

# Deloitte.



Tax & Legal Services  
Deloitte Albania



# About Deloitte

*Deloitte is one of the world's leading professional services organisations operating in more than 150 countries. We are a multidisciplinary firm delivering global, full-perspective integrated offerings through our Consulting, Audit, and Tax and Corporate Finance services. Globally Deloitte employs approximately 200,000 professionals and generates global revenues of \$34.2bn.*

Deloitte is the leading provider of professional services to the global energy industry. Our global presence means that we have the ability to draw on an unparalleled level of global knowledge and deep industry experience to deliver innovative and effective solutions.

Deloitte has the broadest and deepest range of skills of any professional services firm and we have a straightforward goal: To be recognised as the pre-eminent and most trusted professional services firm, famous for the calibre of our people and respected for the exceptional quality of our work.

We build long-term business relationships with our clients, working with them through business plans, feasibility studies, start-ups, mergers, acquisitions, floatation, disposals and times of growth and change, providing advice and support for the long term.

## **About Deloitte Albania**

Deloitte Albania founded in 1996, has extensive knowledge of the local market and of best practices from around the world.

Deloitte Albania is one of the leading professional services organisations in the country, delivering world-class assurance and advisory, tax, consulting and financial advisory services. The practice serves many of the country's largest companies, public institutions, and successful, fast-growing companies.

Deloitte in Albania employs more than 120 professional staff with its office based in Tirana. Our Albania practice is part of our regional firm, Deloitte Central Europe.

Deloitte Central Europe has nearly 4,000 staff in 17 countries providing international and local services across the borders of the region.

Our regional firm in Central Europe is a member of our international organisation, Deloitte Touche Tohmatsu.

---

Our objective is to alleviate your concerns regarding the smooth operation of the administrative side of your business. Some of the functions and services that you can outsource from Deloitte Albania are listed below.



# Business Process Solutions

## Bookkeeping and Financial Reporting

Our accounting and tax professionals are up to date with the latest developments in accounting standards, practices and programs and can efficiently help you to keep the books and documentation through the following services.

- ◆ Monthly bookkeeping services including the:
  - Processing of incoming supplier invoices and preparation of sales (fiscal) invoices;
  - Reconciliation of clients, suppliers, banks, inventory;
  - Preparation of depreciation schedule for tangible and intangible fixed assets;
  - Inputting accounting entries into the accounting system;
  - Maintaining the general journal, general ledger and sub-ledgers.
- ◆ Assistance in the preparation of financial statements and reporting packages for internal and external purposes with a focus on management, corporate and statutory requirements, in accordance with the applicable accounting standards:
  - International Accounting and Financial Reporting Standards;
  - Albanian National Accounting Standards (revised in accordance with IFRS for SME and effective as of 1 January 2015);
  - Other countries' GAAP.
- ◆ Assistance in the preparation of additional documents and reports required by Albanian tax authorities for submission together with the annual financial statements.

## Monthly and Annual Tax Compliance

Our assistance in the review or preparation of your tax returns would primarily include identification of relevant input data based on which the tax returns would be prepared and the assessment of potential critical issues where management decision is required. Our work will be driven based on the extensive knowledge of our team and their experience with the tax legislation in Albania and aimed at reducing your the tax burden while always being in full compliance with the legislation.

As part of our monthly and annual tax compliance services we offer the review of your calculations or preparation and electronic submission of:

- Monthly purchase and sale books and VAT declaration;
- Monthly Withholding Tax declaration;
- Monthly Payroll and related tax returns i.e. Social and Health Contributions and Personal Income Tax;
- Annual Corporate Income Tax return.

## Payroll and HR Administration

As companies grow and become more global in scope, employment issues become more complex. An important corporate legal and reputational risk that global employers must contend with is ensuring they and their employees are aware of and comply with local filing requirements.

Deloitte offers a broad list of monthly payroll services and international assignment services based upon the source documents and data received by you:

- Legal assistance with the preparation of employment contracts and termination procedures;
- Assistance with the obtaining and/or extending work and residence permits;
- Declaration of new hired and terminated personnel to the tax authorities and labor office;
- Calculation, preparation and electronic submission of monthly payroll, social security and health insurance contributions and personal income tax;
- Preparation of payment orders and employees' personal pay slip;
- Assistance with the preparation and submission of annual individual income tax declaration;
- Assistance with local filing requirements for international assignees.



