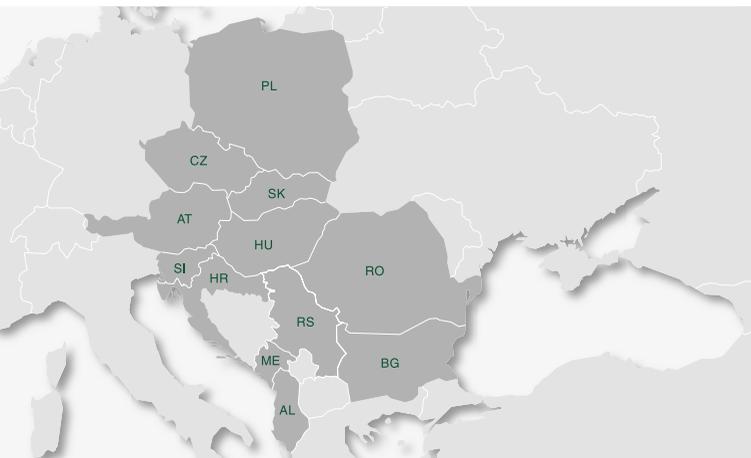




Investing in Serbia

An overview of the current
tax system | 2019





12 Countries. 1 Company. The TPA Group.

Albania | Austria | Bulgaria | Croatia | Czech Republic | Hungary
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Investing in Serbia.

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, for detailed information and updates, or subscribe to our electronic newsletter at 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>
Limited liability company	društvo sa ograničenom odgovornošću (d.o.o.)	yes / yes	RSD 100 (approx. EUR 1)	yes
Stock company	akcionarsko društvo (a.d.)	yes / yes	RSD 3 million (approx. TEUR 25)	yes
Cooperative	zadruga (no abbreviation)	yes / yes	no	no
General partnership	ortačko društvo (o.d.)	yes / yes	no	no
Limited partnership	komanditno društvo (k.d.)	yes / yes	no	no
Registered branch office	ogranak (no abbreviation)	yes / no	no	–
Permanent establishment	stalna poslovna jedinica (no abbreviation)	no / no	no	–

	<i>Capital tax / Registration fees</i>	<i>Written form / notarization</i>	<i>Tax transparency</i>	<i>Registration with tax authorities</i>	<i>Statutory audit</i>
Limited liability company	no / Registration fee is due	yes / yes	no	yes	If it is classified as a large or mid-size entity. For the financial year 2019 a statutory audit is required if business revenue in 2018 exceeds TEUR 4,400 in RSD countervalue, regardless of its size.
Stock company	no / Registration fee is due	yes / yes	no	yes	If it is classified as a large or mid-size entity, or it issues shares via public offering. For the financial year 2019 a statutory audit is required if business revenue in 2018 exceeds TEUR 4,400 in RSD countervalue, regardless of its size.
Cooperative	no / Registration fee is due	yes / yes	no	yes	If it is classified as a large or mid-size entity. For the financial year 2019 a statutory audit is required if business revenue in 2018 exceeds TEUR 4,400 in RSD countervalue, regardless of its size.
General partnership	no / Registration fee is due	yes / yes	no	yes	If it is classified as a large or mid-size entity. For the financial year 2019 a statutory audit is required if business revenue in 2018 exceeds TEUR 4,400 in RSD countervalue, regardless of its size.
Limited partnership	no / Registration fee is due	yes / yes	no	yes	If it is classified as a large or mid-size entity. For the financial year 2019 a statutory audit is required if business revenue in 2018 exceeds TEUR 4,400 in RSD countervalue, regardless of its size.
Registered branch office	no / Registration fee is due	yes / yes	no	yes	as part of any audit of the head office
Permanent establishment	no / no	no / no	–	yes	as part of any audit of the head office

