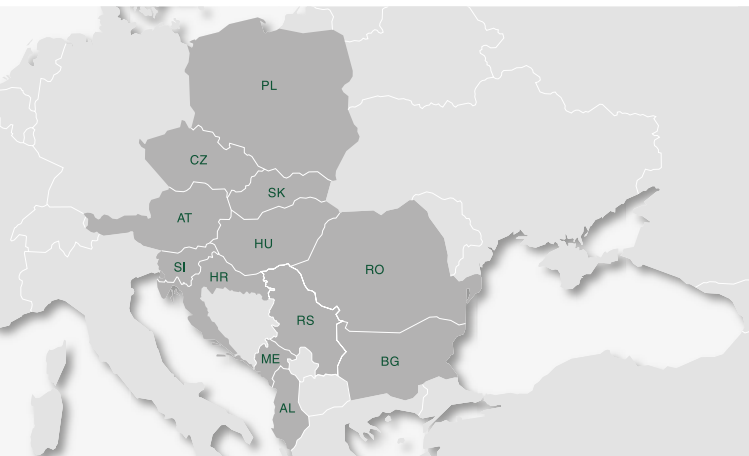




# Investing in Croatia

An overview of the current  
tax system | 2019





## 12 Countries. 1 Company. The TPA Group.

### Investing in Croatia.

#### An overview of the current tax system.

The current developments within Central and Eastern European countries are accompanied by ongoing changes in tax systems. For investors, this means numerous new developments to take into account.

TPA's CEE Country Series covers 12 Central and South Eastern European countries, and gives an overview of the business environment and the most important new developments, including:

- Different types of business organisations, and their most important features
- Key details of corporate and personal income tax and VAT in each country
- Current tax allowances, reliefs and concessions
- Core provisions of double taxation agreements

In the TPA-Country Series there are booklets on Albania, Austria, Bulgaria, Croatia, the Czech Republic, Hungary, Montenegro, Poland, Romania, Serbia, Slovakia and Slovenia. Visit our website [www.tpa-group.com](http://www.tpa-group.com), for detailed information and updates, or subscribe to our electronic newsletter at [service@tpa-group.com](mailto:service@tpa-group.com)

The information in these folders is based on the present legal situation and current administrative practice, and is therefore subject to change. The information is general in nature, and of necessity abridged: the booklets are not a substitute for individual, specific advice.

Our CEE experts will be happy to answer your questions in more detail.

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## Types of organisation

	<i>Name in local language</i>	<i>Registrable in commercial register / legal entity</i>	<i>Minimum capital</i>	<i>Sole shareholder company</i>
<b>Limited liability company</b>	društvo s ograničenom odgovornošću (d.o.o.)	yes / yes	HRK 20,000 (EUR 2,667)	yes
<b>Simple limited liability company</b>	jednostavno društvo s ograničenom odgovornošću (j.d.o.o.)	yes / yes	HRK 10 (EUR 1.3)	yes
<b>Stock company</b>	dioničko društvo (d.d.)	yes / yes	HRK 200,000 (EUR 26,667)	yes
<b>Cooperative</b>	zadruga (no abbreviation)	yes / yes	no	minimum of three members
<b>General partnership</b>	javno trgovačko društvo (j.t.d.)	yes / yes	no	generally no
<b>Limited partnership</b>	komanditno društvo (k.d.)	yes / yes	no	no
<b>Registered branch office</b>	podružnica (no abbreviation)	yes / no	no	n / a
<b>Permanent establishment</b>	stalna poslovna jedinica (no abbreviation)	no / no	no	n / a

	<i>Capital tax / Registration fees</i>	<i>Written form / notarisation</i>	<i>Tax transparency</i>	<i>Registration with tax authorities</i>	<i>Statutory audit (necessary if large or medium company; or if it exceeds two of the following three criteria: 1. revenue &gt; HRK 30 million (EUR 4 million); 2. total assets &gt; HRK 15 million (EUR 2 million); 3. average number of employees &gt; 25)</i>
<b>Limited liability company</b>	no / registration in commercial register	yes / yes	no	yes	if above statutory thresholds are exceeded accordingly
<b>Simple limited liability company</b>	no / registration in commercial register	yes / yes	no	yes	if above statutory thresholds are exceeded accordingly
<b>Stock company</b>	no / registration in commercial register	yes / yes	no	yes	mandatory
<b>Cooperative</b>	no / registration in commercial register	yes / yes	no	yes	if above statutory thresholds are exceeded accordingly
<b>General partnership</b>	no / registration in commercial register	yes / yes	no	yes	if above statutory thresholds are exceeded accordingly
<b>Limited partnership</b>	no / registration in commercial register	yes / yes	no	yes	if above statutory thresholds are exceeded accordingly
<b>Registered branch office</b>	no / registration in commercial register	yes / yes	no	yes	as part of any audit of the parent company
<b>Permanent establishment</b>	no / no	n / a	n / a	yes	as part of any audit of the parent company

