LAW ON TAX PROCEDURE AND TAX ADMINISTRATION

(Official Gazette of RS, Nos. 80/02, 84/02 - correction, 23/03 - correction, 70/03, 55/04, 61/05, 85/05 - other law, 62/06 - other law, 61/07, 20/09, 72/09 - other law, 53/10, 101/11, 2/12 - correction, 93/12, 47/13, 108/13, 68/14, 105/14, 112/15, 15/16, 108/16, 30/18, 95/18, 86/19, 144/20, 96/21, 138/22, 94/24)
Consolidated text up to the amendments from the "Official Gazette of RS" number 94/24, which are in effect from 01/01/2025
(amendments in Articles: 10, 21, 22, 23, 24, 29, 34, 38, 64, 65, 67, 73, 114a, 114e, 115, 115b, 115v,
159, 160, 177, 178, 179, 180, 181, 182a, 182b);
- except for Articles: 11, 28, 28a, 28b, 28c, 28d, 28e, 28f, 28g, 28h, 39, 48, 96a, 108, 114, 115d, 117b,
139, 162a, 163a - in effect from 01/01/2026;

Part One

BASIC PROVISIONS

Heading One

SUBJECT MATTER OF THE LAW

Content of the Law

Article 1

This law regulates the procedure for assessing, collecting, and auditing public revenues to which this law applies (hereinafter referred to as: tax procedure), rights and obligations of taxpayers, registration of taxpayers, and tax crimes and misdemeanors.

This law establishes the Tax Administration as an administrative authority within the ministry responsible for finance, and regulates its competences and organization.

Types of Public Revenues

Article 2

This law applies to all public revenues collected by the Tax Administration, unless otherwise provided by another tax law (hereinafter referred to as: tax).

This law also applies to interest on tax arrears and costs of enforced collection procedures (hereinafter referred to as: secondary tax liabilities).

Article 2a

This law also applies to own source public revenues of local government units which these units assess, collect, and audit in a public-law relations, as well as to secondary tax liabilities on these bases, including own source public revenues assessed, collected, and audited by local government units in procedures where they issue tax acts, tax administrative acts, and other acts in administrative proceedings.

In assessing, collecting, and auditing public revenues and secondary tax liabilities as mentioned in paragraph 1 of this Article, issuing a misdemeanor order, and in filing requests for initiating misdemeanor proceedings for tax misdemenors, the competent misdemeanor court, the competent body of the local government unit shall have the rights and obligations

conferred to the Tax Administration under this law, except for rights and obligations related to:

1) identification and registration of taxpayers;
2) assessment of the tax base by the comparator method and the cross-evaluation method;
3) detection of tax crimes;
4) deleted ("Official Gazette of RS", No. 108/16) 4a)
deleted ("Official Gazette of RS", No. 47/13)
5) deleted ("Official Gazette of RS", No. 53/10)
6) other rights and obligations of the Tax Administration contained in the provisions of Article 160, item. Articles 161, 164, and 167-171 of this law.

Article 2b

The provisions of this law that govern the powers of the Tax Administration, the rights and obligations of taxpayers, the powers of tax auditors and tax enforcement officers of the Tax Administration, shall correspondingly apply to the powers of the local self-government unit, or to the rights and obligations of the payers of own source public revenues as per Article 2a, paragraph 1 of this law, to the powers of tax auditors of the local self-government unit and tax enforcement officers of the local self-government unit, in the procedure of assessing, collecting, and auditing the own source revenues of the local self-government unit to which this law applies.

The provisions of this law that regulate the transfer of ownership of movable and immovable property to the Republic of Serbia in the process of enforced collection of public revenues belonging to the budget of the Republic of Serbia shall correspondingly apply to the transfer of ownership of movable and immovable property to a local self-government unit in the process of enforced collection of own source public revenues of the local self-government unit.

Relationship to Other Laws

Article 3

If an issue within the scope of this law is regulated differently by another law, the provisions of this law shall apply.

Unless otherwise provided by this law, the tax procedure shall be conducted in accordance with the principles and provisions of the law governing general administrative procedures, or in accordance with the provisions of the law governing audit supervision.

Heading Two

Principles of Tax Procedure

Principle of Legality

Article 4

The Tax Administration is obligated to exercise all rights and discharge all duties arising from the tax law relationship in accordance with the law.

In cases where the Tax Administration is authorized to act based on discretionary powers, it is obliged to act in accordance with the purpose of those powers and within the framework of the law.

The Tax Administration is obligated to ascertain all facts that are essential for making a lawful and correct decision, giving equal attention to facts that are both favorable and detrimental to the taxpayer.

Principle of Temporal Applicability of Tax Regulations

Article 5

The tax liability is assessed based on the regulations that were in effect at the time of its occurrence, unless, in accordance with the Constitution and law, it is provided that certain provisions of the law have retroactive effect.

Notwithstanding the provisions of paragraph 1 of this Article, the tax liability for property tax for calendar years following the year in which the tax liability arose shall be assessed based on the property tax laws in effect on 1 January of the calendar year for which the tax liability is being assessed, unless, in accordance with the Constitution and law, certain provisions of the law are stipulated to have retroactive effect.

Actions in tax proceedings are governed by regulations that are in effect at the time they are undertaken.

Principle of Enabling a Review of Facts

Article 6

Prior to passing an act determining the rights and obligations of the taxpayer, the Tax Administration shall, at the taxpayer's request, allow the taxpayer to review the legal and factual basis for passing such an act.

Principle of Confidentiality in Tax Procedure

Article 7

For the purposes of this Law, the following shall be considered confidential data in a tax procedure (hereinafter: confidential data) and shall be kept confidential:

1) any document, information, data, or other fact about the taxpayer that official personnel and all other individuals participating in tax, misdemeanor, pre-investigative, or judicial proceedings have come across;

2) information about technical inventions or patents, as well as all other data on technological processes used by the taxpayer, which officials and all other individuals participating in tax, misdemeanor, pre-investigative, or judicial proceedings have come across.

Breach of confidential information endangers the interests of taxpayers and the public interest of the Republic, which prevail over the interest in accessing information of public importance that constitutes confidential information, the disclosure of which could lead to severe legal or other consequences for the interests protected by this law.

All officials and other individuals participating in tax, misdemeanor, pre-investigative, and judicial proceedings are obligated to preserve confidential information.

The obligation to preserve confidential information also applies to individuals referred to in paragraph 1 of this Article after their employment relation ends, or their capacity in which they came to know about the documents, facts, or data from paragraph 1 of this Article.

The obligation to preserve confidential information is breached if documents, facts, or data from paragraph 1 of this Article are used or disclosed without authorization.

The obligation to preserve confidential information is not breached:

1) by an action with which the taxpayer agrees in writing;

2) if a specific document, fact, or data cannot be associated with a specific taxpayer;

3) if a specific document, fact, or data is disclosed during tax, misdemeanor, pre-investigative, or judicial proceedings;

4) if it concerns the taxpayer's tax identification number (hereinafter referred to as: TIN);

5) if a specific document, fact, or data is used by a competent authority in the process

of detecting crimes or misdemeanors;

6) if a specific document, fact, or data, in accordance with the provisions of Article 157 of this law, are provided to an authorized official of a foreign tax authority in the process of exchanging information and providing legal assistance;

7) if a tax guarantor is allowed access to data about the taxpayer, essential for regulating obligations arising from their relationship to the taxpayer;

8) if a specific document, fact, or data related to the existence of tax debt are provided in accordance with the provisions of a special law, unless providing the document, facts, or data involves substantial costs or requires excessive engagement of employees in the Tax Administration, which the tax authority determines in each specific case;

9) if a specific document, fact, or data are provided to an authorized official of another state body and organization, bodies of territorial autonomy, and local self-government in the process of exchanging information necessary for undertaking activities within the jurisdiction of those bodies.

The Tax Administration publishes on its website at least once a year, with a snapshot as of the last day of the calendar month preceding the day of publication, the name or full name, TIN, and amount of tax debt of tax debtors, including legal entities with a tax debt of 20,000,000 dinars or more and sole proprietors with a tax debt of 5,000,000 dinars or more, thereby not breaching the obligation to preserve confidential information.

Regarding the protection of confidential information, in all other matters not prescribed by this law, the Tax Administration is obliged to act in accordance with the law governing the confidentiality of information, or the law governing the protection of personal data.

Principle of Acting in Good Faith

Article 8

Parties to the tax procedure are required to act in good faith.

The frequency and duration of tax audits shall be limited to the extent necessary.

Principle of Factuality

Article 9

Tax facts are determined according to their economic substance.

If a simulated legal transaction is used to conceal another legal transaction, the basis for determining the tax liability is the desimulated legal transaction.

When income is generated, or assets are acquired in a manner contrary to regulations, the Tax Administration will assess the tax liability in accordance with the law governing the relevant type of tax.

Heading Three

PARTIES TO THE TAX PROCEDURE

Contents of the Tax Law Relationship

Article 10

The tax law relationship is a public law relationship that includes the rights and obligations in the tax procedure of the Tax Administration on one side, and of an individual or legal entity, as well as an open investment fund or an alternative investment fund that does not have the status of a legal entity, but is registered in accordance with the law (hereinafter referred to as: the fund), on the other side, which regulates:

1) the obligation to pay taxes, the obligation to secure the tax liability, and the obligation to pay secondary tax levies by individual or legal entity, as well as the fund, and the right of

the Tax Administration to demand the fulfillment of these obligations;

2) the obligation of the individual or legal entity, as well as the fund, to assess the tax in accordance with the law, or, by deduction, to collect the tax on behalf of the taxpayer, to keep prescribed accounting, to file tax returns, to provide the Tax Administration with the requested documentation and data, not to make payments in a manner different from the prescribed, to allow audit of their business by an official of the Tax Administration, and other legally established obligations of action, inaction, or endurance, in order to ensure timely and proper payment of taxes, as well as the right of the Tax Administration to demand the fulfillment of these obligations.

In the tax law relationship referred to in paragraph 1 of this Article, the individual or legal entity, as well as the fund, is entitled:

1) to the reimbursement of overpaid or erroneously paid taxes, or secondary tax levies (hereinafter referred to as: overpayment), as well as to the reimbursement of taxes when provided by another tax law;

2) to a tax reimbursement, or to a tax rebate in accordance with the tax law;

3) to use a tax credit in relation to the tax liability, or liability based on secondary tax levies;

4) to use the overpayment to settle liabilities due on another basis, through transfer of credits.

If the person referred to in paragraph 2 of this Article opts for the refund of overpayment, as well as for the reimbursement, or refund of taxes, or for settling liabilities due on another basis through the transfer of taxes, the Tax Administration is obliged to issue a decision upon request without delay, and no later than within 15 days from the date of receipt of the request, unless otherwise provided by tax law.

Along with the request for reimbursement of overpaid contributions for pension and disability insurance, the taxpayer - individual also submits a decision of the Republic Fund for Pension and Disability Insurance on the determined right to reimbursement of contributions for pension and disability insurance.

A tax credit is an amount by which the tax liability is reduced.

The request from paragraph 3 of this Article can be filed by the taxpayer in electronic form via the Tax Administration portal or in written form - directly or by mail.

Other rights of individuals or legal entities and obligations of the Tax Administration from the tax-legal relationship are regulated by this law.

If the taxpayer submits a document in a language and script that are not officially used by the tax authority in accordance with the law governing the official use of languages and scripts, the tax authority will set a deadline, which cannot be shorter than five days, within which the taxpayer must provide a certified translation into Serbian.

If the taxpayer does not provide a certified translation within the given deadline as stated in paragraph 6 of this Article, it is considered that the document has not been submitted.

Tax Administration in Tax Procedure

Article 11

The Tax Administration, within the scope of public administration, conducts the first-instance tax procedure, maintains a unified register of taxpayers and tax accounting, assesses the market value of real estate in accordance with the law, detects tax crimes and misdemeanors and their perpetrators, submits requests to the competent misdemeanor court to initiate misdemeanor proceedings for tax-related misdemeanors, misdemeanors prescribed by the law regulating fiscal cash registers and electronic fiscal devices, issues misdemeanor orders for these offenses, and performs other duties determined by this law.

The Tax Administration independently performs the duties from paragraph 1 of this Article across the entire territory of the Republic of Serbia (hereinafter: the Republic) and is organized to ensure functional unity in the implementation of tax regulations.

To ensure the uniform implementation of regulations under the competence of the ministry in charge of finance, implementing acts (explanations, opinions, instructions, guidelines, etc.) for such regulations issued by the minister in charge of finance, or a person authorized by him, are binding for the actions of the Tax Administration.

Acts from paragraph 3 of this Article are published on the websites of the ministry responsible for finance and the Tax Administration.

The competence of the organizational units of the Tax Administration is determined by the act on internal organization and job systematization in the Tax Administration and is published on the website of the Tax Administration, in the part where the relevant competence is regulated.

Taxpayers and Other Tax Debtors

Article 12

A tax debtor is an individual or legal entity, as well as a fund that owes a certain action from the tax law relationship under Article 10 of this law.

A taxpayer is a tax debtor who is obligated to pay tax, or a secondary tax liability.

Other tax debtors are:

1) a tax guarantor who is responsible for paying the taxpayer's tax debt, in case the taxpayer does not pay it upon maturity;

2) an income payer to the taxpayer (hereinafter: withholding agent) who is obligated to calculate and withhold the prescribed tax on such income, on behalf of and for the account of the taxpayer, to the appropriate revenue collection account;

3) a tax intermediary who is obligated to withhold and pay the assessed tax from the account of the tax debtor (taxpayer or withholding agent) based on their transfer order, in their own name, but for the account of the taxpayer or withholding agent, to the appropriate revenue collection account;

4) other legal entities and individuals, as well as funds that owe some action from the tax law relationship under Article 10 of this law.

Taxpayers and other tax debtors (hereinafter referred to as: taxpayers) are parties to the tax procedure.

General Provisions on Representation

Article 13

A taxpayer may participate in a tax law relationship through their proxy or legal representative, unless otherwise specified by this law.

If a taxpayer personally participates in the tax law relationship, they may also have a proxy, and if the proxy participates on their behalf in the tax law relationship, they may also participate personally.

Tax Proxy

Article 14

The proxy of a taxpayer (hereinafter referred to as: tax proxy) is an individual or legal entity - a resident of the Republic who, within the limits of the granted power of attorney, acts on behalf of and for the account of the taxpayer in matters related to the taxpayer's tax obligations (receives tax documents, files tax returns, pays taxes, etc.).

A taxpayer who is an individual or legal entity - a non-resident of the Republic (hereinafter referred to as: non-resident) who does not have a permanent business unit in the territory of the Republic, or who earns income or acquires assets in the territory of the Republic outside the operations of their permanent business unit, is required to notify the Tax Administration at its head office within ten days from the day of commencing income generation or asset acquisition subject to taxation in the territory of the Republic, about the person who is their tax proxy.

If a non-resident earns income subject to withholding tax, for which the taxpayer is not required to file a tax return, there will be no obligation to appoint a proxy.

Legal Representative, Sole Proprietor’s Business Manager, and Temporary Estate Administrator

Article 15

Legal representatives of individuals (parents of a minor, guardian of a ward lacking legal capacity, etc.) and legal entities (an individual who is registered as such in the prescribed registry), as well as the sole proprietor’s business manager and the temporary administrator of an estate, settle the tax-related liabilities of the persons they represent.

If a sole proprietor does not have a business manager, or if a temporary administrator has not been appointed for the estate, the tax obligations mentioned in paragraph 1 of this Article are fulfilled by the sole proprietor or the heirs as joint tax debtors.

The tax obligations of a fund that is considered a taxpayer according to the provisions of this law are fulfilled by the fund management company from the fund's assets.

The fund management company, on behalf of and for the account of the fund, performs tasks related to the fund's tax obligations (submits registration applications, submits tax returns, receives tax and tax administrative acts, maintains business books and records for taxation purposes, fulfills or pays the tax obligation of the fund, etc.).

Ex Officio Representative

Article 16

The Tax Administration, appoints ex officio representative from among tax advisors or lawyers:

1) to a taxpayer whose head office is not located at the place and address stated in the registration application prescribed by the act from Article 27, paragraph 5 of this law or in the VAT registration application, which is regulated by the laws on value-added tax;

2) to a non-resident who has not notified the Tax Administration of their tax proxy within the period specified in Article 14, paragraph 2 of this law;

3) to an unknown owner of property that is the subject of a tax procedure;

4) to a taxpayer who clearly avoids participating in the tax procedure, if their participation is mandatory.

If the taxpayer is a natural person who lacks legal capacity and does not have a legal representative, the Tax Administration shall appoint an ex officio representative from among the individuals mentioned in paragraph 1 of this Article, and shall immediately notify the

guardianship authority thereof.

The decision on the appointment of an ex officio representative shall be delivered to the representative and published on the website of the Tax Administration and on the notice board of the Tax Administration.

Pursuant to the provision of paragraph 3 of this Article, an appeal is not permitted.

The award and reimbursement of expenses for ex officio representatives shall be paid by the Tax Administration, according to the tariff prescribed by the minister in charge of financial affairs (hereinafter referred to as: the minister).

The Tax Administration has the right to recover funds from the taxpayer as stipulated in paragraph 5 of this Article.

Court-Appointed Defense Attorney

Article 16a

The Tax Administration - Tax Police, in the pre-investigation procedure, appoints a defense attorney ex officio for the suspect who has not secured a defense, during the interrogation due to the existence of grounds for suspicion that they have committed a tax crime punishable by imprisonment of eight years or a more severe penalty, in accordance with the code governing criminal proceedings.

The decision on the appointment of a court-appointed defense counsel shall be delivered to the defense counsel. No appeal is allowed against the decision referred to in paragraph 2 of this Article.

The Tax Administration disburses rewards and necessary expenses for the defense attorney appointed ex officio in accordance with the code governing criminal proceedings.

Tax Advisor

Article 17

A tax advisor is an individual who performs tax consulting services for a taxpayer in tax procedures.

If a tax advisor also acts as a tax proxy of the taxpayer, they must possess a power of attorney to perform the duties specified in Article 14 of this law.

The conduct of tax advisory services is regulated by a specific law.

Heading Four

TAX LIABILITY

The Concept and Genesis of Tax Liability

Article 18

The obligation to pay taxes as stipulated in Article 10, paragraph 1, item 1) of this law (hereinafter referred to as: the tax liability) constitutes the duty of the taxpayer to pay the assessed tax, under the conditions prescribed by this law or another tax law.

The taxpayer is liable for fulfilling the tax obligation from the moment when the facts occur which, according to tax law, create a tax liability.

The provisions regarding tax liability also apply to the obligation to pay secondary tax levies, unless otherwise stipulated by this law.

The amount of tax determined under paragraph 1 of this Article shall be considered as tax due.

Discharging a Tax Liability

Article 19

Discharging a tax liability consists of the payment, upon maturity, of the owed amount.

Tax Liability:

1) shall be discharged by the taxpayer directly

2) shall be discharged by a different person when it is prescribed by this law or another tax law that it is responsible for discharging the tax liabilities of the taxpayer.

3) may be discharged by a different person who, according to tax law, is not liable for discharging the tax liability.

Taxpayers - legal entities, sole proprietors, or individuals, as well as funds conducting activities, whose accounts are blocked at the time of payment for the execution of enforced collection by the organization competent for enforced collection, may settle mutual monetary obligations by arranging a change of a creditor or a debtor in a specific contractual relationship (assignment, cession, etc.), exclusively for the purpose of fulfilling obligations based on public revenues to which this law applies.

Discharging Tax Liabilities in the Event of Liquidation or Bankruptcy

Article 20

The tax liability of a legal entity in liquidation is fulfilled by the liquidation administrator from the assets of the legal entity, including revenues from the sale of assets.

The tax liability of a business unit of a legal entity in liquidation is directly discharged by the legal entity of which that unit is a part, and if the legal entity itself is in liquidation, the tax liability is discharged by the liquidation administrator.

If a legal entity in liquidation does not have sufficient funds to fully settle its tax liability, including revenues from the sale of assets, the remaining tax debt shall be paid by the founders or members of the legal entity, if they are, in accordance with the law, statute, or founding act of the legal entity, jointly and severally liable for the liabilities of the legal entity.

Discharging tax liabilities in the case of bankruptcy of a taxpayer conducted through bankruptcy is regulated by the law governing bankruptcy.

In the case of bankruptcy of a taxpayer conducted through reorganization, the method of satisfying tax claims and measures for the implementation of the reorganization plan, or pre-prepared reorganization plan, cannot be provided contrary to the provisions of this law and other tax regulations.

The tax liability in the case of dissolution or cessation of existence of a fund is discharged by the fund management company.

Discharging Tax Liabilities in the Event of Status Changes

Article 21

The tax liability of a legal entity that ceases to exist in a status change is discharged by the legal successor, regardless of whether it was aware before the completion of the status change process that the legal predecessor had not settled, partially or fully, its tax liability.

Secondary tax liabilities related to the unsettled tax liability of a legal entity that ceases to exist in a status change fall on the legal successor.

The deadline for discharging the tax liability of a legal entity that ceases to exist in a status change does not change if the discharging of that liability has passed to the legal successor.

The legal successor to whom the tax liability of one or more legal entities that cease to exist in a status change has passed is:

1) in the case of a merger - the legal entity created by the merger of two or more legal

entities, taxpayers;

2) in the case of an acquisition - the legal entity to which one or more legal entities, taxpayers, have been attached;

3) in the case of a division - the legal entities created by the division of the taxpayer.

If there are multiple legal successors, all are jointly and severally liable for the tax liability of the legal predecessor.

Changes in the organizational or ownership form of a legal entity do not affect the settlement of the tax liability.

In the case of a legal entity that ceases to exist in a status change, the tax return prescribed by another tax law, whose deadline for submission occurs after the legal entity has been deleted, is filed by the statutory representative of the legal successor or another person in accordance with the law.

In the case of a status change of a fund and discharging of tax liabilities by the fund management company, the provisions of this Article apply accordingly.

Discharging Tax Liabilities in the Event of the Death of an Individual, Legal Incapacity, or Declaration of an Individual Missing

Article 22

The tax liabilities of a deceased individual are discharged by the heirs, within the value of the inherited property and in proportion to the share of each heir, at the moment of acceptance of the inheritance.

The provision of paragraph 1 of this Article does not apply to the Republic as the ultimate legal heir in terms of the law governing inheritance.

The tax liability of a legally-incapacitated individual or an absent individual whose residence is unknown is discharged by a representative from the assets of the taxpayer.

Termination of a Tax Liability

Article 23.

The tax liability is terminated by:

1) by collection of the tax;
2) by statute of limitations on the tax, except for tax liabilities from paragraph 2 of this Article;
3) by the tax write-off;
4) by occurrence of permanent uncollectibility of the tax.

Upon the expiry of the statute of limitations, unpaid tax and secondary tax levies secured by a pledge or mortgage can only be settled from the encumbered item, if the pledge or mortgage is registered in the competent registry.

In the case from paragraph 1, items 2) and 4) of this Article, the Tax Administration issues a decision on the termination of the tax obligation due to statute of limitations or due to the uncollectibility of the tax obligation.

Heading Five

RIGHTS AND OBLIGATIONS OF TAXPAYERS

Rights of Taxpayers

Article 24

The taxpayer, in accordance with this law, is entitled to:

1) receive information free of charge from the Tax Administration about tax regulations

from which their tax liability is derived, and if uneducated, basic legal assistance, which enables them to report and pay tax and calculate and pay secondary tax levies, in keeping with regulations;

2) receive a written response to a question addressed to the Tax Administration in such form, concerning their tax situation;

3) demand that the Tax Administration and its officials treat them with respect and consideration;

4) have data collected about them in the tax procedure by the Tax Administration kept as confidential information and used, or made available to other persons, bodies, or organizations, in a manner regulated in Article 7 of this law;

5) have the Tax Administration respect their privacy;

6) gain access to data on the assessment and collection of taxes that are maintained by the Tax Administration about them and request the amendment of incomplete or incorrect data;

7) represent their own interests before the Tax Administration directly or through a representative;

8) use tax reliefs in a prescribed manner;

9) receive a refund, reimbursement, or return of overpayment in a prescribed manner and within prescribed deadlines;

10) be present during tax audits;

11) receive an explanation of the acts issued in the tax audit procedure;

12) provide information to tax authorities in the tax procedure;

13) use legal remedies in the tax procedure;

14) exercise other rights established by this law and other tax laws.

