

Ideas that pay off.

Monthly Newsletter

October, 2021

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Published amendments to the Ordinance on transfer prices

At the beginning of October, an amended Rulebook on transfer prices was published, which defines in more detail the content and manner of submitting the annual report on transactions within the group of internationally related persons.

The amendment related to the Transfer Pricing Report in the part related to the analysis of the group of related parties, in addition to the already existing information, also includes information on whether the obligor is a member of the international group of related legal entities and whether it is considered the ultimate parent legal entity, information on the identity as well as the country of residence of the ultimate parent legal entity if the taxpayer is not considered the ultimate parent legal entity.

The obligation to submit the annual report has a resident taxpayer who is considered the ultimate parent legal entity of an international group of related legal entities whose total consolidated income in the previous year amounted to at least EUR 750 million.

The amended rulebook stipulates that in addition to the documentation on transfer prices provided so far, the annual report on the CbC form in paper form shall be submitted to the tax authority, no later than 12 months from the end of the tax period.

THE CBC FORM CONTAINS INFORMATION:

- Whether the obligor is considered the ultimate parent and whether he is a member of an international group of related parties.
- If this is not the case, information on the identity and residence of the ultimate parent should be provided.

The amended Rulebook shall enter into force on the eighth day from the day of its publication in the Official Gazette of the Republic of Serbia.

New PEP Form

In the "Official Gazette of RS", number 99/2021, the Rulebook on amending the Rulebook on submitting tax returns electronically was published. The ordinance entered into force on October 30, 2021.

This Ordinance amends the previous Form PEP – Authorization for the use of electronic services with the new Form PEP – Authorization for the use of electronic services.

The new PEP Form has been amended in part 4 – scope of authorization for the use of electronic services, in which field 4.6 of authorization for fiscalization has now been added.

The reference interest rate remained unchanged

At the session of the Executive Board of the National Bank of Serbia held on October 7, 2021, it was decided to keep the reference interest rate at 1%.

The next session of the Executive Board will be held on November 9, 2021.

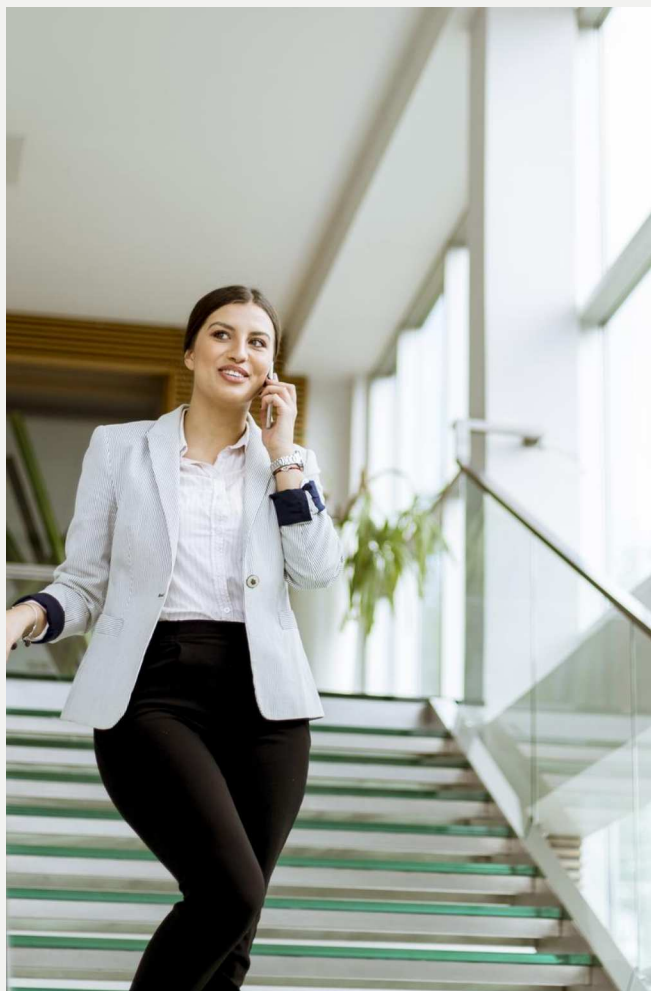
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New ways to connect to the Electronic Invoice System

The e-Invoice portal publishes user instructions for connecting to the Invoice System, which can be done electronically directly or via the API application programming interface.

DIRECT LOGIN TO THE ELECTRONIC INVOICE SYSTEM

- In order to use the Electronic Invoice System, it is necessary to register on the electronic identification portal and to have a qualified electronic certificate, or two-factor authentication;
- After logging in, you will be re-registered on the Electronic Invoice System, on the page for registering a new user account;
- It is necessary to choose which business entity you represent;
- Most of the data on the economic entity will be automatically filled in from the records of the competent state authorities, after which you can use the System of electronic invoices.



CONNECTING TO THE ELECTRONIC INVOICE SYSTEM VIA THE API APPLICATION PROGRAMMING INTERFACE

If you are not registered on the Electronic Invoice System, it is necessary for the legal representative or person who legally manages the state administration body (or represents the local self-government body) to register on the electronic identification portal and to have a qualified electronic certificate, or a parameter for two-factor authentication.

After that, you will be redirected again to the Electronic Invoice System, to the page for registering a new user account (on behalf of the trade entity within its authorizations), where it is necessary to choose which economic entity you represent (most data on economic entity will be automatically filled from records of competent state bodies);

If you are already registered on the Electronic Invoice System, in the "Settings" section of the Electronic Invoice System, it is necessary to select the "API management" option, after which the user can perform the following activities;

- Generating API key by selecting the option "Generate key";
- Activating the API status by setting the slider "Active" to the on position;
- Access to Swagger documentation via the link available in the "API management" section;
- The user independently installs, ie submits to his ERP provider the API identification key which is built into the API method.