Exchange rate: EUR 1 = HRK 7.5 (rounded)

## Corporate income tax

Tax rate	18%; 12% for enterprises with annual revenue below HRK 3,000,000 (EUR 400,000)
Tax liability	Companies, permanent establishments, branches, individuals and non-profit organizations
Financial year	Calendar year, change only permissible if authorised by tax office
Accounting	Double-entry bookkeeping
Loss set-offs / carryforwards	for a limited period only (five years), no loss carrybacks
Associated parties	Where: an enterprise participates directly or indirectly in the management, control or capital of another enterprise (subsidiary), or the same persons participate directly or indirectly in the management, control or capital of both enterprises (sister company) Statutory definition in Croatian Companies Act, Corporate Income Tax Act as well as General Tax Act
Operating expenses	Expenses of the business
Transfer prices	Arm's length basis
Interest on financing of acquisition	Deductible provided the investment constitutes assets of the business
Debt / equity	Maximum debt / equity ratio of 4:1, for 25% shareholders and other related parties
Tax / accounting depreciation	Depreciation: straight-line. Depreciation for tax and accounting purposes must be the same. Annual depreciation Possible doubling of depreciation rates
Provisions	Provisions for potential losses and statutory and contractual obligations (severance payments, court proceedings, etc.)
Motor vehicle expenses	Depreciation over five years Maximum allowable acquisition cost: HRK 400,000 (EUR 53,333) 50% of motor vehicle expenses not deductible
Taxation procedure according to charged fees	Taxable person whose value of goods and services supply in the previous calendar year did not exceed HRK 3,000,000 (EUR 400,000) may determine the tax base according to the cash method of accounting
Non-deductible expenses	Expenses that are not directly related to profit earning, illegal gifts and donations, etc.
Withholding tax	Generally at 15%. A lower rate may be provided in the applicable double taxation agreement (DTA)
Interest and Royalties	15% (a lower rate may be provided in the applicable DTA) Interest and royalties paid to EU parents are not subject to withholding tax if: ▪ minimum direct holding 25% for at least two years

Dividends	12% on payments of dividends and shares in profits paid to foreign legal entities (a lower rate may be provided in the applicable DTA)  Dividends paid to EU parents are not subject to withholding tax if: ▪ minimum holding 10% for at least two years
A mandatory 20% withholding tax applies to certain services and other remunerations (e.g. interest, dividends etc.) that are paid to entities located in countries which are considered to be tax havens or financial centers, excluding the EU countries and countries that have concluded a tax treaty with Croatia (the tax authorities have issued a list of such jurisdictions).	
Direct collection	Apart from withholding tax, no other provisions.
Parent-subsidiary exemption	No qualifying period / no minimum holding. Dividends are tax free Gains on disposal are taxable, unless DTA provide tax exemption
International parent-subsidiary exemption	No qualifying period / no minimum holding. Dividends are tax free Gains on disposal are tax free
Goodwill amortisation	In accordance with Croatian accounting standards
Group taxation / pooling	No provisions

## Personal income tax

Annual tax rate	HRK	HRK
	0 – 360.000	over 360.001
	24%	36%
Tax-free allowance (basic)	Personal monthly allowance HRK 3,800 (EUR 507)	
Tax liability	Unlimited liability on worldwide income (except where DTA restricts the right to assess tax)	
Tax assessment period	Calendar year	
Income categories	Income from 1. Self employment 2. Employment 3. Capital 4. Property and property rights 5. Other (including non-reported income)	
Accounting	Double-entry bookkeeping  Small businesses and the self employed: receipts and payments accounting (cash basis accounting) permitted	
Loss set-offs	Not possible	
Loss carryforwards	Period limited to five years	
Operating expenses	Expenses of the business	

