

Ideas that pay off.

Monthly Newsletter

January, 2024

CONFIDA.RS

THE NEW APPLICATION FOR ELECTRONIC REGISTRATION OF ENTREPRENEURS

On December 17, 2023, the Business Registers Agency (BRA) launched a new application for the electronic registration of changes and deletions of entrepreneurs. This application allows entrepreneurs to submit all registration applications to the Business Registers Agency (BRA) online without the need to visit a counter or send them by mail.

To utilize this service, entrepreneurs need a qualified electronic certificate, an electronic card reader, and the NEXU application for electronic signing, developed by the Business Registers Agency (BRA) and available for free download from its website.

The application for the electronic registration of changes and deletions of entrepreneurs is not mandatory but an alternative to the existing method of submitting applications in written form. Entrepreneurs who want to continue submitting paper applications can do so as before, either in person or by mail.

Suppose an electronic application includes a document initially in paper form, like consent, certification, or a permit from the competent authority. In that case, the document must undergo digitization or conversion into an electronic format. A notary can perform this task, using their electronic signature to certify that they possessed the original document, scanned it, and signed it with an electronic signature or a qualified electronic seal.

Entrepreneurs can create documents issued by themselves, such as a power of attorney, in the original electronic form by signing the document with their qualified electronic signature.



AS OF JANUARY 1, 2024, AMENDMENTS TO THE VAT REGULATION ARE IN EFFECT

The Ministry of Finance has amended the Value Added Tax Regulation, published in the Official Gazette of the Republic of Serbia No. 116/2023 on December 26, 2023, and applicable from January 1, 2024.

The fundamental changes are as follows:

- The exemption for the supply of goods in customs warehousing – Henceforth, it is envisaged that a taxpayer will be able to qualify for tax exemption for the supply of goods that are in the warehousing process in the case of payment or advance payment for future supplies, provided that these goods have not yet entered the customs warehousing process at the time of advance payment. This applies if the taxpayer has a contract proving that it is compensation or part of the compensation for the supply of goods to be carried out while those goods are in the customs warehousing process.

Invoice for multiple individual supplies

- It is clarified that a single electronic invoice for multiple personal supplies can be issued for a period shorter than a calendar month. In the case of issuing an electronic invoice for multiple individual supplies, the date of supply on the electronic invoice is specified as the last day of the period for which the electronic invoice is issued.

Fiscal receipt issued to a Public Sector entity

- It is stipulated that a fiscal receipt is not considered an invoice under the VAT Law, even in cases when an electronic invoice is issued upon the request of a public sector entity for the supply for which the fiscal receipt is issued.

EFFECTIVE FROM JANUARY 1, 2024 - AMENDMENTS AND ADDITIONS TO THE LAW AND REGULATION ON ELECTRONIC INVOICING

At the session held on October 26, 2023, the National Assembly of the Republic of Serbia adopted the Law on Amendments and Additions to the Law on Electronic Invoicing (the Law). The Law was published in the Official Gazette of the Republic of Serbia No. 92/2023 on October 27, 2023, and applies from January 1, 2024. Accordingly, the most significant changes include:

- Shortening the deadline for submitting individual and summary records of VAT obligations on the electronic invoicing system from the 15th to the 10th day of the month. For monthly VAT obligors, this means that for the tax period from January 2024, they must submit individual and summary VAT records to the eInvoicing System by February 10. However, the deadline for submitting the VAT return and paying the obligations remains by the 15th of the following month. As for quarterly obligors, they must submit VAT records to the eInvoicing System for the first quarter of 2024 by April 10. The VAT return and tax payment deadline has stayed the same; it remains April 15, 2024.



CONFIDA

- Introduction of the obligation to declare input VAT on the electronic invoicing system, calculated by suppliers, through VAT records.
- Deleting obligators from the electronic invoicing system, which a sub-legal act will more closely regulate.

Amendments and additions to the regulation on electronic invoicing, which also applies from January 1, 2024, further specify these changes.

NEW CONDITIONS FOR EXCISE REFUND ON MOTOR FUEL IN AGRICULTURE

From January 1, 2024, farmers using motor fuel in their production will have the right to a refund of paid excise tax on that fuel, according to the new Article 39g of the Excise Tax Law. This right is realized by submitting a request to the Agricultural Payments Administration, part of the Ministry of Agriculture, Forestry, and Water Management.

Unique markings have been introduced and entered into fiscal receipts when purchasing motor fuel to facilitate the identification of buyers eligible for this right.

These markings depend on whether the buyer is a legal entity, entrepreneur, or individual, as well as whether they have a tax identification number (TIN), unique master citizen number (JMBG), or agricultural holding number (BPG).

Fiscalization entities unable to immediately implement these markings can temporarily use alternative markings until the end of January 2024. More information about these markings and the technical conditions for their use are published and updated in Technical Instructions for the administrative and technical review of the Electronic System for Issuing and Controlling Invoices (ESIR) functionality or the local program for fiscal receipts (L-PFR).

EXTENDED EXEMPTION FOR MARKET SELLERS FROM E-FISCALIZATION

The Tax Administration of Serbia has informed fiscalization obligors engaged in the sale of goods and services at market stalls and similar locations that until December 31, 2024, they will not be obliged to record transactions using an electronic fiscal device.

The notice relies on the Regulation that determines activities exempt from the obligation to record retail transactions using an electronic fiscal device, thereby delaying the obligation to record retail transactions and receive advances for retail transactions using an electronic fiscal device.

OUTSTANDING DECISIONS OF THE TAX AUTHORITY FOR FREELANCERS BASED ON THEIR INCOME FOR THE YEAR 2018

The Tax Administration of the Republic of Serbia has determined the obligation for taxpayers i.e. "freelancers" who generated income based on the agreed fee from copyright and related rights and the agreed fee for the work performed, on which tax is paid through self-taxation, in the period 01.01-31.12.2018. Tax obligations are determined based on commercial banks' data on generated income of natural persons.



MONTHLY INFLATION (CONSUMER PRICES) IN NOVEMBER 2023 IT IS 0.5%

The prices of personal consumption products and services in November 2023, compared to October 2023, are on average higher by 0.5%. Consumer prices in November 2023, compared to the same month of the previous year, increased by 8.0%, while compared to December 2022, they increased by 7.5% on average.

- For the last month (period: October 2023 – November 2023), the inflation was 0.5%.
- For the last year (period: November 2022 – November 2023) the inflation was 8.0%.

Since the beginning of the year (period: December 2022 – November 2023), the inflation was 7.5%.

According to data on consumer price trends:

- The consumer price index in the Republic of Serbia in November 2023 compared to October 2023 is 100.5.
- The consumer price index in the Republic of Serbia in November 2023 compared to December 2022 is 107.5.

AVERAGE EARNINGS FOR OCTOBER 2023 IN THE REPUBLIC OF SERBIA

According to the Announcement of the Republic Institute of Statistics No. 353 of December 25, 2023:

- The average gross salary in the Republic of Serbia, which was paid in October 2023, was 119,791.00 dinars.
- The average net salary in the Republic of Serbia (without taxes and contributions) paid in October 2023 was RSD 86,738.00.



Ideas that pay off.

Monthly Newsletter
January, 2024

CONFIDA.RS

CONTACT

CONFIDA – Consulting d.o.o.
AUDICON d.o.o.

Knez Mihailova 22,
Belgrade, 11000, Serbia

+381 11 3039104

www.confida.rs

Christian Braunig
Managing Partner
e-mail

Nevenka Petrović
Director
e-mail

This material has been prepared for general informational purposes only and is not intended to be used as accounting, tax or other professional advice. For any additional information, contact our consultants.