



Tax&Legal Highlights

Kosovo

Kosovo Implements new Law on Standardization No. 06/L-019

The Standardization Law sets forth rules and principles for developing activities of standardization in the Republic of Kosovo, and the organization and functioning of the Kosovo Standardization Agency.

The Standardization Law was approved by the Assembly of the Republic of Kosovo in accordance with article 65 (1) of the Constitution of the Republic of Kosovo, dated 15.02.2018, and has entered into force fifteen (15) days after the publishing in the Official Gazette of the Republic of Kosovo.

This Law partially transposes Regulation (EU) 1025/2012 of European Parliament and of the Council of 25 October 2012, which establishes requirements for standardization. It is applied to developed standards, adopted and approved by Kosovo Standardization Agency for all sectors of the economy. This does not apply to drafted standards, adopted and approved by companies, agencies and/or organizations, or different specifications for internal needs.

Standardization may have one or more objectives for adaption of a product, process or service. Such objectives are not limited with diversity checking, use, compatibility, interexchange, health, safety, environmental protection, product protection, mutual agreements, economic performance and trade.

Moreover, the Standardization Law regulates issues such as following: Kosovo standardization principles; Kosovo Standardization Agency as body of Ministry of Trade and Industry (functions, responsibility, structure, organization, representation, membership, financing, transparency etc.).

Kosovo Passes New Law on Immovable Property Tax No. 06/L-005

This Law establishes the tax on immovable property and sets out the fundamental rules and procedures for the administration of the immovable property tax by the Municipalities and the Ministry of Finance.

The Assembly of Kosovo has passed the new Law on Immovable Property Tax No.06/L-005 which will enter into force on 1st October 2018 and be effective for the 2019 tax year.

The new Law envisages a gradual increase of the taxable value of parcels from the first year starting with 20% of the appraised value in the first year, rising 20% yearly until the fifth year upon which the taxable value will be 100% of the appraised value of the immovable property.

The Law stipulates that the revenues collected from immovable property tax will be allocated for the account of Municipality in the territory of which the immovable property is located.

In this light, the Law also foresees that the respective Municipal Assembly shall set property tax rates for all property categories until the 30th of November of the year before the year of the imposition of the tax. The tax rates set must be within the levels defined as follows:

- For agricultural units of parcels, tax rates may vary at a scale from zero point fifteen per cent (0.15%) to zero point five per cent (0.5%);
- For agricultural units of objects, tax rates may vary at a scale from zero point fifteen per cent (0.15%) to zero point five per cent (0.5%);
- For forest units of parcels, tax rates may vary at a scale from zero point fifteen per cent (0.15%) to zero point three per cent (0.3%);
- For residential units of parcels, tax rates may vary at a scale from zero point fifteen per cent (0.15%) to one per cent (1%);
- For residential units of objects, tax rates may vary at a scale from zero point fifteen per cent (0.15%) to one per cent (1%);
- For commercial units of parcels, tax rates may vary at a scale from zero point fifteen per cent (0.15%) to one per cent (1%);
- For commercial units of objects, tax rates may vary at a scale from zero point fifteen per cent (0.15%) to one per cent (1%);
- For industrial units of parcels, tax rates may vary at a scale from zero point fifteen per cent (0.15%) to zero point eight per cent (0.8%); and
- For industrial units of objects, tax rates may vary at a scale from zero point fifteen per cent (0.15%) to zero point eight per cent (0.8%);

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In terms of appraising the value of immovable properties, as per Article 18 of the Law, general appraisals are foreseen once every three to five years based on a rolling schema and procedure set forth by sub-legal act.

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