Exchange rate: EUR 1 = RSD 118.195 (rounded) 31.12.2018

Corporate income tax

Tax rate	15% flat rate												
Tax liability	Companies, permanent establishments, branches												
Financial year	Calendar year; alternative fiscal year possible if financial year differs from the calendar year (under approval of the Ministry of Finance / National Bank and the Tax Authorities)												
Accounting	Double-entry bookkeeping (mandatory application of IFRS, IFRS for SMEs and IAS for certain entities)												
Loss set-offs / carry forwards	Loss carry forward for limited period of 5 years No loss carryback												
Associated parties	Associated party is deemed to be: <ul style="list-style-type: none"> ▪ an entity holding, directly or indirectly, at least 25% of the share of a company ▪ an entity having, directly or indirectly, at least 25% of the voting rights in management bodies of a company ▪ a company participating, directly or indirectly, in the management, control or capital of another company (subsidiary), or ▪ the same individuals participating, directly or indirectly, in the management, control or capital of both enterprises (sister company) ▪ spouse, descendants and relatives ▪ any non-resident entity who operates in a state with a preferential tax system who has shares and/or voting rights of the company 												
Operating expenses	Expenses of the business												
Transfer prices	Arm's-length basis. Companies are obliged to prepare and submit a transfer pricing documentation to the Tax Authorities in case of related party transactions together with annual corporate income tax calculation												
Interest on debt financing of acquisition	Deductible under the same conditions as interest payable on other type of borrowings made in the course of business												
Debt / equity	Between related parties maximum tax deductible interest is based on debt / equity ratio 4:1 (for banks and leasing companies 10:1 ratio applies)												
Tax / accounting depreciation	For tax purposes fixed assets, except intangible assets, are divided into five groups: <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>Group</th> <th>Depreciation rate</th> </tr> </thead> <tbody> <tr> <td>I</td> <td>2.5%</td> </tr> <tr> <td>II</td> <td>10%</td> </tr> <tr> <td>III</td> <td>15%</td> </tr> <tr> <td>IV</td> <td>20%</td> </tr> <tr> <td>V</td> <td>30%</td> </tr> </tbody> </table> <p>I group (immovable) = straight line method Intangible assets = straight line method, whereby the depreciation rate would be determined on the basis of useful life or the duration of contract on the right to use intangible asset.</p>	Group	Depreciation rate	I	2.5%	II	10%	III	15%	IV	20%	V	30%
Group	Depreciation rate												
I	2.5%												
II	10%												
III	15%												
IV	20%												
V	30%												

	<p>II - V group (all other assets) = straight line method Fixed assets consisting of movable and immovable parts will be classified on the basis of the applied accounting treatment of such assets.</p> <p>Accounting depreciation depends on accounting policy of the company. If the amount of accounting depreciation is lower than the amount of depreciation costs calculated by using tax depreciation rates, accounting depreciation will be recognized as a tax-deductible cost in the tax period. However, depreciation of intangible assets will be always recognized in the amount of accounting depreciation costs.</p>
Provisions	<p>Tax deductible provisions:</p> <ul style="list-style-type: none"> ▪ long-term provisions for renewal of natural wealth ▪ warranty period costs ▪ retained caution money deposits ▪ mandatory provisions in line with special laws for banks, insurance companies etc. are tax deductible to the extent legally required ▪ all other long term provisions made in accordance with IAS and IFRS/IFRS for SMEs are deductible on deferral basis i.e. when used
Motor vehicle expenses	10% tax depreciation rate; straight-line method
Non-deductible expenses	<ul style="list-style-type: none"> ▪ non-documented costs ▪ interest costs for late payment of taxes ▪ penalties imposed by the authorities, contractual and other penalties ▪ non-business driven expenses ▪ expenses for investments in culture and expenses for humanitarian aid, i.e. the elimination of consequences incurred in case of an emergency exceeding 5% of total revenues ▪ representation expenses exceeding 0.5% of total revenues ▪ membership fees exceeding 0.1% of total revenues ▪ impairment of assets (recognized when disposed) ▪ penalty interest between related parties, etc.
Withholding tax	<p>Statutory withholding tax rate is 20%. A lower rate can apply, provided it is envisaged by a double taxation agreement (DTA)</p> <p>Exceptionally, on income from royalties, interest, rental fees and services generated by non-residents who are established, have their seat or effective place of management in a state with a preferential tax system, withholding tax rate of 25% will apply. List of states with preferential tax system is presented on the next page.</p>
Interest	20/25% (a lower rate may be provided in the applicable DTA)
Royalties	20/25% (a lower rate may be provided in the applicable DTA)
Dividends	20% (a lower rate may be provided in the applicable DTA)
Rental income	20/25% (a lower rate may be provided in the applicable DTA)
Capital gain	20% (a lower rate may be provided in the applicable DTA)