➤ **CLICK HERE TO REGISTER ON THE ELECTRONIC IDENTIFICATION PORTAL**

Statistical Office of the Republic of Serbia published consumer price index for September 2021.

Prices of personal consumption goods and services in September 2021, compared to August 2021, increased by 0.8% on average. Consumer prices in September 2021, compared to the same month last year, increased by 5.7%, while compared to December 2020, they increased by 5.4% on average.

Observed by the main groups of products and services classified according to the purpose of consumption, in September 2021, compared to the previous month, the price increase was recorded in the groups Food and non-alcoholic beverages (2.3%), Restaurants and hotels (0.8%) and Housing, water, electricity, gas and other fuels (0.5%). Price growth was also recorded in the groups Clothing and footwear, Furniture, household appliances and current maintenance of housing and Health (by 0.4% each), Alcoholic beverages and tobacco (0.2%), as well as in the groups Transport, Communications and Education (by 0.1%). The fall in prices was recorded in the group Recreation and culture (-2.4%).

Prices of other products and services did not change significantly.

Statistical Office of the Republic of Serbia published earnings data for August 2021.

On October 25, the Statistical Office of the Republic of Serbia published a statement on salaries for August 2021.

The average gross salary calculated for August 2021 was 89,202 dinars, while the average net salary was 64,639 dinars.

Growth in gross wages in the period January–August 2021, compared to the same period last year, amounted to 8.5% in nominal terms and 5.6% in real terms. At the same time, net earnings increased by 8.7% in nominal terms and by 5.8% in real terms.

Compared to the same month of the previous year, the average gross salary for August 2021 is nominally higher by 10.3% and really by 5.8%, while the average net salary is nominally higher by 10.5% and 5.9% real.

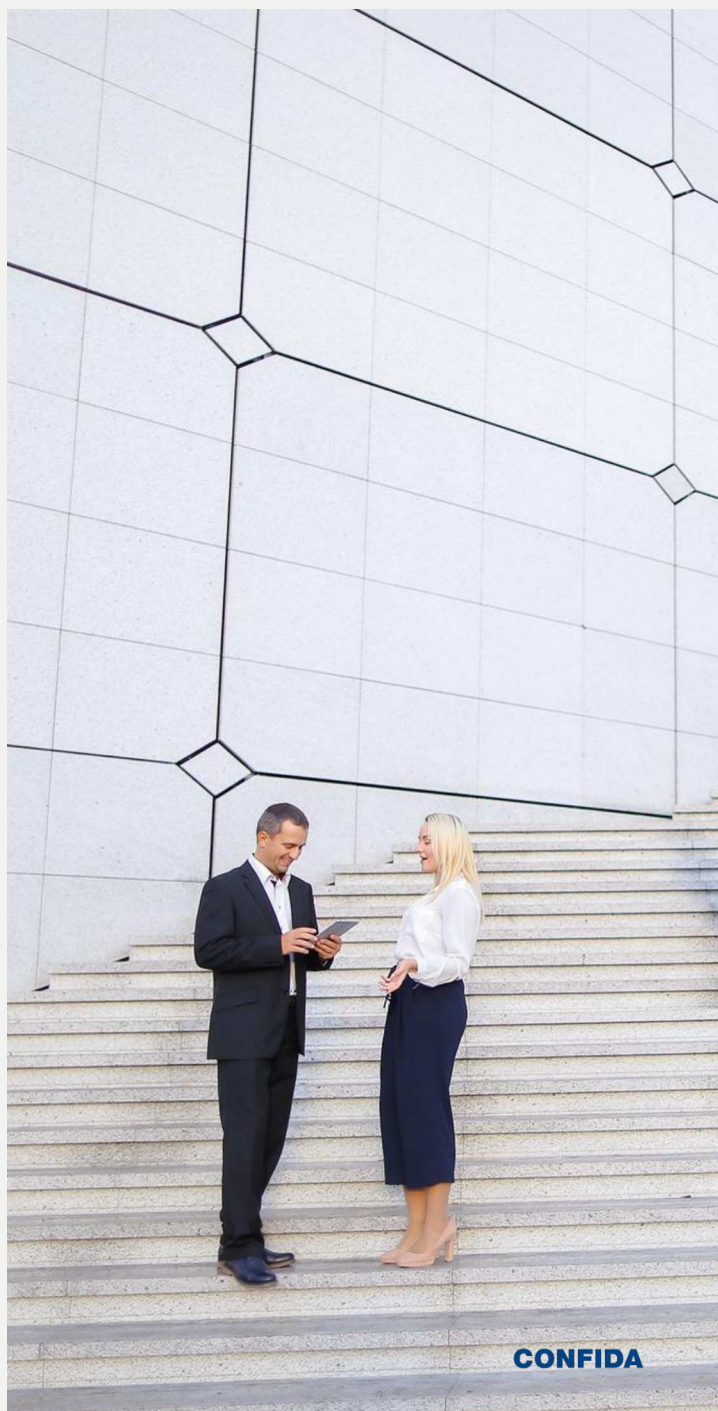
The median net salary for August 2021 amounted to 49,933 dinars, which means that 50% of employees earned up to the stated amount.

The eFiscalization process

Starting from November 1, 2021, through the portal of the Tax Administration ePorezi, taxpayers will be able to report the locations of their facilities in which they publish the activity for which it is necessary to have a fiscal device.

Also, from October 15, through the website of the Tax Administration, taxpayers can apply for state subsidies (one hundred euros per point of sale and one hundred euros per fiscal device).

The deadline for applications is the end of January 2022.



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