## Personal income tax

Tax allowable expenses	Expenses incurred to procure, secure or maintain taxable income
Flat-rate option	Where income from self employment, trade or business is accounted for on a receipts and payments (cash) basis, expenses may be calculated as a flat-rate percentage
Motor vehicles	As for corporate income tax
Withholding tax	Generally 12%. A lower rate may be provided in the applicable DTA
Interest	12%
Royalties	24%
Dividends	12%
Capital gains	12%

## Filing dates and deadlines

Annual tax returns	
Corporate income tax	Deadline for filing: 30 April of the following year
Income tax	Deadline for filing: 28 February of the following year
VAT interim returns	Quarterly for turnover of up to HRK 800,000 (EUR 106,667), otherwise monthly obligatory, if having Intra-Community supplies and for foreign taxable persons. Returns due until 20th of the following month
Electronical filing of returns	Obligation to file returns electronically for following tax payers: <ul style="list-style-type: none"> <li>all VAT payers</li> <li>medium-size and large taxpayers if they are not VAT payers (total assets over HRK 30 million (EUR 4 million), turnover over HRK 60 million (EUR 8 million), average no. of employees more than 50); two out of three criteria to be met</li> </ul>

## Other taxes

Business tax	none
Wealth tax	none
Capital transfer tax and fees	none
Real Estate Transfer tax	See Immovable property

## Tax regulations

Rulings	Only for future transactions.
Penalties for late payment	Penalty interest on late payments: 8,54%.
Criminal provisions	Penalty for deliberate and negligent tax evasion: up to HRK 500,000 (EUR 66,667)
Lifting the veil of incorporation	Personal responsibility of company's owners, directors and related parties for misuse of their powers while managing the company.

## Tax concessions

Allowances - annual	
Single earner allowance	HRK 45,600 (EUR 6,080)
Child allowance	HRK 21,000 (EUR 2,800) for the first child HRK 30,000 (EUR 4,000) for the second child HRK 42,000 (EUR 5,600) for the third child etc.
Grants	Government subsidies for home loan and retirement savings

## Immovable property

Tax depreciation	Straight-line depreciation over the expected useful life of the asset.  Depreciation must be the same for tax and accounting purposes.
Depreciation categories	
Land	No depreciation
Buildings	5% Longer or shorter useful lives may be used
Amortisation base	Acquisition cost
Special depreciation	Possible doubling of depreciation rates
Write-ups	none
Property transfer tax	
Objects of taxation	Transactions resulting in transfer of ownership of immovable property in Croatia, or of rights to use land
Basis of assessment	The basis of assessment is the market value, which under certain circumstances may be determined by the tax authorities
Tax rate	3% of real estate transfer tax (possible exceptions)  Subject to VAT at 25%, if property (building and associated land, and/or construction land) is not used within two years from the date of acquisition or construction or option was executed

## Immovable property

Property tax	
Objects of taxation	Holiday homes in Croatia
Basis of assessment	Assessed value per m <sup>2</sup>
Amount of tax	Depends on regional authorities: average HRK 15 (EUR 2) per m <sup>2</sup>
Real estate funds	
Owner of the fund assets	The fund management company, so that for the investor there is no entry in the Land Register and no property transfer tax
Valuation	Prior to purchase by a certified court expert
Investment	At least 50% of net fund assets to be invested in property in Croatia
Risk diversification	Value of any individual property not to exceed 20% of total fund assets
Tax liability	Property fund management company (18% or 12%; see Corporate income tax)

## Social insurance

Social insurance	Statutory health, accident and pension insurance for all gainfully employed persons
Contribution rates and maximum contribution	The contribution rates and the maximum basis of contribution vary, depending on the nature of the employment. Maximum basis of annual contribution: HRK 608,256 (EUR 81,100) in 2019
Self-employed persons	Depending on employment category
Pension insurance	First band: 15% Contribution base minimum HRK 3,210 (EUR 428) per month. Second pillar: 5%
Health and accident insurance	16,5%
Employed persons	
Health insurance:	16,5%
Pension insurance	First band: 15% (employee) Contributions limited to a maximum of HRK 50,688 (EUR 6,758) per month. Second pillar: 5%
Subsidies	Subsidies for young employees and disabled persons

## General managers

Civil law	Employment contract, service contract, contract for services, etc.
Social insurance	Yes, minimum contribution base is 5,491 HRK (EUR 732)
Income tax	Income tax on wages and salaries, including all fringe benefits (depending also on relevant DTA)
VAT	Only in case of contract for services
Work and residence permit	Needed for certain EU countries as well as for third countries. Work and residence permit required for longer stays in Croatia (longer than 90 days), easier conditions for key personnel
Work confirmation	Work confirmation for periods up to 90 days (key personnel)
Liability	In case of negligence

## VAT

Tax rates	Standard VAT rate: 25%  Reduced rate 13% for <ul style="list-style-type: none"> <li>▪ tourist services</li> <li>▪ periodicals</li> <li>▪ edible oils and fats, children's food, sugar, supply of water except bottled water</li> <li>▪ fruits and vegetables</li> <li>▪ live animals etc.</li> </ul> Reduced rate 5%, e.g. for <ul style="list-style-type: none"> <li>▪ daily newspapers</li> <li>▪ books, scientific publications</li> <li>▪ certain pharmaceuticals</li> <li>▪ bread, milk and other products</li> </ul>
Supply of goods	Supply of goods and withdrawal for private use are taxable.
Place of supply of goods	Principally the place where the item is located at the time disposal is transferred (static supply).  In case of dispatch/transportation by the supplier or purchaser: the place where dispatch/transportation begins (moving supply).  Importation from third country: If the supplier owes the import VAT – import country  Special provisions for chain and triangular transactions

Supply of services	Supply of services and private use / supply of services without consideration (self-supply) are taxable	
Place of supply of services	<p>Differentiation is made between services rendered</p> <ul style="list-style-type: none"> <li>to taxable persons ("Business to Business", "B2B") or</li> <li>to non-taxable persons ("Business to Customer", "B2C").</li> </ul> <p>A taxable person who also carries out activities or transactions that are not considered to be taxable supplies of goods or services in accordance with Article 4(1) shall be regarded as a taxable person in respect of all services rendered to him. A non-taxable legal person who is identified for VAT purposes shall also be regarded as a taxable person.</p>	
▪ Basic rule	<b>B2B</b>	<b>B2C</b>
	Place of recipient  (Place where the recipient of services has established his business)	Place of supplier  (Place where the supplier of services has established his business)
▪ Special cases	<b>B2B</b>	<b>B2C</b>
Supplies of services by intermediaries	Basic rule	Place of the underlying transaction
Property services	Place of the property	Place of the property
Admission and other relating services for events like fairs and exhibitions	Where the services are physically carried out	Where the services are physically carried out
Passenger transport	Distances covered	Distances covered
Transportation of goods	Basic rule	Distances covered or place of departure of the transport (for intra-community goods transportation)
Ancillary transport services	Basic rule	Where the services are physically carried out
Appraisal and processing of movable tangible objects	Basic rule	Where the services are physically carried out
"Listed services" to third country customers	Basic rule	Basic rule (place of recipient if established outside the EU)
Restaurant and catering services	Where the services are physically carried out	Where the services are physically carried out
Hiring of means of conveyance for up to 30 days (90 days for a vessel)	Where the means of transport is actually put at the disposal of the customer	Where the means of transport is actually put at the disposal of the customer

	Hiring of means of conveyance for over 30 days (90 days for a vessel)	Basic rule	Place of recipient Where the means of transport is actually put at the disposal of the customer for hiring pleasure vessels.
	Telecom, radio, TV services	Basic rule	Place of recipient
	Electronically supplied services from a third country	Basic rule	Place of recipient
Reverse Charge (reversal of tax liability)		For all supplies of services and work supply	
Reverse Charge on local supplies		<ul style="list-style-type: none"> <li>For all supplies of goods and services performed by non-established taxpayer to the local taxpayer (unless non-established taxpayer VAT registered in Croatia)</li> <li>For contraction work and services performed by local taxpayer to another local taxpayer</li> <li>For sale of property (construction land and buildings with the associated land) which is subject to VAT (optional)</li> </ul>	
Consequences		Invoice without VAT  The recipient owes the VAT	
Tax exemption		Important differentiation concerning input VAT deduction	
Zero rated  (Input VAT deduction is applicable in spite of VAT-free supply of goods and services)		<ul style="list-style-type: none"> <li>Exports of goods</li> <li>Cross-border goods transportation</li> <li>Cross-border passenger transport by boat and aircraft</li> <li>Mediation of the above transactions</li> </ul>	
VAT exemption  (Input VAT deduction is not applicable)		<ul style="list-style-type: none"> <li>Granting and administration of loans, insurance activities</li> <li>Postal services</li> <li>Services of hospitals and nursing institutions</li> <li>Sales of doctors, dentists, midwives etc.</li> <li>Small businesses (total net sales not exceeding HRK 300,000 (EUR 40,000))</li> </ul>	
Real Estate			
Rent		Renting of immovable property is subject to VAT.  <b>Exception:</b> Renting for residential purposes is tax exempt.	
Sale		Principally: revenues from the sale of buildings are subject to 25% VAT. Sale of property (buildings and associated land), if not used within two years from the acquisition or construction or option was executed	
Leasing			
Financial leasing		Supply of goods	
Operating Leasing		Supply of services	
Input VAT refund for Croatian taxable persons within the EU		Via electronic system for VAT refund	

## VAT

Foreign taxable persons	Taxable persons without domicile or permanent establishment in Croatia
Registration	Registration required if place of supply is in Croatia and reverse charge is not applicable
Input VAT refund for taxable persons from other EU member states	Via electronic system for VAT refund, filed by 30 September of the following year
Input VAT refund for foreign taxable persons	If no sales are made in Croatia, refund must be applied via home-country tax office by 30 June of the following year at the latest.  Original invoices, certificate of domicile for VAT purposes Minimum refundable input VAT amount: HRK 400 (EUR 53,33)

## Mergers & Acquisitions

Financing	
Financial assistance by the subsidiary	In general, permissible only for limited liability companies.
Subordinate debt (mezzanine capital)	The use of subordinate debt is allowed.
Interest expenses for acquisition financing	Interest is tax deductible if the loans are used for business purposes, i.e. for creating income.
Interest expense on subordinate debt	For interest on subordinate debt, thin capitalization rules and maximum tax deductible interest rate should be considered as follows: Interest on subordinate debt from a foreign shareholder holding 25% or more of the company's share capital or voting rights, is non-deductible for the amount of the loan exceeding four times the shareholder's share in the equity of the borrower at any time during the tax period. The same applies also for all related parties. Maximum tax deductible rate of interest paid to a non-resident related party is 3,96% p.a. Additionally, interest and other borrowing costs related to borrowings received from abroad will be tax deductible up to EUR 3.000.000 or 30% of EBITDA, whichever is lower. This rule is not applicable for financial institutions and standalone taxpayers.
Acquisition debt push down (the debt is transferred to the subsidiary after the acquisition)	Interest is tax deductible if the loans are used for business purposes, i.e. creating income.
Squeeze-out options	
Possibility to exclude minority shareholders	Upon request of a shareholder holding at least 95% of the share capital, the shareholders' assembly is entitled to carry out the transfer of shares of the minority shareholder with the obligation of paying severance pay to the minority shareholder (applicable only to a joint stock company). The principal shareholder determines the amount of the payment to be paid to minority

	shareholders for their shares. The adequacy of the consideration must be reviewed by one or more auditors appointed by the court.
Capital gains – corporations and partnerships	
Sale of shares in a joint stock corporation	No special capital gains tax is applicable. If a seller is not a Croatian tax resident no tax consequences in Croatia. Capital gains realized by a Croatian corporation subject to corporate income tax are included in the taxable income and taxed at a rate of 18% or 12%.
Sale of shares in a limited liability company	No special capital gains tax is applicable. If a seller is not a Croatian tax resident no tax consequences in Croatia. Capital gains realized by a Croatian corporation subject to corporate income tax are included in the taxable income and taxed at a rate of 18% or 12%.
Sale of interest in a partnership	No special capital gains tax is applicable. If a seller is not a Croatian tax resident no tax consequences in Croatia. Capital gains realized by a Croatian corporation subject to corporate income tax are included in the taxable income and taxed at a rate of 18% or 12%.
International participation exemption	There is no additional capital gains tax in Croatia. Capital gains realized by a Croatian corporation subject to corporate income tax are included in the taxable income and subject to CIT at the regular rate of 18% or 12%.
Sale of business or parts of business	
Definition	<b>Sale of business units:</b> The sale of business units (or parts of businesses) is possible. It is important for all assets, receivables, claims and liabilities involved in a particular business activity to be included in the business unit that is being transferred.  <b>Sale of shares in a company:</b> The sale of shares in a company – a share deal – is possible.
Accounting and treatment for tax purposes	<b>Sale of business units:</b> The correct accounting treatment of business units is set out in IFRS 3, Business Combinations. At the time of the sale, all identifiable assets and liabilities are to be valued at fair value. In HSF1*, the terms 'business unit' and 'business combinations' are not explicitly defined, however it is to be assumed that they are to be treated in the same way.