Corporate income tax

Services	<p>25% on fees payable to non-residents who are established, have their seat or effective place of management in a state with a preferential tax system</p> <p>20% applicable on fees payable to all other non-residents, for market research services, accounting and audit services and other legal and business consulting services, irrespective of the place of supply or use of such services (unless DTA applies)</p>	
Direct collection	No specific rules	
Goodwill amortisation / impairment	Not tax deductible	
Group taxation / pooling	Tax consolidation allowed on request if all associated parties in group are Serbian residents and if parent company indirectly or directly hold more than 75% of the shares of the associated companies	
Incentives	<p>Costs directly related to R&D carried out by the taxpayer in Serbia may be deducted for CIT purposes in a doubled amount.</p> <p>The qualified royalty income generated by the taxpayer, holder of a copyright or related right on the basis of compensation for the exploitation of the rights, may be excluded from tax base in the amount of 80%, under certain conditions.</p> <p>Only 20% of capital gains arising from the sale of the entire copyright and related rights, or rights related to the invention will be included in the taxable base.</p> <p>Taxpayer who makes monetary equity investment into newly established business entity, which performs innovative activities, will be granted tax credit in the amount of 30% of the investment made, under certain conditions.</p>	
List of states with a preferential tax system		
<ul style="list-style-type: none"> 1. Andorra 2. Anguilla 3. Antigua and Barbuda 4. Aruba 5. Bahamas 6. Bahrain 7. Barbados 8. Belize 9. Bermuda 10. British Virgin Islands 11. Cayman Islands 12. Christmas Islands 13. Cook Islands 14. Dominican Republic 15. Falkland Islands 16. Fiji 17. Gibraltar 18. Grenada 	<ul style="list-style-type: none"> 19. Guam 20. Guernsey 21. Guyana 22. Hong Kong 23. Isle of Man 24. Jersey 25. Liberia 26. Liechtenstein 27. Macao 28. Maldives 29. Marshall Islands 30. Mauritius 31. Monaco 32. Monserrat 33. Nauru 34. Netherlands Antilles 35. Niue 36. Normand Isles 	<ul style="list-style-type: none"> 37. Palau 38. Panama 39. Saint Kitts and Nevis 40. Saint Lucia 41. Saint Vincent and the Grenadines 42. Samoa 43. Seychelles 44. Solomon Islands 45. Tonga 46. Trinidad and Tobago 47. Turks and Caicos Islands 48. Tuvalu 49. US Virgin Islands 50. Vanuatu