A taxpayer whose rights under paragraph 1 of this Article are violated has the right to judicial protection.

If the court determines that the rights of the taxpayer have been violated, compensation for suffered damages and court costs shall be borne by the budget of the Republic or by the budget of local government units.

Taxpayer's Obligations

Article 25

In accordance with this law, the taxpayer is obligated to:

1) file a registration form with the Tax Administration within the prescribed period, except for taxpayers whose registration or entry in the register is the responsibility of the Business Registers Agency, and report any subsequent changes to the data in the application that are not reported to the Business Registers Agency, including information about all business premises and business rooms where goods are stored or placed, as well as spaces and rooms where the activity reported to the Tax Administration is conducted, unless this data has already been submitted to the Tax Administration in accordance with this law and other regulations;

2) file a tax return to the Tax Administration on the prescribed form, within the deadline and in the manner regulated by tax regulations;

3) submit documentation and provide information required by the Tax Administration, in accordance with tax regulations;

4) maintain prescribed business books and records for taxation purposes;

5) accurately calculate tax within legal deadlines, when legally obligated to do so;

6) pay tax in the manner, under the conditions, and within the deadline prescribed by law;

7) not obstruct or prevent official personnel involved in the tax procedure from performing their duties as established by law;

8) notify the Tax Administration about the opening or closing of accounts at banks, other financial organizations, postal savings banks, or other organizations conducting payment

transactions (hereinafter referred to as: bank) in the Autonomous Province of Kosovo and Metohija or abroad - within 15 days from the date of opening or closing the account;

9) be present during tax audits;

10) settle other obligations established by this law and other tax laws.

The obligation to file tax returns as stated in paragraph 1, item 2) of this Article, also applies to liquidation or bankruptcy administrators, who are required to file tax returns in accordance with tax regulations during the liquidation or bankruptcy process, including the tax return for the tax period for which the deadline for submission is after the date of initiating the liquidation or bankruptcy procedure.

The act regulating the procedure, manner, deadlines, content, and form of the application by which the taxpayer reports business premises and rooms, or space and rooms as stated in paragraph 1, item 1) of this Article, is issued by the minister, upon the proposal of the director of the Tax Administration.

Heading Six

IDENTIFICATION AND REGISTRATION OF TAXPAYERS

Tax Identification Number

Article 26

For the purpose of identifying taxpayers, the Tax Administration assigns a TIN to individuals, sole proprietors, legal entities, and permanent business units of non-resident legal entities, as well as funds.

A TIN cannot be assigned to:

1) a legal entity whose founder or member (hereinafter referred to as: founder) - a legal entity, sole proprietor, or individual has outstanding, unpaid liabilities related to public revenues incurred in connection with conducting activities, or if the legal entity or sole proprietor's TIN has been temporarily revoked in accordance with this law. A TIN cannot be assigned either to a legal entity whose founder - a legal entity, sole proprietor, or individual, is simultaneously the founder of an entity whose TIN has been temporarily revoked, in accordance with this law;

2) a legal entity whose founder is an individual who is also the founder of another business entity that has outstanding liabilities related to public revenues incurred in connection with conducting activities.

3) to a legal entity formed by a status change through spin-off with establishment, or mixed spin-off in accordance with the law governing commercial companies, or status changes of special forms of organization, if the legal entity, as well as the fund subject to division, has unsettled liabilities based on public revenues, or if its VAT number has been temporarily revoked in accordance with this law;

4) to a sole proprietor who has public revenue arrears, incurred in connection with conducting activities in other economic entities where they are simultaneously a founder with a share greater than 5%, or if their VAT number has been temporarily revoked in accordance with this law.

Notwithstanding paragraph 2 of this Article, the Tax Administration will assign a VAT number:

1) if the public revenue arrears are up to 100,000 dinars and if these liabilities are discharged within eight days from the date of filing the request for VAT number assignment, or within that period, an irrevocable bank guarantee or a bill of exchange endorsed by a commercial bank is provided;

2) if the public revenue arrears arose in connection with conducting activities, liabilities of economic entities that have been deleted from the prescribed registers by a final decision of

the competent authority in the bankruptcy proceedings.

For legal entities, sole proprietors, and other entities whose registration is under the competence of the Business Registers Agency, the VAT number is assigned through this Agency, within the period prescribed by the law governing the registration of economic operators. For entities whose registration falls under the competence of a local self-government, the VAT number is assigned through that body, within the period prescribed by law.

For entities from paragraph 4 of this Article, the registration application for VAT number assignment is submitted through the Business Registers Agency, as part of the registration application for establishment, or through another competent authority in accordance with the law.

When deciding on the request for VAT number assignment from paragraph 4 of this Article, the existence of impediments to the VAT number assignment from paragraph 2 of this Article will not be determined. If the legal entity, sole proprietor, or individual is a founder of a cooperative, fund, foundation, association, chamber of commerce, another legal entity, as well as a company with a share less than 5%, or if the founder of a company or legal entity is simultaneously a founder of a cooperative, fund, foundation, association, chamber of commerce, another legal entity, as well as a company with a share less than 5%, the Tax Administration will assign a VAT number without determining the tax liabilities based on public revenue arrears of these entities.

If the Tax Administration, within the period from paragraph 4 of this Article, based on data from its records and records of other competent authorities, determines that the application contains data that is not credible or is against the founder of the entity from that paragraph protective measures have been pronounced, or security measures prohibiting the conduct of activities in misdemeanor or criminal proceedings, it will issue a decision within that period to reject the request for VAT number assignment.

If the Tax Administration in the audit procedure, or in the verification process based on data from official records, determines that at the time of VAT number assignment there were impediments to the VAT number assignment from paragraphs 2 and 7 of this Article, the Tax Administration will by decision temporarily revoke the assigned VAT number - until these impediments are removed, and a copy of the decision will be sent to the bank and the organization responsible for enforced collection from the debtor's account funds.

The Minister, in agreement with the minister in charge of economic affairs, will further regulate the content of the registration application from paragraph 5 of this Article, as well as the deadline, manner, and procedure for deciding on the request for VAT number assignment to entities from paragraph 4 of this Article.

In all other matters not regulated by the provisions of this Article regarding the allocation and revocation of TIN to entities from paragraph 4 of this Article, the provisions of this law governing the allocation and revocation of TIN to other entities shall apply.

TIN is the unique and sole number for individuals, sole proprietors, and legal entities, as well as funds, for all public revenues and is retained until the cessation of existence, or death of the person.

TIN is used in the tax procedure and must be entered in:

1) the act submitted by the taxpayer to the Tax Administration, mandatory social security organizations, other state authorities and organizations, and authorities of territorial autonomy and local self-government;

2) the act delivered by the Tax Administration to the taxpayer;

3) the document by which the taxpayer pays tax and secondary tax duties;

4) the order instructing the bank to pay tax and secondary tax duties;

5) the act submitted by the taxpayer to authorities and organizations responsible for maintaining registers and accounts, in terms of Articles 29 and 30 of this law.

If the taxpayer fails to report all subsequent changes in the registration application data, or fails to submit documentation and provide information requested by the Tax Administration

within five days from the date of the data change, or from the date of receiving the request for documentation and information, the Tax Administration shall, by decision, revoke the TIN assigned to the taxpayer until the liabilities under Article 25, point 1) are settled.

3) This law, and a copy of the resolution, are delivered to the bank and the organization responsible for enforced collection from the funds in the taxpayer's account. The Tax Administration also revokes the assigned TIN in cases where the taxpayer is ordered a prohibition on disposing of funds through the taxpayer's account opened at the bank in accordance with Articles 66 and 87 of this law, and when such prohibition lasts longer than one year.

In the case from paragraph 13 of this Article, as well as in other cases of TIN revocation, the bank is obliged to suspend the execution of the taxpayer's orders for fund transfers from the taxpayer's account from the moment of receiving the decision, except for the purpose of settling tax liabilities and secondary tax duties.

In the establishment of business entities in the process of status change where the business entity continues to exist, the provisions of paragraphs 2 and 3 of this Article shall apply.

The provisions of paragraph 2, points 1) and 2) of this Article are correspondingly applied to the allocation of TIN to funds.

TIN must also be used by authorities and organizations which, in accordance with the regulation, maintain records of legal entities and individuals and issue public documents based on these records.

The Minister is authorized to prescribe other acts of importance for the tax procedure into which TIN is entered.

In the case from paragraph 13 of this Article, for taxpayers undergoing bankruptcy proceedings, at the request of the bankruptcy judge, the Tax Administration may temporarily return the revoked TIN, during the duration of the bankruptcy proceedings.

In cases of temporary revocation of TIN, the Tax Administration may, by decision, impose a interim measure prohibiting the registration of acquiring shares or stocks in business entities, or the establishment of new business entities by founders with a share greater than 5% in business entities from which TIN has been temporarily revoked, for the duration of the temporary revocation of TIN, and a copy of the decision is delivered to the Business Registers Agency and the Central Securities Depository and Clearing House.

The registration of the interim measure from paragraph 20 of this Article in the Business Registers Agency is carried out in accordance with the law governing the central record of temporary restrictions on the rights of persons registered in the Business Registers Agency.

General Provisions on Registration

Article 27

The registration of taxpayers is conducted at the Tax Administration. The following are required to have a Tax Identification Number (TIN):

1) resident legal entity;

2) state authority and organization, authority and organization of territorial autonomy or local self-government, without legal entity status;

3) resident sole proprietor, flat-rate sole proprietor, agricultural sole proprietor, and other individuals defined by the provisions of the law governing personal income tax;

4) resident individual;

5) permanent establishment of a non-resident legal entity;

6) non-resident legal entity appointing a proxy in accordance with the provision of Article 14, paragraph 2 of this law;

7) non-resident individual appointing a proxy in accordance with the provision of

Article 14, paragraph 2 of this law;

8) fund.

Under the permanent establishment of a non-resident legal entity as stated in paragraph 2, point 5 of this Article, it is considered a permanent establishment of a non-resident legal entity defined by the provisions of the law governing corporate income tax.

The provisions of this law applicable to legal entities apply to the permanent establishment mentioned in paragraph 3 of this Article unless otherwise regulated by this law.

The procedure, method, and deadlines for determining the TIN, the content and method of maintaining a unified register of taxpayers, as well as the content and form of the registration application and proof of completed registration, are regulated by the ministerial act.

Place and Time of Registration

Article 28

Applications for registration with the Tax Administration are submitted by:

1) resident legal entity for whose registration, or entry in the register, the Business Registers Agency and the authority or organization from Article 27, paragraph 2, point 2) of this law are not competent;

2) permanent establishment of a non-resident legal entity;

3) resident sole proprietor for whose registration the Business Registers Agency is not competent.

Non-resident legal entity and non-resident individual from Article 27, paragraph 2, points 6) and 7) of this law submit the registration application to the head office of the Tax Administration.

Legal entities classified as large taxpayers are maintained in the register of the organizational unit of the Tax Administration competent for large taxpayers.

The criteria for determining large taxpayers, based on which the Tax Administration identifies and determines the status of large taxpayers, as well as the types of taxes for which the organizational unit from paragraph 3 of this Article performs tasks within the competence of the Tax Administration, are prescribed by the minister upon the proposal of the director of the Tax Administration.

Legal entity, permanent establishment of a non-resident legal entity, and sole proprietor, submit the registration application within five days from the date of entry in the court or other register.

The fund, through the fund management company, files the registration application to the head office of the Tax Administration, within five days from the date of entry in the prescribed register in accordance with the law.

Upon completion of registration, the Tax Administration issues proof of completed registration to the taxpayer.

If the taxpayer does not submit the registration application, the Tax Administration will assign the TIN ex officio, based on available data or factual circumstances.

Registry of Individuals

Article 28a

The registry of individuals is an electronic database of individuals:

1) citizens of the Republic with residence in the Republic.
2) citizens of the Republic without a registered residence in the territory of the Republic;
3) foreigners with approved temporary residence or approved permanent residence in the Republic;
4) foreigners who do not have permission for permanent residence or temporary

stay in the Republic, but have acquired property or rights and obligations based on pension and disability insurance or the status of a taxpayer;

5) refugees in accordance with the law governing refugees and special regulations regulating the status of refugees;

6) asylum seekers, foreigners who have been granted asylum or subsidiary protection, and temporary protection in accordance with the law.

The Purpose of Establishing a Registry of Individuals

Article 28b

The purpose of establishing a registry of individuals is to provide a set of data about individuals necessary for the Tax Administration to lawfully, reliably, economically, and efficiently conduct verification procedures to ensure compliance with conditions for the exercising rights and complying with tax regulations, in order to effectively secure funding sources for the competences of the Republic in accordance with the Constitution of the Republic of Serbia, as a matter of general public interest.

Purpose of Data Processing

Article 28c

Data from the registry of individuals is processed for the purpose of determining facts significant for exercising rights and establishing obligations in the tax law relationship, in a manner prescribed by laws governing the field of taxation.

Content of the Registry

Article 28d

The registry of individuals is established based on a set of data necessary for achieving the prescribed purpose of processing, taken from the Central Population Registry, the Unified Vehicle Registry, and the registry of weapons legally possessed by the ministry in charge of internal affairs, as well as data obtained by the Tax Administration in the course of the tax procedure from the Central Registry of Mandatory Social Insurance and from the taxpayer.

From the Central Population Registry, the following data on individuals is taken:

1) for citizens of the Republic:

- from the registry of citizens' identification numbers: unique identification number of citizens;

- from the registry of civil status books: personal name, parents' personal name, date, place, municipality/city of birth; marital status (unmarried, married/divorced, widower/widow); date of death and life status (alive/deceased);

- from the registry of residence, domicile, and temporary stay abroad: city, municipality, populated place, street, house number, floor, and apartment number at the address of residence and domicile, or country at the temporary stay abroad;

- from the registry of personal IDs: registry number of the personal ID and the expiry date of the term for which the personal ID was issued;

- from the registry of travel documents: the fact whether the citizen possesses a valid travel document, registry number, and expiry date of the term for which the travel document was issued;

- from the registry of taxpayers (local government units): property status (owns/does not own real estate) and estimated value of the property,

2) for foreigners who have been granted temporary residence or permanent settlement:

- foreigner's registry number;

- personal name;

- parent's name,
- nationality;
- type, number, and validity period of foreign travel document;
- address of residence or domicile;
- basis of temporary residence and the number and date of the decision on approved permanent residence in the Republic.

3) For foreigners who do not have permanent residency or temporary residence permits in the Republic, but who have acquired property or rights and obligations based on pension and disability insurance or are tax liable:
- foreigner's registry number;
- personal name;
- date of birth;
- nationality;
- information about property, rights, or obligations,

4) for persons displaced from the former Yugoslav republics:
- personal name;
- date of registration in the Republic;
- location where the person resides in the Republic;
- address of residence,

5) for asylum seekers, foreigners granted refuge or subsidiary and temporary protection in accordance with the law:
- foreigner's registry number;
- personal name;
- parent's name;
- nationality;
- type, number, and validity period of foreign travel document;
- residential address.

Data from the Unified Vehicle Registry includes:
- type, model, and year of manufacture of the vehicle;
- vehicle owner details (name and surname, unique citizen identification number, residence and address, or company name, registration number, headquarters, and address);
- vehicle user details (name and surname, unique citizen identification number, residence and address, or company name, registration number, headquarters and address, name and location of the business branch, subsidiary organization, sole proprietorial shop, etc.);
- restrictions on ownership rights - rights of the pledgor and pledgee on the vehicle.

From the registry of legally held weapons, data about the type of weapon and the type of weapon permit are obtained.

Data about individuals that the Tax Administration collects during the tax procedure include:

1) unique number assigned by the Central Registry of Mandatory Social Insurance to insured persons, insured entities, and contribution obligors;
2) basis of mandatory social insurance;
3) business capacity (full, limited, or revoked);
4) residency status;
5) possession of a digital certificate;
6) number of household members;
7) bases for income generation;
8) dependent person;
9) authorizations for executing tasks related to tax obligations and rights of other entities;
10) number, designation, and type of payment account;
11) contact details with the Tax Administration.

Data from paragraph 5, items 1) and 2) of this Article is provided to the Tax Administration by the Central Registry of Mandatory Social Insurance from the Unified Database of Insured Persons, Insured Entities, and Registry of Contribution Obligors, electronically in accordance with the technical protocol concluded between the Central Registry of Mandatory Social Insurance and the Tax Administration.

Data from paragraph 5, items 3) to 11) of this Article is provided by the taxpayer in the tax procedure.

Entry of data into the registry of individuals is based on the unique citizen identification number or foreigner's registration number.

The Ministry responsible for public administration affairs and the special organization responsible for the development and implementation of standards and measures in the introduction of information and communication technologies in state administration authorities and government services enable the Tax Administration to retrieve data from the Central Population Registry as stated in paragraph 2 of this Article.

The procedure for retrieving data in electronic form, as stated in paragraph 3 of this Article, will be further regulated by a technical protocol agreed upon with the ministry responsible for internal affairs.

Technical protocols from Articles 6 and 10 of this section further regulate the rules of data exchange and data format, the timing and deadlines for their retrieval, as well as procedures in the event of information security incidents.

The method of data verification from paragraph 5, item 10) of this section will be further regulated by the Tax Administration through a technical protocol with the National Bank of Serbia.

Authority Maintaining the Records

Article 28d

The records are established and maintained by the Tax Administration.

Processing of Personal Data

Article 28e

The processing of personal data from the records of individuals includes the following actions:

1) electronic retrieval of data from the Central Registry of Mandatory Social Insurance, Central Population Registry, National Bank of Serbia, and the Ministry responsible for internal affairs, automatic matching with data obtained during the tax procedure, and their recording, storing, and preservation in electronic form;

2) automated and periodic updating, as well as updating upon knowledge of an error to ensure their accuracy at the time of retrieval and over time;

3) grouping and sorting by the tax status of an individual, i.e., whether the individual is a taxpayer and if so, for which tax type, in a manner prescribed by laws governing the field of taxation;

4) audit and use within the framework of conducting the tax procedure;

5) automatic deletion after the expiration of the data retention period.

Data processing is carried out in accordance with access restriction measures for employees of the Tax Administration based on the criterion of competence and responsibility of authorized persons for the legality of procedures they conduct within the competence of the Tax Administration, as determined by internal acts of the Tax Administration.

Data Retention

Article 28

In the registry of individuals, data is stored from the date of entry and deleted within

1) five years from the date of the individual's death;

2) 10 years from the date of deregistration of residence for individuals who have permanently moved out ofthe Republic, or from the moment of processing the last data of a foreigner on approved temporary residence.

Article 28h

The Tax Administration is responsible for the protection, integrity, and security of personal data.

The Tax Administration takes measures against unauthorized or accidental access to data about individuals, alteration, destruction, or loss of data, unauthorized transfer, other forms of unlawful data processing, as well as measures against the misuse of personal data, in

accordance with regulations governing the protection of electronic documents and personal data protection.

Procedures for data storage, protection, and security, as well as actions in case of their breach, are further regulated by the minister.

Obligations of Authorities and Organizations Responsible for Registration in the Register

Article 29

The Business Registers Agency provides notification to the Tax Administration about the completed registration in the Register of Business Entities (establishment, connection, and cessation of a business entity, status changes, and changes in the form of organization of that entity, data on the business entity important for legal transactions, data related to bankruptcy proceedings, and other data determined by law), as well as about any other resolution effecting changes in founders, form of organization, name, activities, amount of capital stock, and place of head office, or effecting any other change significant for tax assessment.

The local government authority, bar association, professional associations, and other authorities or organizations responsible for registration in the relevant register of individuals conducting a specific activity are obligated to, within five days from the date of registration, notify the Tax Administration of the registration, cancellation of registration, and removal from the register, as well as any other decision that results in a change significant for tax assessment.

The data from paragraphs 1 and 2 of this Article shall be submitted in electronic form.

The authority, organization, or other entity responsible for registration in the prescribed register of individuals conducting an activity cannot remove an individual from the prescribed register without proof of cessation of tax liabilities, or removal from the records prescribed by tax law issued by the Tax Administration, or the tax authority of the local government unit, not older than five days at the time of filing the request for removal from the prescribed register.

The authority, organization, or other entity responsible for registration in the prescribed register of individuals conducting an activity, may remove a tax-paying sole proprietor from the prescribed register, under conditions prescribed in paragraph 4 of this Article, even in the absence of proof of cessation of liabilities based on contributions for pension and disability insurance if these individuals have acquired the right to a pension in accordance with the provisions of the law governing pension and disability insurance.

The Business Registers Agency cannot perform the deletion of a legal entity or sole proprietor from the prescribed register, register status changes, and make changes to data related to the founder, or member, name, head office, share, and form of organization, interruption, or other changes related to the conduct of the sole proprietor's activity during the period from receiving notification from the Tax Administration that tax audit will be conducted on the legal entity or sole proprietor, until notification is received that the tax audit has been completed, as well as in the period from receiving notification that the legal entity or sole proprietor's TIN has been temporarily revoked, until notification is received that the TIN has been returned to that entity. The Business Registers Agency may make changes to data related to the conduct of the sole proprietor's activity in cases of determining, or changing the sole proprietor's manager, in accordance with the law.

The Business Registers Agency cannot perform registration of acquiring shares or stakes in business entities, or the establishment of new business entities, in cases where a legal entity or sole proprietor under a measure prescribed in paragraph 6 of this Article is registered as a founder.

The act regulating the manner and procedure of submitting and the content of notifications from paragraph 6 of this Article shall be issued by the minister, upon the proposal of the director of the Tax Administration.

Regarding the protection of personal data, the Tax Administration is obligated to act in the same manner as the body that provided the data, or in accordance with the law governing

the protection of personal data.

Obligations of Banks when Opening Accounts

Article 30

A bank may open an account for a legal entity, sole proprietor, and individual, as well as a fund, provided that, along with the request for opening an account, they submit proof of completed registration.

For opening a temporary account, which is used in the process of establishing a legal entity, proof of completed registration is not required.

The bank is required to keep a record of temporary accounts in electronic form, which is prescribed by the minister, for the purpose of linking the temporary account with the account opened later under paragraph 1 of this Article.

Article 30a

The bank will permit the disbursement of salaries, salary compensations, and other personal incomes subject to withholding tax obligations only if the payment order directing the bank to disburse these incomes, as well as to pay the withholding tax, includes a reference number for the approval of payment for the total obligation under this basis, which is assigned by the Tax Administration, in the manner described in Article 41 of this law.

Notwithstanding the provisions of paragraph 1 of this Article, a bank as the income payer may make interest payments, including the crediting of interest (hereinafter referred to as: interest payment) on savings deposits to its depositors without requiring the reference number approval mentioned in paragraph 1 of this Article.

Article 30b

The bank is obligated to provide the Tax Administration with data in electronic form concerning:

1) Payment orders executed for disbursement, or transfer orders post-disbursement by withholding agents and payment codes by the 5th of the month for the preceding month;

2) Funds deposited into foreign currency accounts of natural persons shall be processed within 30 days from the date of deposit.

3) Regarding payments to the account of personal income tax payers based on income from independent activities within a calendar month, within 15 days following the end of the calendar month.

The bank is obligated to provide, upon request from the Tax Administration and within a reasonable timeframe determined by the latter, electronic data concerning the status and transactions of current accounts and savings deposits of tax subjects - legal entities, sole proprietors, and individuals, as well as information about the deposits of taxpayers- legal entities, including the numbers of current accounts and savings deposits of taxpayers-individuals, and the names of the banks managing them.

The types of payment codes for which data is provided under paragraph 1, item 1) of this Article, as well as the manner and procedure for data submission under paragraph 1 of this Article, shall be further regulated by the minister.

