

**Methodological manual to the  
„Intrastat Dispatches” and „Intrastat Arrivals”  
declarations  
for 2019**

(Registration number: 2010 and 2012)

## TABLE OF CONTENTS

<b>1. Definitions .....</b>	<b>3</b>
<b>2. Intrastat Transactions .....</b>	<b>6</b>
<b>2.1 Goods to be declared in Intrastat.....</b>	<b>6</b>
2.1.1. Arrivals.....	6
2.1.2. Dispatches.....	6
2.1.3. Various transactions in Intrastat .....	7
<b>2.2 Goods excluded from Intrastat.....</b>	<b>9</b>
2.2.1 Transit and Quasi transit (excluded from Intrastat!) .....	11
2.2.2 Triangular trade .....	12
2.2.3 Re-export transactions .....	12
2.2.4 Goods on consignment or purchase/sale with the intermediation of a commission agent.....	13
2.2.5 Consignment store.....	14
2.2.6 Fiscal warehouses .....	14
2.2.7 Trade using the Hungarian VAT registration number of a company resident in another country .....	14
2.2.8 Trade between a Hungarian company and its VAT registration number in another Member State.....	16
<b>2.3 Other cases .....</b>	<b>17</b>
<b>ANNEX A: INTRASTAT TERRITORIES OF MEMBER STATES .....</b>	<b>20</b>
<b>ANNEX B: CN8 CODES FOR PARTS OF MACHINERY OR EQUIPMENT .....</b>	<b>21</b>
<b>ANNEX C: TYPICAL CASES OF TRIANGULAR TRADE.....</b>	<b>22</b>
<b>ANNEX D: CASES OF PROCESSING UNDER CONTRACT .....</b>	<b>24</b>

## 1. Definitions

### **Combined Nomenclature (CN)**

Common Customs tariff and statistical nomenclature used by the Member States of the EU for identification and classification of commodities.

### **Community goods**

Goods in the common market of the European Union may move freely without any administrative bindings from one Member State to another.

Community goods originate from the following sources:

- goods entirely produced in the customs territory of the European Union (without using any products from third countries);
- goods imported from outside the customs territory of the EU and released for free circulation through the proper customs procedure in a Member States;
- goods produced in the customs territory of the EU by using products defined in the first and the second paragraph or only of goods defined in the second paragraph.

### **Commodatum contract (loan)**

The lender is obliged to provide the goods in question to the borrower free of charge for use within the period of the contract; the borrower is obliged to return the goods on expiration of the contract. Only products loaned for more than two years are to be included in Intrastat.

### **Country of origin**

The country where the goods were produced, exploited or processed. If the goods were produced in more than one country, the country of origin is the state where the last significant phase of processing was implemented.

### **Financial leasing**

Goods delivered within the frame of a leasing contract. By signing the contract the lessee acquires the rights and benefits, and also the risks and responsibilities of the product against the leasing fee. The lessee gains the ownership the latest when paying the last instalment or at the expiration of the contract or the lesser provides a buying option. Financial leasing operation are to be reported in Intrastat.

### **Flow**

There are two types of trade flows: flows to a given Member State (arrivals) and flows from a given Member State (dispatches).

### **Inward processing**

Arrivals of materials, components, semi-finished products owned by a foreign contracting company (processee) with a view to processing, assembling and either redispacting the

goods to a foreign country or selling them in Hungary after processing, according to the orders of the contracting party.

Those transactions where the value of the goods provided by the foreign contracting company compared to the value of the final products is

- higher than 50%, the transaction should be reported as a processing;
- lower than 50%, the trader can choose between two possibilities:
  - reporting a processing under contract transaction, or
  - reporting purchase of material and sale of the goods under transaction code 11 declaring the value of the material provided by the contracting party on arrival and the total value (material provided + value added) of the processed goods on dispatch.

### **Item**

The unit of the Intrastat report for which statistical data are to be reported. It might be a single transaction or the consolidation of several transactions according to the given rules.

### **Market value**

The value for which a given product is or would be traded between independent parties.

### **Member State of consignment**

The Member State from which the goods were dispatched to another Member State.

### **Member State of destination**

The final destination Member State of the traded goods (as known by the consignor).

### **Operational leasing**

Goods delivered within the frame of a leasing contract. By signing a leasing contract the lessee acquires the right to use the product against the leasing fee. The rights and benefits as well as the risks and responsibilities concerning the goods remain at the lesser. Only products leased for over two years belong to the scope of Intrastat. After two years it is to be reported under transaction code 91.

### **Outward processing**

Movements of materials, components, semi-finished products owned by a domestic company to another Member State for processing, assembling and either re-dispatching or not re-dispatching the finished goods.

### **Processing fee**

Amount payable for processing, assembling.

**Processing left-over and waste**

Materials provided for processing, assembling that remained unused and the waste and by-products of the process. Re-transporting of materials provided for processing in an unchanged state is also included. It shall be reported under transaction code 59.

**Repair, maintenance, reconstruction**

Movements of goods with the purpose of restoring or maintaining their original function and movements after finishing these operations without change of ownership. The purpose of the operations is to maintain the working order of the product, which may involve some modification and enhancements, but does not change the nature of the goods in any way. Goods transported to and from reparation, are not to be reported in Intrastat (but as trade of services).

**Temporary movements of goods**

Transport of goods to another country with the intention of returning them within two years in an unaltered state, except for amortization due to normal use. Further criteria are that the owner of the goods shall not change meanwhile and the transaction shall not be reported as Community acquisition/delivery for the purpose of VAT. Temporary movements of goods are excluded from Intrastat. Transportation of goods within operations with a view to or following processing under contract is not considered temporary movement in Intrastat. Movements of goods under operational leasing and lending of more than two years are neither considered as temporary movements.

**Trade of materials with a view to processing**

Arrivals or dispatches of commodities, components, semi finished products owned by a processee with the intention of having them processed, assembled.

**Transaction**

Any operation, resulting movement of goods that is under the scope of foreign trade statistics in the Member States. Trading of one article to one country (to one partner in the case of dispatches) on one occasion.

**Value added of processing**

Processing fee plus the value of materials and parts owned by the processor and added or utilized to the final product during the processing activity.

**Value of goods at national frontier (statistical value)**

Recording the value of foreign trade movements is done according to the transaction value calculated at the national frontier (statistical value), i.e.

- in case of imports (arrival) it is the market value of the given commodity at the Hungarian frontier including transport and insurance costs occurred until reaching the frontier,
- in case of exports (dispatches) it is the market value of the given commodity at the Hungarian frontier including transport and insurance costs occurred until reaching the frontier.

## 2. Intrastat Transactions

- 2.1. With the exemption of some cases any movements of goods from a Member State to Hungary (arrivals) or from Hungary to a Member State (dispatches) **have to be declared in Intrastat.**

### ***Attention!***

***The Intrastat declaration has to be filled in according to the physical movement of goods independently from the accounting (see examples in Annex „C”)!***

- 2.1.1. **Arrivals** shall be reported, if goods enter Hungary from another Member State and they are

- Community goods (except for goods in transit or quasi transit [see *Subchapter 2.2.1.* ]), and
- non-Community goods which were put under inward processing or processing under customs procedure in the Member State of consignment and a customs declaration on the arrival is issued in Hungary.

*E.g. goods are entering the Community from a third country for processing under contract. The first phase of the work is carried out in another Member State and then the semi-processed goods are delivered to Hungary for further processing and in possession of a single permission a customs declaration is not issued. The latter movement has to be reported in the Hungarian Intrastat.*

- if change of ownership of vessels or aircraft occurs, where the ownership is transferred from a natural or legal entity registered in another Member State to a natural or legal entity registered in Hungary.