Income tax

Tax rate	flat rate 10%: employment income flat rates from 10% - 20% : other income categories	
Tax-free allowance for employment income	Personal allowance RSD 15,000 (approx. EUR 126), adjusted annually	
Annual tax rate	For income below 6 average annual salaries	For income exceeding 6 average annual salaries
	10%	15%
	Annual tax as an additional tax is payable by a resident taxpayer if her/his total income in a calendar year exceeds a certain threshold (three annual average salaries as per official statistics). Also non-residents are considered liable for annual tax if her/his total income achieved in the territory of Serbia in a calendar year exceeds a certain threshold	
Tax assessment period for annual tax	Calendar year	
Tax liability	Residents are due to pay tax on worldwide income. Non-residents are liable to report tax only on Serbian sourced income	
Income categories	Income from: <ul style="list-style-type: none"> 1. Employment 2. Self-employment 3. Royalty 4. Capital 5. Capital gain 6. Real-estate income 7. Other 	
Accounting	Only needed for certain categories of self-employed individuals	
Loss set-offs	Only capital gains could be offset with capital losses	
Loss carryforwards	Applicable only to capital losses and losses generated by self-employment income; 5 years carryforward period No loss carryback	
Operating expenses	Expenses of the business	
Tax allowable expenses	Deductible costs are set out depending on type of income (copy right income, service agreement income, etc.)	
Flat-rate option	Progressive tax rate provided only for annual tax	
Motor vehicles	Same as for corporate income tax	
Withholding tax		
	Interest	15% or applicable DTA (under certain conditions may be exempt)
	Royalties	20% or applicable DTA
	Dividends	15% or applicable DTA

Filing dates and deadlines

Annual tax returns		
	Corporate income tax	Deadline for filing: 180 days after the end of the tax year
	Income tax	Deadline for filing annual tax return: 15 May of the following year. Deadlines for particular income vary depending on type of income
WHT tax returns		Deadline for filing: 3 days from the date of income payment
VAT returns		Filing on the 15th of the following month VAT return should be accompanied with detailed breakdown of the VAT. No annual VAT return is prescribed

Other taxes

Business tax	none
Wealth tax	none
Capital transfer tax and fees	none
Real Estate Transfer tax	See immovable property section
Property transfer tax	motor vehicles, vessels and aircrafts (if they are not subject to VAT)
Crisis tax	none

Tax regulations

Rulings	Rulings issued by the Ministry of Finance after 30 May 2013 are considered as binding for the Tax Authorities
Penalties for late payment	Annual reference rate of the Central Bank of Serbia increased by 10%, calculated using simple interest method
Criminal provisions	Tax evasion is a criminal offence

Immovable property

Tax depreciation	Immovable are included in I group of fixed assets for tax depreciation purposes. Straight-line method is applied	
Depreciation categories		
	Land	No depreciation
	Buildings	2,5% as of activation moment
	Tax base	Acquisition costs
Write-ups	Not allowed for tax purposes	

Property transfer tax		
	Objects of taxation	Transfer with consideration of (if transfers are not subject to VAT): <ul style="list-style-type: none"> ownership over immovable, intellectual property rights, rights of use over construction land, rent of construction land in public ownership for a period longer than 1 year or for an indefinite time period for the purpose of constructing buildings
	Basis of assessment	The basis of assessment is agreed sale price, which may be reassessed by the Tax Authorities if it is below market level
	Tax rate	2.5%

Property tax		
	Objects of taxation	<ul style="list-style-type: none"> Ownership right over immovable property (buildings and land larger than 10 acres) of companies and individuals; Right of occupancy Tenancy right (in accordance with the specific regulations) for a period longer than one year or for an indefinite period Right of usage for construction land larger than 10 acres in area Right of usage of state-owned immovable Occupancy of the immovable for which the owner is unknown or undetermined Occupancy of the state-owned immovable without legal ground (sine causa occupancy); Occupancy or right of usage of the immovable based on financial lease agreement
	Basis of assessment	Market value per m ² determined by the local authorities (or net book value as of 31 December of previous year in certain cases or in case when immovable is recorded at fair value in the books of a taxpayer)
	Tax rate	Companies pay property tax at the rate of up to 0.4% (the exact rate is determined by the local municipality). Individuals pay property tax with progressive rates

Real estate funds		
	Owner of the fund assets	No specific rules
	Valuation	No specific rules
	Investment	No specific rules
	Risk diversification	No specific rules
	Tax liability	No specific rules

Social insurance

Social insurance	Mandatory social security contributions are: health insurance, pension and disability insurance and unemployed insurance
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Social insurance

