SERVICES FOR FOREIGN COMPANIES / SUPERYACHTS

- Barcelona as base for your superyacht
- Investments in Barcelona
- New business

Contact us:

Barcelona Clúster Nàutic
www.barcelonaclusternautic.com

Alejo Trullás
General manager
alejotrullas@barcelonaclusternautic.com
M +34 649 808 685



Thank you very much



WE HAVE THE KEY

TO ALL SPANISH PORTS



ENTRY CUSTOMS FORMALITIES AND INWARD PROCESSING RELIEF (TPA) IN SPAIN

Barcelona, April 2017



ENTRY REGULATIONS FORMALITIES FOR NON EU BOATS

YACHT CLEARANCE

Customs clearance – Annex 71.1- Declaration of arrival into EU

Immigration clearance – Procedure for crew

Cash Declaration – S1

Tender regulations

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Evolution Yacht Agents – www.evolutionagents.com

IMPORTATION

GOODS ARRIVING INTO **EU** COMING FROM A **NON-EU** PORT

All arrivals into EU will
have to be through
customs office

RE-ENTRY — EUROPEAN BOATS

Compulsory entry through
customs office

No need for Declaration

BOAT **NON-EU** IMPORTED – VAT PID = **DUA*** or **Declaration Annex 71.1**
(Goods on return)

TEMPORARY ADMISSION 18 months

Oral Declaration – **Annex 71.1**

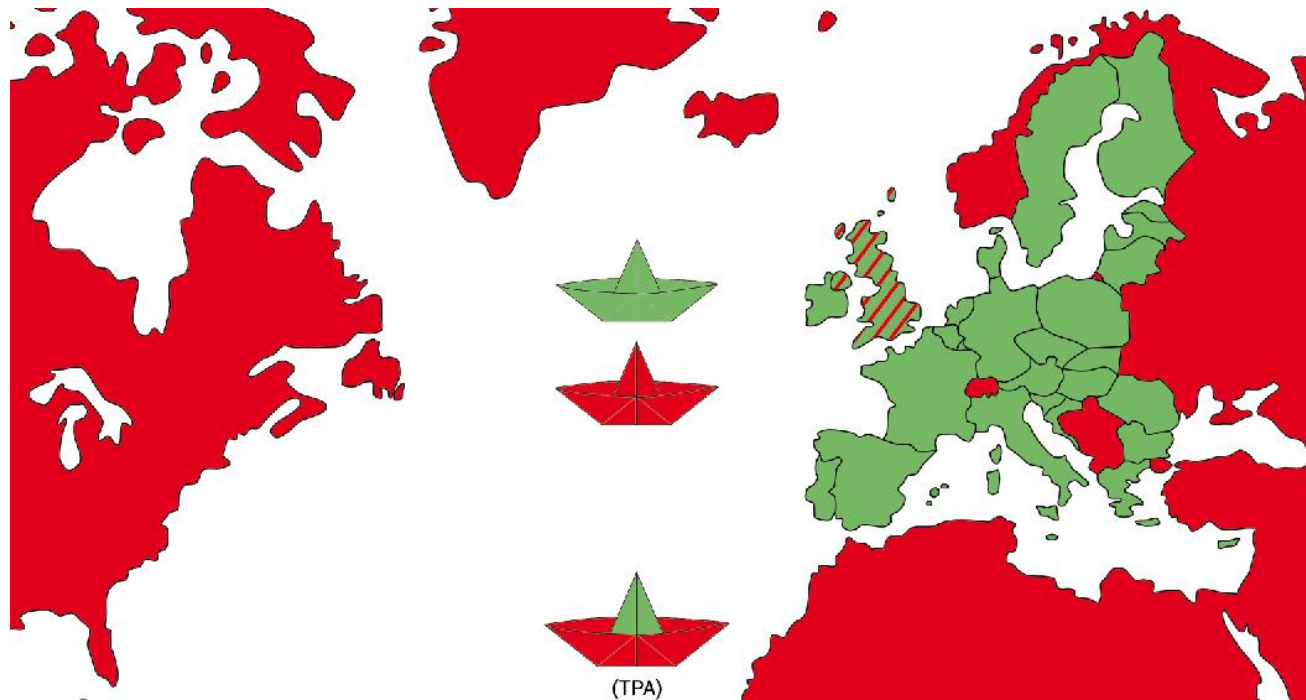
Declaration by **other means of arrival** (berth, fuel receipt,)
inside customs area



Evolution Yacht Agents – www.evolutionagents.com

INWARD PROCESSING RELIEF (TPA) IN SPAIN

WHEN, WHERE AND WHO?



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SPANISH CHARTER & VAT REGULATIONS 2017



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CHARTERING IN SPAIN 2017



VAT

- ❑ Short term hiring of yachts: VAT will be due in the jurisdiction where the mean of transport is put at disposal of the client;
- ❑ Non-Spanish entities If they make taxable supplies in Spain required to register for VAT in Spain;
- ❑ The owning company must account for tax on the vessel and its transactions in accordance with the VAT. Yacht on free circulation. Customs formalities.

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CHARTERING IN SPAIN 2017



VAT

- ☐ VAT on charter fee Spanish VAT 21% VAT flat - no reduction for international sailing;
- ☐ APA – not subject to VAT;
- ☐ Delivery fees subject to VAT;
- ☐ Input VAT on related charter operations deductible.
- ☐ Fuel – subject to VAT & excise duties.

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CHARTERING IN SPAIN 2017



MATRICULATION TAX

- ❑ What is it? Levied at 12% on the yacht value;
- ❑ What is new? Law 16/2013 - October 2013 amends Excise Duty Law. Tax relief on commercial yachts chartering in Spain;
- ❑ Tax not abolished, in force – the conditions to benefit from the tax relief must be met at all times whilst in Spain;
- ❑ Special attention to use by UBO's.
 - ” Spanish resident
 - ” Holder of establishments in Spain

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INCOME TAX

- ❑ Potential nonresident income tax on charter fees at 24%;
- ❑ Tax not applicable in case of Double Taxation Agreement (DTA);
- ❑ What is new? Tax ruling of December 2016. Exemption of the tax for yachts carrying out international navigation on a bareboat basis.