- 2.1.2. **Dispatches** shall be reported, if goods are delivered to another Member State from Hungary and they are

- Community goods (except for goods in transit or quasi transit [see *Subchapter 2.2.1.* ]), and

- non-Community goods which are under inward processing or processing under customs control procedure and a customs declaration on the dispatch is issued in Hungary with no other remark than dispatching the goods.

*E.g. goods are entering Hungary from a third country for processing under contract. The first phase of the work is carried out in Hungary and then the semi processed goods are delivered to another Member State. The latter movement has to be reported in Intrastat in Hungary.*

- if change of ownership of vessels or aircraft occurs, where the ownership is transferred from a natural or legal entity registered in Hungary to a natural or legal entity registered in another Member State.

### 2.1.3. Various transactions in Intrastat

#### ➤ Returned goods and goods for replacement

Returned goods **originally** transported with transaction **code 11-19**, and their replacements (without compensation), and replacements of not approved but not returned goods (also free of charge) are to be reported in Intrastat (under nature of transaction codes 21, 22 and 23, respectively) **according to the direction of the movement**. Re-transporting shall be declared on the originally declared value and the replacements have to be declared on their own value.

If a company is bound to supply information only for one direction of flow the returned goods and goods for replacement only for that direction should be reported. Thus, for example, it can happen that the return of purchased goods is not reported (if the company is obliged to report only on their arrivals) or the purchase of the goods is not reported but the information on its return should be supplied (if the company is bound to report only on their dispatches).

*If for example H1 Hungarian company is returning goods previously reported as arrivals under nature of transaction code 11, it has to report a dispatch under nature of transaction code 21 (if the company is selected for reporting that flow). The free of charge replacement goods are to be reported again as arrivals under nature of transaction code 22.*

*If the originally obtained defective product is not returned, but there is a free of charge replacement received instead, this latter movement has to be reported as arrival under nature of transaction code 23.*

- Goods dispatched with a view to processing under contract **with a transaction code 41 and 42** and were returned unchanged that must be

reported with transaction code **59** in the corresponding direction of flow, with the original (material) value and CN code.

- Return and replacement of goods **originally reported with a transaction code starting with 3, 7, 8 and 9** shall be reported with the same code in the reverse flow.

Data providers obliged to report only one flow have to report returned goods and replacements only for that specific direction.

### ➤ Indirect trade (to be reported!)

As the European Union is a single market, goods imported from third countries might be released into free circulation and customs duties be paid for them in any of the Member States. Likewise, in case of exports, customs formalities might be carried out in any of the Member States. The practical consequences of this possibility can be monitored in the Hungarian Intrastat system by distinguishing indirect trade and quasi transit transactions.

If a **Hungarian company is exporting to a country outside the EU** so that the goods are transported through the territory of other Member State(s), there are two possibilities:

- The export customs procedure is carried out in Hungary and the goods are transferred through the other Member State(s) as simple transit (which is not an Intrastat movement), or
- The goods are in free circulation (Community goods status) when transferred to the other Member State, and the export customs procedure is carried out there **on behalf of the exporting or importing company with its Community tax registration number (or by a fiscal representative)**. This is called an indirect export, which is to be reported in Intrastat as a **dispatch** to the other Member State.

*For example H1 Company is exporting to the United States. The goods are transported to Rotterdam where an export customs procedure is carried out using the Community tax registration number of H1 or the US customer and the goods are leaving the territory of the EU to the US customer. H1 has to report a dispatch in Hungary indicating NL as Member State of destination, and nature of transaction code is 92.*



If a **Hungarian company is importing from a country outside the EU** so that the goods are transported through the territory of other Member State(s), there are also two possibilities:

- The goods are transported through the other Member State(s) as simple transit, and the customs procedure after which they are released into free circulation is carried out in Hungary (this transaction is not in the scope of Intrastat), or
- The goods are released into free circulation in another Member State **on behalf of the exporting or importing company with its Community tax registration number** (or **by a fiscal representative**) and then transferred to Hungary. This is an indirect import transaction where the movement between the Member States has to be reported in Intrastat as **arrival** from the other Member State.

*For example H1 Company is importing from the United States. The goods are delivered to Rotterdam by sea transport where the releasing into free circulation customs procedure is arranged by using the Community tax registration number of H1 or the US customer and then the goods are sent to Hungary (already in Community goods status). H1 has to report an arrival in Hungarian Intrastat with nature of transaction code 92 where the country of consignment is NL.*

### **Attention!**

***In the case of indirect imports it is not the original value on the invoice which has to be given in the field "Invoiced amount". [See „Intrastat Guide 2019” at the description of i. Invoiced amount among the special cases.]***

Indirect trade (export or import except processing transactions) is to be reported under nature of transaction **code 92**.

**Material transported in the frame of indirect trade for processing under contract and the processed products after a processing procedure shall be reported under the appropriate 41, 42, 51 or 52 nature of transaction code.**

## **2.2 Goods excluded From Intrastat**

- goods in transit or quasi transit [see *subsection 2.2. 1*];
- triangular trade where goods are not entering the territory of Hungary from another Member State, or they are not moving to another Member State from Hungary; Hungary is concerned in invoicing only [see *subsection 2.2.2*];

- trade with those territories of Member States which do not belong to the scope of Intrastat [see *Annex A*].
- The following products also excluded from Intrastat:
  - Unused postage, revenue or similar stamps of current or future use in the country in which they have, or will have a recognized face value; stamp impressed paper; banknotes; cheque forms; stock, share or bond certificates and highway vignettes.
  - Monetary gold.
  - Goods arrived/ dispatched for temporary use, provided all the following conditions are met:
    - no processing is planned or carried out,
    - the expected duration of the temporary use is not intended to be longer than 24 months,
    - the dispatch/arrival has not to be declared as a delivery/acquisition for VAT purposes.
  - Tailor-made goods used as carriers of customised information, including software.
  - Software downloaded from the Internet.
  - Goods supplied free of charge which are themselves not the subject of a commercial transaction, provided that the movement is with the sole intention of preparing or supporting an intended subsequent trade transaction by demonstrating the characteristics of goods or services such as:
    - advertising material,
    - commercial samples.
  - Goods for and after repair and the associated replacement parts. A repair entails the restoration of goods to their original function or condition. The objective of the operation is simply to maintain the goods in working order; this may involve some rebuilding or enhancements but does not change the nature of the goods in any way.
  - Goods moving between:
    - a Member State and its territorial enclaves in other Member States, and
    - the host Member State and territorial enclaves of other Member States or international organisations.
  - Territorial enclaves include embassies and national armed forces stationed outside the territory of the mother country.
  - Means of transport moving between countries in the course of their work.

### 2.2.1 Transit and Quasi transit (excluded from Intrastat!)

- If a company is exporting to a country outside the EU so that the goods are transported through Hungary, there are two possibilities:

- The export customs procedure (by completing the SAD) is carried out in another EU member state and the goods are transferred through Hungary as simple **transit** (which is not in the scope of foreign trade statistics), or
- The goods are in free circulation status when transferred to Hungary, the export customs procedure is carried out in Hungary by completing the SAD. In this case a SAD will be filled in about the **export** of goods arrived from another Member State. (Another EU Member State shall be written in the Field 15/a of the document.)

From Hungarian standpoint this case is called **quasi transit** and, although the movement of the goods between the exporting Member State and Hungary is in the scope of Intrastat, it is **not to be reported**, because HCSO is receiving information on the movement through the SAD.

- If a company is importing from a country outside the EU so that the goods are transported through Hungary, then there are two possibilities:

- The goods are transported through Hungary as a simple **transit** (which is not in the scope of foreign trade statistics), and the customs procedure for releasing it into free circulation is carried out in the Member State of destination (by completing the SAD), or
- The goods are released into free circulation by completing the SAD in Hungary and then transferred to the Member State of destination. In this case a SAD will be filled in about the import and **placing into free circulation** of goods arrived from a country outside the EU. The document has the following specialities:
  - Country of destination is another EU Member State (Field 17/a)
  - Applied Customs Procedure code (Field 37) is starting with 42, 49 or 63 with the exception of the codes starting with 4291 and 4251.

This case is called **quasi transit** and, although the movement of the goods between the importing Member State and Hungary is in the scope of Intrastat, it is **not to be reported**, because HCSO is receiving information on the movement via the data of the SAD.

## 2.2.2 Triangular trade

A concept of triangular trade includes transactions with three acting parties; besides the usual Hungarian one and one from any Member States, a third one from any country of the world.

The general rule of defining the **partner country** in Intrastat report is that irrespectively of the financial and invoicing arrangements, the **physical movement of the goods has to be considered**. If the goods are not entering the territory of Hungary from any of the Member States or they are not leaving it to a Member States, the transaction is not to be recorded in Hungarian Intrastat.

Examples of triangular trade are shown in Annex C.

### **Attention!**

**If there are more than one Hungarian VAT registered parties involved in the arrival/dispatch of the goods, the company reporting the transaction to VAT is liable for Intrastat reporting (without any other instruction).**

H1 Hungarian company having goods processed by H2 Hungarian company then sells the finished product to a French company. The product is dispatched from H2. Intrastat report is to be submitted by H1 as the dispatch to a Member State (France) is reported in his VAT declaration.

## 2.2.3 Re-export transactions

An economic operator registered in Hungary or in another country is **purchasing** goods in another country to sell them in unchanged state in a third country. (except cases of **Quasi transit**, see in subsection 2.2.1)

### ➤ **Direct re-export**

The goods are transported directly between two Member States or a Member State and a third country without entering the territory of Hungary. This transaction is a variant of triangular trade and it is **not** in the scope of Intrastat.

### ➤ **Indirect re-export**

The goods are entering into Hungary but they are transported further, too. The following possibilities should be distinguished:

- If the goods arrived from a Member State then transported to another Member State, an arrival and a dispatch **should be reported** to Intrastat under nature of transaction code 17);
- If the goods were imported from a third country, released into free circulation in Hungary and then delivered to a Member State, Intrastat **dispatch should be**

**reported to Intrastat as re-export** (except cases of Quasi transit, see in subsection 2.2.1).

- If the goods were imported from a third country, put under a customs warehousing procedure in Hungary and then delivered to a Member State, **no report should be made** to Intrastat;
- If the goods arrived from a Member State, and then were exported to a third country, **only the arrival should be reported** to Intrastat (except cases of Quasi transit, see in subsection 2.2.1.).

Re-export transactions – both arrivals and dispatches – are to be reported under **nature of transaction code 17** in Intrastat.

In practice it can happen, that at the time of arrival it is still uncertain whether the product is being sold domestically or abroad, i.e. the arrival should be reported under code 11 or 17. In this case

- it is appropriate, that the data provider divides the arrival into the two transaction codes according to an estimation based on the experience of earlier periods, then the part actually delivered (which obviously does not match items at arrivals estimated as re-export) is reported under code 17
- if the data provider can not even estimate how to divide the arrivals into two parts, in this case all should be reported under code 11, then the re-exported part under code 17 at dispatches.

## 2.2.4 Goods on consignment or purchase/sale with the intermediation of a commission agent

### ➤ **Goods on consignment** (trading in its own name but on the client's account)

The consignee – in the framework of a consignment agreement – takes over the goods from the Hungarian producer for selling it abroad or from the foreign producer for selling it in Hungary. The consignee is selling the goods in its own name but on the account of the consignor. (i.e. the consignee is not buying the goods).

Intrastat reports have to be provided by the **consignee** on an estimated value at the time of the physical movement of the goods between the Member States.

### ➤ **Trade via commission agent** (trading in the name and on the account of a client)

The commission agent is providing only intermediation service. The agent's task is to promote his client's interest and to intermediate in the purchase/sale between the buyer and the seller.

Intrastat reports have to be provided by the **buyer and seller** (not by the commission agent).

Both goods on consignment and purchase/sale transactions with the intermediation of a commission agent have to be reported under nature of transaction code 12.

### 2.2.5 Consignment store

A company registered in another Member State is transferring its goods to Hungary (or vice versa the Hungarian company is transferring to another Member State) into the warehouse of a contracting partner, for the exclusive use of that partner. The partner uses the goods according to its needs from the store; invoicing is reflecting this real usage. This transaction is to be reported in Intrastat according to **the time of the purchase/sale** (withdrawing from the store for use) under nature of transaction code 11.

### 2.2.6 Fiscal warehouses

Community goods are allowed to be stored temporarily (until their use) or to be sold in VAT warehouses without paying VAT. Parties entering the goods from a Member State to a fiscal warehouse in Hungary or withdrawing them to a Member State, have to report these transactions in Intrastat under code according to nature of transaction as described in subsections 2.2.7. and 2.2.8. This means the reporting obligation of

- arrival when entering goods to a fiscal warehouse from one of the Member States of the EU,
- dispatch, when withdrawing goods from a fiscal warehouse to one of the Member States of the EU.

Placing goods to a fiscal warehouse from inland or change of ownership within the warehouse are not to be reported in Intrastat.

### 2.2.7 Trade using the Hungarian VAT registration number of a company resident in another country

Any company resident in another country can register for VAT in Hungary without establishing a subsidiary, a local branch or other types of organisations. **It has obligation to report trade** in goods concerning the given tax number in a Hungarian VAT declaration and, in the case of intra-EU transactions, **in an Intrastat report** as well.

While from the viewpoint of VAT, the transactions are purchase/sale or transfer of stock, from the viewpoint of the Hungarian economy these transactions generally shall be reported in another way:

➤ **Trade, warehousing, operation of logistics centres**

In order to be able to store goods in its own possession in a warehouse in Hungary, a company resident in another country has to register for VAT in Hungary and include both the products entering and leaving the country in its VAT declaration.

If these goods arrive from or are dispatched to a Member State, then these are to be reported in the Hungarian Intrastat as well.

- If the goods arrive to the Hungarian VAT number on sales purposes, then they are transported out of the country in unaltered state, then this has to be reported according to re-export as described in subsection 2.2.3.
- If the company resident in another country, transferring the goods to its own Hungarian tax registration number knows that it will eventually sell them in Hungary, then it has to report them under nature of transaction code **11**, already upon their arrival. From the viewpoint of Hungary and Hungarian statistics, this transaction - although taking place in two steps – is in reality the **purchase of the goods**.
- If the company resident in another country purchases goods from Hungarian companies for its own Hungarian VAT number and dispatches it to a Member State, it has to be reported as **a sale under the Nature of transaction code 11** (because in fact a Hungarian company sold its goods to a foreigner.)

➤ **Having processing done in Hungary**

The company resident in another country which has the processing under contract done has the materials for processing invoiced to its own Hungarian VAT registration number, has it processed by a Hungarian company and also sells the processed product from the same VAT registration. If this movement of goods involves a Member State of the EU, then the transaction has to be recorded in the VAT declaration of the Hungarian tax registration number as an intra-Community purchase/selling of goods.

As an Intrastat report – in line with general rules in Intrastat - is to be submitted by the VAT registration number which reports the given transaction in its VAT declaration, **the company which has the processing done has to complete an Intrastat report for its Hungarian VAT registration number** (of course it can also hire a Hungarian representative to do that). The arrival is to be reported as materials for processing and the dispatch as finished goods after processing, according to the **inward processing**-related instructions of Annex D.

**Attention!**

**A special rule applies for calculating the value of dispatches with nature of transaction codes 51 and 52** (selling of finished goods).

- The processing fee is to be reported as Invoice Amount – according to the general rule.
- However, the **selling price** reported in the VAT declaration (adjusted for transport and insurance costs until the Hungarian border) is to be given as **statistical value**, which, besides the cost of materials and the processing fee, also includes the profits of the company having the processing done. [see *instructions for completing field J „Statistical value” of Intrastat Guide*].

➤ **Processing under contract in a third Member State**

It can occur that a company, resident in another country, dispatches goods for processing to a third Member State from its Hungarian VAT number, that may be imported or bought in Hungary earlier. For Hungary this dispatch is not a transport of materials for processing because both the processee and the processor are foreigners [see the general rules of processing in Annex D].

These transactions, according to the description in the first paragraph, shall be reported either as a **re-export** in case of purchased goods from abroad or as a **sale** if the goods were purchased in Hungary.

## 2.2.8 Trade between a Hungarian company and its VAT registration number in another Member State

➤ **Warehousing, selling/purchasing**

Shall be reported under **nature of transaction code 11**

- dispatches to the own VAT number for a later **sale**
- arrivals of goods purchased in another Member State (from its tax registration number registered in that country).

➤ **Processing under contract in another Member State**

Shall be reported under nature of **transaction codes for processing under contract** [see *Annex D*]

- Material in possession of the processee, dispatched from Hungary to its own VAT number in another Member State, and
- Arrivals of the processed goods in Hungary from the VAT number in another Member State (even if it doesn't contain any materials transported from Hungary).



## 2.3 Other cases

Product or transaction	Is it to be reported in Intrastat? (Rules of reporting)
<b>Advance payment</b> of a later transport	No (the total value of goods should be reported at its delivery)
<b>Advertising material</b>	<ul style="list-style-type: none"> <li>No, if it is for free.</li> <li>Yes, if it is to be paid for.</li> </ul>
<b>Barter trade</b>	<ul style="list-style-type: none"> <li>Yes, at estimated market value. (Nature of transaction code 13).</li> </ul>
<b>Commercial samples</b>	<ul style="list-style-type: none"> <li>No, if it is free.</li> <li>Yes, if it is paid.</li> </ul>
<b>Commodatum contract</b>	<ul style="list-style-type: none"> <li>No, if the contract is limited up to 2 years.</li> </ul> <p>Yes, if the contract is for more than 2 years, at the time of dispatch/arrival at the full value of the commodity (nature of transaction code 91).</p>
<b>Copyright, licence</b>	No.
Deliveries to <b>consulates</b>	No (neither deliveries to consulates of other Member States in Hungary, nor to consulates of Hungary in other Member States).
Deliveries to <b>international organisations</b>	<ul style="list-style-type: none"> <li>Yes, if the organisation is in another Member State.</li> <li>No, if the organisation is in Hungary.</li> <li>No, for movements between two international organisations both located in Hungary.</li> </ul>
Distant sales	<ul style="list-style-type: none"> <li>Yes, if goods are moving between Member States (for example books, clothes). (nature of transaction code 19)</li> </ul> <p>No, if there is no movement of goods (for example charged software downloads).</p>
<b>Electricity</b>	No.
<b>Financial leasing</b>	Yes, at the time of dispatch/arrival at the market value of the goods (which is not the sum of the instalments).
<b>Fixed assets</b>	Yes.
<b>Gifts</b>	Yes, at their market value. (Nature of transaction code 30).
Goods delivered for <b>examination</b>	<ul style="list-style-type: none"> <li>No, if the goods are returned within 2 years.</li> <li>Yes, if the goods remain there for more than 2 years reporting after the 2 years expires.</li> </ul>
<b>Goods destroyed</b> during transport	<ul style="list-style-type: none"> <li>Yes, if the goods have already left the territory of Hungary in case of dispatch, or have already reached the territory of Hungary in case of arrival.</li> <li>No, if the goods have not left the territory of Hungary in case of dispatch, or have not reached the territory of Hungary in case of arrival.</li> </ul>
<b>Goods in transit</b>	No.
Goods intended for <b>trade fairs, exhibitions</b>	<ul style="list-style-type: none"> <li>No, if the goods are returned within 2 years.</li> <li>Yes, if the goods remain there for more than 2 years reporting after the 2 years expires.</li> </ul>
Goods with <b>pro forma invoice</b>	Yes, at estimated market value.

Product or transaction	Is it to be reported in Intrastat? (Rules of reporting)
<b>Hire</b>	<ul style="list-style-type: none"> <li>No, if the contract is limited up to 2 years.</li> <li>Yes, if the contract is for more than 2 years, at the time of dispatch/arrival at the full value of the commodity (nature of transaction code 91).</li> </ul>
<b>Investment</b>	Yes.
	<ul style="list-style-type: none"> <li></li> </ul>
<b>Machinery for free use</b>	<ul style="list-style-type: none"> <li>No, if the movement is temporary.</li> <li>Yes, if it is not returned within 2 years (Nature of transaction code 91). If it is known previously that it is not going to be returned within 2 years, at the time of dispatch/arrival, otherwise after the 2 years expires.</li> </ul>
Movements of goods between affiliates of a <b>multinational company</b> located in different Member States	<ul style="list-style-type: none"> <li>Yes, at (estimated) market value of the goods, not an internal transfer price.</li> <li>Reporting about trade between a company and its VAT number in another Member state see rules in section 2.2.7. and 2.2.8.</li> </ul>
Movements of goods for or after <b>repair</b> or maintenance	<ul style="list-style-type: none"> <li>No, if no change of ownership occurs (not even for the built-in new parts).</li> <li>Yes, if the enterprise, which performs the repair is purchasing the goods, and selling them after repair (these are two separate transactions both with nature of transaction code 11).</li> </ul>
<b>Newspapers, periodicals</b>	<ul style="list-style-type: none"> <li>Yes, if it is an individual acquisition.</li> <li>No, if it is a newspaper subscription because it is recorded as service.</li> </ul>
<b>Operational leasing</b>	<ul style="list-style-type: none"> <li>No, if the contract is for less than 2 years.</li> <li>Yes, if the contract is for more than 2 years, at the time of dispatch/arrival at the total value of the product (nature of transaction code 91).</li> </ul>
<b>Packaging material</b>	<ul style="list-style-type: none"> <li>Yes, for packaging sold together with the commodity (the value of the commodity includes packaging)</li> <li>No for reusable packaging material to be returned.(i.e. container, pallet)</li> <li>Yes, if the packaging material is the object of the transaction.</li> </ul>
<b>Price reduction</b> after the transaction	No, the commodity has to be reported at its full value, no correction is needed because of price reduction after the transaction. Exception: Firms, which apply IFRS, shall declare the amount decreased by the estimated discounts as it is reported on the balance sheet!
<b>Replacement under guarantee</b>	<ul style="list-style-type: none"> <li>Yes, for replacement of the entire product [see Section 2.1.3.].</li> <li>No, for replacement of parts.</li> </ul>
<b>Sales on the Internet</b>	<ul style="list-style-type: none"> <li>Yes, if goods are moving between Member States (for example books, clothes).</li> <li>No, if there is no movement of goods (for example downloaded software for charge).</li> </ul>

Product or transaction	Is it to be reported in Intrastat? (Rules of reporting)
<b>Sales to private individuals</b>	<ul style="list-style-type: none"> <li>▪ Yes, if a Hungarian company is selling to a foreign private individual (Nature of transaction code 11).</li> <li>▪ No, if a foreign individual is purchasing from a Hungarian company in Hungary.</li> </ul>
<b>Services</b>	<ul style="list-style-type: none"> <li>▪ No, solely service transactions.</li> <li>▪ No, even if movement of goods occurs within a basically service contract (except for transactions falling under nature of transaction 81 and 82).</li> <li>▪ Yes, if the transaction is basically purchase/sale of goods, but the value of some services cannot be separated in the invoice, at the total value (for example purchase of machinery with installing).</li> </ul>
<b>Small amounts</b>	Yes, but transactions below HUF 60,000 (EUR 200) may be aggregated.
<b>Software</b>	<ul style="list-style-type: none"> <li>▪ Yes, for standard commercial software (for example: Windows 10) and its users manuals.</li> <li>▪ No, for software developed according to individual needs and its users manuals.</li> <li>▪ Yes, for invoicing of hardware, software and licence together is to be reported at the total value.</li> <li>▪ Updates to a previously purchased standard software on physical data carrier               <ul style="list-style-type: none"> <li>– No, if the original price included updates,</li> <li>– Yes, if it is paid for</li> </ul> </li> <li>▪ No, if there is no physical movement of goods (for example, buying the authorization of a new user for a previously purchased software, or downloading a commercial software from the Internet, or purchase of licence only).</li> </ul>
<b>Supplies for Hungarian armed forces</b> stationed in another Member State	No.
<b>Temporary movements of goods</b>	No. (If the goods are not to be returned within 2 years, they should be reported as new items at their actual (amortized) value after the 2 years expires. Nature of transaction code is 91)
<b>User manuals</b>	<ul style="list-style-type: none"> <li>▪ For users manuals of software see "Software"</li> <li>▪ Yes, in the case of users manuals belonging to machinery and apparatus</li> </ul>
<b>Waste</b>	<ul style="list-style-type: none"> <li>▪ Trading of still usable waste produced as by-product of industrial processing is to be treated as any other purchase/sale transaction.</li> <li>▪ Yes, if it is the return of waste after processing under contract (code 59).</li> <li>▪ No, if it is valueless, or is even paid for its destruction.</li> </ul>

## Annex A: Intrastat Territories of Member States

Code	Name	Scope of Intrastat		
		Included	Excluded *	
			on the code of the Member State	on other (non EU) code
<b>AT</b>	Austria			
<b>BE</b>	Belgium			
<b>BG</b>	Bulgaria			
<b>CY</b>	Cyprus	Akrotiri and Dhekelia		
<b>CZ</b>	Czech Republic			
<b>DE</b>	Germany		the Island of Heligoland	the territory of Büsingen(CH)
<b>DK</b>	Denmark			The Faeroe Islands (FO), Greenland (GL)
<b>EE</b>	Estonia			
<b>ES</b>	Spain	Balearic Islands	Canary Islands	Ceuta (XC), Melilla (XL)
<b>FI</b>	Finland		The Åland Islands	
<b>FR</b>	France	Monaco, Corsica	French Guiana, Guadeloupe, Martinique, Réunion, French part of Saint-Martin, Mayotte	New-Caledonia (NC), Saint –Pierre and Miquelon (PM), Wallis and Futuna Islands (WF), French Polynesia (PF), French Southern and Antarctic Territories (TF)
<b>GB</b>	United Kingdom (Great Britain and Northern Ireland)	Isle of Man,	the Channel Islands	Gibraltar (GI)
<b>GR</b>	Greece		Mount Athos	
<b>HR</b>	Croatia			
<b>IE</b>	Ireland			
<b>IT</b>	Italy	Sicily, Sardinia, Livigno, the Italian water of Lake Lugano		Campione d'Italia (CH), San Marino (SM)
<b>LT</b>	Lithuania			
<b>LU</b>	Luxemburg			
<b>LV</b>	Latvia			
<b>MT</b>	Malta	Gozo, Comino		
<b>NL</b>	Netherlands			
<b>PL</b>	Poland			
<b>PT</b>	Portugal	Azores, Madeira		
<b>RO</b>	Romania			
<b>SE</b>	Sweden			
<b>SI</b>	Slovenia			
<b>SK</b>	Slovak Republic			



\* Trade with territories listed in this column has to be declared on SAD, with the given country codes.

## Annex B: CN8 codes for parts of machinery or equipment

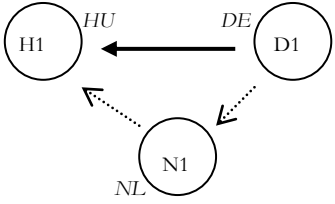
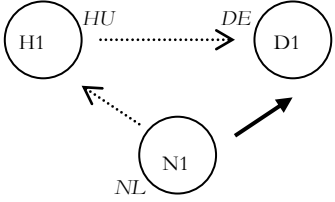
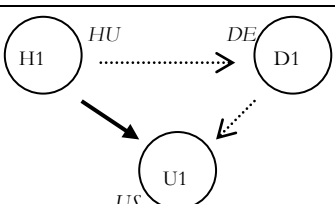
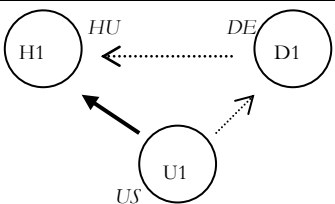
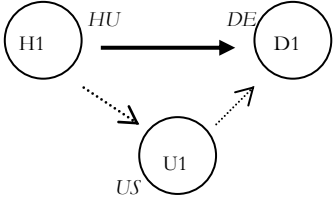
- Parts, if suitable for use solely or principally with a particular kind of machine, or with a number of machines of the same heading are to be classified generally **under the same product code as the machine itself**, BUT
- Parts of machines are to be classified **under a different CN code** according to the following list:
  - 8409: Parts suitable for use solely or principally with the engines of heading 8407 or 8408
  - 8431: Parts suitable for use solely or principally with the machinery of headings 8425 to 8430
  - 8448: Parts suitable for use solely or principally with the machinery of headings 8444 to 8447
  - 8466: Parts suitable for use solely or principally with the machinery of headings 8456 to 8465
  - 8473: Parts suitable for use solely or principally with the machinery of headings 8469 to 8472
  - 8503: Parts suitable for use solely or principally with the machinery of headings 8501 to 8502
  - 8522: Parts suitable for use solely or principally with the machinery of headings 8519 to 8521
  - 8529: Parts suitable for use solely or principally with the machinery of headings 8525 to 8528
  - 8538: Parts suitable for use solely or principally with the machinery of headings 8535 to 8537.
- Goods which are obviously parts of machinery or equipment but **it cannot be recognized to what kind of machines** or groups of machines are they suitable for (e.g. they are equally suitable for different kinds of machines) shall be classified under
  - 8487, in case of a non-electric parts
  - 8548, in case of an electric parts

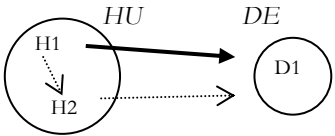
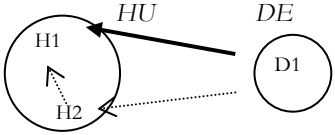
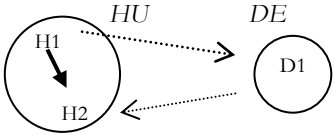
## Annex C: Typical cases of triangular trade

Legend:

	Movement of the goods, to be declared in Intrastat
	Movement of the invoice
HU, DE, NL, US	Hungary, Germany, Netherlands, United States
H1, H2, D1, N1, U1	enterprises of the above countries

Remark: Germany and Netherlands is replaceable with any other Member State of the EU and United States is replaceable with any other third country.

