



Tax&Legal Highlights

Serbia

[Social Security Agreement between Serbia and Switzerland](#)

Social Security Agreement as well as Administrative agreement on implementation of the Social Security Agreement concluded in 2010 between Serbia and Switzerland, has entered into force on 1st of January 2019. Convention on social security from 1962 and additional Convention from 1984, which was regulating relations regarding social insurance, ceases to be applicable from the date of entry into force of the Agreement.

Agreement relates to the following laws of Republic of Serbia:

- on pension and disability insurance
- insurance in the event of an injury at work or professional illness
- health insurance and health protection

Agreement relates to the following laws of Swiss Confederation:

- age and family insurance
- disability insurance
- insurance in the event of an injury at work, out of work, and professional illness

- health and social insurance (the Article 3, Part III Paragraph 1, Part VI, V)

Novelties:

Application period of the legislation of one contractual state

For the employees assigned from one contractual state to work in the other contractual state, the period of validity of the first contractual state social security legislation wherein employer is headquartered, over an employee that is assigned, is extended to 24 months, instead of previous period of 12 months. If the assignment is being extended and will take longer than 24 months there is the possibility of extension based on the agreement of the competent authorities of two countries.

Scope

The Agreement covers the same types of insurance that had been covered by former Convention, with exception of child allowance which is excluded from the Agreement.

Collection of insurance periods

Citizens of Switzerland are encompassed by this Agreement, with respect to the collection of insurance period when it comes to exercising the right to pension.

Application of the Agreement

This Agreement will be applicable to the insurance cases that originated prior to its entering into force.

2019 Social security bases

2019 maximum monthly social security contribution base

In accordance with the statistical data published in the "Official Gazette of the Republic of Serbia", No. 104/18 from December 28th, 2018, the new maximum monthly social security contribution base has been published.

The maximal monthly SSC base, which is applicable as of January 1st, 2019, is RSD 341,725 and shall be applicable until the end of December 2019.

2019 minimal monthly social security contribution base

In accordance with the statistical data published in the "Official Gazette of the Republic of Serbia", No. 104/18 from December 28th, 2018, the new minimal monthly social security contribution base has been published.

The minimal monthly SSC base, which is applicable as of as of January 1st, 2019, is RSD 23,921. The minimal monthly SSC base shall be applicable until the end of December 2019.

2018 maximum annual social security contribution base

The maximal annual SSC base for the year 2018 was RSD 3,951,060.

The Central Register of the Beneficial Owners

The Central Register of the Beneficial Owners has been established within the Serbian Business Registers Agency as of December 31, 2018, as a unique, centralized, public and electronic data base about beneficial owners of subjects registered, established until December 31, 2018, in accordance with the Law on the Central Register of the Beneficial Owners and the Rulebook on the content of the Central Register of the Beneficial Owners.

Therefore, authorized persons within legal persons and other subjects registered should register the data about the beneficial owners, not later than January 31, 2019.

With the aim of conducting this legal requirement, the Ministry of Economy has prepared the Guidelines for the registration of the beneficial owner of the subject registered in the Central Register (available only in Serbian).

Changes to the Serbian DTT Network

1. As of 1 January 2019 Double Tax Treaties with Indonesia and San Marino apply (with which San Marino has been removed from the list of preferential tax jurisdictions);
2. As of 1 January 2019 Double Tax Treaty with Malaysia does not apply.

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