

Central Register of Ultimate Beneficial Owners came into force

Legal Alert

June 2018



Newly adopted Law on Central Register of Ultimate Beneficial Owners (hereinafter the “Law”) came into force on 8 June 2018.

The Law is establishing the Central Register of Ultimate Beneficial Owners, which will be kept by the Serbian Business Registers Agency.

The Law applies to the following legal entities and other subjects registered in the Republic of Serbia:

- companies, other than public joint stock companies;
- cooperatives;
- branches of foreign legal entities;
- business associations and associations, other than political parties, trade unions, sports organizations and associations, churches and religious communities;
- foundations, endowments, institutions and
- representative offices of foreign companies, associations, foundations and endowments.

Pursuant to the Law, the ultimate beneficial owner shall be deemed as:

- natural person which indirectly or directly holds 25% or more of the stakes, shares, voting rights or other rights, on the basis of which he participates in the management, or participates in the capital with 25% or more of the interest;
- natural person which indirectly or directly has a dominant influence on business management and decision-making;

- natural person, which indirectly provides or is providing the funds and consequently significantly influences the decision-making of the managing bodies when deciding on financing and operations;
- natural person which is the founder, trustee, protector, beneficiary if designated, as a person holding a dominant position in controlling the trust, or in another person of foreign law and
- natural person which is registered for the representation of cooperatives, associations, foundations, endowments and institutions, if the authorized person for representation has not registered another natural person as the ultimate beneficial owner.

The Law does not apply on companies and institutions in which the Republic of Serbia, autonomous province or unit of local self-government is the sole owner or the founder.

Existing subjects which are abiding the Law, are obliged to establish the ultimate beneficial owner as well as to provide the information and documentation in accordance to the Law, in 30 days from the day of coming into force of the Law. It means that the deadline is 8 July 2018.

Business Registers Agency will establish the Central Register of Ultimate Beneficial Owners by 31 December 2018 at latest.

Authorized person of the entity is obliged to record relevant information until 31 January 2019 at latest through Business Registers Agency’s website with usage of qualified certificate for electronic signature.

Entity will be fined for misdemeanor with fines in the range from RSD 500,000 to RSD 2,000,000 if it does not perform registration of data on the ultimate beneficial owner in prescribed deadline or if it does not have or does not keep certain, precise and updated information and documentation on which basis it registered the ultimate beneficial owner. For misdemeanor the responsible person of the legal entity will be fined aswell with a fine in the range of RSD 50,000 to RSD 150,000.



The Law prescribes imprisonment penalty from 3 months to 5 years for persons which, with intention to hide the ultimate beneficial owner, does not register the data of the ultimate beneficial owner, registers false data on ultimate beneficial owner as valid, changes or deletes valid data on ultimate beneficial owner.

For more information and support in implementation of the Law, our team is at your disposal.

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