Maximum contributions	Five times average monthly salary in Serbia paid in previous 12 months as per official statistics, adjusted annually.						
Self-employed persons							
<table border="1"> <tr> <td>Pension and disability insurance</td> <td>26%</td> </tr> <tr> <td>Health insurance</td> <td>10.3%</td> </tr> <tr> <td>Unemployment insurance</td> <td>0,75%</td> </tr> </table>	Pension and disability insurance	26%	Health insurance	10.3%	Unemployment insurance	0,75%	
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Employed persons							
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Health insurance	Employer: 5.15% Employee: 5.15%						
Unemployment insurance	Employee: 0.75%						

General managers

Civil law	General managers enter either into employment agreement or agreement on rights and duties of general manager
Social insurance	Yes
Income tax	Subject to tax on salaries (if employment agreement is concluded) or tax on other income (if agreement on rights and duties of general manager is concluded), including all fringe benefits
VAT	None
Work permit	Work permit is required for general managers who are locally employed
Residence permit settlement permit	Residence permit is needed if general manager is staying more than 90 days in Serbia in case he/she is not locally employed
Liability	In case of gross negligence or fault

VAT

Taxpayer	<p>Mandatory VAT registration applies for each entity:</p> <ul style="list-style-type: none"> ▪ whose turnover exceeds RSD 8 million (approx. EUR 67,500) in previous 12 months, or ▪ whose forecasted turnover for the following 12 months exceeds RSD 8 million at the moment of starting business operations in Serbia <p>An entity whose turnover does not exceed RSD 8 million in a 12 months period can opt for voluntary VAT registration at any time during the year</p>
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Tax rates	<p>Standard VAT rate: 20%</p> <p>Reduced rate: 10% (basic foodstuffs - bread, milk, flour, cooking oil, fresh and frozen fruits, vegetables, meat, fish and eggs, listed drugs, agricultural fertilizers, pesticides, textbooks, daily newspapers, accommodation services, public utility services gas, first transfer of ownership on residential buildings, secondary raw materials, etc.)</p> <p>Flat rate scheme for farmers: 8%</p>																		
Supply of goods	<p>Supplies of goods with consideration, withdrawal for private use (self supply) as well as any other supply without consideration on the territory of Serbia are taxable</p> <p>Import of goods in Serbia is taxable</p>																		
Place of supply of goods	<p>Principally the place where the item is located at the time disposal is transferred (static supply)</p> <p>In case of dispatch/transportation by the supplier or purchaser: the place where dispatch/transportation begins (moving supply)</p> <p>Importation from third country: Import country</p>																		
Supply of services	<p>Supply of services with consideration, private use as well as supply of services without consideration for non-business purposes are taxable</p>																		
Place of supply of services	<p>If supply is made to taxable person, place of supply is place of recipient (place where the recipient has established its business or has permanent place of business) - B2B rule</p> <p>If supply is made to non-taxable person, place of supply is place of supplier - B2C rule</p> <p>Certain special cases are prescribed for particular type of services.</p>																		
Special cases																			
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VAT