\* Under the provisions of the Croatian Accounting Act, the application of Croatian financial reporting standards (HSF1) is mandatory for all businesses, with the exception of large businesses and businesses whose shares or bonds are listed on the stock exchange, or where stock exchange listing is being prepared, in which case International Financial Reporting Standards (IFRS) must be applied.



## Mergers & Acquisitions

	<p>The transfer of a business unit is not subject to VAT, provided the unit is transferred as a complete entity, and provided that the acquiring entity is entitled to input VAT deduction.</p> <p><b>Sales of shares in a company:</b> The sale of shares in a company is valued in the same way under IFRS and HSFI, depending on the size of the interest being transferred. Sales of shares in companies are not subject to VAT.</p>
Goodwill	<p><b>Sale of business units:</b> Goodwill (purchase price less the fair values of assets and liabilities taken over) is initially valued at cost of acquisition.</p> <p><b>Sales of shares in a company:</b> n / a</p>
Amortisation of goodwill	<p><b>Sale of business units:</b> Under IFRS 3, goodwill arising from business combinations may not be amortised. Instead, under IAS 36, Impairment of Assets, the purchaser is required to review the goodwill annually for impairment. Any loss in value of goodwill is not deductible for tax purposes.</p> <p>Under HSFI, goodwill should be amortised over its expected useful life, or a maximum of five years. Goodwill amortisation is not deductible for the purposes of corporate income tax.</p> <p><b>Sales of shares in a company:</b> n / a</p>
<b>Mergers</b>	
Accounting treatment of mergers	Mergers by way of acquisition, creation of new companies, changes of legal form
Exclusion from valuation at fair value	Generally possible
Valuation	Adjustments to fair values in accordance with IFRS are required. Deferred taxes must be recognised under IAS 12, and also under HSFI.
Amortisation of goodwill	<p>Where a business combination is subject to IFRS, goodwill arising from the combination must be reviewed for impairment. Any loss in value of goodwill is deductible for tax purposes.</p> <p>Where a business combination is subject to HSFI, goodwill should be amortised over its expected useful life, or a maximum of five years.</p> <p>Amortisation or impairment of goodwill arising from business combinations is not deductible for tax purposes.</p>
Tax treatment of fair value adjustments	Adjustments to fair values are generally not subject to tax. The revaluation reserve does not affect the tax basis of assessment as long as it is included under equity. In this situation the revaluation reserve becomes taxable when realised. If the revaluation reserve is recognised as income, then it is taxable in the period in which it arises.

Contribution of assets as part of companies' capital	
Contributions in kind	Contributions in kind are permissible. The assets introduced are recognised at market values as established by expert valuation, or at their carrying value in the accounts of the investor (but not higher than market value).
Tax treatment	<p>The gain of the company from the increase in fair values of the assets introduced is taxed if the assets are recognised at market values.</p> <p>Contributions in kind, with the exception of business units and shares in companies, are as a general rule subject to VAT.</p>
Goodwill amortisation	n / a

## Double taxation agreements

The right to taxation in the event of sale of interests in property companies is subject to differing provisions. In accordance with the OECD Model Agreement, for those countries for which there is a "yes" in the real estate clause column, the right to taxation lies not with the country of residence of the vendor but with the country in which the property is situated.