Regarding the protection of personal data, the Tax Administration is obligated to act in the same manner as the authority that provided the data, or in accordance with the law governing the protection of personal data.

Heading Seven

OTHER BASIC PROVISIONS

Secondary Tax Liability

Article 31

A secondary tax liability arises when an individual is responsible for the due tax liability of another taxpayer or for the matured secondary tax liability of another taxpayer.

Secondary tax liability pertains to:

1) legal representatives who knowingly or through lack of due diligence failed to fulfil their obligation to execute tax payments for the taxpayer, despite the taxpayer's ability to do so - for the amount of outstanding tax.

2) Persons who contribute to or assist in the tax evasion of another person shall be liable for the tax debt of that other person whose payment has been evaded.

3) The person responsible for calculating and paying taxes shall be liable for the amount of tax that has not been paid, in cases where it is determined that such person did not act with due diligence.

4) A natural person who is a responsible person in a legal entity, responsible for calculating and paying taxes, and fails to remit the tax - for the amount of tax that is unpaid, in cases where it is determined that the person did not act with due diligence.

5) A person who has received financial resources, items, or rights from the property of the taxpayer (hereinafter referred to as: property) through a transaction without compensation or with compensation lower than the price that could be achieved in the market, within a period of five years prior to the due date of the unpaid tax liability of the taxpayer, shall be liable for the amount of unpaid tax, but not exceeding the value of the received property, reduced by the amount that person paid for it.

6) Fund Management Company

The provision from paragraph 2, item 5) of this Article applies in cases where an individual has received property from a taxpayer - legal entity only if the direct or indirect participation of that individual in the capital of the taxpayer amounts to or has amounted to at least 10%.

Unless otherwise prescribed, secondary tax liability includes interest and costs of enforced collection.

Conversion of Amounts from Foreign Currency into Dinar

Article 32

Transactions in foreign currency resulting in taxation are converted into

1) the official median exchange rate of the National Bank of Serbia, on the day the transaction was conducted, unless tax law stipulates otherwise;

2) at the market rate based on published data on the ratio between the foreign currency and the US dollar, on the day the transaction was conducted, if the National Bank of Serbia does not have the median rate of that currency against the dinar.

Part two

GENERAL ABOUT THE TAX PROCEDURE AND THE FIRST INSTANCE PROCEDURE IN THE ASSESSMENT AND COLLECTION OF TAXES

Heading One

GENERAL ABOUT TAX PROCEDURE

Initiating a Tax Procedure

Article 33

The tax procedure is initiated by the Tax Administration ex officio, and exceptionally at the request of a party.

The tax procedure is initiated when the Tax Administration performs any action aimed at conducting the procedure.

If the Tax Administration determines at the request of a party that there are no conditions for initiating the tax procedure, in accordance with the law, it will issue a decision on this, against which an appeal is allowed.

Tax Act and Tax Administrative Act

Article 34

A tax act is a tax decision, conclusion, order for tax audit, summons for tax audit, record of tax audit, and other acts that initiate, supplement, modify, or complete an action in the tax procedure.

A tax administrative act, by which the Tax Administration decides on individual rights and obligations of the tax debtor in the tax law relationship, is a tax decision and conclusion.

An appeal is allowed against a tax decision issued in the first-instance tax procedure.

An appeal is allowed against the conclusion, unless otherwise prescribed by this law.

Everyone is obliged to respect the legally binding and enforceable act of the Tax Administration.

Form and Content of the Tax Act

Article 35

The tax administrative act is issued in written form, or as an electronic document as defined by the regulations governing electronic documents.

Other tax acts are issued in written form when prescribed by this law or at the request of the taxpayer, or as an electronic document as defined by the regulations governing electronic documents.

Exceptionally, an authorized official of the Tax Administration may issue a tax act, which is to be issued in written form, verbally and order its immediate execution if the tax collection or control process is jeopardized.

A verbal tax act from paragraph 3 of this Article must be issued in written form no later than three days from the date of its issuance.

Delivery

Article 36

The tax document from Article 34 of this law, as well as the documents from Article 2a of this law, shall be delivered to the taxpayer by sending a registered mail, ordinary mail, or through an official of the tax authority, or to the taxpayer's email address, via the Tax Administration portal, in a manner prescribed by this law, or through a unified electronic mailbox.

A tax document is considered delivered to the taxpayer when it is handed over to the taxpayer, their legal representative, their proxy, their tax proxy, or their ex officio representative.

If the delivery of the tax document is carried out by sending registered mail, the tax document is considered delivered on the day of delivery, and if delivery was not possible, it

will be repeated by sending the tax document by registered mail, and the tax document is considered delivered on the 15th day from the day the tax document was submitted to the post office, regardless of whether delivery to the taxpayer was possible.

If the delivery of the tax document is carried out by sending ordinary mail, the tax document is considered delivered after a period of 15 days from the day the tax document was submitted to the post office.

The delivery of the tax document to the taxpayer - a legal entity and sole proprietor is carried out at the address of their registered office listed in the prescribed register, or at a special address for receiving mail that is registered with the Business Registers Agency.

The delivery of the tax document to the taxpayer, an individual, is carried out at the address of their residence or domicile.

If the taxpayer is a legal entity, the tax document is considered delivered when it is handed over to the responsible person or an employee of the legal entity.

If the taxpayer is an individual, including a sole proprietor, the tax document is considered delivered when it is handed over to an adult member of their household as defined by the law governing personal income tax, or to an employee of the sole proprietor.

The delivery of the tax or tax administrative document to a fund is carried out at the address of the registered office of the fund management company listed in the prescribed register, or at a special address for receiving mail that is registered with the Business Registers Agency, and the tax document is considered delivered when it is handed over to the responsible person of the fund management company, proxy, or tax proxy of the fund management company, as well as an employee of the fund management company.

Delivery, in terms of this law, is considered proper even when the persons from paragraphs 7-9 of this Article refuse to receive the tax document or refuse to sign the receipt of the tax document, if the person carrying out the delivery makes an official note of this.

The tax document may be delivered to the taxpayer in electronic form via the Tax Administration portal, as well as to inform the taxpayer, via a unified electronic mailbox in accordance with the law governing electronic administration.

The tax document may be delivered in electronic form to an individual who files tax returns in electronic form, via the Tax Administration portal, in which case no additional consent of the individual is necessary. For an individual who files tax returns, in accordance with the provisions of this law, in paper form, the tax document is delivered in electronic form, if they agree to this method of delivery.

In the case of delivering the tax document in electronic form via the Tax Administration portal, it is considered delivered on the day it is posted on the Tax Administration portal.

The tax document issued by the competent authority of the local self-government unit may be delivered in electronic form via a unified electronic mailbox when the taxpayer is registered in accordance with the law governing electronic administration, in which case additional consent of the taxpayer is not necessary.

The provisions of this Article shall also apply to the delivery of the tax act to another participant in the tax procedure.

The Tax Administration shall determine the method of delivering acts from sections 1-13 of this Article.

Handling of electronic documents shall be conducted in accordance with the law governing electronic documents or the law governing electronic administration.

Business Books and Records

Article 37

Taxpayers - legal entities, permanent establishments of non-resident legal entities, sole proprietors, as well as funds, are required to maintain business books and records for taxation purposes, in accordance with the tax law.

The obligation from paragraph 1 of this Article also includes permanent establishments of resident taxpayers abroad.

The taxpayer - a legal entity, as well as a fund, is required to, upon request of the Tax Administration and within the timeframe it specifies, deliver business books and records kept abroad or in the Autonomous Province of Kosovo and Metohija by entities over which the taxpayer has control or influence, enabling the delivery of these business books and records.

If foreign regulations or regulations of the Autonomous Province of Kosovo and Metohija do not allow the delivery of business books and records from paragraph 3 of this Article, the taxpayer from paragraph 3 of this Article is required to deliver certified copies.

If the business books and records from paragraph 3 of this Article are not maintained in the Serbian language, upon request of the Tax Administration, a certified translation must also be provided, the cost of which shall be borne by the taxpayer.

A taxpayer who processes data using automatic data processing means is required to, upon request of the Tax Administration, provide a data extract on a medium specified by the Tax Administration, as well as to allow the Tax Administration complete insight into the accounting system through documentation, and when necessary, through access to hardware and software.

Article 37a

Taxpayers - legal entities, as well as funds that process and enter data into business books on a computer, are required to provide, upon request of the tax authority:

1) a data extract from their electronically maintained business books and records, in organized structured computer files, in a standard format that allows simple further electronic data processing;

2) access and insight into data in their electronically maintained business books and records;

3) access and insight into the software and hardware equipment, as well as the database used within the system for electronically maintaining business books and records, and enable a test of the correctness of electronic programs and electronic data processing.

Data and the method of data insight from paragraph 1 of this Article must be provided in one of the following ways:

1) on electronic media;

2) using modern telecommunication services;

3) direct inclusion of the tax authority in the taxpayer's system (local connection);

4) indirect inclusion of the tax authority in the taxpayer's system via telecommunication connections (remote connection).

In cases from paragraph 2 of this Article, it is necessary to ensure an appropriate level of protection, confidentiality, and integrity of data.

Taxpayers from paragraph 1 of this Article who process data electronically are required to:

1) maintain the data that is created or received in electronic form in electronic form and ensure its availability in electronic form

2) ensure the readability of the original data

3) ensure the orderly preservation of data for the legally prescribed period

4) enable access to electronically maintained business books and records, even when they are stored electronically by other entities or in another country

5) maintain data in an appropriate format that allows for audit within a reasonable time frame

6) ensure the authenticity of issued documents and the issuer, as well as the integrity of the content of the issued documents.

A taxpayer - a legal entity, as well as a fund, must, upon request from the tax authority, provide documentation that includes a full description of the electronic system used for

maintaining business books and records. The documentation must contain the following descriptions:

1) IT solutions (fundamentals, construction, and operation)

2) subsystem and file (content, structure, relationships)

3) functional procedures within electronic solutions

4) control that ensures proper and secure functioning of electronic solutions

5) control that prevents unauthorized addition, modification, or deletion of entered electronic records.

Every modification of IT solutions (electronic procedural programs and files) must be documented chronologically at the time of the change, along with the cause, type, consequence, and date of the modification.

The minister shall issue an act for the implementation of this Article.

Heading Two

TAX RETURN

Concept of a Tax Return

Article 38

A tax return constitutes a report submitted by the taxpayer to the Tax Administration detailing generated income, incurred expenses, profit, assets, goods and services turnover, and other transactions significant for the assessment of tax liability.

The tax return shall be submitted on a form prescribed by the minister, accompanied by the appropriate evidence.

A taxpayer, tax proxy, or any other person authorized by the taxpayer to submit the tax return, legal representative, and ex officio representative is required to sign the tax return, unless otherwise provided by tax regulations.

If a tax return, or any part thereof, was prepared by a tax advisor, the advisor is also required to sign the tax return, including their tax identification number.

A tax return must be filed with the Tax Administration within 15 days from the date the tax liability arises, unless otherwise stipulated by this or another tax law.

Tax returns shall be filed in electronic form for taxes payable by withholding in accordance with the law governing personal income tax and the law governing mandatory social security contributions (hereinafter referred to as: withholding tax), for value-added tax, as well as for:

1) Corporate income tax, excluding withholding corporate income tax, effective as of 1 April 2015.

2) Annual personal income tax - effective as of1 April 2015

3) Corporate income tax on a post-deduction basis, as well as corporate income tax as assessed by decision in accordance with the relevant provisions of the law governing corporate income tax, effective as of 1 March 2016.

4) Excise taxes - effective as of 1 January 2017.

5) Income tax on independent activities for sole proprietors who maintain business records - effective as of 1 January 2017.

6) Tax on non-life insurance premiums - as of 1 March 2016;

7) Other forms of taxation, including:

(1) tax return on calculated and paid contributions for mandatory social insurance for founders or members of a company - as of 1 March 2016;

(2) tax return on calculated and paid tax by self-assessment and corresponding contributions on wages, or other types of income by an individual as a taxpayer - as of 1 March 2016;

(3) tax return for advance - final assessment of tax on income from independent activities for flat-rate taxation - as of 1 January 2018;

(4) tax return for assessing tax on capital gains (individuals, including sole proprietors) – 1 as of January 2018;

(5) tax return for assessing tax on inheritance and gifts - as of 1 January 2018;

(6) tax return for assessing tax on the transfer of absolute rights - as of 1 January 2018;

(7) tax return for property tax - from 1 January 2019.

Notwithstanding paragraph 6 of this Article, individual taxpayers who are required to file a tax return not related to business activities may file this return either electronically or in written form - directly or by mail, except for the tax return for annual income tax of citizens, which must be filed exclusively in electronic form.

The Tax Administration files the tax return on behalf of the taxpayer ex officio, or in case the taxpayer fails to submit it following an audit order, as well as in other cases prescribed by this law.

The taxpayer may file the tax return electronically or in written form - directly or by mail and through an authorized person, in accordance with the law, as well as through a public notary for tax liabilities arising from real estate transactions, in accordance with the law.

The method of filing the return through a public notary is further regulated by an act jointly issued by the minister and the minister in charge of judicial affairs.

The method of filing the tax return in electronic form is further regulated by the minister.

Extension of the Time Limit for Filing the Tax Return

Article 39

The Tax Administration may, upon the taxpayer's written request submitted before the expiry of the time limit for filing the tax return, approve an extension of the deadline for filing for justified reasons (illness, absence from the country, accident, major natural disaster, etc.), until these reasons cease to exist, but no longer than six months from the expiry of the statutory time limit for filing the return.

The Tax Administration decides on the request for an extension of the time limit for filing the tax return by a decision within five days from the date of receipt of the request.

If the statutory time limit for filing the tax return has expired and the request from paragraph 1 of this Article is denied, the tax return must be filed within five days from the date of delivery of the decision on denial.

An appeal against the decision from paragraph 2 of this Article is not allowed.

Amended Tax Return

Article 40

If a taxpayer discovers that the tax return filed with the Tax Administration contains an error resulting in an incorrectly assessed tax liability, or another type of omission, they are obligated to immediately, and no later than the expiry of the statute of limitations, file a revised tax return in which the error or omission is corrected.

The initially filed tax return shall not be returned to the taxpayer.

A taxpayer may amend their tax return up to two times by filing a revised tax return.

Subject to the conditions set forth in paragraphs 1 and 3 of this Article, it shall be deemed that no crime or misdemeanor under this law has been committed due to an error or omission in the initial tax return referred to in paragraph 2 of this Article.

Notwithstanding paragraphs 1 and 3 of this Article, the taxpayer may not file an amended tax return after the initiation of a tax audit for the audited tax period, or after the issuance of a tax assessment decision pursuant to Article 54, paragraph 2, item.

subparagraph (2) of this law, as well as after the initiation of actions by the tax police aimed at detecting tax crimes.

A taxpayer may not file an amended VAT return for the tax period for which a tax return has already been filed, in which a change in the election for a refund is made, regardless of the amount of the refund.

Withholding Tax Return

Article 41

A withholding tax return is a report that the taxpayer, or withholding agent, files with the Tax Administration (hereinafter referred to as: individual tax return).

An Individual Tax Return comprises:

1) aggregate data on withholding tax calculated by a single withholding agent for all income recipients

2) individual data on tax withheld by a single withholding agent for each income recipient.

An individual tax return must be filed prior to each disbursement of income subject to withholding tax in accordance with the law governing personal income tax, as well as before each payment of contributions for mandatory social insurance when these contributions are paid without salary disbursement, or in other cases where there is an obligation to calculate and pay contributions for mandatory social insurance in accordance with the law governing social security contributions.

Notwithstanding the provisions of paragraph 3 of this Article, when disbursing interest on savings deposits to its depositors, the bank is obligated to file an individual tax return, calculate, and pay withholding tax on the day the interest is paid, or no later than the next business day that payment transactions are processed, if payment transactions were not operational at the time the interest was disbursed.

Individual tax returns and amended individual tax returns shall be submitted exclusively in electronic form.

If an individual tax return contains deficiencies regarding formal correctness and mathematical accuracy, the Tax Administration electronically notifies the submitter of the individual tax return about these deficiencies.

Resubmission of an individual tax return with rectified deficiencies as specified in paragraph 6 of this Article shall not be considered the filing of an amended tax return.

An individual tax return is considered filed when the Tax Administration confirms the formal correctness and mathematical accuracy of the stated data, assigns a filing number, an approval number for the payment of the total amount due on that basis, and electronically delivers this information to the filer of the individual tax return.

An individual tax return is filed ex officio by the Tax Administration instead of the taxpayer, or the withholding agent, in cases where the taxpayer, or the withholding agent, fails to file it within the period prescribed by the law governing contributions for mandatory social insurance.

Upon the request of the Tax Administration, the Central Registry of Mandatory Social Insurance (hereinafter referred to as: Central Registry) shall electronically provide the Tax Administration with the data necessary for assessing the liability and submitting an individual tax return ex officio pursuant to paragraph 9 of this Article, within three days from the date of the request submission.

The taxpayer referred to in paragraph 1 of this Article is obligated to issue a certificate to the individual for whom the withholding tax has been paid, containing details of the paid withholding tax, no later than 31 January of the year following the year in which the withholding tax was paid.

The Tax Administration is obligated to provide the Central Registry with individual

data on calculated or paid contributions for mandatory social insurance by each taxpayer for each income recipient, as well as aggregate data by withholding agent, on a monthly basis, by the end of the current month for the previous month in which the calculation or payment was made, in electronic form.

The minister shall issue an act for the implementation of this Article.

Article 41a

If another regulation stipulates that the filing of a report with withholding tax data is regulated differently, the provisions of this law shall apply.

Should the taxation of income by withholding tax be altered by tax legislation, until alignment with Article 41 of this Act, the method of assessment, payment, and filing of the withholding tax return shall be further regulated by the minister.

Tax return on calculated contributions for mandatory social insurance for founders or members of a company.

Article 41b

The Tax Administration, ex officio, files the tax return on calculated contributions for mandatory social insurance for founders or members of a company on behalf of the taxpayer, or withholding agent, in cases where the taxpayer, or withholding agent, fails to submit it within the time limit prescribed by the law governing contributions for mandatory social insurance.

Information Tax Return

Article 42

An information tax return is a report containing data relevant to assessing the tax liability of the filer.

Data referred to in paragraph 1 of this Article particularly includes information on assets valued over 35,000,000 dinars, status changes, business activities, and monetary transactions of the entity submitting the tax information return.

The data referred to in paragraph 2 of this Article, the entities obligated to provide the data, as well as the method and deadlines for filing the tax information return, shall be determined by the minister.

Heading Three

Establishment of Facts

Presentation and Assessment of Evidence

Article 43

Facts in the tax procedure are determined based on evidence.

As evidence in tax proceedings, the following may be utilized: tax returns, tax balances, business books and records, accounting statements, business documentation, and other documents and information available to the Tax Administration, collected from the taxpayer or third parties, witness testimony, expert findings, audits, and any other means by which facts can be established.

The establishment of facts in the tax audit procedure is also conducted in accordance with the provisions of Articles 117-139 of this law.

Delivery of Documents for Review and Verification

Article 44

The Tax Administration may require taxpayers and third parties to submit, within a specified period, business books and records, accounting statements, business documentation, and other documents and evidence for review and verification, for the purpose of establishing the factual situation.

The Tax Administration decides whether the documents referred to in paragraph 1 of this Article shall be made available for review and verification in its official premises, electronically, or whether the audit and verification shall be conducted at the premises of the entity obligated to provide them.

Disclosure of Information

Article 45

The taxpayer is obligated to provide all available information necessary for establishing the facts, upon request by the Tax Administration and within a reasonable period specified by it.

The Tax Administration may request from other individuals, business entities, banks, state authorities and organizations, bodies of territorial autonomy, and local self-government to provide, within a reasonable period determined by it, available information and data relevant for undertaking activities within the competence of the Tax Administration.

The request for information specifies to whom and what it pertains, as well as a warning of the consequences of withholding information or providing false information.

Upon the request of the taxpayer or another party as referred to in paragraph 1 of this Article, the Tax Administration is obligated to provide the information in written form.

The taxpayer and other person referred to in paragraph 1 of this Article are required to provide information in written form.

Exceptionally, the Tax Administration will order the obligated party to fulfill the duty stipulated in the paragraph.

Article 1 of this section requires that it be done verbally, at an official place, if the information was not provided when requested or was provided in written form but did not clarify the factual situation.

A record shall be composed concerning oral information provided at an official place.

The record from paragraph 6 of this Article contains the names of the persons present, the location, date, and content of the information, and is signed by the official of the Tax Administration and the person who provided the information.

The individual who provided the oral information shall be issued, upon personal request, a copy of the record.

The Tax Administration shall not require the delivery of information and data referred to in paragraph 1 of this Article if they are available through official records and registers.

Withholding Information

Article 46

Information pertinent to taxation may be withheld.

1) family members of the taxpayer, as defined by the law governing personal income tax

2) A priest, lawyer, tax advisor, auditor, and physician, regarding the information entrusted to them by the taxpayer or acquired in such capacity, pertaining to the taxpayer's tax obligation.

Information on facts relevant to taxation may also be withheld by assistants of individuals referred to in paragraph 1, item 2) of this Article, as well as individuals engaged in professional activities for the preparation of qualifications.

The right to withhold information is determined by the persons referred to in paragraph

1 of this Article.

Withholding Expert Opinion and Presenting Documents

Article 47

The cases and conditions under which the provision of information can be withheld, in accordance with this law, also apply to the withholding of expert opinions and the presentation of documents or items.

A person who, on behalf of the taxpayer, keeps documents, business books, other records, and other items, cannot refuse to present them if the taxpayer would be obligated to present them if they were in their own custody.

Expert Witness Testimony

Article 48

The Tax Administration decides on the necessity of expert appraisal.

Should there be no risk of delay, the Tax Administration will notify the parties involved in the tax procedure of the individual appointed as an expert.

Experts are appointed from the ranks of tax advisors and, if necessary, from the ranks of court experts of the appropriate profession.

In a specific tax procedure, an individual who is connected with the taxpayer in accordance with the law governing personal income tax, or the law governing corporate income tax, cannot be appointed as an expert.

Parties to a tax procedure may request the recusal of an expert if there is justified suspicion of their impartiality, or if their expertise could lead to a breach of trade secrets or damage to the business operations of the party.

A request for the disqualification of an expert must be submitted to the Tax Administration within three days from the date of receipt of the notification of the expert's appointment.

The Tax Administration decides on the exemption of experts.

An expert opinion shall be compiled in a written report.

An expert may be summoned to orally elaborate on their findings.

The expert's report shall be appended to the case file.

Examination

Article 49

An examination is conducted when the direct observation of an official from the Tax Administration is necessary to establish or clarify facts relevant for taxation.

A taxpayer may be present at the examination.

An examination is conducted without the presence of the taxpayer if delaying the audit could jeopardize the determination of facts or result in the destruction of evidence significant for taxation.

An examination may be conducted with the participation of an expert witness.

The findings established during the examination are recorded in the minutes of the conducted examination, which are signed by the participants.

The minutes from paragraph 5 of this Article must mandatorily include any objections raised by the taxpayer or other tax debtor, as well as the reasons for refusing to sign the minutes.

The report of the examination is annexed to the file.

Entering Land and Premises

Article 50

The owner or holder of property, premises, or land that is the subject of an examination, as well as the owner or holder of premises or land on which the examination items are located, or through which or over which it is necessary to pass, is obligated to enable the conduct of the examination and other actions in the tax procedure, in accordance with the provision of Article 125 of this law.

Presentation of Evidence in Tax Procedure

Article 51

In tax procedures, the burden of proof lies with:

1) Tax Administration - for the facts upon which the existence of the tax liability is based.
2) taxpayer - for facts influencing the reduction or abolition of tax. Paragraph 1, item 1) of this Article does not apply to the procedure governed by Articles 58-60 of this law.

Suspicion arising from the withholding of information, or failure to provide evidence by the taxpayer, who is obligated under this law to submit it to the Tax Administration, may be to his detriment in the process of assessing the tax liability.

