



Deloitte Tax Alert  
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Recently a new rulebook was passed, determining the structure and contents of corporate income tax returns for capital gains and lease and sub-lease income derived by nonresident taxpayers. Further, the Rulebook on the Property Tax Return Forms was amended and through the old forms PPI-3 (gift and inheritance tax) and PPI-4 (transfer tax) are replaced with new ones.

Additionally, in the previous period several new rulings were issued by the Ministry of Finance and Economy, relevant for the tax practice.

#### The abovementioned Rulebooks are:

- The Rulebook on Determining the Contents of the Corporate Income Tax Return for Income from Capital Gains and Lease and Sub-Lease of Immovable and Movable Property Made by a Non-Resident Taxpayer (“Official Gazette of the Republic of Serbia”, no. 56/2013)
- The Rulebook on Amendments to the Rulebook on the Property Tax Return Forms (“Official Gazette of the Republic of Serbia”, no. 59/2013)

#### We would like to emphasize the following Rulings of the Ministry of Finance and Economy:

- **VAT treatment of the supply of vouchers made by a resident VAT payer to a non-resident entity** – The supply of vouchers made by a resident VAT payer to a non-resident, which are used to buy services from non-residents (services provided electronically), is a service taxable with Serbian 20% VAT.

*(Ruling of the Ministry of Finance and Economy, no. 011-00-531/2013-08 dated on May 14<sup>th</sup> 2013)*

- **Woodchips are not considered as waste materials under the VAT Law** – The liability to calculate and settle VAT for the supply of goods – woodchips, is on the VAT taxpayer supplying the goods, since the woodchips are not considered as waste material under the VAT rules.

*(Ruling of the Ministry of Finance and Economy, no. 011-00-00176/2013-04 dated on June 6<sup>th</sup> 2013)*

- **The VAT debtor for the supply of goods and services made by a constructor to an entity which is not the construction permit holder** – When a VAT taxpayer, the constructor, supplies goods and services in the construction industry to a person which is not the construction permit holder, the liability to calculate and settle VAT on such supply remains with the VAT taxpayer, the constructor.

*(Ruling of the Ministry of Finance and Economy, no. 430-01-248/2013-04 dated on June 11<sup>th</sup> 2013)*

- **The right to deduct input VAT for acquiring goods and services for continuing the construction of a building which the VAT taxpayer has acquired as an unfinished construction object** – The VAT taxpayer which acquired an unfinished construction object, and which is continuing the construction of that object, has the right to deduct input VAT,

under the condition that he has the prescribed documentation, and that he meets the general requirements for the right to deduct input VAT.

*(Ruling of the Ministry of Finance and Economy, no. 401-00-2193/2013-04 dated on June 14<sup>th</sup> 2013)*

- **The tax treatment of increasing the company's share capital by means of additional cash contribution** – An increase of the resident company's share capital by means of cash contribution made by a non-resident company, which in doing so acquires a proportional share of the resident company, is not subject to taxation under the Corporate Income Tax Law, Property Tax Law or VAT Law.

*(Ruling of the Ministry of Finance and Economy, no. 430-01-326/2013-04 dated on June 28<sup>th</sup> 2013)*

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Finally, we would like to inform you that only one debtor was reported for not settling his monetary liabilities within the timeframe prescribed by the [Law on Deadlines for Settling Monetary Liabilities in Commercial Transactions](#). For that reason, it is likely that the Ministry of Finance and Economy will introduce ex officio audits in order to monitor whether the provisions of this Law are being followed.

## Contacts

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