	Advertising and public relations	Place of recipient if service is provided to non-taxable person
	Activity as lawyer, tax advisor, auditor etc.	Place of recipient if service is provided to non-taxable person
	Legal, technical and business consultancy	Place of recipient if service is provided to non-taxable person
	Data processing	Place of recipient if service is provided to non-taxable person
	Bank and insurance services	Place of recipient if service is provided to non-taxable person
	Provision of personnel	Place of recipient if service is provided to non-taxable person
	Rental of movable assets, except for means of transport	Place of recipient if service is provided to non-taxable person
	Waiver of any right described in this section	Place of recipient if service is provided to non-taxable person
	Telecommunication services	Place of recipient if service is provided to non-taxable person
	Electronically supplied services, radio and TV services	Place of recipient if service is provided to non-taxable person
	Granting an access to the network for transmission of electricity and natural gas	Place of recipient if service is provided to non-taxable person
	Reverse Charge (reversal of tax liability)	Applicable to all taxable supplies with place of supply in Serbia (certain exceptions to this general rule apply), supply made between two VAT payers in construction industry, secondary raw material supply, electricity and natural gas supply made to a distributor and in certain other cases
	Requirements	The supplier has no domicile or habitual abode in Serbia, nor a permanent establishment in Serbia involved in supply or has not appointed a VAT representative in Serbia
	Consequences	The recipient owes the VAT. If general conditions for VAT deduction are met, VAT charged by recipient could be claimed back (no cash flow implications for the recipient)
	Tax exemption	
	VAT exemption with credit (Zero rated)	The following supplies are VAT exempt with credit: <ul style="list-style-type: none"> ▪ export of goods and transportation and other services in direct relation to the export, transit or temporary import of goods; ▪ supply of goods in the customs warehousing; ▪ entering of goods in free zones, transportation and other services in relation to entering of goods into the free zone and supply of goods and services in the free zone;

	<ul style="list-style-type: none"> ▪ Supply of goods that are entered into the free zone, transport and other services directly related to such entry, and supply of goods in the free zone, made to a foreign entity who has concluded an agreement with the free zone user to incorporate those goods into the goods which will be dispatched abroad. ▪ supply, repair, maintenance, charter and lease of aircraft and river vessels predominantly operating in international traffic, as well as shipment, repair, lease and maintenance of goods for these aircraft and river vessels; ▪ supply of goods and services for the direct needs of the above-mentioned aircrafts; ▪ international air and river transport of passengers, where the non-resident company is exempted under the condition of reciprocity; ▪ the supply of goods and services to diplomatic and consular missions, international organizations, etc.; ▪ services performed on movables obtained by a foreign user of the service in Serbia or imported for the purpose of inward processing, repairing or incorporating and then exported; ▪ supplies of goods and services in relation to donation agreements concluded with the Republic of Serbia that state that tax is not to be paid from donation funds; ▪ supplies of goods and services carried out in line with credit and/or loan agreements concluded between Serbia and an international financial organization or another state or agreements between a third party and international financial organization or other states, where Serbia is the guarantor or counter-guarantor if agreements state that tax will not be covered from the obtained funds; ▪ supplies of goods and services carried out in line with other international agreements if tax exemption is provided in the agreement;
	VAT exemption without credit <ul style="list-style-type: none"> ▪ financial, banking and insurance services; ▪ supplies of land (agricultural, forest land, construction, developed or undeveloped) as well as renting of land; ▪ operations involving securities, shares, postal orders, administrative fees and stamps by their value in Serbia; ▪ second and every subsequent sale of buildings and sale of parts of buildings, unless both parties in the transaction agreed to apply VAT on such transfer; ▪ the lease of immovable property for residential purposes;

		<ul style="list-style-type: none"> ▪ public interest activities, such as: <ul style="list-style-type: none"> ▪ postal services and related supplies of goods, ▪ medical services, ▪ education and professional retraining, ▪ social, child and youth welfare services, ▪ cultural services rendered by not-for-profit organizations, ▪ scientific, sport and religious services, ▪ services of organizing games of chance, ▪ public broadcasting, except services of a commercial nature, etc.
Real Estate		
Rent		Renting of immovable property is subject to 20% VAT Exception: Renting for residential purposes is tax exempt
Sale		First transfer of buildings and economically separable units is subject to 20% VAT First transfer of residential buildings and economically separable units is subject to 10% VAT Second and every subsequent transfer of real estate can be either: <ul style="list-style-type: none"> ▪ subject to VAT, provided that both parties in the transaction agreed to apply VAT and that buyer is allowed to fully recover VAT charged on the transfer as input VAT; or ▪ subject to 2.5% transfer tax (unless VAT does not apply)
Leasing		
Financial leasing		Supply of goods
Operating Leasing		Supply of services
Input VAT refund for Serbian taxable persons within the EU		Based on reciprocity
Foreign taxable persons		Taxable persons without domicile or permanent establishment in Serbia
Registration		Available for foreign entities via VAT representative in Serbia and also for Serbian companies and individuals under certain conditions
Input VAT refund for foreign taxable persons		A foreign entity carrying out no supplies in Serbia (except in case of transportation services and in case the recipient of goods/services-VAT taxpayer has the obligation to calculate VAT liability) is allowed to have VAT refund under certain conditions