## Tax Audit Assistance

We would be pleased to assist you during tax audits and give support during negotiations of tax liabilities with the tax authorities. Our success rate in handling disputes with the tax authorities in Albania and Kosovo is remarkable and we are leaders in the market in assisting clients with tax audits. We would act in as many proceedings as may be required to defend your company's interests in dealings with the authorities, by any of their agencies at any stage of proceedings.

Our work would mainly consist of the followings:

- Review of the information and documentation prepared by your staff prior to delivery to the tax inspectors;
- Meeting with the tax authorities and all other stake-holders such as members of the Ministry of Finance, Chambers of Commerce, Business Associations, Ambassadors, when necessary;
- Preparation of tax objections and appeals in case of disagreement with the treatment and penalties from the tax authorities.



---

Our approach combines insight and innovation from multiple disciplines with business and industry knowledge to help your company excel globally and locally. As part of our tax services, we would be happy to assist you in any of the following areas.



# Tax Services

## Indirect Taxes

In a “connected” economy and globalization of markets, effective management of global trade decisions and obligations, can have a significant impact on business costs and cash flows. Our indirect tax specialists can help your business meet legal and regulatory requirements in a cost-effective manner – often producing savings when none may have seemed possible. Our services cover local and cross-border compliance, planning and contact with the authorities as regards value added tax (VAT), excise and customs.

### ◆ VAT

- Advisory on the principles and rules introduced by the new Law on VAT (effective as of 1 January 2015), in accordance with the EU VAT Directive;
- Review of purchases towards the VAT deductibility requirements and limits;
- Assistance in determining the place of supply of services and the need to appoint a VAT representative or apply the reverse-charge mechanism;
- Serving as VAT representatives in Albania for non-resident companies;
- Assistance in procedures of VAT reimbursement;
- Application of special schemes of VAT.

### ◆ Customs and global trade

- Assessment of customs duties and excises;
- Assistance in complying with customs authorities requirements.

## Income Tax

Ongoing regulatory changes, along with an increased tax authority focus on Corporate Income Tax and Withholding Taxes, create a demanding environment for your business. Our professionals have the right technical expertise on domestic and international legislation as well as an extensive local experience to help you apply the correct interpretations and comply with your income tax obligations in a cost-effective manner

Our assistance would mainly consist on the followings:

- Review of expenses towards the deductibility requirements and limits based on Income Tax legislation;
- Advisory on tax treatments vs. accounting treatments and review of deferred taxes;
- Advisory on Withholding Tax exemptions/reductions and assistance with the procedures and application of Double Tax Treaties.

## Transfer Pricing

With the introduction of the new Transfer Pricing regulation in Albania, the goal of our Transfer Pricing network is to help your company manage risks by aligning practical solutions with your overall global business operations and objectives, assisting you with the preparation of documentation, supporting you in resolving disputes efficiently and obtaining advance pricing agreements with Albanian tax authorities. Deloitte has a well-earned reputation for quality and delivering results in the following areas:

- Transfer Pricing advisory and assistance in the preparation of documentation and 'Annual Controlled Transactions Notice';
- Dispute avoidance - Assistance in the preparation and negotiation of Advance Pricing Agreements with Albanian tax authorities;
- Business model optimization services;
- Dispute resolution - Assistance in Transfer Pricing audits.

## International Tax Services

Our tax professionals can help you develop and implement global tax strategies to help maximize your growth and optimize your taxes, wherever your business is located. Drawing on our domestic and global resources through our international tax network, we can develop an overall tax strategy that takes into account your needs and expectations.

Our international tax services include but are not limited to:

- Advisory on the most efficient tax structure for your investments in Albania and Kosova from a group perspective, focusing on both the domestic and cross-border implications;
- Employment of double tax treaties to good advantage in the repatriation of profits abroad and developing of tax efficient financing and investing alternatives;
- Advisory on tax efficient holding company locations, cross-border transactions, intellectual property, intangible assets and cost-allocation;
- Review from a tax perspective of transaction connected to pre and post-acquisition deals, mergers, de-mergers, dissolutions, transfer of business and real estate;
- Deal structuring and due diligence.