	Description of the transaction	Who is obliged to report Intrastat?
<b>Triangular trade among three Member States</b>		
	<p>1. ex. N1 is buying from D1, and reselling to H1. Goods are transported from DE to HU.</p> <p>2. ex. H1 is buying from N1, but the goods are delivered from its German affiliate.</p>	<p>H1: arrival from DE</p> <p>D1: dispatch to HU</p> <p>N1: –</p>
	H1 is buying from N1, and reselling to D1. Goods are transported from NL to DE directly.	<p>H1: – (goods have not entered Hungary)</p> <p>D1: arrival from NL</p> <p>N1: dispatch to DE</p>
<b>Triangular trade among two Member States and a third country</b>		
	Country of destination is outside the EU H1 is selling to U1 via the agent D1. Goods are delivered from HU to US.	No reporting, because the goods were delivered from Hungary to a third country. (H1 has to declare on export SAD).
	Country of consignment is outside the EU H1 is buying from U1 via the agent D1. Goods are transported from US to HU.	No reporting, because the goods were coming from a third country to Hungary. (H1 has to declare on import SAD).
	Intermediate company is outside the EU H1 Hungarian enterprise is selling to D1 via U1 American agent. Goods are delivered to DE directly.	<p>H1: dispatch to DE</p> <p>D1: arrival from HU</p>

	Description of the transaction	Who is obliged to report Intrastat?
<b>Triangular trade among two Member States</b>		
 <p>The diagram shows a circle for Hungary (HU) containing H1 and H2, and a circle for Germany (DE) containing D1. A solid arrow points from H1 to D1. A dashed arrow points from H2 to D1. A dashed arrow points from H1 to H2.</p>	<p>H1 enterprise is selling goods to H2, which is reselling them to D1. Goods are delivered from H1 to DE.</p>	<p>H1: –</p> <p>H2: dispatch to DE (it is reported in its VAT declaration)</p> <p>D1: arrival from HU</p>
 <p>The diagram shows a circle for Hungary (HU) containing H1 and H2, and a circle for Germany (DE) containing D1. A solid arrow points from D1 to H1. A dashed arrow points from D1 to H2. A dashed arrow points from H2 to H1.</p>	<p>D1 is selling goods to H2-nek, which is reselling them to H1. Goods are delivered from DE to H1.</p>	<p>H1: –</p> <p>H2: arrival from DE (it is reported in its VAT declaration)</p> <p>D1: dispatch to HU</p>
 <p>The diagram shows a circle for Hungary (HU) containing H1 and H2, and a circle for Germany (DE) containing D1. A solid arrow points from H1 to H2. A dashed arrow points from H1 to D1. A dashed arrow points from D1 to H2.</p>	<p>H1 is selling to H2 via D1 agent. Goods are delivered from H1 to H2.</p>	<p>No reporting, because this is an internal market transaction (goods did not leave the territory of Hungary).</p>

## Annex D: Cases of processing under contract

Processing under contract can be carried out in several forms which have to be declared in different ways in Intrastat. Description of all possible cases is beyond the framework of this Guide. If there is no answer to a certain question among the described cases, please, ask the Intrastat Help Desk.

### General rule

- **Only transactions related to processing under contract shall be reported under nature of transaction codes 41 or 42 and 51 or 52 in which either the processee or the processor is Hungarian.**
  - **Finished goods returning to the same Member State** from which the materials arrived are to be reported under transaction codes 41 and 51;
  - **Finished goods not returning to the same Member State** from which the materials arrived (they were either transported to another country or sold in the country of processing) are to be reported under transaction codes 42 and 52.

*If the transport of the material/processed goods concerns several countries – although there are no clear instructions in the EU regulations – trade with countries which are involved in both flows should be reported under code 41/51 (because the materials are transported back after processing to the same country), Other cases should be reported under code 42/52.*

*If it is not yet known at the time of material arrival, where the finished goods will be transported, it is most suitable to report all transactions under code 42/52.*
- **Transactions concerning processing under contract are to be reported under transaction code 11 in the following cases**
  - Companies not participating in processing under contract transactions but only selling materials for processing [see company A1 in example 2.2.4.] or purchasing finished products having gone through processing [see company C1 in example 2.2.1].
  - A company, registered in another Member State dispatches materials for processing under contract from its Hungarian VAT number or transports goods after processing under contract from another Member State to Hungary to its own VAT number (neither the processee nor the processor is Hungarian).



## Transaction codes to be reported

- **For inward processing** – in which the company carrying out the processing is Hungarian and the one having the processing done is resident in another Member State

<i>ARRIVAL</i>		<i>DISPATCH</i>		<i>Relevant example (companies)</i>
<i>Materials coming from</i>	<i>Transaction code</i>	<i>Finished goods transported into</i>	<i>Transaction code</i>	
one of the Member States	41	the same Member State	51	1 (B1); 2.1.1 (B1)
	42	another Member State	52	2.1.3 (B1, C1); 2.2.4 (B1)
	42	a non-EU country	—*	
	42	nowhere, the company having the processing done sells it in Hungary	—	2.2.3 (A1 <sub>B</sub> )
a non-EU country	—*	into a Member State	52	
The company having the processing done purchases it in Hungary	—	into a Member State	52**	2.2.5 (B1 <sub>A</sub> )

\* Appears on the SAD

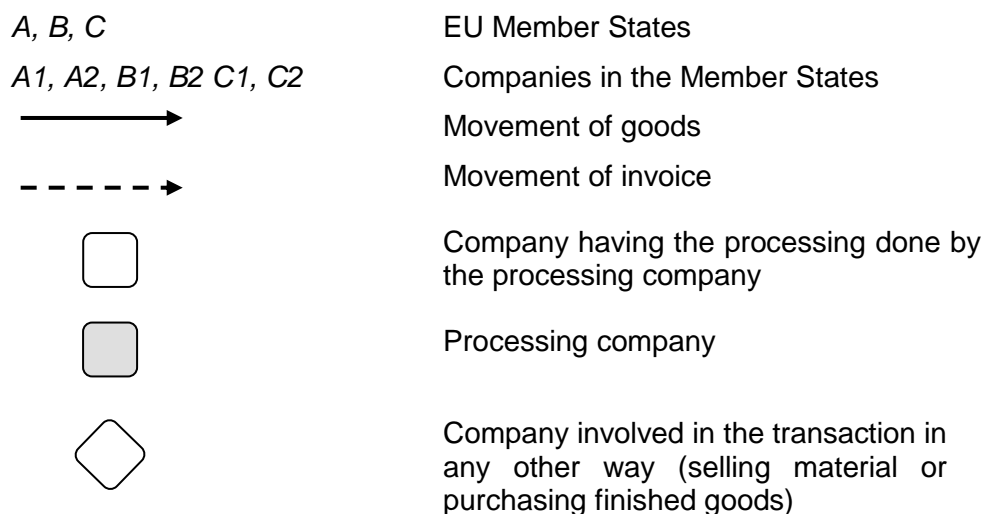
\*\* A Hungarian product is transported into another Member state (The materials processed and the added value of processing are both Hungarian).

- **For outward processing** – in which the company having the processing done is Hungarian and the one carrying out the processing is resident in another Member State

<i>DISPATCH</i>		<i>ARRIVAL</i>		<i>Relevant example (companies)</i>
<i>Materials coming from</i>	<i>Transaction code</i>	<i>Finished goods transported</i>	<i>Transaction code</i>	
Hungary	41	back to Hungary from the same Member State	51	1 (A1); 2.1.1 (A1)
	42	back to Hungary from another Member State	52	2.1.3 (A1)
	42	to another country	—	2.2.1 (A1)
	42	No transport taking place, the company carrying out the processing sells the goods in the Member State where they have been processed.	—	2.2.3 (A1)
not from Hungary (but from the country of processing or from another country)	—	Hungary	52*	2.2.5 (B1); 2.2.4 (C1)

\* A foreign product is transported to Hungary (Both the materials processed and the added value of the processing are foreign.)

Some typical cases are described below with the following legend:



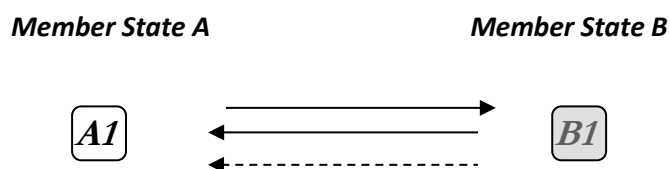
Regardless of the actual shape, continuous frames denote companies which have to report in Intrastat, while lines that are not continuous indicate companies without such obligations.

#### Attention!

**To determine the value of goods reported under transaction code 11, 41, 42, 51, 52 see the Intrastat Guide for Fields “i Invoiced amount” and “j Statistical value” in Chapter 3.**

#### 1. Processing under contract between two parties

*A1* transports material in its possession for processing to *B1*. After processing the finished goods are transported back to *A1*. *B1* charges for the processing fee to *A1*.



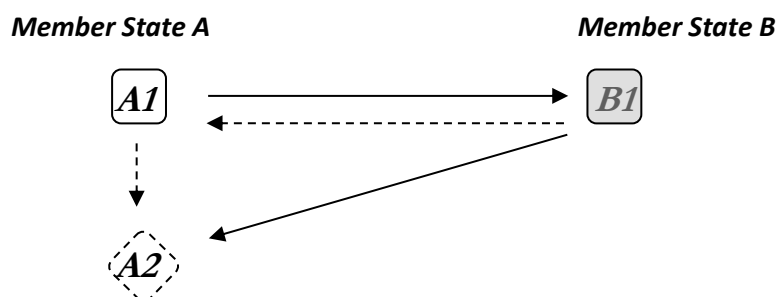
	What to report in Intrastat
<b><i>A1</i></b>	<ul style="list-style-type: none"> <li>○ Dispatch to <i>B</i>; transaction code 41; material</li> <li>○ Arrival from <i>B</i>; transaction code 51; finished goods</li> </ul>
<b><i>B1</i></b>	<ul style="list-style-type: none"> <li>○ Arrival from <i>A</i>; transaction code 41; material</li> <li>○ Dispatch to <i>A</i>; transaction code 51; finished goods</li> </ul>

## 2. Processing under contract among several parties

### 2.1. Finished goods are transported back to the original consigner

#### 2.1.1. Single processing

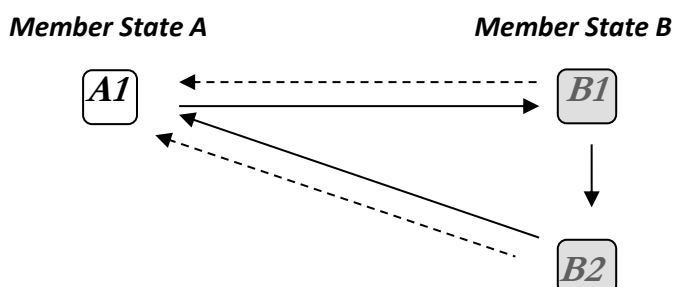
*A1* transports material in its possession for processing to *B1*. After processing, *A1* transports the finished goods to his buyer *A2*. *B1* charges for the processing fee and *A1* charges for the finished goods to *A2* (the latter is a transaction of the internal market and therefore is not in the scope of Intrastat).



	What to report in Intrastat
<b>A1</b>	<ul style="list-style-type: none"> <li>○ Dispatch to <i>B</i>; transaction code 41; material</li> <li>○ Arrival from <i>B</i>; transaction code 51; finished goods</li> </ul>
<b>A2</b>	Nothing
<b>B1</b>	<ul style="list-style-type: none"> <li>○ Arrival from <i>A</i>; transaction code 41; material</li> <li>○ Dispatch to <i>A</i>; transaction code 51; finished goods</li> </ul>

#### 2.1.2. Double processing – in the same Member State

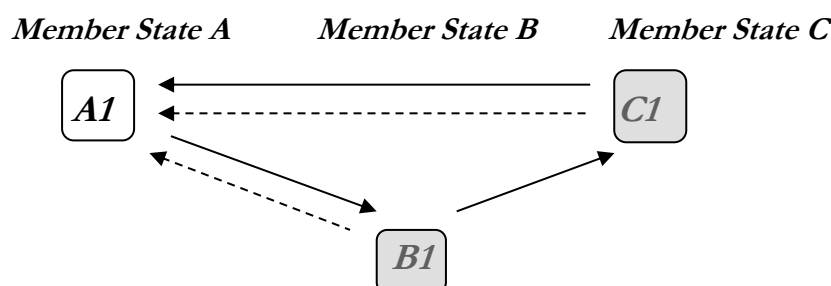
*A1* transports material in its possession for processing to *B1*. The first processing operation is done by *B1*, then the product is delivered for the second processing to *B2*. The finished goods are transported to *A1* from *B2*. *B1* and *B2* charge for their respective parts of the processing to *A1*.



	What to report in Intrastat
<b>A1</b>	<ul style="list-style-type: none"> <li>○ Dispatch to <i>B</i>; transaction code 41; material</li> <li>○ Arrival from <i>B</i>; transaction code 51; finished goods</li> </ul>
<b>B1</b>	<ul style="list-style-type: none"> <li>○ Arrival from <i>A</i>; transaction code 41; material</li> </ul>
<b>B2</b>	<ul style="list-style-type: none"> <li>○ Dispatch to <i>A</i>; transaction code 51; finished goods</li> </ul>

### 2.1.3 Double processing – in different Member States

A1 transports material in its possession for processing to B1. The first processing operation is done by B1, then the product is delivered for the second processing to C (C1). The finished goods are transported from C1 to A1. B1 and C1 both charge for their respective parts of the processing to A1.

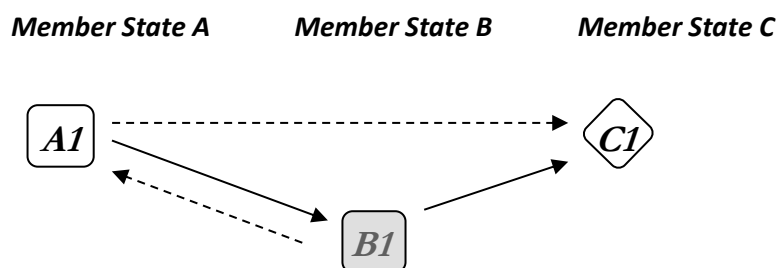


	What to report in Intrastat
<b>A1</b>	<ul style="list-style-type: none"> <li>○ Dispatch to B; transaction code 42; material</li> <li>○ Arrival from C; transaction code 52; finished goods</li> </ul>
<b>B1</b>	<ul style="list-style-type: none"> <li>○ Dispatch from A; transaction code 42; material</li> <li>○ Dispatch to C; transaction code 52; semi-finished goods</li> </ul>
<b>C1</b>	<ul style="list-style-type: none"> <li>○ Arrival from B; transaction code 42; material (semi-finished goods)</li> <li>○ Dispatch to A; transaction code 52; finished goods</li> </ul>

## 2.2 Finished goods are not transported back to the original sender

### 2.2.1. The seller (A1) has material processed in a third Member State

First A1 transports the material for processing to B1, then sells the finished goods to C1, so that they are transported from B to C. B1 charges for the processing fee to A1 and A1 for the finished goods to C1.



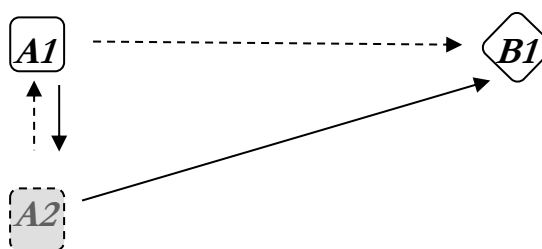
	What to report in Intrastat
<b>A1</b>	<ul style="list-style-type: none"> <li>○ Dispatch to B; transaction code 42; material</li> </ul>
<b>B1</b>	<ul style="list-style-type: none"> <li>○ Arrival from A; transaction code 42; material</li> <li>○ Dispatch to C; transaction code 52; finished goods</li> </ul>
<b>C1</b>	<ul style="list-style-type: none"> <li>○ Arrival from B; transaction code 11; finished goods</li> </ul>

### 2.2.2. The seller (A1) has material processed in his own country

First *A1* transports the material to *A2* for processing, then, after selling the finished goods to *B1*, these are transported from *A2* to *B1*. *A2* charges for the processing fee to *A1* and *A1* for the finished product to *B1*. The movement of the goods between *A1* and *A2* (the processing transaction) is a domestic transaction in *A* and therefore does not belong to Intrastat, however, the selling to *B1* does.

**Member State A**

**Member State B**



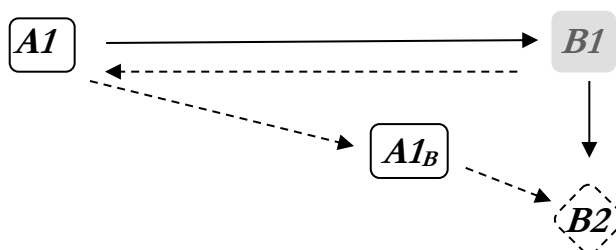
	What to report in Intrastat
<b>A1</b>	○ Dispatch to <i>B</i> ; transaction code 11; finished goods
<b>A2</b>	Nothing, because the intra-community selling appears in the VAT declaration of <i>A1</i>
<b>B1</b>	○ Arrival from <i>A</i> ; transaction code 11; finished goods

### 2.2.3. The seller (*A1*) has material processed in the buyer's (*B2*) Member State

First *A1* transports the material to *B1* for processing, then, after *A1* sells the finished goods to *B2*, from *B1* to *B2*. For this sale *A1* needs to have a VAT number in *B*; it is marked by *A1<sub>B</sub>*. *B1* charges for the processing fee to *A1<sub>B</sub>*. The movements of the goods between *B1*, *A1<sub>B</sub>* and *B2* take place in *B*, therefore they are not to be included in Intrastat.

**Member State A**

**Member State B**

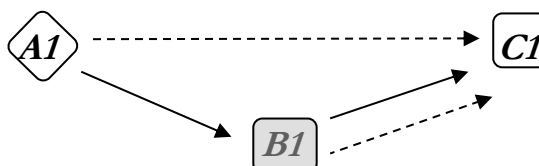


	What to report in Intrastat
<b>A1</b>	○ Dispatch to <i>B</i> ; transaction code 42; material
<b>A1<sub>B</sub></b>	○ Arrival from <i>A</i> ; transaction code 42; material
<b>B1</b>	Nothing
<b>B2</b>	Nothing

### 2.2.4. The buyer (*C1*) has material processed in a third Member State

*C1* buys material from *A1* and transports it to *B1* for processing. The finished goods are transported from *B1* to *C1*. *A1* charges for the material and *B1* for the processing fee to *C1*.

**Member State A                      Member State B                      Member State C**

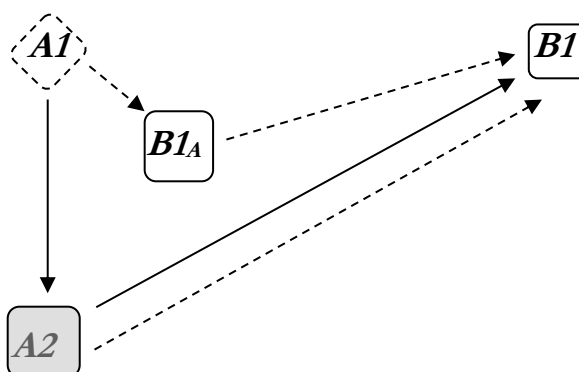


	What to report in Intrastat
<b><i>A1</i></b>	<ul style="list-style-type: none"> <li>○ Dispatch to <i>B</i>; transaction code 11; material</li> </ul>
<b><i>B1</i></b>	<ul style="list-style-type: none"> <li>○ Arrival from <i>A</i>; transaction code 42; material</li> <li>○ Dispatch to <i>C</i>; transaction code 52; finished goods</li> </ul>
<b><i>C1</i></b>	<ul style="list-style-type: none"> <li>○ Arrival from <i>B</i>; transaction code 52; finished goods</li> </ul>

### 2.2.5. The buyer (*B1*) has material processed in the seller's (*A1*) Member State

*B1* buys material from *A1* and transports it to *A2* for processing (in order to do so, *B1* has to have a VAT registration number in A, this is marked with *B1<sub>A</sub>* below). Finished goods are delivered from *A2* to *B1*. *A1* charges for the material to *B1<sub>A</sub>* and *A2* for the processing fee to *B1*.

**Member State A                      Member State B**



	What to report in Intrastat
<b><i>A1</i></b>	Nothing
<b><i>A2</i></b>	Nothing
<b><i>B1<sub>A</sub></i></b>	<ul style="list-style-type: none"> <li>○ Dispatch to <i>B</i>; transaction code 52; finished goods</li> </ul>
<b><i>B1</i></b>	<ul style="list-style-type: none"> <li>○ Arrival from <i>A</i>; transaction code 52; finished goods</li> </ul>

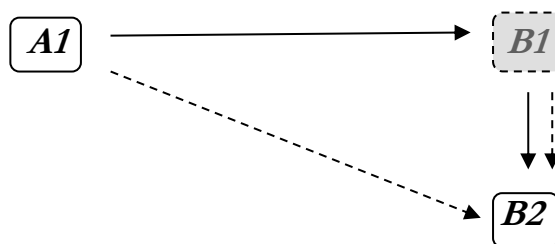
### 2.2.6. The buyer (*B2*) has material processed in his own country

*B2* buys material from *A1* and transports it to *B1* for processing. Finished goods are delivered from *B1* to *B2*. *B1* charges for the processing fee and *A1* for the material to *B2*.

The movement of goods between *B1* and *B2* is an internal market action.

**Member State A**

**Member State B**



	What to report in Intrastat
<b><i>A1</i></b>	○ Dispatch to <i>B</i> ; transaction code 11; material
<b><i>B1</i></b>	Nothing
<b><i>B2</i></b>	○ Arrival from <i>A</i> ; transaction code 11; material