Evidence that the Property is Held in the Capacity of a Pledgee

Article 52

Anyone claiming that rights registered in their name or items in their possession are held only as a representative of another person, a pledgee, or a fiduciary, must prove in tax procedures who the owner of these rights or items is, otherwise, they will be considered their property.

Restitutio in Integrum

Article 53.

If a taxpayer has missed performing an action within the legal deadline or a deadline set by the Tax Administration due to justified reasons and suffers consequences because of this omission, *restitutio in integrum* will be allowed upon their request.

Missing a deadline by a tax proxy is charged to the taxpayer.

A request for *restitutio in integrum* must be submitted within eight days from the day the reason for the omission ceased, or from the day the taxpayer became aware of the cause.

Reasons justifying the request mentioned in paragraph 3 of this Article must be valid.

The Tax Administration decides on the request for *restitutio in integrum* by a conclusion.

Appeals against the conclusion from paragraph 5 of this Article are not allowed, except if the request for *restitutio in integrum* is filed due to a missed time limit for appealing a tax decision.

After a period of three months from the missed time limit, the taxpayer cannot file a request for *restitutio in integrum*.

Notwithstanding the provision of paragraph 7 of this Article, the taxpayer may file a request for *restitutio in integrum* and perform the omitted action even after three months from the missed time limit, if the request could not be filed timely due to force majeure.

Heading Four

ASSESSMENT OF TAX

Concept of Tax Assessment

Article 54

Tax assessment is an activity of the Tax Administration or the taxpayer, which involves issuing administrative acts or undertaking actions prescribed by law that establish the existence of an individual tax liability and determine the taxpayer, the tax base, and the tax liability level.

Tax assessment is performed by:

1) the taxpayer themselves (self-assessment);

2) The Tax Administration, by issuing a tax decision, in cases of:

(1) tax audit procedures - if the taxpayer, contrary to the law, fails to determine the tax liability or does so inaccurately or incompletely;

(2) instances where the law stipulates that self-assessment is not conducted or despite self-assessment, a tax decision must be issued.

(3) The tax decision on tax assessment from paragraph 2, item 2) of this Article, in addition to elements regulated by law, contains an order for the taxpayer to pay the tax within the prescribed period to the designated public revenue accounts.

(4) Provisions on tax assessment also apply to the assessment of secondary tax levies, unless otherwise stipulated by this law.

Method of Passing a Tax Assessment Decision

Article 55

The Tax Administration issues a tax decision on tax assessment from Article 54, paragraph 2, sub-item (1) based on data from the business books and records of the taxpayer, and the factual situation determined in the audit procedure, in accordance with the provision of Article 129 of this law.

The Tax Administration issues the tax assessment decision under Article 54, paragraph 2, item 2) sub-item (2) of this law based on data from the records of competent authorities, data from the tax return, or amended tax return, and, if necessary, based on data from the business books and records of the taxpayer.

If a taxpayer fails to file a tax return, the tax assessment will be issued based on the data from the business books and records of the taxpayer and the factual situation established during the audit process.

Notwithstanding paragraph 2 of this Article, if the taxpayer fails to file a tax return, the tax authority shall issue a tax assessment decision on determining the tax under Article 54, paragraph 2, item 2) sub-item (2) of this law, without prior consultation with the taxpayer regarding the facts relevant for decision-making, when the tax assessment is based on data from the records of competent authorities or documentation issued by competent authorities and public notaries.

If, in the process of making a decision pursuant to paragraphs 1-3 of this Article, it is determined that the data from the tax return, business books, and records do not correspond to the actual situation, the tax decision on assessing the tax will be issued based on an estimate of the tax base, in the manner prescribed by the provisions of Articles 58-60 of this law.

Exceptionally, the Tax Administration may issue a tax assessment decision through direct adjudication when the basis for assessing the tax is the examination of data from the records of competent authorities, without prior consultation with the taxpayer on facts relevant to the decision-making process.

Not Issuing a Tax Assessment Decision in the Case of Tax Liability Revaluation

Article 56

Exceptionally, upon the proposal of the Government of the Republic of Serbia (hereinafter referred to as: the Government), the National Assembly of the Republic of Serbia may decide that, in regard to certain tax types,

the assessed amounts from the previous year be retained in the current year or undergo upward or downward revaluation, by applying an appropriate formula, in keeping with regulations. In the manner described in paragraph 1 of this Article, upon the proposal of the municipal or city council, the assembly of the local self-government unit may also act concerning the public revenue for whose introduction it is authorized by law.

In the cases referred to in paragraphs 1 and 2 of this Article, the Tax Administration does not issue a decision on the tax assessment. Instead, it informs taxpayers about the revaluation index and the due date for the tax, in accordance with the law, through a public notice and by posting on the Tax Administration's website. It also records the revalued amounts in accordance with the provision of Article 62 of this law.

Case of When Issuing a Tax Decision is Uneconomical

Article 57

In the event that the tax is erroneously assessed in a lesser amount, a new tax decision will not be issued if the increased tax amount would be disproportionate to the costs of the procedure for amending the decision.

Methods for Assessing the Tax Base

Article 58

The assessment of the tax base may be determined by applying one of the following methods:

1) comparator method
2) cross-assessment method.

Tax Base Estimation by Comparator Method

Article 58a

The assessment of the tax base by the comparator method is conducted in one of the following ways:

1) The estimation is based on available orderly business documentation concerning operations within a specific period shorter than the taxation period (daily, weekly, or monthly), whereby the tax base for the period for which the tax is assessed is estimated based on the data about that part of the operations.

2) The assessment is based on data and facts on turnover (daily, weekly, or monthly) determined through audit or audit, whereby the tax base for the period for which the tax is being determined is estimated based on these data and facts.

3) by comparing with the data of other taxpayers who conduct the same or similar activities at the same or similar location, under approximately equal conditions.

Tax Base Estimation by Cross-Assessment Method

Article 59

The cross-assessment method is utilized for determining the tax base for personal income tax.

The tax base referred to in paragraph 1 of this Article is determined as the difference between the value of the assets at the end of the calendar year and the beginning, reduced by the amount of declared income and the value of assets acquired through inheritance, gift, or another lawful non-encumbered manner, as well as the amount of income that is subject to taxation by personal income tax, which is not included in annual personal income tax, for which the taxpayer, or another party, asserts and provides appropriate material evidence.

For the purposes of paragraph 2 of this Article, assets include:
1) immovable property (apartment, house, commercial building and premises, garage, land and
2) shares and interests in a legal entity
3) equipment for conducting independent activities
4) motor vehicles, watercraft, and aircraft.
5) savings deposits and cash holdings
6) other property rights

The value of assets at the beginning of a calendar year shall be the sum of the total value of property referred to in paragraph (3) of this Article as at 1 January of the calendar year.

The value of the assets at the end of the calendar year represents the sum of the total value of the assets referred to in paragraph 3 of this Article as of 31 December of the calendar year, increased by the value of the assets acquired with encumbrance and alienated with or without encumbrance during the calendar year, as well as the funds used by the taxpayer to purchase assets referred to in paragraph 3 of this Article on behalf of third parties during the calendar year.

If a taxpayer, or another party, asserts that certain assets or resources have been acquired through inheritance, as a gift, or by any other lawful non-onerous means, they are obligated to provide appropriate material evidence thereof.

The tax base determined in the manner described in paragraphs 2-6 of this Article constitutes undeclared income.

Undeclared income referred to in paragraph 7 of this Article shall be taxed as other income, in accordance with the law governing personal income tax, without the recognition of standardized expenses.

Selecting the Tax Base Assessment Method

Article 60

The Tax Administration determines the methods and means pursuant to Articles 58, 58a, and 59 of this law to be utilized for the assessment of the tax base.
deleted Official Gazette of the Republic of Serbia, No. 70/03
The Minister shall regulate in more detail the manner and procedure for assessing the tax base.

The Indicative Method for Determining the Minimum Personal Income Tax.

Article 61

The personal income tax cannot be less than the amount calculated based on a formula wherein certain indices are applied to factors that represent indications of the taxpayer's luxurious lifestyle.

The government, upon the proposal of the minister, shall further regulate the application of the method referred to in paragraph 1 of this Article.

Recording the Level of Tax Liability

Article 62.

If the tax is determined in the manner described in Article 54, paragraph 2 of this law, the Tax Administration records the amount of tax liability for each taxpayer.

The Tax Administration records the assessed tax amount based on:

1) the filed tax return, including an amended tax return, or tax returns filed following an audit or ex officio;

2) the delivered decision on tax assessment in cases of:

(1) when an adjustment of the tax liability amount stated in an incomplete or inaccurately filled tax return is made, and when a tax return has not been filed;

(2) when the law stipulates that self-assessment is not conducted or when, despite self-assessment, a tax decision must be issued;

3) public notice under Article 56, paragraph 3 of this law.

(3) If, in the audit process initiated at the request of the taxpayer or ex officio, it is determined that an incorrect amount of tax and secondary tax levies has been erroneously recorded, the Tax Administration shall correct it in its records.

(4) The method and procedure for correction referred to in paragraph 3 of this Article shall be further regulated by the minister.

Provisional Tax Assessment

Article 63

If the Tax Administration, by the expiration of the statutory deadline for issuing a tax decision, cannot assess the tax based on a fully established factual situation, it shall issue a provisional tax decision based on the factual situation determined up to that point.

The decision that definitively assesses the tax annuls the decision referred to in paragraph 1 of this Article.

The final deadline for issuing a decision that definitively assesses the tax is three years from the date of issuing the provisional decision.

Heading Five

TAX COLLECTION

Chapter One

GENERAL ABOUT TAX COLLECTION

Types of Tax Collection

Article 64

Tax collection is considered any payment or settlement of tax in accordance with Article 67 of this law, as well as tax collection carried out on all items of enforced collection in the enforcement procedure.

Tax collection, in terms of this law, is either regular or enforced.

Regular tax collection is carried out upon the maturity of the tax liability.

Enforced collection is undertaken when a due tax liability is not settled by the time limit specified in paragraph 3 of this Article.

Provisions on tax collection also apply to the collection of secondary tax levies, unless otherwise specified by this law.

Maturity

Article 65

The tax assessed in the manner described in Article 54, paragraph 2 of this law, becomes due for payment within the period prescribed by law.

Notwithstanding paragraph 1 of this Article, withholding tax becomes due for payment on the date specified as the payment date in the individual tax return if that date is earlier than the period prescribed by law.

The obligation to pay a fine becomes due within 15 days from the date the decision

imposing the fine becomes final.

The right to reimbursement of overpayment, to a tax deduction, or to a tax refund, as well as to the settlement of liabilities due on another basis through tax rebooking, matures upon the expiry of the period specified in Article 75, paragraphs 8-11 of this law, unless otherwise regulated by tax law.

Interim Measures for Securing Tax Collection

Article 66

To secure the collection of tax that has not become due or has not been assessed, but the assessment or audit procedure has been initiated, and there is danger of the taxpayer hindering or preventing its collection or rendering it ineffective, the Tax Administration may introduce, by a decision, interim measures for securing the collection.

The decision from paragraph 1 of this Article also includes a rationale as to why the Tax Administration believes there is a risk that the taxpayer may thwart or prevent the collection of the tax not yet due. This decision is simultaneously delivered to the taxpayer and the competent registries, thereby becoming enforceable.

Interim measures, as defined by this law, are lien rights on movable properties, immovable properties, funds, and claims of the tax debtor.

The procedure for establishing lien rights as stipulated in paragraph 3 of this Article shall be conducted in accordance with the applicable provisions of Article 87 of this law.

Interim measures remain in effect until the collection of the tax for which they were established, or until the moment when the taxpayer provides adequate security for the tax liability, as defined in Article 74, paragraph 2, of this law.

To secure the collection of taxes and secondary tax levies referred to in the paragraph Pursuant to Article 1, an interim measure prohibiting the transfer of funds through the taxpayer's account has been established and recorded in the register of blocked accounts maintained by the competent organization. The bank is obligated to transfer taxes and secondary tax liabilities based on the tax decision from the taxpayer's account, up to the amount of available funds in that account, to the prescribed public revenue payment account.

In the pursuit of securing tax collection, the Tax Administration may, by decision, establish interim measures to secure tax payments, including: prohibition of disposal and encumbrance on funds in the business accounts of the taxpayer, monetary and non-monetary claims; prohibition of disposal and encumbrance on funds in current accounts and savings deposits; prohibition of disposal, alienation, and encumbrance of movable assets; prohibition of disposal, alienation, and encumbrance of immovable properties or real rights on immovable properties registered in the public registry.

The Decision on Establishing Preliminary Tax Collection Security Measures is simultaneously delivered to the taxpayer and the competent registries, whereby it becomes enforceable.

The preliminary measure for securing tax collection remains in effect until the registration of the lien in the registry of movable assets or the registry of real estate, or until the tax is fully paid.

Against the decisions referred to in paragraphs 1 and 7 of this Article, the taxpayer may file an appeal. An appeal referred to in paragraph 10 of this Article does not stay the execution.

Chapter Two

Regular Tax Collection

Forms of Regular Tax Collection

Article 67

Tax collection is generally conducted by paying a monetary amount in dinars upon the tax maturity to the prescribed public revenue accounts, within the deadlines stipulated by law.

The Minister may prescribe the payment of certain taxes through the tax treasury.

Taxes may be paid through the purchase of securities (revenue stamps, semi-postal stamps, fiscal excise stamps, etc.) in cases prescribed by law.

Notwithstanding the provisions of paragraphs 1-3 of this Article, the tax liability may be settled:

1) By offset, in the manner and under the conditions which, in accordance with tax law, are further regulated by the minister;

2) Deleted ("Official Gazette of RS", No. 70/03)

3) By conversion of tax debt into the Republic's interest in taxpayer's equity, in the manner and under the conditions prescribed by the Government,

3a) By providing in lieu of payment, or by substitution of performance, when the tax liability exceeds 50,000,000 dinars, in the manner and under the conditions determined by the Government by decision, and only in cases where there is an interest of the Republic in acquiring the relevant property.

Notwithstanding paragraph 1 of this Article, a non-resident may make tax payments in foreign currency to a foreign currency account for tax payments.

The method of paying taxes in foreign currency shall be further regulated by the minister.

Tax Payment Day

Article 68

The tax payment day is the day on which:

1) the owed amount of tax and secondary tax levies of the tax debtor is transferred to the prescribed payment account for public revenues;

2) deleted ("Official Gazette of RS", No. 61/07)

3) the owed amount of tax for which the taxpayer - an individual, determined by self-assessment or by decision, except for income from independent activities, is paid at the tax office;

4) the prescribed method of cancellation or purchase of a security from Article 67, paragraph 3 of this law;

5) seized money and income from the sale of movable and immovable property transferred to the appropriate public revenue account;

6) a decision by the Tax Administration on the transfer of property into the ownership of the Republic in accordance with Article 104, paragraph 18 of this law;

7) a decision by the Tax Administration on the transfer of real estate into the ownership of the Republic in accordance with Article 110, paragraph 5 of this law;

8) the amount earned from the sale of movable and immovable property in the process of enforced tax collection and secondary tax levies paid into the prescribed public revenue account.

The day of settlement of the tax liability through offset is considered the day on which the offset document is realized in the manner and under the conditions from Article 67, paragraph 4, point 1) of this law.

The day of settlement of the tax liability through the conversion of tax claims into a permanent share of the Republic in the equity of the taxpayer is considered the day on which the Government issued the conversion act.

If the taxpayer files a request for tax payment through transfer, the tax payment day is considered:

1) the day on which the tax due for payment through transfer falls due, if on that day there is more tax paid on another basis, or

2) the day on which the tax on another basis is paid in an amount greater than the owed, if the tax due for payment through transfer was due earlier.

The tax payment day from paragraph 4 of this Article is determined based on the factual situation on the day of deciding on the request.

The day on which the value-added tax is paid in an amount greater than the owed, in terms of paragraph 4 of this Article, is the day on which the taxpayer has the right to file a request for a refund of the unused amount of tax credit in accordance with the law governing value-added tax.

The day of settlement of the tax liability through donation in lieu of payment, or substituted execution, is considered the day of notarization of the agreement that implemented the Government's decision from Article 67, paragraph 4, point 3a) of this law.

Article 69.
Deleted ("Official Gazette of RS" No. 61/07)

Order of Settlement

Article 70

The taxpayer specifies the type of owed tax being paid at the time of payment. The allocation of the paid amount is done in the following order:

1) principal tax liability;

2) interest;

3) collection costs.

If a taxpayer owes multiple types of taxes and the amount paid is insufficient to cover the total tax debt, individual types of taxes are collected in the order of their maturity.

For taxes under paragraph 3 of this Article that fall due simultaneously, collection is made proportionally to the share of each tax in the total tax debt due.

If the amount paid on account of tax is greater than the amount owed, the excess amount can be used to settle liabilities on the same basis that fall due at a later date.

In the case from paragraph 5 of this Article, at the request of the taxpayer:

1) the owed tax on another basis is settled;

2) a refund is made if there are no liabilities due on another basis.

A request from paragraph 6 of this Article does not constitute a taxpayer's decision to have a value-added tax refund performed from the tax return for value-added tax.

In cases where a tax refund is made in accordance with the law governing value-added tax, the taxpayer is refunded the amount reduced by the amount of tax owed that has matured on another basis.

Tax Payment Notice

Article 71

The Tax Administration may, before the maturity of the tax liability or before issuing a notice, send a reminder to the taxpayer by written or electronic means, as well as by SMS or other means, when possible, to pay the tax liability upon maturity or to pay the matured but unpaid tax liability, with interest calculated in accordance with the law, within five days from the date of delivery of the notice for the matured tax liability.

The Tax Administration will send a notice to the taxpayer who has not fully or partially paid the tax or secondary tax liability upon maturity, as well as within the period from paragraph 1 of this Article, except in the case from Article 74, paragraph 7, point 1) of this law, within 30 days from the date of maturity, instructing them to pay the amount due immediately, and no later than within five days from the date of receipt of the notice, with

interest calculated from the date of issuance of the notice to the date of payment of the tax due or secondary tax liabilities.

The notice from paragraph 2 of this Article also contains instructions to the taxpayer that within five days they may discuss disputed issues with the Tax Administration regarding the type and amount of tax or secondary tax liabilities due for collection.

The notice from paragraph 2 of this Article is delivered in the manner referred to in Article 36 of this law, and for efficiency, it is sent, when possible, by email, fax, telephone, or courier.

If the tax payment notice is sent by telephone, the Tax Administration officer shall compile an official note and file it in the case records.

Establishing a Lien Before the Enforced Collection of Taxes and Secondary Tax Liabilities

Article 72

The Tax Administration may, immediately upon the maturity of taxes and secondary tax liabilities, register a lien in the registers of pledges from Article 87, paragraph 5 of this law.

Deferred Payment of Outstanding Taxes

Article 73

The Tax Administration, upon a substantiated request from the taxpayer, may wholly or partially defer the payment of owed taxes, except for the annual personal income tax, provided that the payment of owed taxes:

1) constitutes an unreasonably large burden for the taxpayer.

2) causes significant economic damage to the taxpayer. The conditions from paragraph 1 of this Article are further regulated by the Government.

The decision on the deferral of the payment of the owed tax, upon meeting the conditions from paragraphs 1 and 2 of this Article, is made by:

1) the minister or a person authorized by them, based on a written proposal from the Tax Administration, except for the own source public revenues of local government units;

2) the mayor, or the president of the municipality, or a person authorized by them, of the local government unit to which the own source public revenues belong, whose collection is deferred in accordance with this law.

The decision from paragraph 3 of this Article may approve the deferral of the payment of the owed tax in installments, but for no longer than 60 months, with the possibility of using the deferred payment for up to 12 months.

The decision from paragraph 3 of this Article must contain justified reasons for approving the deferral.

The deferral of the payment of the owed tax from paragraphs 1 to 3 of this Article is carried out by signing an agreement between the Tax Administration and the taxpayer, or by a decision of the Tax Administration.

Exceptionally, if the applicant for the deferral of the payment of the owed tax, who does not meet the conditions from paragraphs 1 and 2 of this Article, offers an irrevocable bank guarantee or a bill of exchange endorsed by a commercial bank as a means of securing payment, in an amount not less than the amount of the owed tax whose payment is being deferred, the person from paragraph 3 of this Article may decide to approve the deferral of the payment of the owed tax as described in paragraph 4 of this Article.

The request from paragraph 1 of this Article can be filed by the taxpayer in electronic form via the portal of the Tax Administration or in written form - directly or by mail.

If the taxpayer filed the request from paragraph 8 of this Article in electronic form via the portal of the Tax Administration, the Tax Administration may deliver the act from paragraph 6 of this Article in electronic form to the email address of the taxpayer.

Exceptionally, to mitigate the economic consequences caused by the pandemic, force majeure, or other extraordinary events that occur during the calendar year, the deferral of payment of owed tax or unpaid tax liabilities is approved in the manner and under the conditions determined by the Government.

Securing the Collection of the Outstanding Tax

Article 74

In the process of deciding on the deferral of the payment of the outstanding tax from Article 73, paragraph 3 of this law, the taxpayer is required to provide means of securing collection, which cannot be less than the amount of the outstanding tax whose payment is being deferred.

The means of securing collection from paragraph 1 of this Article are:

1) mortgage on the real estate of the taxpayer;

2) pledge on the movable properties of the taxpayer;

3) irrevocable bank guarantee;

4) a guarantee from another person who owns property;

5) bill of exchange, accepted by two guarantors, from whose salaries, on which an salary deduction is established, the tax debt can be collected;

6) bill of exchange endorsed by a commercial bank.

If the outstanding tax is secured by means from paragraph 2, items 1), 2) and 4) of this Article, the means of securing cannot be less than 120% of the amount of the outstanding tax whose collection is secured.

In the procedure for deciding on the rescheduling of outstanding tax payment referred to in Article 73, paragraph (3) of this Law, the Tax Administration shall decide which of the proposed instruments or other instruments of security referred to in paragraph (2) of this Article available to the taxpayer will result in the most efficient collection of the outstanding tax, and notify the taxpayer accordingly.

The evidence of securing the funds as stipulated in paragraph 4 of this Article must be provided by the taxpayer to the Tax Administration as a condition for signing the agreement or issuing the decision under Article 73, paragraph 6 of this law.

Notwithstanding Sections 1-5 of this Article, the taxpayer is not required to fulfill the conditions prescribed by the Government in the act from Article 73, Section 2 of this law, nor to provide security for the collection of taxes - if the outstanding owed from Article 73, Section 3 of this law for any public revenue collected by the Tax Administration as at the date of filing the request for rescheduling is:

1) for a legal entity, sole proprietor, and fund - up to 1,500,000 Serbian dinars;

2) for an individual - up to 200,000 Serbian dinars.

If the taxpayer fails to adhere to the deadlines stipulated in the agreement or the decision on deferring the payment of the outstanding tax, or if the taxpayer does not settle the current liability during the period for which the payment of the outstanding tax has been deferred, except in cases where an application for deferral of payment of that current liability has been submitted, the Tax Administration will, ex officio, annul the agreement or rescind the decision, and collect the due but unpaid tax debt, taking into account the efficiency of collection.

1) from security measures;

2) in the process of enforced collection of tax debt.

If the due, outstanding tax debt referred to in paragraph 7 of this Article is to be collected from the security funds, the Tax Administration does not issue a decision on enforced collection, but merely notifies the taxpayer that it will proceed with the enforced collection of the due, outstanding debt from the provided security funds for collection in accordance with the law.

If the taxpayer referred to in paragraph 6 of this Article fails to adhere to the deadlines set forth in the agreement, or the decision to defer payment of the owed tax, or if during the period for which the payment of the owed tax has been deferred, the taxpayer does not settle the current liability, except in cases where an application for deferral of payment of such current liability has been submitted, the Tax Administration shall, ex officio, annul the agreement or revoke the decision, and the due but outstanding tax shall be collected through the process of enforced collection from the taxpayer.

A taxpayer for whom the Tax Administration has officially annulled an agreement or revoked a decision pursuant to paragraphs 7 and 9 of this Article shall not have the right to reapply for a deferral of payment of the said tax debt.

Notwithstanding paragraph 10 of this Article, a taxpayer who settles their tax liabilities in an amount equal to or greater than the sum of the principal tax liability that was subject to deferral and the amount of the principal tax obligation on other bases due by the date of payment, may within five days from the date of payment, file a request for the deferral of the remaining interest related to the settled liabilities, in accordance with the provisions of this law.

A request for deferral of payment of the current liability referred to in paragraphs 7 and 9 of this Article may be filed by the taxpayer no later than two days from the due date of said current liability.

When the Tax Administration, in the decision-making process, does not accept a request for deferral of payment of the current liability under paragraphs 7, 9, and 12 of this Article, the taxpayer is obliged to pay this current liability, along with the interest calculated in accordance with this law, within five days from the day of delivery of the act by which the Tax Administration rejects the request. If the taxpayer does not pay the current liability within the prescribed period, along with the interest calculated in accordance with this law, it is considered that the conditions for the application of paragraphs 7 and 9 of this Article have been met.

Notwithstanding the provisions of this law, at the request of the taxpayer who has been granted a deferral of payment of the owed tax, the Tax Administration may perform a substitution of the security instrument in this procedure, if the new security instrument is of the same type and of greater value than the existing security instrument and if it meets the conditions prescribed by the provisions of this Article.

In the case referred to in paragraph 14 of this Article, after obtaining evidence that a new security instrument has been secured, in the amount of the tax owed that is subject to the payment deferral, the Tax Administration, in the prescribed procedure allows the deletion of the existing security instrument from the prescribed registry, or returns the security instrument provided to the taxpayer.

Article 74a

Notwithstanding Article 73, paragraph 4 of this law, the competent authority may, upon request of the taxpayer for approval of the proposed reorganization plan in accordance with the law governing bankruptcy, grant consent for the deferral of payment of the outstanding tax, which is an integral part of that plan, in equal installments up to 60 months, with the possibility of using the deferred payment for the first 24 months.

The consent for deferring payment of the owed tax in accordance with paragraph 1 of this Article is given by the person as specified in Article 73, paragraph 3 of this law.

Article 74b

Notwithstanding Article 73, paragraph 4 of this law, the competent authority may, upon a written and substantiated request of the taxpayer who has concluded a financial restructuring agreement, in accordance with the law governing consensual financial restructuring of companies, approve the deferral of payment of the owed tax in equal installments up to 60 months, with the possibility of using the deferred payment for the first 24 months.

In the process of deciding on the deferral of payment of the owed tax of the taxpayer

who has concluded a financial restructuring agreement, in accordance with the law governing consensual financial restructuring of companies, no provision of security instruments for the collection is required when the amount of debt whose payment is deferred is up to the amount specified in Article 74, paragraph 6 of this law.

The decision on the deferral of payment of the owed tax in accordance with paragraphs 1 and 2 of this Article is made by the person from Article 73, paragraph 3 of this law.

Chapter Three

INTEREST

General Provisions on Interest

Article 75

Interest is calculated and paid on the amount of tax overpaid or underpaid and secondary tax liabilities, except for interest, at a rate equal to the annual reference rate of the National Bank of Serbia, increased by ten percentage points, using simple interest calculation of one hundred.

On the outstanding tax and secondary tax liabilities, except for interest, interest is calculated starting from the day following the due date.

Interest is calculated for the calendar number of days of the delay period in settling liabilities relative to the calendar number of days in the year (365 or 366 days) by the decursive method of calculation, without adding interest to the principal at the end of the calculation period.

Interest, in the sense of paragraph 3 of this Article, is calculated for all calendar days in the calculation period.

The accounting period refers to the period starting from the first day of delay, or change in the amount of debt and/or change in the rate from paragraph 1 of this Article, and/or the end of each calendar year in the period of delay for which the calculation is performed.

The total amount of interest represents the sum of the interest calculated for each accounting period mentioned in paragraph 5 of this Article.

If a difference in tax liability is determined during an audit, interest is calculated from the day the taxpayer was obligated to pay the tax liability.

On the amount of tax overpaid and secondary tax levies, except for interest, interest is calculated after the expiry of a 30-day period from the day of receiving the request for reimbursement.

If the basis for reimbursement is a revoked or amended decision or other act of charging, interest is calculated from the day of tax payment.

If the taxpayer of value-added tax, within the period prescribed by the law governing value-added tax, does not receive a refund of this tax, interest is calculated from the next day after the expiry of that period.

To the taxpayer who has filed a request for tax deduction or refund, interest is calculated after the expiry of a 30-day period from the day the decision establishing the right to a deduction or refund is made.

Interest on the Deferred Tax Debt

Article 76

If, in accordance with Article 147, paragraph 2 of this law, the collection of outstanding tax is temporarily deferred due to the suspension of enforcement of the final tax act (during administrative disputes, etc.), interest is calculated for the duration of the deferral or suspension, at the rate from Article 75, paragraph 1 of this law.

If, in accordance with the provisions of Articles 73, 74, 74a, and 74b of this law, the payment of owed tax is deferred, interest is calculated for the duration of the deferral, at a rate equal to the annual reference rate of the National Bank of Serbia.

To the taxpayer to whom, in accordance with the provisions of Articles 73, 74, 74a, and 74b of this law, the payment of owed tax is deferred, and who regularly settles installments of deferred liabilities, including current liabilities in accordance with the law, 50% of the interest related to that debt paid during that period is written off, upon the expiry of every 12 months, until the debt is fully settled. The right to a 50% interest write-off does not apply to the deferral of payment of owed tax when the liabilities is determined by a decision in the tax audit process, as well as in the case of Article 74, paragraph 11 of this law.

When a taxpayer, even before the expiry of the installment payment period of outstanding tax according to this law, fully pays the owed tax, 50% of the interest on that debt is written off.

Chapter Four

ENFORCED TAX COLLECTION

I. GENERAL ABOUT ENFORCED TAX COLLECTION

Initiating the Enforced Tax Collection Procedure

Article 77

The Tax Administration may, to a taxpayer who has not paid the tax which has become due for payment, or secondary tax levy within the period specified in the reminder, send a warning by written or electronic means, as well as by SMS or other feasible means, to pay the due and unpaid tax liability, with interest calculated in accordance with the law, within five days from the date of delivery of the warning.

If the taxpayer has not paid the tax, or secondary tax levy, within the period specified in Article 71, paragraph 2 of this law, or within the period specified in paragraph 1 of this Article, the Tax Administration initiates the procedure for enforced collection of tax or secondary tax levies by issuing a decision on enforced tax collection.

The decision referred to in paragraph 2 of this Article specifies the basis of the tax debt, its remaining outstanding amount from the warning issued under Article 71 of this law delivered to the taxpayer, with interest calculated from the date of issuing the warning until the date the decision is made, and the taxpayer is informed of their rights in the enforcement proceedings.

The decision referred to in paragraph 2 of this Article shall be simultaneously delivered to the taxpayer and the organization responsible for enforced collection, or other registries, thereby becoming enforceable.

An appeal against the decision on the enforced tax collection can be filed within eight days from the date of delivery of the decision.

Legal Consequences of Initiating the Enforced Tax Collection Procedure

Article 78

Initiating the enforced tax collection procedure results in:

1) collection from the entire property of the taxpayer, except for the part specified in Article 82 of this law

2) payment of expenses under Article 83 of this Act

3) increase in tax debt, which does not include interest and is subject to enforced collection, by 5% from the day the enforced collection procedure commences, on which interest

is calculated (hereinafter referred to as: increase in tax debt).

The increase in tax debt constitutes revenue for the Republic's budget, except for the increase in tax debt that is a legal consequence of the enforced collection of own source revenues of a local government unit, which belongs to the budget of that local government unit.

Suspension of the Enforced Tax Collection Procedure

Article 79

The process of enforced collection shall be suspended if:

1) the Tax Administration initiates bankruptcy proceedings against a taxpayer pursuant to Article 112 of this law;

2) the Tax Administration approves the deferral of tax payment pursuant to Article 73 or Article 74b of this law;

3) it is determined that there is an error in the calculation of the tax liability resulting in a lower tax, until the correction of the determination.

4) in the case referred to in Article 147, paragraphs 2 and 6 of this law.

The process of enforced collection may be suspended if, upon the expiry of the period specified in Article 71, paragraph 2 of this law, the taxpayer submits a request for deferral of collection, under the conditions set forth in Article 73 or Article 74b of this law.

In the cases referred to in paragraphs 1 and 2 of this Article, the Tax Administration shall issue a decision to suspend the enforcement procedure, which shall also be delivered to the organization conducting the enforced collection from the account.

The termination referred to in paragraphs 1 and 2 of this Article does not affect the lien, nor the increase in tax liability.

Termination of the Enforced Collection Procedure

Article 80

The enforced collection procedure shall be terminated:

1) if the tax liability is annulled;

2) if a taxpayer subsequently settles the outstanding liability, including incurred costs and the increased amount of the tax debt.

In the case referred to in paragraph 1 of this Article, the lien shall cease in accordance with this law, measures for monetization shall be revoked, and the property shall be returned to the taxpayer.

In the case referred to in paragraph 1 of this Article, the Tax Administration shall issue a decision to suspend the enforcement proceedings, which shall also be delivered to the organization conducting the enforcement collection from the account.

Principles of the Enforced Tax Collection Procedure

Article 81

In the enforced tax collection procedure, the Tax Administration implements actions governed by this law, taking into account the cost-effectiveness of the procedure.

The enforced collection procedure will not be initiated if it is evident that the taxpayer has no assets from which collection can be executed, which does not exclude the possibility of enforced collection from other taxpayers or tax debtors.

Collection shall not be carried out from the objects of enforced collection if the costs of enforced collection exceed the value of the objects of enforced collection.

Compulsory collection is carried out to the extent that it covers the owed amount of tax and secondary tax levies.

In executing compulsory tax collection, the Tax Administration is obliged to respect

the dignity of the taxpayer.

Exemption from the Enforced Collection

Article 82

Objects of enforced collection shall not include the assets and income of the taxpayer that are exempt from enforcement by law.

Costs of the Enforced Tax Collection Procedure

Article 83

The costs of enforced collection shall be borne by the taxpayer.

The amount of the costs of enforced collection referred to in paragraph 1 of this law shall be prescribed by the Government, upon the proposal of the minister.

If the taxpayer pays the tax liability after the commencement of the enforced collection procedure, they are not exempt from paying the incurred costs of enforced collection referred to in paragraph 1 of this Article.

Costs, in the sense of paragraph 1 of this Article, do not include costs incurred due to an error by the Tax Administration.

Objects of Enforced Collection

Article 84

The collection of taxes and secondary tax levies, in the enforced collection procedure, is carried out on:

1) the taxpayer's funds;

2) the taxpayer's claims;

2a) wages, or wage compensation, or pensions, as well as other types of income in current accounts of individuals, to the extent that they are not exempt from execution according to the law governing enforcement and security;

3) non-monetary claims and other rights of the taxpayer;

4) cash and securities; 4a) savings deposits;

5) movable properties;

6) immovable properties.

Enenforced collection can be carried out on one or more objects at the same time. The objects of enforced collection are determined by a decision.

Rights of Third Parties

Article 85

A third party, other than a member of the taxpayer's household, who claims to have a right to the property that is the subject of the enforced collection procedure and which would prevent the sale of the property, may file *a rei vindicatio* lawsuit with the competent court.

The court may order the suspension or discontinuation of a specific measure during the enforced collection procedure on the property referred to in paragraph 1 of this Article.

If the person referred to in paragraph 1 of this Article provides proof of entitlement to the property that is the subject of enforced collection, the Tax Administration may suspend or discontinue the application of enforced collection measures on that item.

Article 85a

To secure the collection of taxes that are due for collection, the Tax Administration may, by resolution, establish a preliminary measure to secure the collection of taxes,

including: prohibition of disposal of monetary funds, prohibition of disposal and encumbrance on monetary funds in business accounts of the taxpayer, monetary and non-monetary claims, prohibition of disposal and encumbrance of funds in current accounts and savings deposits, prohibition of disposal, alienation and encumbrance of movable properties, prohibition of disposal, alienation and encumbrance of immovable properties or real rights on immovable properties registered in the public book, as well as prohibition of execution by third parties.

The Decision on Establishing Preliminary Tax Collection Security Measures is simultaneously delivered to the taxpayer and the competent registries, whereby it becomes enforceable.

The previous measure for securing tax collection remains in effect until the decision on enforced collection from the financial assets of the taxpayer is made and registration in the blocked accounts registry maintained by the competent organization, registration of a lien in the registry of movable assets, or real estate registry, or until the tax is fully paid.

The taxpayer may appeal against the decision referred to in paragraph 1 of this Article, which does not delay the enforcement.

II. LIEN

Securing Tax Claims in Enforced Collection

Article 86

To secure tax claims in enforced tax collection on items or property rights of the taxpayer, a statutory lien right is established in favor of the tax creditor.

The tax creditor, for the purposes of this law, is the Republic or a local self-government unit - for own source public revenues that it assesses, collects, and controls in a public-law relationship.

The lien remains until the tax debt is settled or the tax decision is annulled.

Procedure for Establishing a Lien

Article 87

The Tax Administration shall by a decision order the following:

1) inventory of movable assets;

2) inventory of real estate;

3) prohibition of transferring financial funds through the taxpayer's account at the bank, except for the purpose of settling tax liabilities, and registration of the prohibition in the blocked accounts registry maintained by the competent organization;

3a) prohibition of payout or transfer of other types of income from individual current accounts until funds are transferred for the purpose of settling tax liabilities;

3b) prohibition of payout of savings deposits until funds are transferred for the purpose of settling tax liabilities;

4) prohibition for the taxpayer's debtors to pay cash debts to the taxpayer and registration of the prohibition in the appropriate registry;

5) prohibition for the taxpayer's debtors to settle other liabilities towards them and registration of the prohibition in the registry of movable assets.

The decision from paragraph 1 of this Article is simultaneously delivered to the taxpayer and the appropriate registries, the taxpayer's debtors, or the bank, thereby becoming enforceable.

After the inventory of movable assets or real estate is completed, the Tax Administration shall order, by a decision, the competent authority to register the lien right in the registry of movable assets or real estate.

Along with the decision from paragraph 3 of this Article, the Tax Administration

delivers an inventory report of movable assets or real estate from Articles 89 and 90 of this law.

The decision from paragraph 1, items 3), 4), and 5) and paragraph 3 of this Article is registered immediately upon delivery, by the competent authority, in the lien registry of movable assets, in the real estate registry, or in the blocked accounts registry, with the date and exact time of receipt.

The statutory lien right in favor of the Republic is established by registration in the appropriate registry.

Article 87a
Deleted (Official Gazette of RS, No. 30/18)

Legal Effects of Lien

Article 88

After the decision from Article 87, paragraph 1, items 1) and 2) of this law is delivered, the taxpayer is not allowed to dispose of the items subject to enforced collection on which a lien or mortgage is established.

By the decision on enforced tax collection from the financial resources of the taxpayer, all financial transactions through the taxpayer's account are suspended, except for transactions related to tax settlement.

By the decision referred to in Article 87, paragraph 1, items 4) and 5) of this law, debtors are prohibited from settling their liabilities to the taxpayer from the day of delivery of this decision.

The Republic acquires a lien on properties, which also secures claims related to secondary tax levies, with priority determined in accordance with the time of registration or the time of notifying the debtor.

Inventory of Movable Property

Article 89

An officer of the Tax Administration authorized to carry out enforced collection (hereinafter: tax enforcement officer) has the right to enter the land and premises where the taxpayer conducts their business activity, for the purpose of compiling an inventory.

If the tax enforcement officer needs to enter a residence or other premises for the purpose of inventory, assessment, and seizure of movable property located in the residence or other premises, or inventory and assessment of the residence or other premises that are the subject of securing the tax liability or enforced collection of the tax liability in the process of establishing a interim measure to secure the tax payment, lien rights, or in the enforced tax collection procedure, and the holder of the premises does not allow entry, the Tax Administration shall file a request to the competent court to issue a decision allowing the tax enforcement officer to enter the residence or other premises against the will of their holder, to carry out actions in the process of establishing a interim measure to secure the tax liability, lien rights, and other actions in the enforced tax collection procedure in accordance with this law. The request must be accompanied by the enforceable decision of the Tax Administration referred to in Articles 66, 77, and 87 of this law.

The court is obliged to issue a decision on the request referred to in paragraph 2 of this Article no later than 15 days from the date of receipt of a proper request.

Before proceeding with the inventory, the tax enforcement officer will show documents confirming their powers and the decision on enforced collection and invite the taxpayer to pay the amount of tax and secondary tax levies owed.

The inventory of movable property referred to in paragraph 1 of this Article is

conducted in the presence of two adult witnesses.

If, during the inventory, the taxpayer indicates that a lien has been established on a movable property and registered in the lien rights registry in favor of a private law creditor, the tax enforcement officer will take this into account when assessing the income that can be realized.

The tax enforcement officer may, if they deem the claims of the taxpayer or other persons that there are rights on certain properties that could prevent enforcement to be founded, not determine the priority during the inventory of property.

Priority in the inventory is given to properties that can be most easily monetized.

The tax enforcement officer is authorized to remove a person who obstructs the enforcement of enforced collection, and to request police assistance if the obstruction continues or if the person possessing the properties refuses to make them available for the purposes of enforcing enforced collection.

In the case referred to in paragraph 9 of this Article, the police are obliged to provide the requested assistance as soon as possible after receiving the call.

Inventory of Immovable Property

Article 90

The Tax Administration shall, ex officio, obtain proof of immovable property owned by the taxpayer from the authority responsible for maintaining the real property registry.

The authority responsible for maintaining the real property registry is obligated to provide the Tax Administration with the requested evidence within three days from the date of receipt of the request referred to in paragraph 1 of this Article.

In the process of compiling a list, tax enforcement officers have the right to enter the land and premises where the taxpayer conducts their business activities, and based on the judicial decision from Article 89, paragraph 2 of this law, also into the residence of the taxpayer or a family member with whom the taxpayer resides in a household.

Termination of Inventory

Article 91

The Tax Administration, within two days from the date of settlement of the tax liability, shall submit request for cancellation of inventory, namely mortgage, and notify the bank and the debtor taxpayer about the cessation of validity of the decision from Article 87, paragraph 1, items 3) -5) and paragraph 3 of this law.

Within the period specified in paragraph 1 of this Article, the Tax Administration shall notify the taxpayer of the expiry of the decision on enforced tax collection.

III. Monetization

Means of Enforced Collection

Article 92

Enforced collection is carried out against:

1) taxpayer funds - by transferring funds from the taxpayer's account, including foreign currency accounts, to the public revenue account;

2) financial claims of the taxpayer - by transferring the claims to the public revenue account;

2a) due to, or as compensation for wages, or pensions, as well as on other types of income on the current accounts of individuals - by seizure of a specified part of such income and by order to the payer, or the bank, to withhold and deposit, or transfer the monetary amount for which enforcement has been determined, to the prescribed public revenue account until full

payment is made;

3) non-monetary claims of the taxpayer - by prohibition, transfer of claims, and inventory with assessment, seizure, and sale of the claim items;

4) cash and securities - by inventory and seizure

4a) through savings deposits - by seizure and transfer of funds to the public revenue account;

5) movable property - seizure and sale

6) immovable property - seizure, determination of initial value, and sale.

The Tax Administration may, based on a decision and in any order, apply one or more means of enforced collection as stipulated in paragraph 1 of this Article.

The decision referred to in paragraph 2 of this Article shall be delivered to the taxpayer and his debtors, or to the organization responsible for enforcement, or to the bank.

Monetization Proceeds

Article 93

The Tax Administration deposits seized funds and revenues from the sale of movable and immovable properties into the appropriate public revenue account.

If the sale yields a price higher than the amount of the tax liability, the difference shall be returned to the taxpayer within 30 days, and interest shall be calculated in favor of the taxpayer upon the expiry of that period, in accordance with Article 75 of this law.

In the event that a new tax liability, which has not been paid, falls due to the taxpayer within the period specified in paragraph 2 of this Article, the difference generated from the sale of movable or immovable property at a higher price shall be used to settle that liability.

Revenues from the liquidation of items subject to enforced collection under Article 84 of this law are allocated by a decision of the Tax Administration according to the order of satisfaction set out in Article 70 of this law.

Proceeds from Assets Transferred to the Property of the Republic

Article 94

In the event that the sale is realized in the manner from Article 104, paragraph 18, and Article 110, paragraph 5 of this law, it shall be considered that the estimated value of movable property, or one-third of the determined initial value of real estate, represents the price that has been paid into the appropriate public revenue account.

If there exists a priority lien right of another creditor on the movable or immovable property from paragraph 1 of this Article, which must be satisfied, within the amount from paragraph 1 of this Article, this creditor will be satisfied first.

If the estimated value of the movable property, or one-third of the determined initial value of the real estate on which there was no priority lien right of another creditor from paragraph 2 of this Article, exceeds the amount of the tax liability, the difference shall be returned to the taxpayer.

If there was a priority lien right of another creditor on the movable or immovable property, which was satisfied within the amount from paragraph 1 of this Article, the difference between the estimated value of the movable property, or one-third of the determined value of the real estate, and the sum of the amount for which the priority lien right of another creditor and the amount for which the tax liability were satisfied, shall be refunded to the taxpayer.

The method and procedure for the refund of the difference from paragraphs 3 and 4 of this Article shall be prescribed by the minister.

Enforced Collection from Funds

Article 95

Enforced collection of taxes and secondary tax levies from the funds of the taxpayer, based on the decision from Article 92, paragraph 2 of this law, is the transfer of funds from the account of the taxpayer opened at a bank to the appropriate public revenue account, based on the decision on enforced tax collection.

The decision from paragraph 1 of this Article also contains an order to the organization for enforced collection tasks to calculate interest in the manner prescribed by this law, from the day of making the decision until the day of transferring the entire amount of taxes and secondary tax levies, and to transfer the amount of calculated interest to the appropriate public revenue accounts.

The decision from paragraph 1 of this Article is enforced in the manner regulated by the law governing payment transactions, or in the manner regulated by the provisions of other laws relating to enforced collection from client accounts.

If there are temporarily insufficient funds in the taxpayer's account, the organization responsible for enforced collection, or the bank, shall enforce the decision successively, according to the available funds in the account, until the decision is fully executed.

If the bank does not act in the manner regulated in paragraph 2 of this Article, the collection of the owed amount of taxes and secondary tax levies is carried out directly from the funds available in the bank's account.

The decision on enforced tax collection from the funds of the taxpayer takes legal effect from the day of delivery to the organization responsible for enforced collection until the day the liabilities are settled, or the day the decision is annulled.

By the decision from Article 92, paragraph 2 of this law, to secure the collection of taxes and secondary tax levies after initiating the enforced collection procedure from the monetary funds of the taxpayer on his accounts, the Tax Administration may establish an interim measure to secure the collection of the tax claim.

The interim measure from paragraph 7 of this Article is a prohibition for the taxpayer to settle monetary liabilities to third parties by arranging a change of creditors or debtors in a certain contractual relationship (assignment, cession, etc.), by set-off (compensation), and in other ways in accordance with the law.

The bank is obligated to immediately suspend the settlement of monetary liabilities that the taxpayer has towards third parties based on a contract of change of creditors or debtors in a specific contractual relationship (assignment, cession, etc.), based on offsetting (compensation) and other bases in accordance with the law, upon receiving an order from the organization responsible for enforced collection, issued based on the decision from paragraph 2 of this Article, except for payments based on salary disbursements and expense allowances (for commuting to and from work and for time spent on business trips domestically and abroad), as well as based on other earnings (severance upon retirement, mutual aid, and assistance in case of death of an employee or a member of their immediate family) and monetary compensations from the social program for employees whose employment is terminated in the process of restructuring companies and preparation for privatization, bankruptcy, and liquidation.

Enforced Collection from Monetary Claims

Article 96

Enforced collection from the monetary claims of the taxpayer is carried out based on the decision from Article 92, paragraph 2 of this law.

The decision from paragraph 1 of this Article mandates the debtor of the taxpayer to settle their debt by making a payment to the public revenue account upon the maturity of the claim.

If the debtor from paragraph 2 of this Article does not make the payment upon maturity, the Tax Administration shall carry out enforced collection from the funds in the debtor's account of the taxpayer, in accordance with Article 95 of this law.

Article 96a

Enforced collection of taxes and secondary tax levies from wages, wage benefits, or pensions, as well as from other types of income in the current accounts of the taxpayer, is carried out based on the decision from Article 92, paragraph 2 of this law.

The decision from paragraph 1 of this Article specifies a garnishment on a certain part of the wages, wage benefits, or pensions, and mandates the payer of these incomes to withhold from each disbursement of these incomes, starting from the first subsequent payment after the receipt of the decision from paragraph 1 of this Article, until the complete collection of taxes and secondary tax levies, and to deposit the withheld amount into the prescribed public revenue account.

The payer of wages, wage compensations, or pensions, is obligated to act according to the order from the decision in paragraph 2 of this Article.

The payer of wages, wage benefits, or pensions is obligated to notify the Tax Administration, or the tax authority of the competent local government unit, about changes affecting the enforcement of the decision from paragraph 2 of this Article, no later than five days from the date of the change.

If the payer of wages, wage benefits, or pensions, does not withhold and deposit the amount of wages, wage benefits, or pensions, on which enforced collection is being carried out, into the prescribed public revenue account, within the period from paragraph 2 of this Article, the Tax Administration shall carry out enforced collection from the funds in the account of the payer, in accordance with Article 95 of this law.

Enforced collection of taxes and secondary tax levies from other incomes in current accounts, based on the decision from Article 92, paragraph 2 of this law, is the seizure and transfer of funds from the current account opened at the bank to the appropriate public revenue account, based on the decision on enforced collection.

The solution from paragraph 1 of this Article also includes an order to the bank managing the current account to calculate interest in the manner prescribed by this law, from the date of the decision until the date of transfer of the total amount of tax and secondary tax levies, and to transfer the calculated interest amount to the appropriate public revenue payment accounts.

If there are insufficient funds in the current account, the bank shall enforce the decision successively, according to the available funds in the current account, until the decision is fully enforced.

If the bank does not act in the manner regulated in paragraphs 7 and 8 of this Article, the collection of the owed tax amount and secondary tax levies is carried out directly from the funds available in the bank's account.

The decision on enforced collection from other revenues in current accounts takes legal effect from the day it is delivered to the bank.

Unless otherwise prescribed by this law, the provisions of the law governing enforcement and security are correspondingly applied to the enforced collection of taxes and secondary tax levies from wages, wage benefits, or pensions, as well as from other types of income on the taxpayer's current accounts.

Enforced Collection from Non-monetary Claims

Article 97

Enforced collection from non-monetary claims of the taxpayer when the claim involves the delivery of goods or the transfer of property rights to the taxpayer, is executed based on the decision from Article 92, paragraph 2 of this law.

The decision from paragraph 1 of this Article orders the debtor of the taxpayer to deliver the owed movable property or immovable property to the Tax Administration upon

maturity.

If the debtor from paragraph 2 of this Article does not make the payment upon maturity, the Tax Administration shall carry out enforced collection from the non-monetary claims of the taxpayer's debtor, in accordance with Articles 99 - 111 of this law.

When the Tax Administration takes possession of the goods, their sale is conducted in accordance with Articles 99-104, or Articles 105-111 of this law.

Enforced collection from other non-monetary claims is carried out by correspondingly applying the provisions of paragraphs 2 and 3 of this Article.

Enforced collection from Cash and Securities

Article 98

Enforced collection of taxes and secondary tax levies from cash is executed based on the decision from Article 92, paragraph 2 of this law, in accordance with the provisions of Articles 89, 99, and Articles 101-103 of this law.

The decision on enforced collection from securities is delivered by the Tax Administration to the bank or other legal entity where the securities are held, as well as to the taxpayer.

The bank, or other legal entity where the securities are held, provides the Tax Administration with information about the securities, including an assessment of their value, within five days from the receipt of the decision.

Within the next eight days, the bank, or other legal entity from paragraph 3 of this Article, is obliged to sell the securities under the best conditions in the market.

The achieved price, from which commission and sales costs are deducted, is deposited into the account of the Tax Administration and paid into the appropriate public revenue payment account no later than the next business day.

Enforced Collection from Savings Deposits

Article 98a

The enforced collection of taxes and secondary tax levies from savings deposits, based on the decision referred to in Article 92, paragraph 2 of this law, constitutes the seizure and transfer of funds from a savings deposit held at a bank to the appropriate public revenue account, pursuant to an enforced collection order.

The decision from paragraph 1 of this Article also includes an order to the bank managing the savings deposit to calculate interest in the manner prescribed by this law, from the date of the decision until the date of transfer of the total amount of tax and secondary tax levies, and to transfer the amount of calculated interest to the appropriate public revenue payment accounts.

If the savings account does not have sufficient funds, the bank shall enforce the order progressively, according to the available funds in the savings account, until the order is fully executed.

If the bank does not act in accordance with the provisions set forth in paragraphs 2 and 3 of this Article, the collection of the owed tax amount and secondary tax levies shall be carried out directly from the funds available in the bank's account.

The decision on enforced collection from savings deposits takes legal effect from the date of delivery to the bank.

Unless otherwise provided by this law, the provisions of the law governing enforcement and security shall apply mutatis mutandis to the enforced collection of taxes and secondary tax levies from savings deposits.

Enforced Collection from the Movable Property

Inventory of Movable Property

Article 99

Movable property is inventoried, valued, seized, and sold by the tax enforcement officer, based on the decision from Article 92, paragraph 2 of this law.

If movable property is inventoried in the procedure of establishing a lien in accordance with this law, the process of enforced collection begins with the valuation of the inventoried movable assets.

Valuation of Movable Property

Article 100

The valuation of the items listed is conducted by the tax enforcement officer during the inventory.

The tax authority may appoint another expert as a valuator or obtain a valuation report from professional institutions or organizations.

Upon completion of the inventory and valuation, a record shall be compiled.

The record from paragraph 3 of this Article shall be delivered to the taxpayer in the manner prescribed by Article 36 of this law.

The taxpayer may file an objection to the valuation of the items listed within three days from the date of delivery of the record.

The process of enforced collection is suspended until a decision is made on the objection.

The decision on the objection referred to in paragraph 6 of this Article cannot be challenged through a legal remedy.

Seizure of Movable Property

Article 101

Movable property that has been inventoried, on which a lien has been registered in favor of the Republic or proceedings have been initiated to establish a lien right in favor of the Republic, shall not be seized from the taxpayer at the time of inventory.

The movable property described is seized from the taxpayer upon the expiry of the period specified in Article 104, paragraphs 4 and 7 of this law, which is documented in an official record.

Exceptionally, if there are grounds for suspicion that the taxpayer will jeopardize the enforced collection of taxes by hiding, alienating, destroying, or rendering unusable the inventoried movable property, including the inventoried movable property on which a lien of the Republic is established in accordance with the law, prior to or during the process of enforced collection, the property shall be seized at the moment of inventory.

The tax enforcement officer is obligated to substantiate the existence of a basis for suspicion as stipulated in paragraph 3 of this Article.

In the case referred to in paragraph 3 of this Article, an inventory, valuation, and seizure record of movable property shall be compiled.

Notifying Potential Owners

Article 102

The tax enforcement officer is obligated to notify all parties regarding the inventory conducted, except members of the taxpayer's household, to whom it has been indicated that the inventoried items belong, and to instruct them of their right to file an action for the exclusion of assets from enforcement with the competent court within eight days from the date of receipt of

the notification.

The notice referred to in paragraph 1 of this Article shall be given orally if the persons are present at the inventory, and this shall be recorded in the inventory and valuation report of movable property, which is to be provided to those persons. Persons who are absent shall be notified in writing.

In the event of a discontinuation as per Article 85, paragraph 3 of this law, the item may be left in the custody of the taxpayer or a third party.

The taxpayer, or a third party, is obligated to preserve the item referred to in paragraph 3 of this Article in its original condition until the resolution of the dispute arising from the action for recovery.

Enforced collection will not be discontinued if the item is perishable or if its storage incurs substantial expenses.

In the case referred to in paragraph 5 of this Article, the Tax Administration shall sell the property by direct agreement, without delay.

If it is determined through an exclusion action that the plaintiff is not the owner of the listed property, and the taxpayer alienates, destroys, or damages it, thereby jeopardizing the collection of the tax liability, the Tax Administration is obligated to file a criminal complaint with the public prosecutor within five days from the day of becoming aware of such actions by the taxpayer. The enforced collection shall be completed without delay by applying the means and with respect to the execution objects referred to in Article 92, paragraph 1 of this law.

Enforced Collection when the Item is Held by Another Person

Article 103

If a taxpayer's item is held by another person, that party is obligated to surrender it to the tax enforcement officer upon request for the purpose of enforced collection, or to pay the tax liability to the tax enforcement officer.

In the case referred to in paragraph 1 of this Article, it shall be deemed that the actions of another party were carried out under the instructions of the taxpayer.

A tax enforcement officer is obligated to issue a certificate of delivery of goods or payment of the owed tax to the person referred to in paragraph 1 of this Article.

Sale of Movable Property

Article 104

The sale of movable property is conducted through either a public oral auction or a direct bargain between the buyer and the Tax Administration, as determined by a formal conclusion.

An oral public auction, as defined by this law, is considered to be an oral public bidding process in which at least two bidders participate.

If at a public oral auction there are not at least two bidders participating, the public oral auction shall be re-announced within eight days from the date for which the public oral auction was initially scheduled, where there were not at least two bidders.

If a movable property is perishable or if its preservation entails substantial expenses, the Tax Administration shall sell such property by direct bargain, without delay.

The sale through public oral bidding shall be designated for items of greater value, when it can be anticipated that they will be sold at a price higher than the amount that would be obtained through a direct bargain sale.

At the public oral auction where movable properties with an individual value exceeding 200,000 dinars are sold, only persons who deposit 10% of the estimated value of the movable property can participate. If the buyer of the movable property does not pay the amount for which the movable property was sold within eight days from the day the sales record was

delivered to them, the sale is declared invalid in relation to that buyer, and the buyer loses the right to the refund of the deposited amount and cannot participate as a bidder in the further sales process of that item.

The sale of seized movable properties proceeds after the expiry of eight days from the inventory date.

The Tax Administration will, within five days from the day of seizure, announce the sale of the items on the website and on the notice board. The announcement of the sale is also made in a daily newspaper sold throughout the Republic if the estimated value of the movable properties being sold through public oral auction exceeds 1,000,000 dinars.

Taxpayers, employees of the Tax Administration, and their associated persons are not allowed to be buyers of the items mentioned in paragraph 1 of this Article.

The prohibition for persons mentioned in paragraph 9 of this Article also applies to the resale of purchased items, leasing them out, gifting, or using them by these persons, within a period of one year after the sale has been completed.

At the first public oral auction, as well as within the period set for sale by direct bargain, the movable property cannot be sold at a price lower than 60% of the estimated value.

If the movable property is not sold at the first public oral auction, a conclusion is made and a second auction is scheduled within eight days from the date of the first public auction.

At the second public oral auction, the movable property cannot be sold at a price lower than 30% of the established estimated value.

If the movable property is not sold even at the second public oral auction, public auctions are repeated in the manner described in paragraph 12 of this Article, with the lowest price being one-third of the estimated value, until the item is sold, or until the expiry of three months from the date of the conclusion determining the sale through public oral auction.

Movable properties that are not sold by direct agreement within the period mentioned in paragraph 11 of this Article are sold according to the rules applicable to the second and subsequent public oral auctions. Movable properties can be sold at the first public oral auction for an amount less than 60% of the determined initial value, or at a price lower than 30% of the determined initial value at the second public oral auction, if the taxpayer consents to this in writing.

Once the seized items are sold, the Tax Administration will, after the payment of the amount for which the movable property was sold, issue a document of sale of property to the buyer, confirming the transfer of ownership rights to them and that the legal basis for acquiring ownership rights is the purchase of items in the process of enforced tax collection.

The process of selling seized items is halted when the reached price equals the amount of owed tax and secondary tax levies, and the remaining items are returned to the taxpayer.

If the sale of seized items is not successful at the first public oral auction, as well as at subsequent public auctions, or through direct bargain, within three months from the date of the conclusion determining the sale through public oral auction or direct agreement, the items are transferred to the ownership of the Republic by a decision of the Tax Administration, or to the ownership of the local government unit by a decision of the competent authority of the local government unit, at a price to be determined by a subsequent valuation of their value.

The authority responsible for the registry of movable property owned by the state is obliged to, within 30 days from the date of the final decision from paragraph 18 of this Article, take possession of the movable properties transferred to the ownership of the Republic.

For material and legal defects of the movable property that occur after the delivery of the decision from paragraph 18 of this Article and the recorded handover of the property to the competent authority for the registry of movable property in state ownership, the competent authority for the registry of movable property in state ownership is liable for any damage that occurs as a result.

The government shall further regulate the manner and procedure for the properties in paragraph 19 of this Article.

Movable properties are purchased in their seen condition at a public oral auction or through direct bargain.

A record is made of the completed sale of movable properties.

Enforced Collection from Immovable Property

Inventory of Immovable Property

Article 105

The immovable property is inventoried, its initial value determined, and sold by the tax enforcement officer in the process of enforced collection, based on the decision on enforced collection from Article 92, paragraph 2 of this law.

From the day of the inventory of the immovable property, the tax debtor is not allowed to dispose of the subject of enforced collection.

The prohibition from paragraph 2 of this Article is registered in the prescribed immovable property register.

Seizure of Immovable Property not Registered in the Appropriate Register

Article 106

The seizure of immovable property not registered in the appropriate register is carried out by the tax enforcement officer at the moment of inventory.

Before proceeding with the seizure, the tax enforcement officer will show the document confirming their authority and the decision on enforced collection and will invite the tax debtor to pay the outstanding amount.

The seizure of immovable property from paragraph 1 of this Article is conducted in the presence of two adult witnesses.

The tax enforcement officer is authorized to remove any person obstructing the enforcement of enforced collection, and to request police assistance if the obstruction continues or if the person possessing the immovable property refuses to make it available for the enforcement of enforced collection.

In the case from paragraph 4 of this Article, the police are obliged to provide the requested assistance as soon as possible after receiving the call.

A record is made of the executed seizure of immovable property from paragraph 1 of this Article.

Determining the Initial Value of Immovable Property

Article 107

Within three days from the finality of the decision on enforced collection, the Tax Administration determines the initial value of the immovable property.

The method of determining the initial value of immovable property is regulated by the minister.

The initial value of the immovable property from paragraph 1 of this Article is determined by a decision.

In determining the initial value of the immovable property, consideration is also given to how much less the property is worth due to the rights and encumbrances remaining on it after the sale.

The tax debtor may file an objection against the decision on determining the initial value of the immovable property within three days from the date of receipt.

No appeal is allowed against the decision on the objection.

General Provisions on the Sale of Immovable Property

Article 108

The sale of real estate proceeds after the expiry of eight days from the date of finality of the decision referred to in Article 107, paragraph 3, or the delivery of the decision issued following an objection under Article 107, paragraph 5 of this law. However, the sale may occur sooner if the taxpayer consents.

The Tax Administration, on the day following the expiry of the period from paragraph 1 of this Article, issues a conclusion on determining the sale of real property via oral public bidding.

The notice of the real property sale is published on the notice board of the organizational unit competent for the territory where the property is located or on the website of the Tax Administration. It is simultaneously sent for advertising to a daily newspaper covering the entire territory of the Republic, as well as to the taxpayer, secured creditors, and persons who have a statutory right of pre-emption on that property.

The notice of determining the sale of real property particularly contains:

1) a description and address of the seized real property being sold;
2) the determined initial value of the property;
3) indication of easements and burdens assumed by the buyer;
4) the manner, place, date, and time of the sale;
5) the amount of the deposit to be placed by individuals participating in the oral public bidding;
6) the time limit within which the property buyer must pay the amount for which the property was sold.
7) There is no right of complaint with regard to the immovable property sold by public auction or in another manner.

Sale of Real Property through Oral Public Auction

Article 109

The sale of real property is conducted at the head office of the organizational unit of the Tax Administration that carries out the sale.

Only individuals who have deposited a deposit may participate in the oral public auction.

The deposit referred to in paragraph 2 of this Article is placed in the account of the Tax Administration in the amount of 5% of the determined initial value of the property.

Deposits of bidders whose bids are not accepted are returned immediately upon the conclusion of the public auction.

Interested bidders have the right to inspect the property subject to public sale no later than the day of the public sale.

At the first oral public auction, the property cannot be sold for less than 75% of the determined initial value.

If the property is not sold at the first oral public auction, a conclusion is made, and a second auction is scheduled within eight days from the day of the first public auction.

At the second oral public auction, the property cannot be sold for less than 50% of the determined initial value.

If the property is not sold at the second oral public auction, public auctions are repeated in the manner of paragraph 7 of this Article, with the lowest price being one-third of the determined initial value, until the property is sold or the expiry of the period from Article 110, paragraph 1 of this law.

The property may be sold at the first oral public auction for an amount less than 75% of the determined initial value, or at a price lower than 50% of the determined initial value at

the second oral public auction, if the taxpayer consents in writing.

A record is made of the course of the oral public auction.

Upon completion of the sale of real property through oral public auction, the Tax Administration issues a conclusion on the sale of the property.

A person who has the legal right of pre-emption to purchase real property that is subject to enforced tax collection has priority over the highest bidder at a public oral auction, if, at the conclusion of the public oral auction, they declare on the record of the property sale that they are purchasing the property under the same conditions.

Sale of Immovable Property by Direct Bargain

Article 110

If the property is not sold according to the rules of the public oral auction within three months from the date of the decision to determine the public sale by public oral auction, the director of the Tax Administration or a person in the Tax Administration authorized by them, will determine the sale of the property by direct bargain.

In the case referred to in paragraph 1 of this Article, the property cannot be sold at a price lower than one-third of the determined initial value.

A record is made of the course of the direct bargain.

Upon completion of the sale of the property by direct bargain, the Tax Administration issues a conclusion on the sale of the property.

If the property cannot be sold even through direct bargain within six months from the date of the conclusion referred to in Article 108, paragraph 2 of this law, the Tax Administration will issue a decision transferring the property into the ownership of the Republic, or the competent authority of the local government unit will issue a decision transferring the property into the ownership of the local government unit, at a value of one-third of the determined initial value.

The decision referred to in paragraph 5 of this Article is delivered to the taxpayer and the authority responsible for the property registry.

The Tax Administration will satisfy the priority mortgage claims up to one-third of the determined initial value of the property.

After satisfying the claims of priority creditors, the Tax Administration provides proof of satisfaction to the authority responsible for maintaining the registry, with an order to cancel the mortgage.

Buyers cannot be, based on public auction or direct bargain, the taxpayer and persons employed in the Tax Administration, as well as persons associated with them.

The prohibition for persons referred to in paragraph 9 of this Article also applies to the resale of purchased property, leasing it, gifting, or using it by these persons, within a period of one year after the sale is completed.

The authority responsible for the registration of state-owned property is obliged to, within 30 days from the date of the finality of the conclusion referred to in paragraph 5 of this Article, take possession of the properties transferred into the ownership of the Republic.

For material and legal defects in the property that occur on the property after the delivery of the decision referred to in paragraph 6 of this Article, and the completed record transfer of the property free of persons and things to the competent authority for registration of property in state ownership, as well as for damage that occurs as a result, the competent authority for registration of property in state ownership is liable.

The government further regulates the manner and procedure with properties referred to in paragraph 11 of this Article.

Handling the Proceeds Obtained from the Sale of Property

Article 111

The buyer of the property is obliged to pay the amount for which the property was sold within eight days from the date of the conclusion of the public oral auction, after reducing that amount by the deposited deposit, which becomes part of the paid price.

In the event that the buyer does not pay the amount for which the property was sold within the specified period, the sale is declared null and void by a decision, and the buyer loses the right to the refund of the deposited deposit and cannot be a bidder in the process of selling that property for a period of six months from the expiry of the last day of the period specified in paragraph 1 of this Article.

In the case referred to in paragraph 2 of this Article, the Tax Administration invites the second-best bidder, if the offered price is not lower than the price prescribed by this law, to declare whether they will purchase the property for the offered amount. If the second-best bidder agrees in writing to buy the property for the offered price, a decision on the sale of the property to that bidder is issued.

If the buyer referred to in paragraph 3 of this Article does not pay the amount for which the property was sold within the specified period, the sale is declared null and void by a decision, and the buyer loses the right to the refund of the prepaid deposit if it has not been returned and cannot be a bidder in the process of selling that property for a period of six months from the expiry of the last day of the period for payment of the amount for which the property was sold.

In the case referred to in paragraph 4 of this Article, the Tax Administration continues the process of selling the property within eight days from the day of issuing the decision declaring the sale null and void, in the manner and under the conditions that were valid for the repeated oral public auction.

In the case of the existence of a priority mortgage claim of another creditor on the sold property, the amount determined in paragraph 1 of this Article first satisfies the claim of that creditor in accordance with Article 110, paragraph 7 of this law.

Upon the payment of the amount for which the property was sold by oral public auction or direct bargain and the finality of the decision on the sale of the property from Article 109, paragraph 12, and Article 110, paragraph 4 of this law, the Tax Administration issues a decision on the transfer of the property to the buyer.

The decision on the sale of the property to the buyer from Article 109, paragraph 12, and Article 110, paragraph 4 of this law is also delivered to the taxpayer and the authority responsible for maintaining the property registry.

Upon the finality of the decision on the satisfaction of the priority mortgage creditor from paragraph 6 of this Article, the Tax Administration delivers this decision, along with proof of payment, to the authority responsible for maintaining the property registry, for the purpose of deleting the mortgage on the property.

For the protection of the buyer and their rights, as well as everything else not specifically regulated by this law in relation to the sale of property, the provisions of the law governing enforcement and security are correspondingly applied.

Declaration of Insolvency

Article 112

When it is determined in the enforced collection procedure that the taxpayer does not have assets from which the tax debt can be satisfied by enforced collection, or that the assets being transferred to the Republic are of lesser value than the tax debt, the Tax Administration will issue a resolution declaring their temporary insolvency and initiate bankruptcy proceedings, as a creditor, in accordance with the law, if the taxpayer is a legal entity.

If the taxpayer becomes solvent again, the Tax Administration revokes the decision on declared insolvency and continues the enforced collection procedure.

Heading Six

PROCEDURE FOR ASSESSING AND COLLECTING TAXES ON THE BASIS OF SECONDARY TAX LIABILITY

Assessment and Collection of Tax on the Basis of Secondary Tax Liability

Article 113

The tax based on secondary tax liability from Article 31 of this law is assessed by the Tax Administration by decision.

The decision referred to in paragraph 1 of this Article shall not be issued if the tax liability has ceased in the manner prescribed by Article 23 of this law.

Unless otherwise provided by law, the decision referred to in paragraph 1 of this Article shall be made only if the tax has not been collected from the taxpayer through the measures of enforced collection undertaken.

The limitation set forth in paragraph 3 of this Article does not apply in cases referred to in Article 31, paragraph 2, items 2)-4) of this law.

By the decision on assessing the tax based on the secondary tax liability referred to in paragraph 1 of this Article, the person responsible for the secondary tax liability is ordered to settle the assessed tax within the period specified in that decision.

If the individual responsible for the secondary tax liability fails to settle the tax and secondary tax dues based on the secondary tax liability within the period mandated by the decision referred to in paragraph 1 of this Article, the Tax Administration shall issue a warning to that individual, in accordance with Article 71 of this law.

Enforced collection of taxes and secondary tax liabilities based on secondary tax liabilities, as determined by the decision referred to in paragraph 1 of this Article, shall be conducted in accordance with this law.

Heading Seven

OTHER FORMS OF TAX DEBT TERMINATION

Statute of Limitations on the Right to Assess and Collect Taxes and Secondary Tax Levies

Article 114

The right of the Tax Administration to assess and collect taxes and secondary tax levies becomes statute-barred five years from the day on which the limitation period commenced.

The statute of limitations for the assessment of taxes and secondary tax levies begins to run from the first day of the following year from the year in which the tax or secondary tax levy should have been assessed.

The statute of limitations for the right to collect taxes and secondary tax levies begins to run from the first day of the following year from the year in which the tax debtor's liability became due for payment.

Upon the expiry of the deadline specified in paragraph 1 of this Article, the Tax Administration, by applying the provisions of the Article, Article 23, paragraph 1, item 2), Article 114e, and Article 114z of this law, upon the request of the party, issue a decision on the termination of the tax obligation due to the statute of limitations.

The Tax Administration may issue a decision pursuant to paragraph 4 of this Article without a request from the party, taking into account the cost-effectiveness of the procedure.

The Statute of Limitations of the Right to Reimbursement and Refund of Taxes and

Secondary Tax Levies

Article 114a

The taxpayer's right to reimbursement, tax credit, reimbursement, and refund, as well as the settlement of matured liabilities through the transfer of tax and the reimbursement of secondary tax levies, shall be barred by limitation after five years from the day on which the limitation period began to run.

The statute of limitations for the right to reimbursement, tax credit, rebate, and refund, as well as the settlement of due liabilities through tax transfer and the reimbursement of secondary tax levies, commences from the first day of the subsequent year following the year in which the taxpayer acquired the right to reimbursement, tax credit, rebate, and refund, as well as the settlement of due liabilities through tax transfer and the reimbursement of secondary tax levies.

Upon the expiry of the deadline specified in paragraph 1 of this Article, by applying the provisions of Article 114d and Article 114z of this law, the Tax Administration, ex officio, issues a decision on the termination of the right to tax refund, tax credit, as well as on the settlement of matured obligations through the transfer of tax, due to the statute of limitations.

Upon the expiration of the period specified in paragraph 1 of this Article, the taxpayer's right to tax deduction and refund shall cease.

Statute of Limitations for Initiating and Conducting Misdemeanor Proceedings

Article 114b

The misdemeanor procedure for which, in accordance with the law, the Tax Administration files a request to initiate, or issues misdemeanor orders, cannot be initiated or conducted if five years have elapsed from the day the misdemeanor was committed.

Regarding the issues of limitation periods for initiating and conducting the first-instance misdemeanor procedure from paragraph 1 of this Article, the interruption of limitation periods, the limitation of penalty enforcement, and other issues not regulated by this law, the provisions of the law governing misdemeanors shall apply.

Article 114c

Deleted (Official Gazette of RS, No. 53/10)

Article 114d

Deleted (Official Gazette of RS, No. 53/10)

Interruption of the limitation period

Article 114e

The limitation period is interrupted by any action taken by the Tax Administration against the tax debtor aimed at assessing and collecting taxes and secondary tax levies, or by the action of the taxpayer aimed at exercising the rights to reimbursement, tax credit, reimbursement and refund, as well as the settlement of due obligations through transfer and refund of secondary tax levies.

After the interruption, the limitation period begins anew, and the time elapsed before the interruption is not counted towards the limitation period.

Accounting for the Predecessor's

Time Article 114f

The time elapsed in favor of the predecessor of the taxpayer and other tax debtors is

also counted in the limitation period.

Other Provisions on the Statute of Limitation

Article 114g

The provisions of this law governing the limitation of rights to assess, collect, and reimburse, as well as the settlement of due liabilities through transfer, do not apply to contributions for mandatory pension and disability insurance and contributions for mandatory health insurance.

Absolute Limitation

Article 114h

The right to assessment, collection, reimbursement, tax credit, deduction, refund, and the settlement of due liabilities through the transfer of taxes, always expires within ten years from the end of the year in which the tax was to be assessed or collected, or in which the overpayment was made, unless otherwise provided by this law.

Upon the expiry of the period from paragraph 1 of this Article, the Tax Administration, *ex officio*, issues a decision on the termination of the tax liability, or on the termination of the rights to reimbursement, tax credit, deduction, refund, and the settlement of due liabilities through the transfer of taxes, due to limitation.

Suspension of Limitation of Rights to Assess and Collect Taxes and Secondary Tax Levies

Article 114i

The limitation of the Tax Administration's rights to determine and collect taxes and secondary tax levies does not run:

1) during the time from the initiation of the administrative dispute until the final court decision;
2) when another law stipulates that the tax procedure cannot be commenced, or that the commenced tax procedure is interrupted;
3) when, in accordance with the provisions of Articles 73, 74, 74a, and 74b of this law, the payment of the outstanding tax is deferred.

The duration of the suspension of limitation from paragraph 1 of this Article is not counted in the absolute limitation period.

Write-off of Taxes and Secondary Tax Levies

Article 115

The government may, upon the proposal of the minister, issue a decision on the partial or complete write-off of taxes and secondary tax liabilities, except for mandatory social security contributions, of a taxpayer who is being sold in the process of privatization, or who is in the process of restructuring.

The government may, upon the proposal of the minister and with the prior consent of the local government unit to which the own source public revenues subject to this law belong, make a decision on the partial or complete write-off of these public revenues to the taxpayer who is being sold in the privatization process, or who is in the restructuring process.

The government may, upon the proposal of the minister, issue a decision on partial or complete write-off of taxes and secondary tax liabilities, including fees, charges, and other public revenues, except for mandatory social security contributions, for a taxpayer whose ownership structure has changed based on contractual obligations undertaken by the Republic.

Article 115a
Deleted (Official Gazette of RS, No. 53/10)

Permanent Uncollectability of Taxes
Article 115b

Permanent non-recoverability of taxes occurs under the following conditions:

1) The taxpayer has been removed in accordance with other regulations from the prescribed register, or has been entered into the register of deaths.

2) There is no person responsible for fulfilling the outstanding tax liability of that taxpayer.

3) Tax collection is not secured by lien or mortgage.

In the case referred to in paragraph 1 of this Article, the Tax Administration shall *ex officio* issue a decision on the termination of the tax liability due to the uncollectibility of the tax liability.

Write-off
Article 115c

Tax and secondary tax liabilities are written off by the Tax Administration on the basis of:

1) decisions pursuant to Article 23, paragraph 3 of this law

2) Government decision pursuant to Article 115 of this law.

The Tax Administration writes off the overpayment based on the decision concerning:

1) the statute of limitation of the taxpayer's rights to reimbursement, tax credit, rebate, and refund, as well as the settlement of due liabilities through transfer entries in accordance with Article 114a and Article 114h of this law;

2) the deletion of a taxpayer from the prescribed registry in accordance with other regulations, unless the taxpayer has a legal successor, or if there is a person responsible for settling the tax liability of that taxpayer.

The right to a tax refund for a taxpayer who has been removed from the prescribed registry belongs to the legal successor, or the person who, in accordance with regulations, is responsible for settling the tax liability of that taxpayer, consummerate to the tax liability they settle and the total debt of the removed taxpayer.

Suspicious and Contested Claims

Article 115d

Suspicious or contested claims are considered to be outstanding tax liabilities.

1) of a company over which bankruptcy proceedings have been initiated - from the moment of initiation of the bankruptcy proceedings until their termination or suspension.

2) a company that has been removed from the prescribed registry in the process of enforced liquidation - from the date of removal from the competent registry until the date on which the liability of another party to settle them is determined, or until the issuance of a decision on uncollectibility or absolute statute of limitations.

3) deceased person - from the date of knowledge of the person's death until the date of assessing the liability of the heirs to settle them or the issuance of a decision on uncollectibility or absolute statute of limitations;

4) legal incapacity of an individual in an amount exceeding the value of their property - from the day of becoming aware of the legal incapacity until the day of the final decision on the restoration of legal capacity, or until the day a decision on uncollectibility or absolute statute of limitations is made.

5) absence of an individual in an amount exceeding the value of their property - from the day of awareness of the absence until the day the reasons for appointing a representative under Article 22, paragraph 3 of this law cease, or until the day a decision on uncollectibility

or absolute statute of limitations is made.

Part Three

PROVISION OF TAX SERVICES, TAX AUDIT AND TAX POLICE

Heading One

TAX SERVICES

Article 116

Deleted (Official Gazette of the Republic of Serbia, No. 30/18)

Article 117

In accordance with the law, the Tax Administration performs:

1) provision of tax services
2) tax audit
3) actions aimed at detecting tax crimes.

Provision of Tax Services

Article 117a

The provision of tax services constitutes a set of actions within the tax-law relationship by which to ensure the exercise of the taxpayers' rights, thereby creating equal conditions for compliance with tax regulations.

Article 117b

The Tax Administration provides tax services at a unique tax point, which is distinctly marked and established in accordance with the internal organization of the Tax Administration.

Article 117c

At a unique location for the provision of tax services, the following is conducted:

1) Providing legal assistance to the taxpayer regarding their rights and obligations as prescribed by law.
2) Receiving requests for recognition of rights or other proceedings in tax administrative matters
3) providing legal assistance in filling out tax returns, drafting requests, and providing other legal aid relevant for compliance with tax regulations
4) Notifying the applicant of the actions taken in the tax procedure and the tax administrative acts issued.
5) receipt, processing, and recording of tax returns.

Processing of Tax Returns and Other Reports of the Taxpayer

Article 117d

In the process of receiving and processing tax returns and other reports, the accuracy and completeness of the tax returns and other reports, which the taxpayer files to the Tax Administration in accordance with the law, are verified.

If the tax return and other reports submitted with the return contain deficiencies as mentioned in paragraph 1 of this Article, the Tax Administration shall notify the filer of the return about these deficiencies.

If the applicant does not comply with the notification referred to in paragraph 2 of this

Article, it shall be considered that the tax return, or other reports, have not been filed with the Tax Administration.

Heading Two

TAX AUDIT

Tax Audit Plan

Article 118

Tax audits are conducted based on an annual plan, which is passed by the Director of the Tax Administration, and which is founded upon the assessment of the tax relevance and tax risk of the taxpayer, as well as based on an ad hoc plan.

In establishing the plan referred to in paragraph 1 of this Article, it is mandatory to consider the assessment of the impact of tax audit on the efficiency of tax collection in specific activities.

In cases where there has been a disruption in market traffic or there is an indication of an increased volume of illegal trade, tax audit is conducted based on an ad hoc control plan issued by the minister.

Article 119

Deleted (Official Gazette of the Republic of Serbia, No. 30/18)

Article 120

Deleted (Official Gazette of the Republic of Serbia, No. 30/18)

Article 121

Deleted (Official Gazette of the Republic of Serbia, No. 30/18)

Article 122

Deleted (Official Gazette of the Republic of Serbia, No. 30/18)

Concept of Tax Audit

Article 123

Tax audit is a procedure for verifying and determining the legality and correctness of settling tax liabilities, as well as a procedure for verifying the accuracy, completeness, and compliance with the law, or other regulations, of the data stated in the tax return, tax balance, accounting reports, and other records of the taxpayer conducted by the Tax Administration, in accordance with this law.

Should irregularities or omissions in settling liabilities arising from the tax law relationship be identified during a tax audit, the taxpayer shall be instructed to rectify them.

A tax auditor is an official authorized to conduct tax audits based on a tax audit order or a tax audit summons.

Initiating a Tax Audit

Article 124

Tax audit order, namely a summons for tax audit pursuant to Article 123, paragraph 3 of this law, the Tax Administration shall deliver to the taxpayer, in the manner prescribed by Article 36 of this law, immediately before initiating the audit.

In the case referred to in Article 118, paragraph 3 of this law, concerning the audit of

sales recording through cash registers, electronic fiscal devices, audits related to the employment of individuals, and audits on the dispatch and receipt of products to excise warehouses, the tax audit procedure is conducted without delivering an order or a summons for tax audit to the taxpayer.

A tax auditor is obligated to present official identification to the taxpayer if the tax audit is conducted based on a tax audit order.

The Tax Administration may postpone the commencement of a tax audit if the taxpayer files an oral objection immediately upon receipt of the order or summons for tax audit as stipulated in paragraph 1 of this Article, stating the reasons for delaying the audit, provided that within 24 hours of receiving the order or summons for tax audit, the taxpayer is obliged to submit the objection in written form to the Tax Administration.

If the tax auditor assesses that the oral objection was declared to obstruct the tax audit, the audit procedure will commence, and the reasons for such a decision will be documented in the minutes.

Upon the objection referred to in paragraph 4 of this Article, the Tax Administration shall issue a decision against which no legal remedy is allowed.

Place of Tax Audit

Article 125

Tax audits are conducted in the business premises of the taxpayer, in the official premises of the Tax Administration, or at another location, depending on the subject of the audit.

The taxpayer is obligated to provide a suitable workspace for the tax auditor if the tax audit is conducted in their business premises.

If there is no suitable space available for conducting tax audit, with the consent of the taxpayer, the audit may be carried out in their residential premises or at another location designated by the Tax Administration, in accordance with paragraph 1 of this Article.

If the tax audit is not conducted in the business premises of the taxpayer, the tax auditor is obliged to inspect the premises and make a note of it, which shall be recorded in the minutes pursuant to Article 128 of this law.

Notwithstanding paragraph 1 of this Article, with the court's approval, the tax auditor has the right to enter the taxpayer's residence for the purpose of conducting an audit.

The taxpayer or their representative must be given the opportunity to be present during the audit of land, premises, or residence as mentioned in paragraph 5 of this Article.

If the individuals mentioned in paragraph 6 of this Article do not use the opportunity to attend the audit of land, premises, or residence, and the tax auditor determines that this prevents or delays the conduct of the tax audit, the audit will be carried out in their absence, in the presence of two adult witnesses.

The tax auditor shall record the facts from paragraph 7 of this Article in the official report.

Time of Tax Audit

Article 126

The tax audit is conducted during the taxpayer's business hours, and exceptionally after business hours if the purpose of the audit requires it or if the taxpayer consents.

The tax auditor may temporarily seal the taxpayer's business or storage premises after business hours.

The measure from paragraph 2 of this Article remains in effect until the start of the taxpayer's business hours on the next business day.

A decision regarding the measure from paragraph 2 of this Article is issued, against

which no legal remedy is allowed.

Obligation of the Taxpayer to Participate in the Tax Audit Procedure

Article 127

The taxpayer is obligated to participate in determining the factual situation and to provide information and statements upon the tax auditor’s request.

The taxpayer is obligated to allow the tax auditor access to the state of raw materials, reproductive material, semi-finished products, finished products, and goods (hereinafter referred to as: goods) and equipment, as well as to allow access to business books, records, and other documentation or documents.

If unable to attend the tax audit, the taxpayer shall designate a person who, on their behalf, is to settle the liabilities from paragraphs 1 and 2 of this Article.

The failure to settle liabilities from paragraphs 1-3 of this Article by the taxpayer does not delay the conduct of the tax audit.

The tax auditor may request data or access to documentation from the taxpayer's employees or other individuals.

The tax auditor communicates the request from paragraph 5 of this Article verbally.

Individuals from paragraph 5 of this Article are obligated to make the data they possess or documentation available to the tax auditor.

Official Report

Article 128

The tax auditor shall prepare an official report on the tax audit.

Each page of the official report must be numbered consecutively and signed.
The official report on the tax audit is delivered to the taxpayer.

Notwithstanding paragraph 3 of this Article, the official report on the tax audit of sales recorded through cash registers, electronic fiscal devices, and other audits conducted in accordance with the provisions of Article 118, paragraph 3, and Article 124, paragraph 2 of this law, is delivered immediately upon completion of the audit.

The taxpayer has the right to lodge objections to the official report on the tax audit within eight days from the date of receipt of the report, except for the verbal decision issued under Article 133, paragraph 2 of this law.

The taxpayer has the right to lodge objections to the tax audit report mentioned in paragraph 4 of this Article within two days from the date of receipt of the report, except for the verbal decision made under Article 133, paragraph 2 of this law, for taxpayers operating in the area of events.

If objections are filed in a foreign language within the period specified in paragraphs 5 and 6 of this Article, they will be considered timely if a translation of the objections into Serbian, certified by an authorized person, is provided within the next two days.

If the objections present new evidence and facts that could change the factual situation established in the report or alter previous legal assessments, the tax auditor will prepare an additional report within 30 days from the date of receiving the objections from paragraphs 5-7 of this Article.

No objections can be made against the additional report mentioned in paragraph 8 of this Article.

Exceptionally, if the tax auditor, after delivering the report or the additional report to the taxpayer, comes across new knowledge or facts that affect the established factual situation, an addendum to the report will be prepared and delivered to the taxpayer.

The taxpayer has the right to submit objections to the addendum of the report within eight days from the date of receipt of the addendum.

Tax Decision issued during a Tax Audit

Article 129

If it is determined during the tax audit that the taxpayer has not implemented or has incorrectly implemented the regulations when determining the tax based on the tax audit report, additional report, or addendum to the report, a decision will be issued under Article 54, paragraph 2, item 2) sub-item (1) of this law.

The Tax Administration will issue a decision within 60 days from the date of delivery of the report, additional report, or addendum to the report. By this decision, the taxpayer is ordered to pay the determined tax liability within 15 days from the date of delivery of the decision to the prescribed public revenue payment accounts, or to rectify other identified irregularities.

In the decision mentioned in paragraph 1 of this Article, the Tax Administration also orders the taxpayer to submit a tax return in which the identified irregularities are rectified if the tax return is the basis for recording the amount of tax determined under Article 62, paragraph 2, item 1) of this law.

If the taxpayer fails to file the tax return as ordered in the decision from paragraph 3 of this Article, the Tax Administration will file the tax return on behalf of the taxpayer.

Assessing the Tax Liability for Individuals Conducting Unregistered or Undeclared Activities

Article 129a

Notwithstanding Article 118, Article 124, paragraphs 1, 2, 4, and 6, and Article 126 of this law, tax audit for individuals conducting unregistered or undeclared activities is carried out without a audit plan and audit order, or summons.

If it is determined during the tax audit that an individual is conducting unregistered or undeclared activities, the tax liability for that individual is assessed by a decision, applying the method of estimating the tax base by the comparator method.

The tax liability based on the income earned from conducting activities mentioned in paragraph 2 of this Article is determined by applying the tax rate used for assessing and paying personal income tax on other incomes, without recognizing standardized costs.

The decision on assessing the tax from paragraph 2 of this Article is delivered to the person conducting unregistered or undeclared activities, with an order to pay the assessed tax liability within 15 days from the day of delivery of the decision to the prescribed public revenue payment accounts, and within an additional period of 30 days, to register or declare the activity with the competent authorities and rectify other identified violations of the law.

Article 129b

If it is determined during the tax audit procedure that the person, who was conducting unregistered or undeclared activities, was selling goods, the tax auditor shall, by decision, seize the goods found during the audit, which shall be dealt with in the manner regulated by Article 134 of this law.

The tax auditor may temporarily seize the equipment used by the taxpayer to conduct unregistered or undeclared activities, which is found during the audit procedure.

Temporarily seized equipment from paragraph 2 of this Article may be left in the custody of the person from whom it was temporarily seized until the expiration of the period specified in Article 129a paragraph 4 of this law, if it is assessed that the costs of seizure and custody would be disproportionately large in relation to the tax liability.

Article 129c

If the person conducting unregistered or undeclared activities registers or declares the

activity, pays the determined tax liability, and rectifies other identified irregularities within the period prescribed by Article 129a paragraph 4 of this law, the seized equipment shall be returned to them.

If the person conducting unregistered or undeclared activities does not comply with the orders from the decision of the Tax Administration referred to in Article 129a paragraph 2 of this law, the seized equipment shall be dealt with in the manner regulated by Article 134 of this law.

If a person, to whom an irregularity was determined by decision in a previous period under Article 129a of this law and who has complied with the order from that decision within the period, is found in a subsequent tax audit procedure to be conducting unregistered or undeclared activities, and also putting goods into circulation, the tax auditor shall permanently seize the goods and equipment found during the tax audit procedure by decision.

Article 129d
Deleted (Official Gazette of RS, No. 30/18)

Article 129e
Deleted (Official Gazette of RS, No. 30/18)

Article 129f
Deleted (Official Gazette of RS, No. 30/18)

Article 129g
Deleted (Official Gazette of RS, No. 30/18)

Article 129h
Deleted (Official Gazette of RS, No.30/18)

Article 129i
Deleted (Official Gazette of RS, No. 30/18)

Article 129j
Deleted (Official Gazette of RS, No. 30/18)

Article 129k
Deleted (Official Gazette of RS, No. 30/18)

Article 129l
Deleted (Official Gazette of RS, No. 30/18)

Article 129m
Deleted (Official Gazette of RS, No. 30/18)

Heading Three
Deleted (Official Gazette of RS, No. 95/18)

Article 129n
Deleted (Official Gazette of RS, No. 95/18)

Article 129o
Deleted (Official Gazette of RS, No. 95/18)

Article 129p

Deleted (Official Gazette of RS, No. 95/18)

Article 129q
Deleted (Official Gazette of RS, number 95/18)

Article 129r
Deleted (Official Gazette of RS, No. 95/18)

Article 129s
Deleted (Official Gazette of RS, No. 95/18)

Article 129t
Deleted (Official Gazette of RS, No. 95/18)

Heading Four

MEASURES FOR RECTIFYING IDENTIFIED VIOLATIONS OF THE LAW AND IRREGULARITIES IN THE IMPLEMENTATION OF REGULATIONS

Measures during Tax Audit

Article 130

During the tax audit, the tax auditor shall seize goods in the following cases:

1) When there is suspicion that goods or raw materials, or reproductive material, have been used or acquired without the calculated tax or in any other manner contrary to regulations, and the taxpayer has no evidence that they were acquired in accordance with regulations and with tax payment, if prescribed;

2) When goods are put into circulation by a person who is not registered or authorized to engage in such activity;

3) When production of goods for circulation occurs, or when goods are circulated, and the goods are not properly recorded in business books and other prescribed records;

4) When transportation of goods occurs without the required documentation (dispatch note, bill of lading, invoice, etc.);

5) When goods are sold outside registered business premises or other locations designated for sale by the competent authority;

6) When goods are stored or placed in premises and rooms about which the Tax Administration has not been informed.

In the case referred to in paragraph 1 of this Article, the tax auditor shall seize and transport or use other means by which the goods are transported or put into circulation, if the value of the goods exceeds one third of the value of that means.

The transport or other means shall also be seized when the value of the goods does not exceed one third of the value of that means, if it, after factory production, is additionally equipped with a special space for hiding or secretly transporting goods.

During a tax audit, the tax auditor may, with confirmation, temporarily seize business books, records, other documentation, or documents until the conclusion of the tax audit process.

If the taxpayer maintains business books and records referred to in Article 37 of this law on automatic data processing equipment, the tax auditor may, with confirmation, temporarily seize the data processing equipment until the conclusion of the tax audit process.

Measures of a Temporary Ban on Activity During the Tax Audit

Article 131

During a tax audit, the tax auditor imposes a ban on the taxpayer from conducting

activities if it is determined that:

1) the activity is conducted in such a way that goods and services are not accompanied by authentic documentation relevant for assessing taxes (dispatch note, invoice, customer statement, etc.);

2) tax assessment and payment are avoided by not depositing daily revenue, in accordance with regulations;

3) tax assessment and payment are avoided by employing individuals who do not have a concluded employment contract or other act of employment engagement issued in accordance with regulations on labor relations, and if such individuals are not, in accordance with regulations, registered with the competent mandatory social insurance organization;

4) turnover from the sale of goods or provision of services is not registered through a fiscal cash register, electronic fiscal device, or in another prescribed manner.

A ban on conducting activities for the taxpayer during a tax audit where irregularities referred to in paragraph 1 of this Article are determined, is imposed:

1) for a duration of 15 days if an irregularity is determined for the first time during the audit process at the taxpayer;

2) for a duration of 90 days if an irregularity is determined for the second time during the audit process at the taxpayer;

3) for a duration of one year if this irregularity is determined for the third time during the audit process at the taxpayer.