## Tax Due Diligence

The scope of the tax due diligence will include verifying the tax compliance with the relevant legislation in force, outlining and, to the extent possible, quantifying the tax exposure areas of the reviewed company.

The scope of the tax due diligence will principally include:

- Analyzing and describing the tax position of the reviewed company;
- Analyzing and describing the major tax risks;
- Reviewing, on a sample basis, tax calculations and compliance with the relevant legislation in force;
- Assessing potential debts to the state budget;
- Analyzing the tax audit reports prepared by the tax authorities and other relevant correspondence with the tax authorities (if any).

## On-going Tax Consultancy Services

We can provide on-going tax consultancy services via the following methods:

- Short written responses (via e-mail) regarding questions of low and medium complexity;
- Telephone consultancy – unlimited consultations for minor tax questions;
- Timely communication through tax bulletins/alerts related to changes in legislation and their possible impact on your activity;
- Invitations to any tax seminars held by Deloitte, usually to discuss changes in legislation;
- Consultancy in person in the form of a 1-2 hour meeting per month with a member of the tax management function.

## Tax Training

Our specialized team of trainers has an extensive experience in client trainings and is willing to deliver to your staff knowledge and best practices in:

- Tax procedures;
- New Law on VAT in line with the EU VAT Directive;
- Corporate Income Tax, Withholding Taxes and Double Tax Treaties;
- Personal Income Tax, Social and Health Security, Labor Law;
- Transfer Pricing.



# Legal Services

---

We believe that problems can be dealt with in two ways: they can either be avoided or solved. For this reason, we formulate solutions to our clients' problems in order to avoid future risks and in a way that our clients understand. We provide comprehensive services in the scope of all legal matters that affect your business activities. We advise to the most significant international corporations, as well as large and medium-sized domestic businesses.

In our daily work we draw on the collective expertise of the global Deloitte network, which makes it possible for us to carry out international projects.

- ◆ Legal advice and assistance in all of the following areas:
  - Corporate and Commercial Law,
  - Restructuring, Mergers and Acquisitions,
  - Intellectual property,
  - Patent and Trademark,
  - Licenses and permits,
  - Real estate legislation,
  - Banking & Finance,
  - Insurance,
  - Labor Law and Safety,
  - Immigration;
- ◆ Legal due diligence;
- ◆ Other Legal Services include:
  - Drafting or reviewing of incorporation acts, contracts and other legal acts;
  - Following the registration procedures with the National Registration Centre and other relevant authorities (if applicable);
  - Following the liquidation or bankruptcy procedures.

# Contacts



**Olindo Shehu**

Partner

Tax & Legal

Albania & Kosovo

**Email:** [oshehu@deloittece.com](mailto:oshehu@deloittece.com)

**Deloitte Albania sh.p.k**

[www.deloitte.com/al](http://www.deloitte.com/al)

**Address:** Rr. Elbasanit, Pallati poshte  
Fakultetit Gjeologji - Miniera, Tirana,  
Albania

**Tel:** +355 (4) 4517920



This publication contains general information only, and none of Deloitte Touche Tohmatsu Limited, Deloitte Global Services Limited, Deloitte Global Services Holdings Limited, the Deloitte Touche Tohmatsu Verein, any of their member firms, or any of the foregoing's affiliates (collectively the "Deloitte Network") are, by means of this publication, rendering accounting, business, financial, investment, legal, tax, or other professional advice or services. This publication is not a substitute for such professional advice or services, nor should it be used as a basis for any decision or action that may affect your finances or your business. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser. No entity in the Deloitte Network shall be responsible for any loss whatsoever sustained by any person who relies on this publication.

Deloitte provides audit, tax, consulting and financial advisory services to public and private clients spanning multiple industries. With a globally connected network of member firms in 150 countries, Deloitte brings world-class capabilities and deep local expertise to help clients succeed wherever they operate. Deloitte's 200 000 professionals are committed to becoming the standard of excellence.

Deloitte's professionals are unified by a collaborative culture that fosters integrity, outstanding value to markets and clients, commitment to each other, and strength from diversity. They enjoy an environment of continuous learning, challenging experiences, and enriching career opportunities. Deloitte's professionals are dedicated to strengthening corporate responsibility, building public trust, and making a positive impact in their communities.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see [www.deloitte.com/pl/about](http://www.deloitte.com/pl/about) for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms.