

Calculate VAT on the shipping costs.

Example.

You sell a sports bag and water bottle worth €45.00 and various food items worth €15.00. The sports bag and water bottle fall under the increased VAT rate, on which 21% VAT is charged. The food falls under the reduced VAT rate, on which 9% VAT is charged. The total amount of this order is €60.00.

75% of the total amount falls under the high VAT rate and 25% of the order falls under low VAT rate. If the shipping costs are €6.00, you charge 21% VAT for 75% of the shipping costs and 9% for 25%. The VAT amount on the shipping costs is then €1.08 in total.

Products	Sales excl. VAT	VAT rate	VAT value	Sales incl. VAT
Sports bag & water bottle	€ 45,00	21,00 %	€ 9,45	€ 54,45
Food items	€ 15,00	9,00 %	€ 1,35	€ 16,35
Total	€ 60,00		€ 10,80	€ 70,80

VAT value	€ 10,80
Sales	€ 60,00
Average VAT rate	18,00 %

	Sales excl. VAT	VAT rate	VAT value	Sales incl. VAT
Shipping costs	€ 6,00	18,00 %	€ 1,08	€ 7,08

Invoice	Sales excl. VAT	VAT rate	VAT value	Sales incl. VAT
Sports bag & water bottle	€ 45,00	21,00 %	€ 9,45	€ 54,45
Food items	€ 15,00	9,00 %	€ 1,35	€ 16,35
Shipping costs	€ 6,00	18,00 %	€ 1,08	€ 7,08
Total	€ 66,00		€ 11,88	€ 77,88