Double taxation agreements

The right to taxation in the event of sale of shares in real estate 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	Real estate clause	Dividends* %	Interest %	Royalties %
Albania	Yes	5/15	10	10
Armeria	Yes	8	8	8
Austria	Yes	5/15	10	5/10**
Azerbaijan	Yes	10	10	10
Belarus	No	5/15	8	10
Belgium	No	10/15	15	10
Bosnia and Herzegovina	Yes	5/10	10	10
Bulgaria	No	5/15	10	10
Canada	Yes	5/15	10	10
China	Yes	5	10	10
Croatia	Yes	5/10	10	10
Cyprus	No	10	10	10
Czech Republic	No	10	10	5/10**
Denmark	Yes	5/15	10	10
Egypt	Yes	5/15	15	15
Estonia	Yes	5/10	10	5/10**
Finland	No	5/15	0	10
France	Yes	5/15	0	0
FYROM (Macedonia)	No	5/15	10	10
Georgia	Yes	5/10	10	10
Germany	No	15	0	10
Greece	No	5/15	10	10
Hungary	No	5/15	10	10
India	Yes	5/15	10	10
Indonesia	Yes	15	10	15
Ireland	Yes	5/10	10	5/10**
Iran	Yes	10	10	10
Italy	No	10	10	10
Kazakhstan	Yes	10/15	10	10
Kuwait	No	5/10	10	10
Latvia	Yes	5/10	10	5/10**
Libya	Yes	5/10	10	10
Lithuania	Yes	5/10	10	10
Luxembourg	No	5/10	10	5/10**
Malta	Yes	5/10	10	5/10**
Moldova	No	5/15	10	10
Montenegro	Yes	10	10	5/10**
Netherlands	No	5/15	0	10
North Korea	No	10	10	10
Norway	Yes	5/15**	10	5/10**
Pakistan	Yes	10	10	10
Poland	No	5/15	10	10

Double taxation agreements

Notes

Country	Real estate clause	Dividends* %	Interest %	Royalties %
Qatar	No	5/10	10	10
Republic of Korea	Yes	5/10	10	5/10**
Romania	No	10	10	10
Russia	No	5/15	10	10
San Marino	Yes	5/10	10	10
Slovakia	No	5/15	10	10
Slovenia	No	5/10	10	5/10**
Spain	Yes	5/10	10	5/10**
Sri Lanka	No	12.5	10	10
Sweden	No	5/15	0	0
Switzerland	Yes	5/15	10	0***
Tunisia	Yes	10	10	10
Turkey	No	5/15	10	10
UAE	Yes	5/10	10	10
Ukraine	Yes	5/10	10	10
United Kingdom	No	5/15	10	10
Vietnam	Yes	10/15	10	10

* If the recipient company holds at least 25% (20% in DTA with Switzerland) of the paying company, the lower of the two rates shown applies.

** For the use or the right of use of any copyrights of literary, artistic or scientific work, including cinematograph films, films and tapes for television and radio, tax shall not exceed 5% of the gross amount of the royalties.
For the use or the right of use of any patent, trade mark, design or model, plan, secret formula or process, or for the use or the right of use of industrial, commercial or scientific equipment or for information concerning industrial, commercial or scientific experience, tax shall not exceed 10% of the gross amount of the royalties.

*** Provided by the Protocol to the treaty between Serbia and Switzerland. Valid until Switzerland imposes withholding tax on royalties.

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

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