

Regulations adopted based on the Law on Value Added Tax

Following the amendments to the Law on Value Added Tax (VAT Law) as adopted at the end of September 2012, a significant number of regulations that regulate more closely the application of specific provisions of the VAT Law have been amended or new ones have been adopted.

Given that in a short period of time a large number of amendments have been adopted, which mainly go into effect starting on 1 January 2013, including a large number of regulations, rulebooks and decrees, in practice it is often unclear which regulations are still in force.

For this reason, and in order to simplify your daily work and assist you in finding your way through the large number of regulations, we provide you here with a list of all regulations adopted based on the VAT Law which are effective on 1 February 2013.

No.	Regulation effective on 1 February 2013	Provision of VAT Law treated by regulation
I	Rulebook	
1	Rulebook on Criteria Based on Which Handover of Goods Based on a Leasing or Rental Contract is Deemed as Supply of Goods (Official Gazette of RS, no. 122/2012)	article 4 paragraph 3 point 2a
2	Rulebook on What is Deemed as Taking of and Use of Goods, Other Supply of Goods and Provision of Services, Without Consideration, on Determining Usual Quantities of Business Samples, Advertising Materials and Other Gifts of Small Value (Official Gazette of RS, no. 118/2012)	article 4 paragraph 4 points 1 and 2, article 5 paragraph 4 and article 6 paragraph 1 point 3 and 4
3	Rulebook for Defining the Transfer in Part or in Whole of Property, With or Without Consideration, or as Equity Investment, For Which It Is Deemed That no Supply of Goods and Services Occurred (Official Gazette of RS, no. 118/2012)	article 6 paragraph 1 point 1
4	Rulebook on Procedure for Replacement of Goods Within Warranty Period For Which It Is Deemed That no Supply of Goods Occurred (Official Gazette of RS, no. 118/2012)	article 6 paragraph 1 point 2
5	Rulebook for Defining Scrap Materials and Services Directly Related to Scrap Materials in Terms of the Law on Value Added Tax (Official Gazette of RS, no. 107/2012)	article 10 paragraph 2 point 1
6	Rulebook for Defining Electronic Provision of Services in Terms of the Law on Value Added Tax (Official Gazette of RS, no. 107/2012)	article 12 paragraph 3 point 4 sub-point 10
7	Rulebook on Method for Determining the Tax Base of VAT Calculation for Transport of Passengers by Bus Performed by Foreign Taxpayer (Official Gazette of RS, no. 105/2004)	article 18 paragraph 4
8	Rulebook for Defining Goods and Services Whose Supply is Subject to Reduced VAT Rate (Official Gazette of RS, no. 108/2004, 130/2004 – correction 140/2004, 65/2005, 63/2007, 29/2011 and 95/2012)	article 23 paragraph 2 points 1, 2, 2a, 4 - 11 and 15 - 21
9	Rulebook on Method and Procedure for Realising VAT Tax Exemptions With Right to Deduct Input Tax (Official Gazette of RS, no. 120/2012)	article 24 paragraph 1 - 3
10	Rulebook for Defining Specific Goods and Services From Article 25 of the Law on Value Added Tax (Official Gazette of RS, no. 120/2012)	article 25 paragraph 2 points 3, 7, 11, 12, 13, 14, 15 and 18
11	Rulebook on Method for Calculating and Adjusting Proportional Tax Deductions (Official Gazette of RS, no. 122/2012)	article 30
12	Rulebook for Defining Equipment and Facilities and Investments in Facilities, Method for Performing Corrections of Deductions of Input Tax and Method for Determining the Portion of Input Tax for Which Entitlement to Deduction Can Be Exercised Later, for Equipment and Facilities for Performing Commercial Activity and Investments in Facilities (Official Gazette of RS, no. 120/2012)	article 32 and 32a
13	Rulebook for Defining Goods That Are Deemed Used Goods, Art Works, Collectors' Items and Antiques (Official Gazette of RS, no. 105/2004 and 118/2012)	article 36

14	Rulebook on What Is Deemed Collection of Receivables in Terms of the Law on Value Added Tax (Official Gazette of RS, no. 114/2012)	article 36a
15	Rulebook on Form and Content of the Application for VAT Registration, Procedure for Registration and Deregistration and Form and Content of the VAT Tax Return (Official Gazette of RS, no. 123/2012)	article 41 related to articles 38, 38a and 40 paragraph 3 and article 50
16	Rulebook for Defining Cases in Which There Is No Obligation for Issuing Invoices and on Invoices in Which Certain Information Can Be Left Out (Official Gazette of RS, no. 123/2012)	article 42 and 34 paragraph 3 (PDV receipt)
17	Rulebook on Form, Content and Method for Keeping VAT Records (Official Gazette of RS, no. 120/2012)	article 46
18	Rulebook for Procedure on Exercising Right to VAT Refund and Method and Procedure for VAT Refund (Official Gazette of RS, no. 107/2004, 65/2005, 63/2007, 107/2012 and 120/2012)	articles 52 – 56b
II	Decree	
1	Decree on Quantity of Waste (shrinkage, spillage, spoilage and breakage) Which is Not Subject to Value Added Tax (Official Gazette of RS, no. 124/2012)	article 4 paragraph 4 point 3
2	Decree on Criteria for Determining What, in Terms of the VAT Law, is Deemed Predominant Supply of Goods Abroad (Official Gazette of RS, no. 124/2004, 27/2005 and 4/2013)	article 52 paragraph 4
3	Decree on Enforcing the Law on Value Added Tax on the Territory of the Autonomous Province of Kosovo and Metohija for the Duration of the UN Security Council Resolution 1244 (Official Gazette of RS, no. 15/2005 and 68/2011)	article 61

Besides the listed regulations, there are three regulations that have been adopted based on the VAT Law which are still in force, but are no longer being applied:

- 1 Rulebook on the Content of Physical Count Lists and Method for Calculating the Amount of Realised Deduction of Input Tax (Official Gazette of RS no. 106/2007) – this Rulebook was adopted based on transitional and closing provisions of the Law on Amendments to the Law on Value Added Tax (Official Gazette of RS no. 61/2007) and relates to corrections of deductions of input VAT upon deregistration of taxpayers from VAT records, if during 2007 turnover did not exceed 2 million dinars.
- 2 Rulebook on Procedure for Exercising the Right to a Refund of VAT Paid From 1 January to 26 July 2005 (Official Gazette of RS no. 67/2005) – this Rulebook was adopted based on transitional and

closing provisions of the Law on Amendments to the Law on Value Added Tax (Official Gazette of RS no. 61/2005) and relates to the procedure for exercising the right to a refund of VAT paid from 1 January to 25 July by the ministry in charge of healthcare for goods that are the subject to donation and humanitarian aid contracts, and the right to a refund of VAT paid by traditional churches and religious communities for goods and services which are directly linked to religious activities.

- 3 Rulebook on Method for Exercising the Right to Deduction of Sales Tax as Input VAT (Official Gazette of RS no. 124/2004) – this Rulebook was adopted based on article 64 of the Law and relates to the method for realising the right to recognise sales tax paid in the purchase of goods that are in stock as at 31 December 2004 as input VAT.

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