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CHARTER PERMITS

- ☐ It will be requested when there is an exchange of guests in Spain.
- ☐ Compulsory to be licensed before starting the activity.
- ☐ Regional permit: compulsory in some regions, others do not require it.
- ☐ The licensing process is divided in two separate levels.

- ” Spanish Maritime Authorities permit
- ” Regional licenses

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CHARTERING IN SPAIN 2017



REGIONAL LICENSES

The Balearic Islands

- ☐ Authorization required;
- ☐ All flags allowed since 2014;
- ☐ Future simplification of the procedure.



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SPANISH MARITIME AUTHORITIES

- ☐ Despacho - seaworthiness review.
- “ Checking of the yacht certificates: class, trade, MSM, load line, ...
- “ Checking of the crew certificates: qualifications, endorsements, STCW,...
- ☐ PSC – Port State control: “THETIS”
- ☐ Priority 1 vessel

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CHARTERING IN SPAIN 2017

Summary

OWNING CO.	VESSEL FLAG	TAXATION	YACHT LICENSES
DTA			
DTA	Non EU		
No DTA			
No DTA	Non EU		

CHARTERING IN SPAIN 2017

FINAL REMARKS



Licensing process consists in four steps:

- ☐ VAT registration
 - ☐ Matriculation tax relief
 - ☐ Spanish Maritime permit
 - ☐ Regional license
-
- ☐ Average time line for full registration around two weeks;
 - ☐ Chartering in Spain is possible and safe.

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CHARTERING IN SPAIN 2017

Alex Chumillas Amat
Director

Port Vell
C/Escar, 18 - Local 5
08039 Barcelona
Spain

alex@taxmarine.com
+34 667 663 521
www.taxmarine.com

“Thank you for your attention”

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GUIDELINES TO TERRITORIAL WATERS



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FRANCE

Standard VAT rate: 20%

Reduction of taxation base: Yes

<12NM VAT 20% on 100% of Charter Fees

>12NM VAT 20% on 50% of Charter Fees

” Delivery Fees follow same taxable regime as Charter fees

PROCEDURE REQUIRED FOR CHARTERING:

1. VAT registration
2. Importation/Exportation

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STARTING A CHARTER FROM FRANCE



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STARTING A CHARTER FROM FRANCE



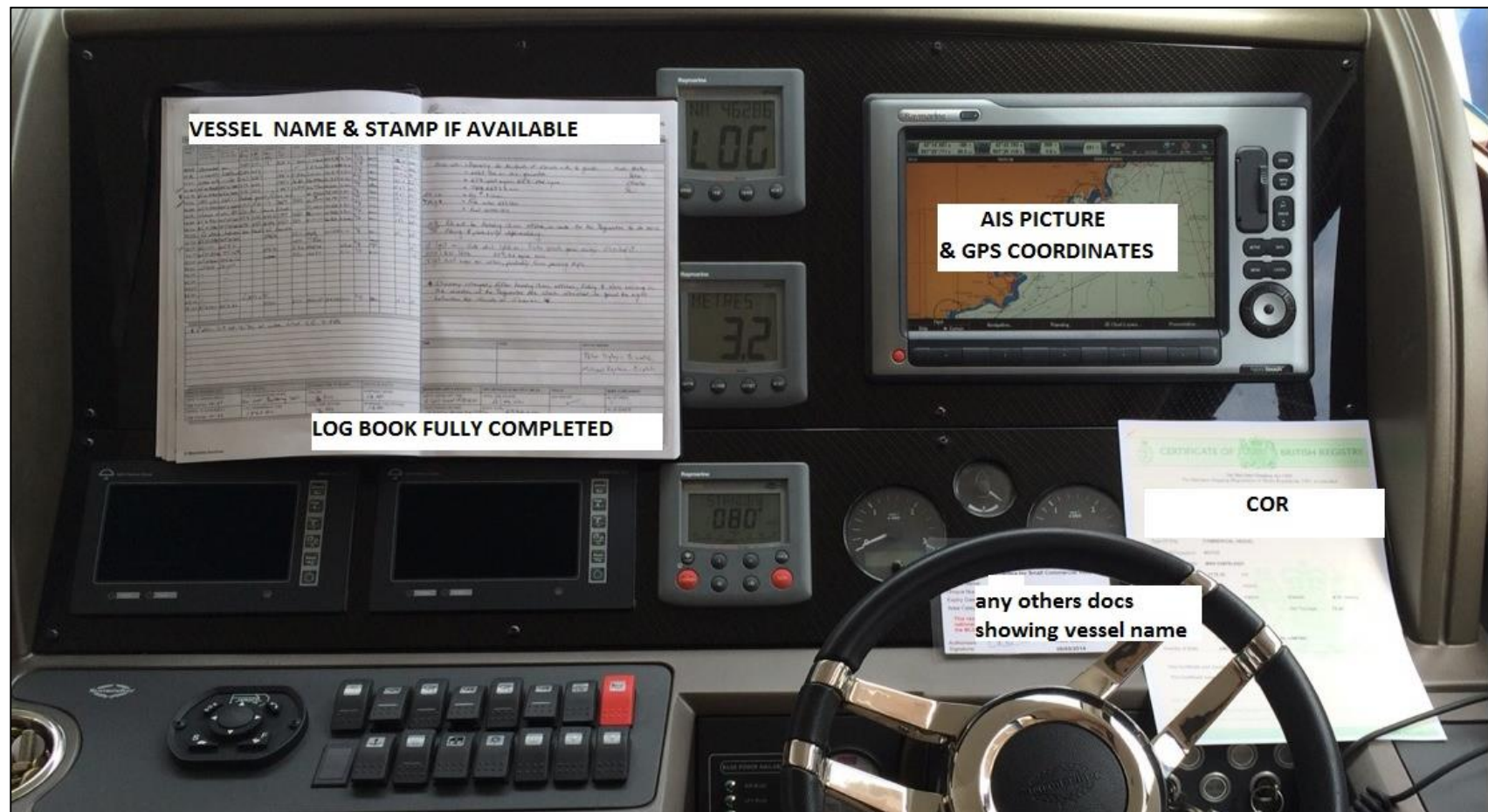
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STARTING A CHARTER FROM FRANCE



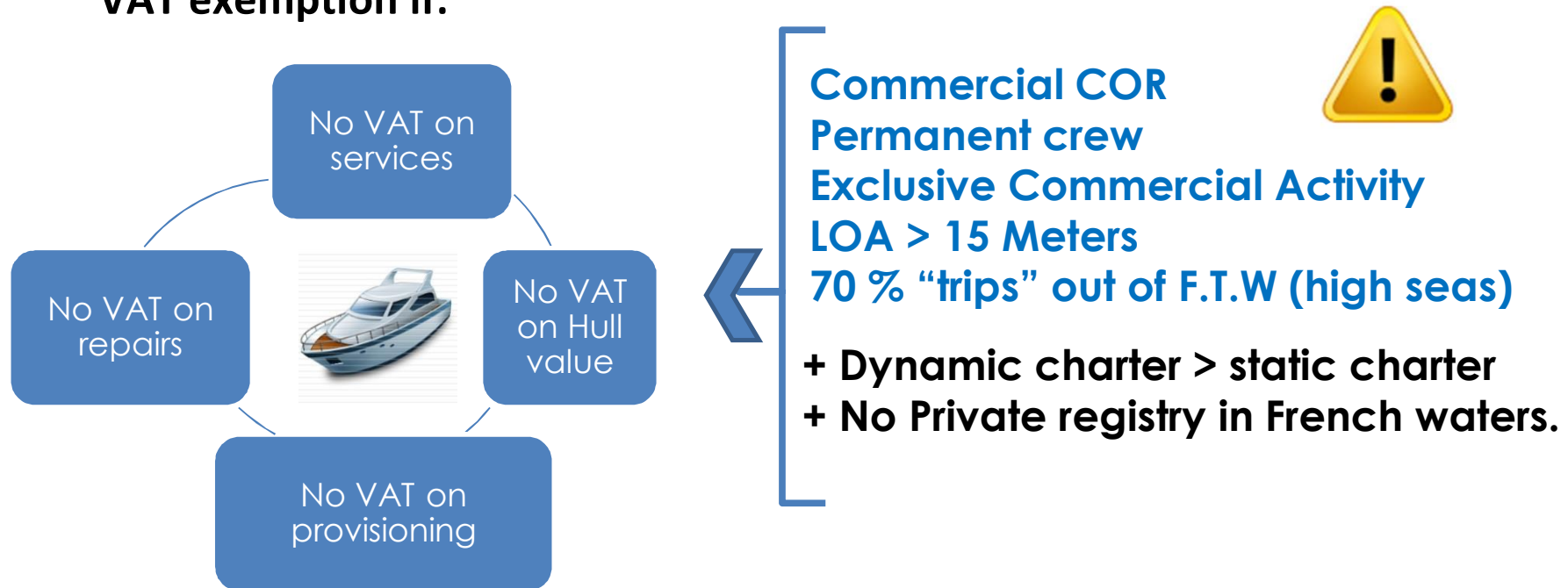
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STARTING A CHARTER FROM FRANCE



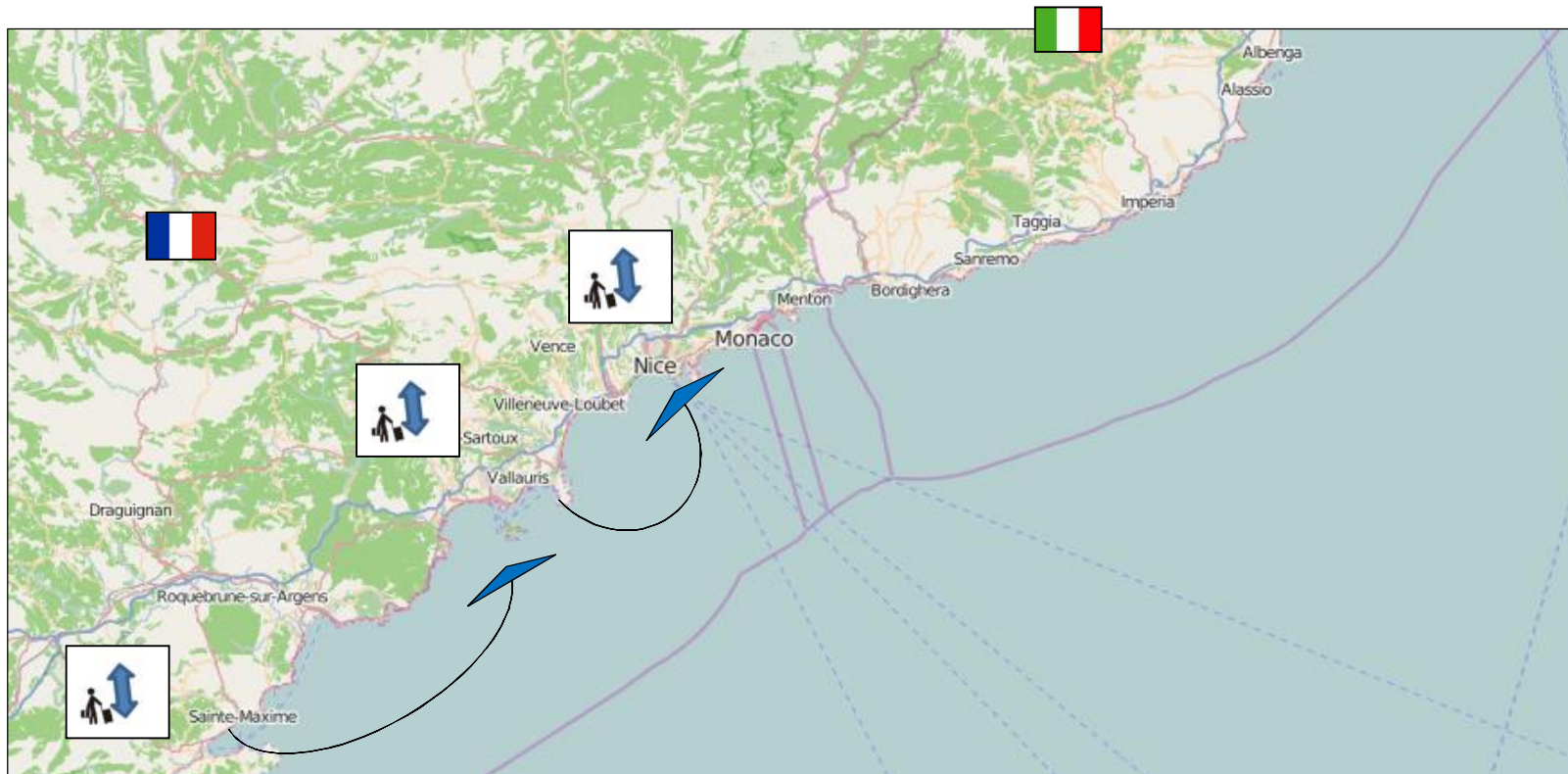
FRENCH COMMERCIAL EXEMPTION (F.C.E)

A yacht is considered as a commercial vessel in France & entitled to the “full” VAT exemption if:



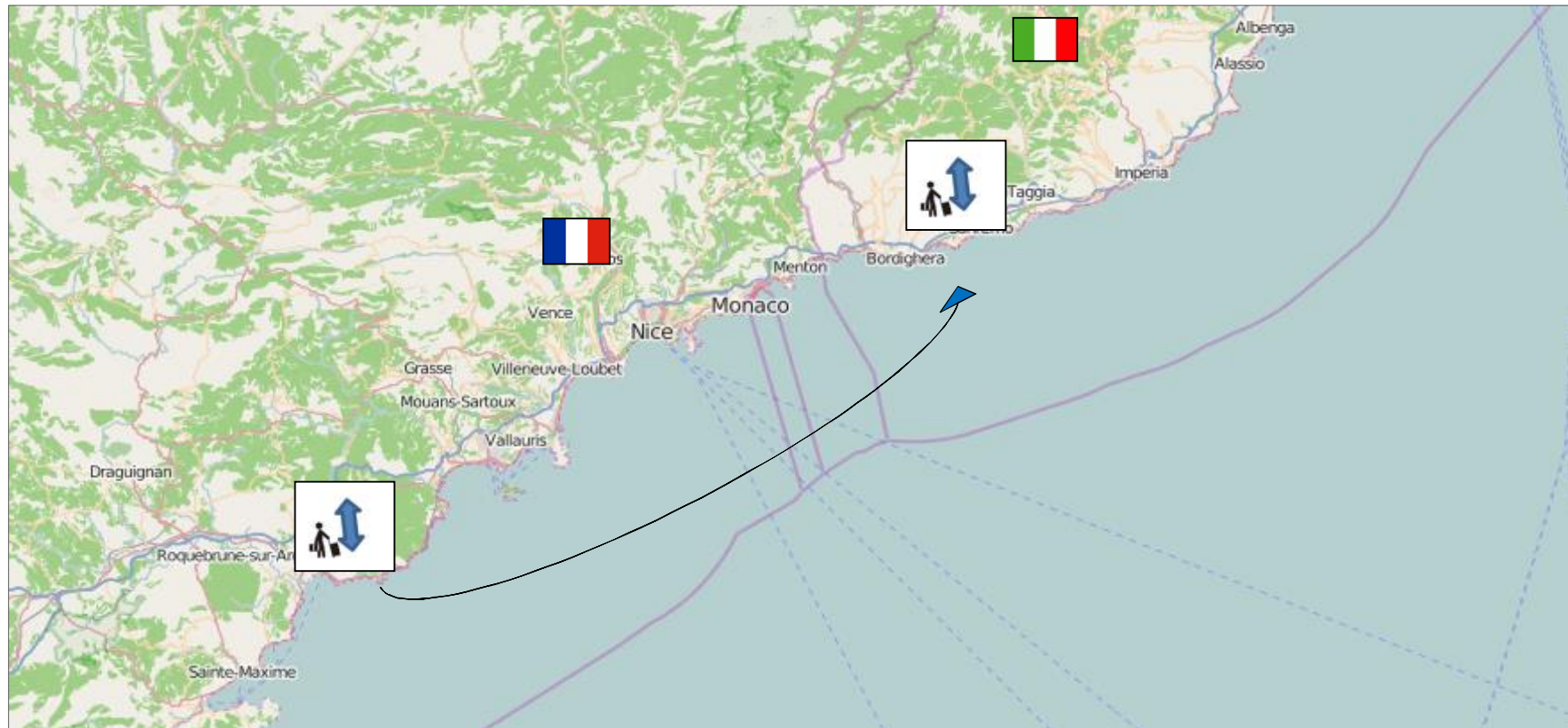
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HOW MANY TRIP ?



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HOW MANY TRIP ?



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TRIP REPORT

	M/Y ALFA
	2015

TRIPS RECAP TABLE 2015
to fulfill the condition > 70% of the trips out of French territorial waters according to BOFIP BOI-TYA-CHAMP-30-30-30-10-2015-05-12

VESSEL INFORMATION - Please complete

Vessel Name	M/Y ALFA
Owning Company	ALFA LTD
IMO Number or Official Number (CoR)	1809
Captain's Name	John Boo

Year 2015

Number of Charters	24
Number of Static Charters	1
% of Static Charters	4%
Number of Trips	32
Number of Trips Qualifying	24
% of vessel activity outside F.T.W	75%

CHARTER #10

Please complete according to charter agreement

CHARTERER	STARTING DATE	ENDING DATE	STATIC CHARTER ?	SEVERAL TRIPS ?	PORT OF	PORT OF RE-DELIVER
Bill Smith	05/07/2015	08/07/2015	No	Yes	OLBIA	NICE

	LEG	OUT OF FRENCH TERRITORIAL	DYEMENT OF PASSENGER	TRIPS	TRIPS QUALIFYING
Trip 1	OLBIA-CALVI	Yes	Yes	1	1
Trip 2	CALVI-NICE	Yes	Yes	1	1
Trip 3				0	0
Trip 4				0	0
Trip 5				0	0
Trip 6				0	0
Trip 7				0	0
Trip 8				0	0
Trip 9				0	0
Trip 10				0	0

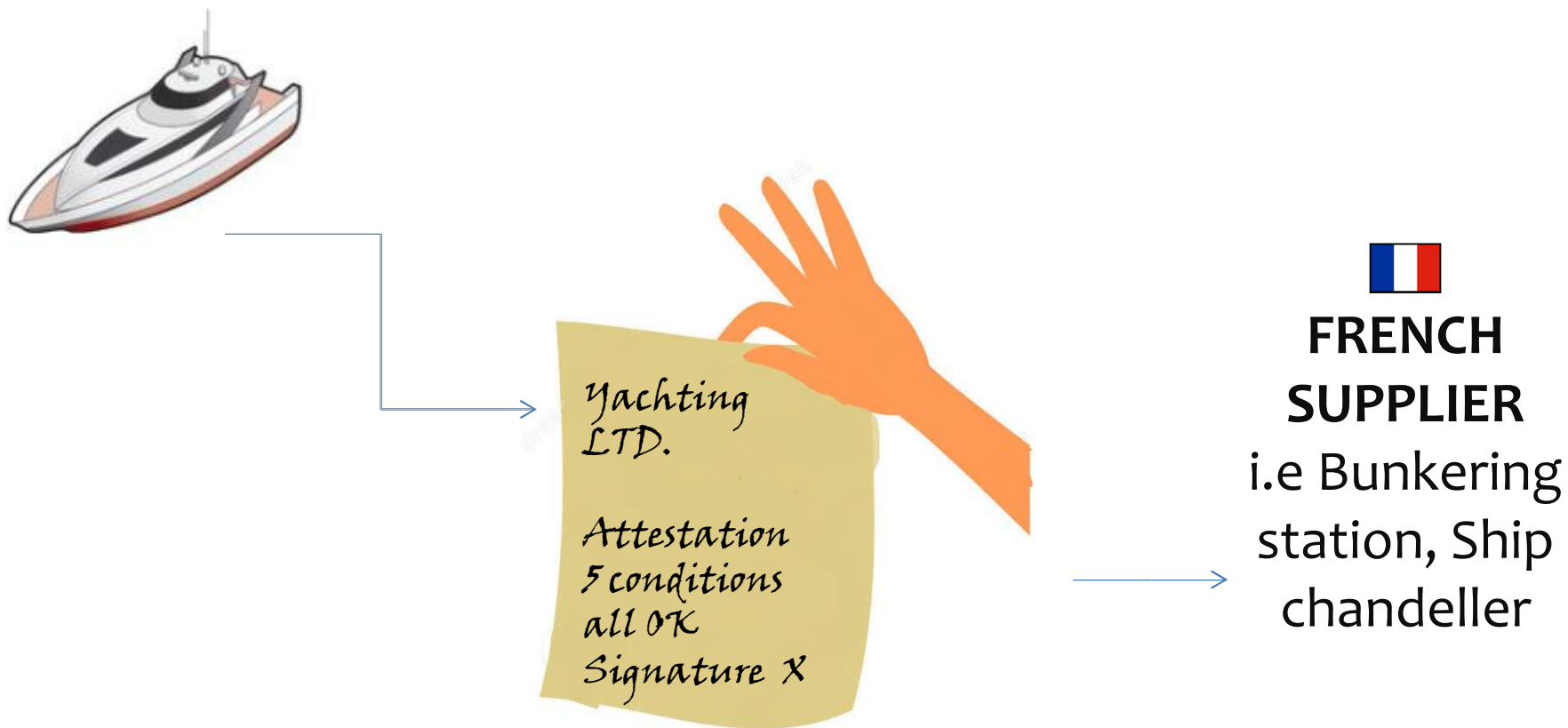
TOTAL	Trips	Trips qualifying
	2	2

I the undersigned, master of the vessel M/Y ALFA certify being able to justify the validity of the charter information entered in the table above, by any means possible, such as logbooks or information issued by the vessel's navigation systems and geolocation instruments (GPS, AIS tracking, trajectory prints) and emb/disembarking

Date	Name	Signature and Vessel Stamp
17/12/2015	John Boo	

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How will a yacht get VAT free invoices ?



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FUEL UPDATE IN FRANCE

FUEL BREAKDOWN	Private boat	Commercial boat F.C.E	Commercial boat F.C.E
Fuel = €0,65	✓	✓	✓
Excise duty= €0,53	✓	✓	✓
VAT = €0,23	✓	✓	
	€1,41	€1,41	€ 1,18

**SINCE
1ST OCT
2016**



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ITALY

Standard VAT rate: 22%

<12NM = VAT 22% on 100%* of Charter Fees

>12NM = VAT 22% on 30% * of Charter Fees

" Delivery Fees & fuel(APA) follow same regime as Charter fees

PROCEDURE REQUIRED FOR CHARTERING:

1. VAT registration
2. Authorization for commercial use in Italian waters
3. Importation : Exportation

17

* Taxable base varies from 30% to 90% based on LOA &

70%+rule in Italy

Italian Tax Office : a ship can be qualified as a “high seas seagoing ship” if she has performed more than 70% of the voyages sailing the “high seas” in the past calendar year.

Italian Article 8-bis =



- “ purchase of goods and provisions
- “ purchase of fuel and lube oil (bunkering)
- “ purchase of spare parts, machineries and equipment in general
- “ repair and maintenance works on board

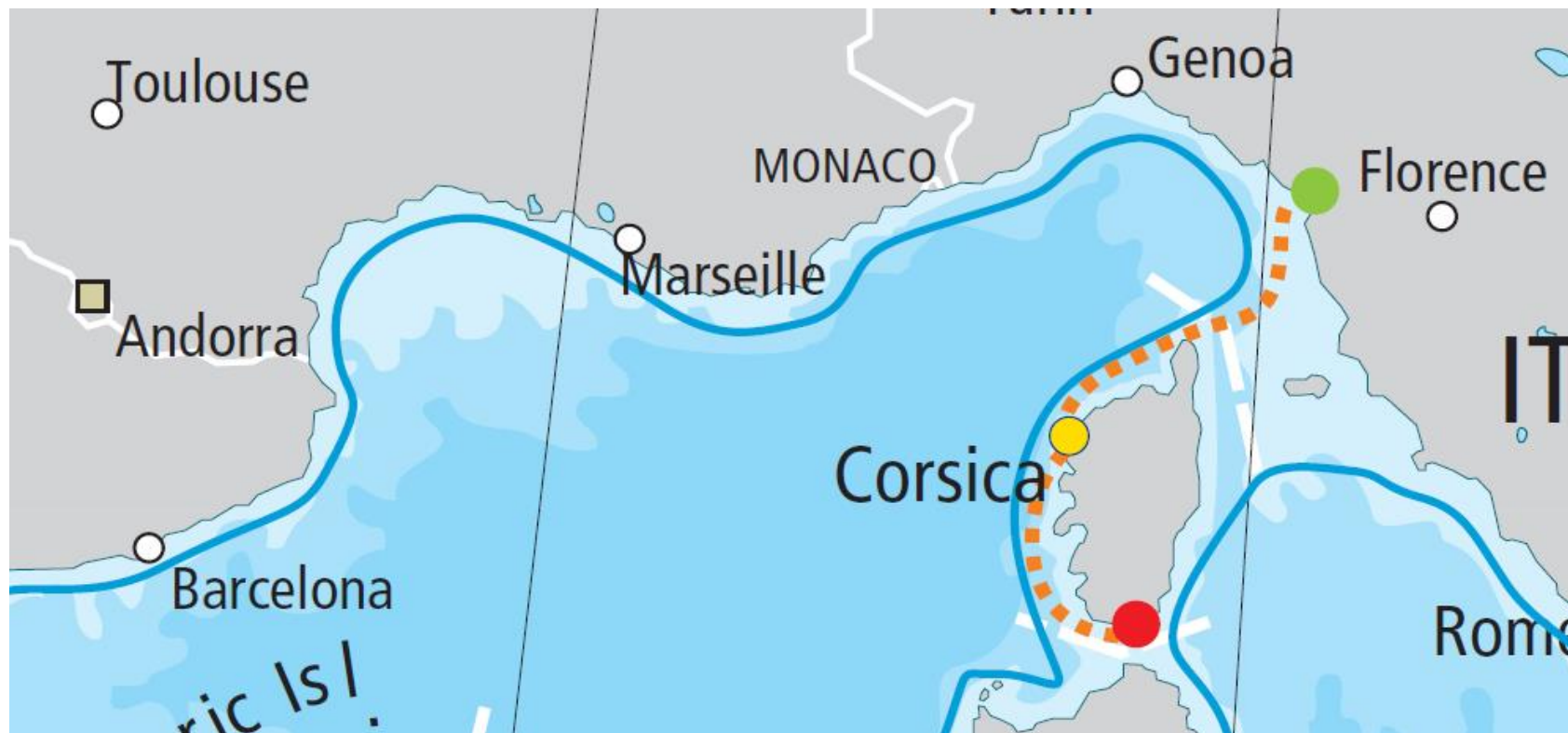
Article 8-bis in line with Article 148 of the EU Directive states VAT exemption can be applied to vessels “used for navigation on the high seas and carrying passenger for reward or used for commercial purposes (including the Charter activity), industrial or fishing activities”.

How to calculate the 70% (time or number of voyages?)

The “high sea” is only I. Waters and does not englobe the Territorial waters of another member state.

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FUEL UPDATE IN FRANCE



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ITALY



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NEW CROATIA CHARTER AND VAT REGULATIONS 2017



MEGA YACHT SERVICES
EXCELLENCE IS A LIFESTYLE



NEW CROATIA CHARTER AND VAT REGULATIONS 2017



Definition of terms:

Charter company - A natural or legal person; the owner or user of a vessel; or a person who has taken responsibility for the management of the vessel from the owner on the basis of a written contract and who, by doing so, has taken all the powers and responsibilities prescribed by the Charter Ordinance and the relevant regulations of the Republic of Croatia relating to the safety of navigation and protection of the sea.

Maritime agent – A person who acts as a local representative of the owner of the yacht and carries out all essential duties and obligations required by the crew and guests of the yacht

E- crew – an online database of charter companies and their yachts used for registration of crew and passengers (issuing official crew and guest lists at the beginning of each charter)

PIN- personal identification number

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NEW CROATIA CHARTER AND VAT REGULATIONS 2017

Charter business can be preformed by NON EU and EU companies



- Long Term Charter Business (all year around)- charter company is obliged to either open its own **charter company** in Croatia or **appoint a local maritime agent** or charter company as its local charter company
- Short Term and Periodical Charter Business – charter company is not obliged to have a local charter representative
- In case of representation a contract must be signed between the two parties clearly stating the responsibilities of the local representative.

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NEW CROATIA CHARTER AND VAT REGULATIONS 2017



VAT ID and PIN numbers

- “ An EU charter company which performs charter services within the territory of Croatia is NOT obliged to appoint a fiscal representative to obtain a VAT ID and PIN and manage the VAT on their behalf.
- “ Non EU charter companies who perform charter services within the territory of Croatia ARE obliged to appoint a fiscal representative to obtain a VAT ID and PIN and manage the VAT on their behalf.

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NEW CROATIA CHARTER AND VAT REGULATIONS 2017

Set up of for charter business in Croatia: approx. 10 - 14 days



É Obtain VAT and PIN numbers with the Croatian tax office. List of papers that needs to submit depends on if the yacht is from the EU or outside the EU.

É The yacht needs to be listed in "e-Crew" of the Croatian Ministry of Maritime Affairs. List of documents to be submitted depending on the GT and LOA of the yacht

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NEW CROATIA CHARTER AND VAT REGULATIONS 2017



COMMERCIAL YACHTS

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NEW CROATIA CHARTER AND VAT REGULATIONS 2017



- “ **All non-EU flagged commercial yachts** will be allowed to perform charters in Croatia, but will be **required** to obtain a charter license. There is no longer a limit on the yacht's length in order to perform charters in Croatia. The license will be valid for the calendar year. The number of licenses issued might be limited based on the Croatian market supply situation
- “ VAT for charter activities with overnight stay is 13% and 25% for daily charters

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NEW CROATIA CHARTER AND VAT REGULATIONS 2017



- “ VAT will be charged on all commercial yachts that start charters (embark guests) in 3rd countries, on a pro-rata basis, for the time spent in Croatia. For instance, if a yacht embarks guests in Montenegro and comes to Croatia for 6 days, charter guests will need to pay Croatian VAT for 6 days.
- “ All charter contracts with an embarkation port outside of the EU, and a disembarkation port in Croatia, and signed before the 1st of May, will be exempt from VAT charges on a pro-rata basis for the time the yacht will spend in Croatia

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NEW CROATIA CHARTER AND VAT REGULATIONS 2017



- “ All commercial yachts need to have a proof of their VAT status in the EU when entering Croatia
- “ When embarking guests outside the EU, all commercial yachts need to have a charter contract when entering Croatia; and when leaving Croatia they need to have an invoice of payment of Croatian VAT issued by its local Vat representative
- “ All commercial yachts, when embarking guests in another EU country, need to have a charter contract when entering Croatia and pro-forma invoice for VAT payment in that country issued by a fiscal representative in that country
- “ Non Eu commercial yachts who do not possess a cabotage license can cruise in Croatian territorial waters only between international ports, to and from shipyards, and with crew on board only

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NEW CROATIA CHARTER AND VAT REGULATIONS 2017

CASES - 1



EU flagged yachts embarking guests outside of Croatia

I. EU flagged yacht - EU owner - embarking guests in another EU country, no need to pay VAT and to be listed in “E-crew”

II. EU flagged yacht - EU owner - embarking guests in Non EU country, must pay VAT for the time yacht will spend in Croatia. Charter company can use its own VAT number for VAT payment in Croatia, but will need to be listed in “E-crew”

III. EU flagged yacht - Non EU owner - embarking guests in another EU country, no need to pay VAT and to be listed in “E-crew”

IV. EU flagged yacht - Non EU owner - embarking guests in Non EU country, must pay VAT for the time yacht will spend in Croatia. Charter company will need to have VAT and fiscal representative, and needs to be listed in “E Crew” in Croatia

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NEW CROATIA CHARTER AND VAT REGULATIONS 2017

CASES - 2



Non EU flagged yachts embarking guests outside of Croatia

I. NON EU flagged yacht- EU owner - embarking guests in another EU country, must obtain a charter license. No need to pay VAT and to be listed in “E-crew”

II. NON EU flagged yacht - EU owner- embarking guests in Non EU country, must obtain a charter license; must pay VAT for the time yacht will spend in Croatia. Charter company can use its own VAT number for VAT payment in Croatia, but will need to be listed in “E-crew”

III. NON EU flagged yacht - Non EU owner embarking guests in another EU country, must obtain a charter license. No need to pay VAT and to be listed in “E-crew”

IV. NON EU flagged yacht - Non EU owner, embarking guests in Non EU country, must obtain a charter license, must pay VAT for the time yacht will spend in Croatia. Charter company will need to have VAT and fiscal representative, and needs to be listed in “E Crew” in Croatia

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NEW CROATIA CHARTER AND VAT REGULATIONS 2017

Pleasure yachts



- Private yachts will still be able to embark and disembark their guests in Croatia regardless of flag
- In cases where the owner and family members are not onboard, the Captain will have to have an authorized list of people with:

& Names of guests

& Length of time that these guests will spend on the yacht. This list of people will have to be authorized by the Captain's signature and the yacht's stamp. When the yacht is owned by a legal person, this list will need to be authorized by the director or another responsible person within the company

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NEW CROATIA CHARTER AND VAT REGULATIONS 2017

Conclusion



Setting up charter business in Croatia is a pretty simple, straight forward, and quick process if you have a quality and professional representative

With VAT of 13%, more than 1000 islands, and pristine nature and a safe environment, we believe Croatia is one of the most desirable cruising areas which has a lot to offer yacht owners and charter guests.

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GREECE

April 2014 Law: No need for a Licence to charter between Greek ports:
E.U. & non-E.U. flagged (>35m /built of metal or GRP & carry >12 pax)

- “ Min days of charter over a 3 years period
- “ Registering on the Online Registry of Touristic Yachts and Small Vessels.
- “ Submitting an application to local authorities.
- “ Submitting charter agreement & declaration to Port Auth. 48hrs prior to departure.

The online Registry has not activated yet, so the new law is not fully implemented and charter licence still required!



Commonly heard advice ... Embark at least outside Greece!

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GREECE

How to charter between Greek ports today?

1. Open a Branch Office & apply for a Greek Charter Licence **Or**
2. Establish a Greek NEPA / MCPY and register the yacht under Greek flag.

Current regime is a mixture of the old & new rules:

1 or 2 above + new VAT rates + min days over 3 years period + Greek Social Security compulsory

Current issues:

1. Charters starting in Greece without charter licence: how to pay VAT?
2. Charters starting in Greece and sailing to a country which has implemented the principle of Use & Enjoyment (i.e. Italy).
3. Charters starting outside the E.U. and sailing to Greece: VAT?

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GREECE

VAT rate: VAT rates on charters since June 2016:

❑ 24% for charters of less than 48 hours

❑ 12 %

❑ 9,6%



For charters > 3 days

≠ VAT % based on type of navigation

Rules applicable only to Greek & E.U flagged yachts with valid charter licence and therefore allowed to start & end charters in Greece.

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PRESENT AND FUTURE OF DUAL USE IN EU WATERS

WHY DUAL USE ?

TO REPLY TO NEEDS EXPRESSED BY YACHT OWNERS NAVIGATING IN THE MED.

- ❑ Yacht Owners need flexibility. They are seeking a solution which will permit them to use their yacht on a private basis, without losing the option to charter the yacht out to third parties a few days per year to minimise their annual running costs.
- ❑ Why? To overcome the current dilemma they encounter in the Med: either use their yacht on a purely private basis without any option to charter their yacht out to third parties, or use their yacht on commercial basis without being able to use their yacht freely and extensively, and with the added obligation to sign a charter contract and pay VAT on their own charters.



WHAT WERE EXISTING PROGRAMS SO FAR ?

1. FLI-FLOPS SCHEMES FOR FULLY COMMERCIALY COMPLIANT YACHTS (ie: Cayman Islands/OIM):

“ Allow to switch from pleasure to commercial and vice versa.

BUT

- “ Switch often not properly done (need to touch a third country port before switching and respect Customs procedures TA or Import/export each time);
- “ System plagued with tax /VAT issues within the EU;
- “ Yachts can only be commercially registered if operating under the commercial exemption in France and soon in Italy.

