

The new brave world of technology – And why Finland and EU are about to drop out from it

Remember Nokia? The big mobile phone company, which was once the world leader in phones? It seemed that one of greatest success stories ever told would never end – reality proved otherwise. Nokia does still exist but gone are the mobile phone days, since the phones were sold out to Microsoft. What happened to Nokia in the past is something that looks like also becoming the future of both Finland and EU – both are about to start lag behind the progress.

Now, we have the new EU VAT laws, which came into effect in the beginning of 2015. Originally, these rules were meant to level the electronic shopping jungle of the Internet realm – and at least the process seemed to have started with a noble cause. Unfortunately, like many times before, the laws passed arrived half-baked and have actually caused a situation where micro-businesses all over the EU are forced to close down. What changed was the following: Now, every single e-shop is required to make an extensive inquiry about the location of its potential customers. So, this means more of those "all too nice" please-tell-us-all-about-yourself forms appearing on the websites. Also, as an additional insult to an injury, the e-shops now need to store their customer data 10 years and make sure that the VAT will be charged according to every customer's geopolitical location.

Sure, the noble idea might have been to level the shopping field and make it equal to everyone. Ironically, this is almost exactly what has happened – in the most negative sense of the word. We do have equality in the sense that now every e-shopkeeper is struggling to stay in business – since the new VAT laws add a considerable strain to any small e-shop. One of the most horrible things that the VAT laws ever brought to life were the ideas saying that if you sell anything to a person in another EU country then you must register yourself to become a VAT payer in that country as well. EU did set up a system to support small businesses to ease the complex VAT

processes but things still remain way too demanding for the average individuals who are just looking to do small trade. The EU VAT rules are simply put: Ideas gone terribly wrong upon apply. On the other side of the scope we find Finland – the Nordic country with one of the most outdated legislations ever – when it comes to the digital world.

Up until today the Finns seem to have no right to even add a simple Paypal Donate button to their website. This is apparently known as an illegal money collecting scheme. To collect money in Finland you need to have a permit and if you happen to be an individual it is impossible to get one. The magic word in receiving money with Paypal(and other systems alike) as a Finn used to be that you gave something back. So, if someone gave you money they would receive something back – like a digital product. The problem with the previous is that it is not a donation but an electronic transaction – a.k.a. commerce that takes place. Now, the Finns face a double-edged challenge since they cannot get donations but thanks to the new EU VAT laws they need to strain their energy and abilities beyond what is reasonable. These few examples demonstrate that something is seriously wrong with the European Union and in its member state legislations. If we want to move forward things should be done with care and consideration. Up until the current day I have still not seen anything hinting towards those phenomenons. So, something needs to change in EU and in its member states because now it seems that we are moving further away from the EU ideals once crafted. EU should translate to mean the European Union. Now, it sadly seems that poor management and badly applied laws are leading it to mean the same as European Unemployment. This needs to change.

-JJ Posti

Tectimejourney.net