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#### **I. Introduction of the amendments related to the Transfer Pricing regulations**

On April 24, 2014, the Albanian Parliament approved the amendments to Law no. 8438 dated 28.12.1998 “On Income Tax” and the amendments to Law no.9920 dated 19.05.2008 “On Tax Procedures in the Republic of Albania”. These amendments introduce new Transfer Pricing Regulations based on the OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administration (“OECD TPG 2010”). In case of differences or conflicts the Albanian regulations prevails over the OECD TPG 2010.

The newly introduced provisions are applicable as of June 4, 2014. For more details see our [Transfer Pricing Alerts](#) directory on Deloitte website.

#### **II. VAT refund procedures for diplomats and international organizations**

In line with the simplified VAT refund procedures introduced with the fiscal package 2014, also for this group of tax payers, the repayment of the claimed VAT amounts shall be carried out by the Treasury System. The tax authorities are only required to verify and assess the legitimacy of the applications within the deadline provided by Para 8.6 of the “Instruction On VAT”.

#### **III. New threshold for the import VAT and customs exemption applicable on distance purchases**

The threshold for the import VAT and customs exemption applicable on distance purchases of goods with negligible value increases as of May 22, 2014 from ALL 10,000 to ALL 20,000.

#### IV. Amendments to Law no. 138/2013 “On Renewable Energy Resources”

We reported in our Tax Alert September 2013 about the introduction of the new Law “On Renewable Energy Resources” (RES) based on the Directive 2009/28/EC. The deadline for the publication of the further supporting legal acts for the implementation of RES, which was expected to enter into force within May 2014, has been extended to January 2015.

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