2. PRIVATE BAREBOAT SCHEMES

“ Monaco (3 months), France, Italy (42 days) (and Greece (?)).

BUT

- “ Yachts rented out without crew / more appropriate for very small boats;
- “ Do not comply with commercial technical standards / regulations;
- “ Are limited for navigation within the national waters of the flag state of registration;
- “ Have not been validated by Port State Control.

WHAT IS THE SOLUTION ?

Develop new dual use initiatives, combining private and commercial use of yachts without falling foul of existing Flag, Customs and Port State regulations.

dual

WHO HAS BEEN THE PIONEER ? MARSHALL ISLANDS WITH THE YET DUAL USE PROGRAM

WHAT IS A YET ?

- “ A YET is a private yacht permitted to engage in charter activities for up to 84 days / year in EU waters.

ELIGIBILITY

- “ Non EU owned yacht under Temporary Admission (TA) or VAT paid yachts;
- “ In compliance on voluntary basis with all commercial standards and RMI Code;
- “ Yacht built to class or classed if over 500GT and voluntary compliance verification by an Authorised representative of RMI.

HOW DOES IT WORKS WHEN PRIVATE YACHTS ARE TO CHARTER ?

- “ Yachts under TA are placed under a « commercial bubble » for a charter period or for a specific charter (specific Customs formalities) which suspends the 18 months clock;
- “ Fiscal Representative and Central agent need to be appointed;
- “ VAT paid on charters.

WHAT ARE THE ADVANTAGES ?

- “ Flexibility of use: private use without losing the option to charter the yacht on an occasional basis to offset the annual running costs;
- “ No risk of requalification with heavy penalties in case of extensive private use as it could be the case for commercially registered yachts;
- “ No need to sign a charter agreement paid at commercial market rates each time owners want to charter their yacht;
- “ No need to pay VAT on owners use;
- “ No need to leave EU waters and touch a third country port to allow change of use of the yacht and system not plagued with Tax, VAT issues in comparison to the “switching or flip flop regime”;
- “ No VAT liability risk on the hull for yachts operating under the “switching or flip flop regime” in France and Italy;
- “ Exemption of VAT available on works for non VAT paid yachts (inward processing relief regime).



WHAT ARE THE LIMITATIONS ?



- “ No VAT exemptions on supplies and fuel (fuel not relevant anymore in comparison to commercial yachts as duty free fuel is not available for commercial yachts anymore unless they operate under the new transport contract);
- “ No private use while the yacht is under the “commercial bubble” but entering and exiting into/from the bubble is an easy and fast process;
- “ Program has so far been officially authorised in France / Monaco and unofficially in Italy and Spain. Under process to be extended to other EU countries.

WHY IT WORKS ?

- “ The program is based on EU regulations and not local regulations;
- “ EU Customs Documentation (IM A Import certificate) will be issued by French Customs when placing the yachts under Temporary Admission for commercial activity;
- “ VAT on the hull, supplies and on charters will be in line with EU Customs regulations;
- “ Yachts will be either operating under Temporary Admission and Temporary Admission for commercial activity or will be VAT paid;
- “ Fiscal Representative(s) will be appointed and VAT number(s) obtained before yachts are to charter;
- “ VAT will be paid on all charters;
- “ VAT will be paid on supplies, fuel...
- “ Yacht will comply with all commercial standards and regulations including (ISM, ISPS and MLC);
- “ Program approved by Port State Control (Paris MOU) headquarters from a technical angle.

WHAT'S NEXT ?

- “ YET program shall be officially extended to all EU countries;
- “ YET program shall be implemented by other flag states in order to become the third official route for operating yachts in EU waters to reply to the needs of the Industry. (RYS has been recently approached by two other Flag States (one EU, one non EU) to advise them on how to develop such a new program in line with the solution RYS helped the Marshall Islands to implement and extend)



CONCLUSION

RYS strongly believe that dual use is the future and definitively a third way to operate yachts...

The future will tell us whether RMI opened a new path for yachts and whether this new path will be followed by many other flags.

“Do not be afraid
to try new
things!”

Anonymous

Sunday - Sep 16, 2012 (8:47 am)



FRENCH SOCIAL SECURITY

REGULATIONS 4.5

FRENCH SOCIAL SECURITY

On the 09 March 2017, the French government passed a decree that requires all French resident or domiciled seafarers, irrespective of nationality to make social security payments to provide seafarers access to the benefits of the French social security system for mariners ENIM.

The deadline for enrolment for all affected seafarers is 01 July 2017.

These changes were made to bring France in line with all elements of the MLC Standard 4.5 meaning seafarers should have access to equal social security benefits to that of shore workers.

IMPLICATIONS FOR YACHT CREW & OWNERS : KEY POINTS

- All seafarers resident or domiciled* in France are required to make social security contributions to ENIM, the French seafarer's social security agency
- * it is not clear if 'domiciled' means just the seafarer or can also mean the yacht
- Seafarers that make social security contributions to an official agency in another country [which has a bilateral agreement with France] do not need to make ENIM contributions, however may be required to prove evidence of contributions
- ENIM will provide the seafarer with health; medical care and retirement benefits
- Failure to pay may lead to the yacht being arrested, and late payment of contributions will incur a 0.5% daily fee until paid
- Applicable to all yachts both private and commercial

MLC 2006 – SOCIAL SECURITY : WHAT NEXT ?

WHAT IS GOING ON IN THE BACKGROUND?

The ECPY and several other professional associations have established lobbying groups to appeal against certain elements of the new Social Security requirements. Areas being appealed are;

- To exclude yachting as a whole – although this is unlikely to happen
- To align the percentage of charges for all registered yachts including those registered under the French flag [RIF] – at present rates are lower for French registered yachts
- To eliminate all parts except pensions, meaning crew medical and welfare could remain covered under existing insurance policies
- To delay the implementation period until 2018

CONTACT

Janet Xanthopoulos

Legal Adviser

Yacht Ownership & Administration Dpt Manager

Rosemont Yacht Services

Les Villas del Sole
47-49, boulevard d'Italie
Monaco

Tel. +377 97 97 21 41

Fax. +377 97 97 21 51

email: j.xanthopoulos@rosemont-yacht.com

Web site: www.rosemont-yacht.com



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