Country	Effective date	Real estate clause	Dividends %	Interest %	Royalties %
Albania	01.01.1998	yes	10	10	10
Armenia	01.01.2011	yes	10	10	5
Austria	01.01.2002	no	0/15	5	0
Azerbaijan	01.01.2014	no	5/10	10	10
Belarus	01.01.2005	no	5/15	10	10
Belgium	01.01.2005	no	5/15	10	0
Bosnia and Herzegovina	01.01.2006	yes	5/10	10	10
Bulgaria	01.01.1999	no	5	5	0
Canada	01.01.2000	no	5/15	10	10
Chile	01.01.2005	yes	5/15	5/15	5/10
China	01.01.2002	yes	5	10	10
Czech Republic	01.01.2000	no	5	0	10
Denmark	01.10.2010	yes	5/10	5	10
Estonia	01.01.2005	no	5/15	10	10
Finland	08.10.1991	no	5/15	0	10
France	01.01.2006	yes-partially	0/5/15	0	0
Germany	01.01.2007	yes-partially	5/15	0	0
Georgia	01.01.2014	no	5	5	5
Greece	01.01.1999	no	5/10	10	10
Hungary	01.01.1999	no	5/10	0	0
Iceland	01.01.2012	yes	5/10	10	10
India	01.01.2016	yes-partially	5/15	10	10
Indonesia	01.01.2013	no	10	10	10
Iran	01.01.2009	yes	5/10	5	5

## Double taxation agreements

## Notes

Country	Effective date	Real estate clause	Dividends %	Interest %	Royalties %
Ireland	01.01.2004	yes	5/10	0	10
Israel	01.01.2007	yes	5/10/15	5/10	5
Italy	01.01.2010	yes	15	10	5
Jordan	01.01.2007	yes	5/10	10	10
Korea	01.01.2007	no	5/10	5	0
Kosovo	01.01.2018	yes	5/10	5	5
Kuwait	01.01.2004	yes	0	0	10
Latvia	01.01.2002	no	5/10	10	10
Lithuania	01.01.2002	no	5/15	10	10
Luxembourg	01.01.2017	yes	5/15	10	5
Malaysia	01.01.2005	no	5/10	10	10
Malta	01.01.2000	yes	5	0	0
Mauritius	01.01.2004	no	0	0	0
Macedonia	01.01.1997	yes	5/15	10	10
Moldova	01.01.2007	yes	5/10	5	10
Montenegro	01.01.2005	yes	5/10	10	10
Morocco	25.12.2012	yes	8/10	10	10
Netherlands	01.01.2002	no	0/15	0	0
Norway	08.10.1991	yes-partially	15	0	10
Oman	01.01.2012	yes	0	5	10
Poland	01.01.1997	yes	5/15	10	10
Portugal	01.01.2016	yes-partially	5/10	10	10
Qatar	01.01.2010	yes	0	0	10
Romania	01.01.1997	yes	5	10	10
Russia	01.01.1998	yes	5/10	10	10
San Marino	01.01.2006	no	5/10	10	5
Serbia	01.01.2005	yes	5/10	10	10
Slovakia	01.01.1997	no	5/10	10	10
Slovenia	01.01.2006	no	5	5	5
South Africa	01.01.1998	no	5/10	0	5
Spain	01.01.2007	yes-partially	0/15	8	8
Sweden	08.10.1991	no	5/15	0	0
Switzerland	01.01.2000	yes	5/15	5	0
Syria	01.01.2010	yes	5/10	10	12
Turkey	01.01.2001	no	10	10	10
Turkmenistan	01.01.2016	yes-partially	10	10	10
UAE	01.01.2019	no	5	5	5
Ukraine	01.01.2000	yes	5/10	10	10
United Kingdom	01.01.2016	yes-partially	5/10/15	5	5

Notes

Notes

## TPA Group

In tax advisory, auditing and advisory, not only the phrase “other countries, other customs” is valid but also other markets, other legislation, other languages and much more. Therefore, we await you on-site with high-quality consultancy, know-how and an understanding for your individual situation.

Because even if everything else is different, one aspect should remain the same: your corporate success.

The TPA Group is active in twelve countries in Central and South Eastern Europe: Albania, Austria, Bulgaria, Croatia, the Czech Republic, Hungary, Montenegro, Poland, Romania, Serbia, Slovakia and Slovenia.

All our offices and contact persons can be accessed at:

**[www.tpa-group.com](http://www.tpa-group.com)**

### Imprint

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