

Tax News

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I. Law no. 35/2016 “On the ratification of the agreement between Republic of Albania and Czech Republic on social security”

Law no. 34/2016, which ratifies the Agreement on social security between Albania and Czech Republic has been published in the [Official Gazzete no. 55, dated 11.04.2016](#).

The Agreement aims to provide the necessary regulations upon which the subjects of this agreement can benefit equal treatment from both contracting states.

The benefits received in accordance with the legislation of a contracting state, cannot be reduced, amended, interrupted or annulled based on the reason that an individual resides in the other contracting state, except if otherwise provided by the Agreement.

Insurance periods can be accumulated based on specific conditions determined by the Agreement.

The Agreement provides that, the employees transferred to the other contracting state, will be considered as employed in the first contracting state if the transfer period does not exceed 24 months.

This Agreement will enter into force the first day of the third calendar month after the month when the contracting states have informed in written each other, that the legal and constitutional conditions of entry into force of this Agreement have been fulfilled.

II. Law no. 23/2016 “On the ratification of the agreement between Republic of Albania and Federal Republic of Germany on social security and the final protocol”

Law no. 23/2016, which ratifies the Agreement on social security between Albania and the Federal Republic of Germany, has been published in the [Official Gazette no. 49, dated 01.04.2016](#).

This Agreement includes the regulations that coordinate the legislative provisions of both countries on social security. This coordination ensures that the benefits gained or in process have the same effect under the respective legislation.

The main issues regulated by this Agreement are outlined below:

- Equal treatment: all individuals subject to this Agreement will be treated equally from the contracting parties, regarding the rights and obligations and the conditions to receive the benefits based on the relevant legislations or the provisions of this Agreement;
- The limitative provisions of a contracting state, through which the claimed benefits or payments are closely related with the habitual residence in that contracting state, will not be applicable to individuals subject to this Agreement (the habitual residence of which is in the other contracting state).
- Transferred employees: The Agreement provides that, the employees transferred to the other contracting state, will be considered as employed in the first contracting state if the transfer period does not exceed 24 months.
- Accumulated insurance periods: Insurance periods can be accumulated upon specific conditions determined by the Agreement.

This Agreement will enter into force the first day of the third calendar month, after the month when the contracting states have exchanged the ratification documents.

III. Law no. 26/2016 “On the ratification of the Protocol between Council of Ministers of Republic of Albania and Swiss Federal Council, which amends the Convent dated 12 November 1999, between Republic of Albania and Swiss Confederation, on Double Tax Treaty, on incomes and revenues”.

With the ratification of the Protocol for the amendment of the Double Tax Treaty between Albania and Switzerland, among a number of amendments throughout the existing articles of the Treaty aimed to increase the effectivity of its application, a new article concerning the exchange of tax information between the respective tax administrations has been added.

The above protocol has been published in the [Official Gazette no. 52/2016, dated 05.04.2016](#).



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