The ban on conducting activities referred to in paragraph 2 of this Article is imposed for irregularities determined within a period of 24 months from the first determined irregularity in the tax audit process.

The \ban on conducting activities is imposed on the business premises of the taxpayer where irregularities from paragraph 1, items 1)-4) of this Article were identified during the tax audit.

If a taxpayer conducts the sale of excise goods that are not marked in the prescribed manner, a protective measure - a ban on conducting activities for a legal entity or sole proprietor is imposed for a duration of three months to one year.

Notwithstanding paragraph 2 of this Article, the ban on conducting activities is imposed on the taxpayer who conducts activities in the area of events (fairs, festivals, exhibitions, and other events within cultural, musical, sports, and other social activities) for the duration of that event.

Measures After the Tax Audit

Article 132

If a violation of regulations or irregularities in their application is established during the tax audit process, based on the report or supplementary report, as well as the addendum to the report from Article 128 of this law, the Tax Administration issues a decision from Article 129 of this law.

By the decision from paragraph 1 of this Article, the taxpayer is ordered to rectify the identified violations of the law or irregularities in the application of regulations within the period specified by the decision.

If the taxpayer does not comply with the decision from paragraph 1 of this Article within the given period, the Tax Administration takes measures:

1) prohibition of disposing of funds in the account, except for the purpose of settling tax liabilities;

2) temporary ban on conducting activities;

3) temporary ban on conducting certain operations;

4) deleted (Official Gazette of the Republic of Serbia, No. 70/03)

5) temporary ban on alienation of property in case of a justified suspicion that the

taxpayer will frustrate or prevent the settlement of tax liabilities.

Measures from paragraph 3 of this Article may also be ordered by the tax auditor in the case referred to in Article 130, paragraph 1 of this law, during the tax audit.

The effect of measures from paragraph 3 of this Article lasts until the taxpayer rectifies the identified violations of the law or irregularities in the application of regulations.

Decision on Measures

Article 133

Measures from Articles 130, 131, and Article 132, paragraph 4, of this law are ordered by the tax auditor through a decision.

The tax auditor may order measures from Articles 130 and 131 of this law by verbal decision when it is assessed that the collection of taxes is endangered.

A record of the issued verbal decision is entered in the tax audit report.

In the case from paragraph 2 of this Article, the tax auditor is obliged to issue a decision in written form within three days from the day of issuing the verbal decision and deliver it to the taxpayer.

Measures from Article 132, paragraph 3 of this law are issued by decision of the Tax Administration.

Procedure with Items Seized during the Audit Procedure

Article 134

When the tax auditor orders a measure of seizure of items from Article 130 of this law, they are obliged to store the seized items by type and quantity at a location designated by the ministerial act.

The value of the items from paragraph 1 of this Article is determined by a commission at the price at which the item can be acquired in the market at the moment of seizure, within five days from the day of seizure.

If the seized item is perishable or if its storage incurs significant costs, the Tax Administration proceeds in the manner from Article 104, paragraph 4 of this law.

Upon the finality of the decision referred to in Article 133, paragraph 1 of this law, or upon the conclusion of the proceedings initiated based on the criminal complaint from Article 137, paragraph 1 of this law, confiscated items, except for those mentioned in paragraph 3 of this Article, shall be sold through public auction or via commercial networks. Confiscated excise goods, excluding oil products, cigarette paper tubes, cigarette filters, cigarette paper, machines for filling cigarette paper tubes, and other machines for rolling cut tobacco, shall be destroyed by a commission.

Prior to the public sale referred to in paragraph 4 of this Article, the Tax Administration shall reassess the value of the confiscated items if more than one year has elapsed since the day of confiscation.

The public sale of confiscated items referred to in paragraph 4 of this Article shall be conducted in accordance with the provisions of this law governing the public sale of movable property in the process of enforced collection.

The government regulates the procedure with confiscated items from this Article in cases where the confiscated items are not sold at repeated oral public auctions, provided the condition from paragraph 4 of this Article is met, within three months from the finality of the decision from Article 133, paragraph 1 of this law, or upon the conclusion of the proceedings initiated based on the criminal complaint from Article 137, paragraph 1 of this law.

The purchaser of confiscated items cannot be the taxpayer from whom the items were seized, an individual employed by the Tax Administration, or persons associated with them.

Funds obtained from the sale of items, after the deduction of expenses, shall be deposited into the budget of the Republic.

Exceptionally, the Government may, without compensation, transfer items referred to in paragraph 1 of this Article, except for items that are destroyed on a commission basis as per paragraph 4 of this Article, to state entities, to non-governmental organizations, humanitarian organizations, and other recipients of humanitarian aid, cultural institutions, as well as for other justified purposes.

Items confiscated under paragraph 1 of this Article that cannot be sold or used due to health, veterinary, phytosanitary, safety, and other prescribed reasons, or due to significant damage, shall be destroyed in accordance with regulations.

The costs of transportation and destruction shall be borne by the taxpayer from whom the items were seized; if the taxpayer is unknown or unavailable, the costs of transportation and destruction shall be borne by the Tax Administration.

The minister shall issue an act for the implementation of this Article.

Designation of Immovable Property during Enforced Collection and When a Ban on Conducting Business Activities Has Been Imposed.

Article 134a

The immovable properties of the taxpayer that are subject to enforced collection, or the premises in which conducting activities is prohibited in accordance with Article 131 of this law, shall be conspicuously marked with the insignia of the Tax Administration.

The method of labeling, the content, and the appearance of the label referred to in paragraph 1 of this Article shall be further regulated by the minister.

Heading Five

Detection of Tax Crimes

Tax Police

Article 135

The detection of tax crimes and their perpetrators is conducted by the Tax Police.

Tax crimes are criminal acts established by this and other laws, which may result in complete or partial evasion of tax payments, the creation or filing of a falsified document relevant for taxation, endangering tax collection and tax audits, unauthorized trade in excise goods, and other illegal actions related to tax evasion and aiding in tax evasion.

In the process of detecting tax crimes and their perpetrators, the Tax Police, during the pre-investigation procedure, act as a law enforcement agency and are authorized, in accordance with the law, to undertake all necessary actions, except for restricting movement.

In accordance with the provisions of the law governing criminal proceedings, the tax police may summon and interrogate a suspect, including forcibly bringing them in before initiating criminal proceedings, conduct searches of residences, business or other premises, vehicles, and persons when there are grounds for suspicion of a tax-related crimes, and temporarily seize items that may serve as evidence in criminal proceedings for tax crimes. The search of residences and other premises can only be conducted based on a court order and in the presence of two witnesses.

The powers referred to in paragraphs 3 and 4 of this Article shall be exercised by the Tax Police either independently or in collaboration with the Ministry of Interior. The Tax Police also establish other forms of cooperation with the Ministry of Interior.

The form and manner of cooperation stipulated in paragraph 5 of this Article shall be further regulated by a mutual act by the minister responsible for financial affairs and the minister responsible for internal affairs.

Filing Reports to the Tax Police

Article 136

If a tax auditor, during the process of tax audit, comes to the knowledge that facts and circumstances indicate the existence of a reasonable doubt that a tax crime was committed, they are obligated to compile a report and, along with the obtained evidence, immediately submit it to the competent head of the Tax Administration.

In the case referred to in paragraph 1 of this Article, the Tax Administration does not file a request to initiate misdemeanor proceedings, nor does it issue a misdemeanor order, except in the case prescribed in Article 137, paragraph 3 of this law.

The competent manager of the Tax Administration referred to in paragraph 1 of this Article is obligated to forward the report, along with the evidence, to the head of the Tax Police within 24 hours of receiving the report mentioned in paragraph 1 of this Article.

If a tax auditor, during the process of tax audit, determines that facts and circumstances indicate the existence of reasonable doubt a crime was committed in other areas, or an misdemeanor for which the Tax Administration is not competent, the Tax Administration shall submit a criminal or misdemeanor report to the competent state authority.

Filing a Criminal Complaint

Article 137

Based on the information collected in accordance with the powers granted under Article 135. pursuant to sections 3 and 4 of this law, including the facts and evidence from the tax auditor's report referred to in Article 136, paragraph 1 of this law, the Tax Police shall compile a criminal complaint. In this complaint, they shall list the evidence obtained during the information gathering process and submit it to the public prosecutor.

If the Tax Police have compiled and filed a criminal complaint based on the report of the tax auditor from Article 136, paragraph 1 of this law, the Tax Police auditor shall provide written notification to the head of the Tax Administration referred to in Article 136, paragraph 1 of this law.

If the Tax Police, based on the report of the tax auditor from Article 136, paragraph 1 of this law, determine that the facts and circumstances mentioned in the report do not indicate the existence of a reasonable doubt of a tax crime being committed, and that there are no grounds for filing a criminal complaint, the Tax Police auditor shall inform the competent head of the Tax Administration in order to file a request for initiating misdemeanor proceedings under Article 165, paragraph 2 of this law.

Along with the criminal complaint referred to in paragraph 1 of this Article, documentation, obtained reports, statements, and other materials relevant for the successful conduct of the proceedings shall also be submitted.

If the Tax Police, after filing a criminal complaint, become aware of new facts, evidence, or traces of a criminal offense, they are obliged to collect the necessary information and submit a report on this as an addition to the criminal complaint to the public prosecutor.

The Tax Police are obliged to cooperate with the court and the prosecution in criminal proceedings.

Article 138

Deleted (Official Gazette of RS, No. 68/14)

Report to the Competent Authority

Article 139

If, in the proceedings referred to in Article 135, paragraph 3 of this law, it is determined

that the actions of the person do not contain elements of a tax crime, but represent other punishable offenses, the Tax Police auditor shall file an appropriate report to the competent authority.

Facts and evidence significant for the amount of tax liability, determined in the proceedings from Article 135, paragraph 3 of this law, shall be delivered by the Tax Police auditor to the organizational unit of the Tax Administration responsible for audit tasks.

Part four

PROCEDURE FOR LEGAL REMEDY

Admissibility of Appeal

Article 140

An appeal may be filed against a tax administrative act that has decided on individual rights and obligations arising from the tax law relationship.

An appeal may also be filed when, upon the request of the taxpayer for the issuance of a tax administrative act, a decision has not been made within the prescribed period.

An administrative dispute may be initiated against the final tax administrative act, unless otherwise prescribed by law.

A lawsuit in an administrative dispute may be filed, as if the appeal has been denied, even when the plaintiff asserts that a decision on his appeal has not been made within the legal time limit.

A filed lawsuit does not delay the execution of the tax administrative act.

Right to Appeal

Article 141

An appeal may be filed by a person whose rights or obligations have been decided in the first-instance tax procedure and by a person who has a legal interest.

Deadline for Appeal

Article 142

An appeal must be filed within 15 days from the day of receipt of the tax administrative act, unless otherwise prescribed by law.

Filing an Appeal

Article 143

An appeal is filed with the competent second-instance body (hereinafter: second-instance body), and is submitted directly or by registered mail, or declared on the record to the first-instance tax body.

An appeal filed within the legal time limit to an incompetent body is considered as timely filed to the competent body.

The appeal must state the tax administrative act against which it is filed, the reasons for the appeal, and the evidence for the annulment, amendment, or revocation of that act.

In the appeal procedure, the burden of proof lies with the appellant.

The appellant is obliged to sign the appeal.

First-instance body's Procedure in Case of Appeal

Article 144

An inadmissible, untimely, or unauthorized appeal declared by an unauthorized person shall be dismissed by the first-instance tax body by a conclusion.

An appeal may be filed against the conclusion referred to in paragraph 1 of this Article within eight days from the day of receipt of the conclusion.

The first-instance tax body may accept the appeal and amend the tax administrative act if:

1) it is determined that the appeal is justified and there is no need to conduct a new fact-finding;

2) it is determined that the conducted procedure was incomplete, which could have influenced the conclusion;

3) the appellant presents new facts and evidence in the appeal that could influence a different resolution of the matter;

4) the appellant was not, but should have been, allowed to participate in the procedure;

5) the appellant failed to participate in the procedure, but justified this omission in the appeal.

In the case of paragraph 3, item 1) of this Article, a supplementary procedure is not conducted, and in the case of paragraph 3, items 2) - 5) of this Article, a supplementary procedure is conducted.

An appeal can be filed against the new tax administrative act from paragraph 3 of this Article;

The first-instance authority may amend the new tax administrative act from paragraph 3 of this Article until the appeal is submitted for resolution to the second-instance authority. Article as long as the appeal is not submitted for resolution to the second-instance authority.

In the case of paragraph 3 of this Article, the first-instance tax authority shall decide within 30 days from the day of receiving the appeal.

Authority Competent to Resolve the Appeal

Article 145

The appeal against the first-instance tax administrative act is decided by the second-instance authority designated by this law.

Parties to the Appeal Procedure

Article 146

The parties to the appeal procedure are:

1) the appellant;

2) a person who has a legal interest.

Legal Effect of the Appeal

Article 147

The appeal does not delay the execution of the tax administrative act.

Exceptionally, the second-instance authority may delay the execution of the tax administrative act that established the tax liability against which an appeal has been filed, if the taxpayer documents that paying the tax or secondary tax levies before the finality of the contested act would cause significant economic damage.

The decision on delaying execution, against which an appeal is not allowed, is made by the second-instance authority within five days from the day of receiving the request.

The second-instance authority must decide on the appeal within 60 days from the day

of submitting the appeal.

If the appeal procedure concludes in the manner of Article 152, paragraph 3 of this law, the first-instance tax authority is obliged to act according to the order of the second-instance authority within 40 days from the day of receiving the second-instance decision.

If a enforced collection procedure has been initiated based on the tax resolution against which an appeal has been filed, and the appeal procedure does not conclude within the periods specified in paragraphs 4 and 5 of this Article, the enforced collection is suspended by a decision until the tax debtor is provided with a resolution on the appeal, or until the first-instance tax authority acts according to the order of the second-instance authority.

Waiver of the appeal

Article 148

The appellant may waive the appeal before the appeal is decided.

If the taxpayer withdraws from the appeal, the appeal procedure is terminated by a decision.

By waiving the appeal, the taxpayer does not lose the right to a new appeal if the appeal period has not expired.

Temporary Suspension of the Proceedings

Article 149

If the decision on the appeal depends on a preliminary issue that is the subject of a judicial proceedings or falls under the jurisdiction of another administrative body, the appellate body shall temporarily suspend the proceedings on the appeal until the preliminary issue is resolved.

Deciding on the Appeal by the Second-Instance Body

Article 150

If the appeal is inadmissible, untimely, or filed by an unauthorized person, and the primary tax authority has failed to dismiss it on these grounds, it shall be dismissed by the appellate authority.

If the appeal is not dismissed, the appellate authority shall take up the matter for decision. The appellate authority may:

1) dismiss the appeal;
2) annul the tax administrative act in whole or in part
3) amend the tax administrative act.

Denying Appeal

Article 151

The appellate authority will dismiss the appeal when it determines that the initial procedure was properly conducted and that the tax administrative act is correct and based on law, and the appeal is unfounded.

The appellate authority will dismiss the appeal if it finds that there were deficiencies in the proceedings at the first instance, but that they were such that they could not have influenced the resolution of the tax administrative matter.

If the appellate authority finds that the initial tax administrative act is based on law, but for reasons other than those stated in the act, it shall specify these reasons in its decision and dismiss the appeal.

Annulment of the Tax Administrative Act

Article 152

If the appellate tax authority determines that the facts were incompletely or incorrectly established in the initial tax proceedings, that the proceedings did not consider procedural rules that would influence the deciding on the tax administrative matter, or that the body of the contested tax administrative act is unclear or contradictory to the reasoning, it shall supplement the proceedings and remedy the identified deficiencies, either by itself or through the initial tax authority or a requested authority.

If the appellate authority finds that based on the facts established in the supplementary procedure, the tax administrative matter must be resolved differently than it was in the initial tax administrative act, it shall, by its decision, annul the initial tax administrative act and independently decide on the tax administrative matter.

If the appellate tax authority finds that the deficiencies of the initial tax procedure can be rectified more swiftly and economically by the initial tax authority, it shall annul the initial tax administrative act through its decision and remand the case to the initial tax authority for reprocessing. In this instance, the appellate authority is obligated to specify in its decision the aspects in which the initial procedure needs to be supplemented. The initial tax authority is required to comply fully with the appellate decision and to issue a new decision without delay, and no later than 40 days from the receipt of the appellate decision.

An appeal is permitted against the new decision referred to in paragraph 3 of this Article.

If the appellate authority determines that the evidence in the initial tax administrative act was incorrectly assessed, that an incorrect conclusion regarding the factual situation was drawn from the established facts, that the legal regulation on which the matter is decided was incorrectly applied, or if it finds that a different decision should have been made based on a free assessment, it will annul the initial tax administrative act with its decision and decide on the matter itself.

If the appellate tax authority determines that the tax administrative act is correct in terms of the established facts and the application of the law, but that the objective for which the act was issued can also be achieved by other means more favorable to the taxpayer, it shall amend the initial tax administrative act accordingly.

Declaring a Tax Administrative Act Null and Void

Article 153

If the appellate authority determines that an irregularity has been committed in the initial proceedings, rendering the tax administrative act void, it shall declare such act void, as well as any part of the proceedings conducted subsequent to that irregularity.

If the appellate authority determines that the initial tax administrative act was issued by an unauthorized body, it shall officially annul the act and refer the matter to the competent authority for resolution.

Annulment and Modification of Tax Decisions in Relation to Administrative Dispute Proceedings

Article 154

The tax authority, against whose decision an administrative dispute has been timely initiated, may, until the conclusion of the dispute, annul or amend its decision on the grounds that the court could annul that decision.

The annulment or amendment of the decision referred to in paragraph 1 of this Article may only be carried out if it rectifies an irregularity or illegality in the decision-making process and does not place the taxpayer in a less favorable position.

The tax assessment referred to in paragraph 1 of this Article shall be delivered to the taxpayer and the competent court.

Part five

Legal Assistance in Tax Matters

General Provisions

Article 155

Legal assistance, as defined by this law, refers to the support provided by state bodies and organizations, bodies of territorial autonomy, and local self-government to the Tax Administration by supplying information or implementing specific measures necessary for conducting the tax procedure, based on the request of the Tax Administration.

Conditions for Providing Legal Assistance

Article 156

The tax authority may request legal assistance in tax proceedings if:

1) is unable to perform the official action alone

2) does not possess the appropriate devices or means necessary for the performance of official duties

3) it could perform an official action only at a considerably higher cost than the requested authority or organization. .

Should the requested authority or organization refuse to provide the requested legal assistance or fail to respond to the Tax Administration's request within the given deadline, the Tax Administration shall notify the minister.

Mutual Legal Assistance

Article 157

Mutual legal assistance, as defined by this law, is considered the right of the Tax Administration to seek legal assistance from a foreign tax authority during the tax procedure, as well as the obligation of the Tax Administration to provide such assistance to a foreign tax authority.

The provision of mutual legal assistance is based on international treaties.

If the provision of mutual legal assistance is not governed by an international treaty, legal assistance shall be provided under the following conditions:

1) If reciprocity exists;

2) If the recipient state commits to using the received information and documentation solely for the purpose of tax, administrative, or criminal proceedings, and ensures that it will be accessible only to individuals, administrative bodies, or judicial authorities competent for the specific tax matter or the conduct of the administrative or criminal proceedings related to that matter.

3) If the state receiving legal assistance expresses readiness to mutually avoid possible double taxation on income, profit, and property by appropriately delineating tax jurisdiction;

4) If fulfilling the request does not endanger public order or other vital interests of the Republic;

5) If there is no risk that providing legal assistance would lead to the disclosure of confidential information or trade secrets, or that it could cause significant harm to a resident taxpayer.

Obligations of Government Authorities and Organizations, and Territorial Autonomy and Local Government Authorities

Article 158

Government authorities and organizations, authorities of territorial autonomy, and local self-government are required to provide the Tax Administration with facts they have learned while performing duties under their competence, relevant for assessing tax liabilities.

Individuals from paragraph 1 of this Article are required to provide data to the Tax Administration upon request, which they possess from performing duties within their jurisdiction, significant for determining tax obligations.

Article 159

The local self-government unit maintains records that are relevant for assessing property tax and other own source public revenues as per Article 2a of this law, as well as data on the collection of these own source public revenues in a unified tax information system of local self-government units (hereinafter: unified information system of local tax administrations).

A specialized organization responsible for the development and implementation of standards and measures in the introduction of information and communication technologies in state administration authorities and government services establishes and maintains the unified information system of local tax administrations and ensures the technical conditions for its application.

In the unified information system of local tax administrations, data on the taxpayers is maintained, including: name or personal name, tax identification number, as well as data from tax returns and other acts and registers, which is relevant for assessing the own source public revenues of local self-government units, data on determined own source public revenues of local self-government units, and data on the collection of these public revenues.

A specialized organization responsible for the development and implementation of standards and measures in the introduction of information and communication technologies in state administration bodies and government services, on behalf of and for the needs of the Unified Information System of Local Tax Administrations, takes over data from original registers, namely from: Central Population Register, Unified Taxpayer Register, Unified Register of Accounts of the National Bank of Serbia, Residence Register, Register of Business Entities or Sole Proprietors, Real Estate Cadastre, and other necessary registers for its operation, in accordance with the law governing electronic administration.

The right to access data in the unified information system of local tax administrations is granted by the specialized organization from paragraph 2 of this Article to bodies and organizations that need this data in carrying out administrative or other procedures established by law.

The unified information system of local tax administrations also ensures the performance of other procedures related to the determination and collection of original public revenues of local self-government units, as well as the filing of electronic tax returns.

Article 159a

A non-resident shall prove resident status in a state with which a double taxation agreement has been concluded by means of a certificate of residence authenticated by a competent authority of the other contracting state where they are resident, which certificate can either be issued in a special form or issued in the form prescribed by the competent authority of the state with which a double taxation agreement has been concluded and translated by a certified translator.

The status of a resident of the Republic of Serbia is evidenced by a certificate on a special form, except in cases where the resident status is proven by a certificate on a form prescribed by the competent authority of the state with which a double taxation agreement has been concluded.

The procedure and method of issuance, as well as the design of the forms referred to

in paragraphs 1 and 2 of this Article, shall be prescribed by the minister.

The confirmation referred to in paragraph 2 of this Article is issued by the Tax Administration.

Article 159b

Government authorities and organizations, bodies of territorial autonomy and local self-government, public enterprises, and legal entities and individuals entrusted with public authorities are obliged to provide, upon request from the local self-government unit, within 30 days from the date of receipt of the request, the data they possess while performing duties within their scope, that is relevant for assessing, auditing, and collecting own source revenues of the local self-government unit to which this law applies.

The local self-government unit shall not pay a fee or tax for data obtained from the bodies and organizations referred to in paragraph 1 of this Article, for the purpose of determining its own source revenues to which this law applies.

Part Six

COMPETENCE AND ORGANIZATION OF THE TAX ADMINISTRATION

Competence of the Tax Administration

Article 160

Tax Administration shall:

1) register taxpayers by assigning a Tax Identification Number (TIN) and maintain a unified register of taxpayers

1a) deleted (Official Gazette of the Republic of Serbia, No. 95/18)

2) assess taxes in accordance with the law

3) conduct tax audits in accordance with the law

3a) conduct analysis of tax risks and assessment of the tax gap

4) conduct regular and enforced collection of taxes and secondary tax levies

5) detect tax crimes and their perpetrators, and in connection with this, take measures prescribed by law

5a) deleted (Official Gazette of RS, No. 68/14)

6) issues misdemeanor orders, or files requests to the competent misdemeanor court to initiate misdemeanor proceedings for tax offenses and offenses prescribed by the law governing cash registers and electronic fiscal devices.

6a) deleted (Official Gazette of RS, No. 53/10)

7) deleted (Official Gazette of RS, No. 108/16),

7a) deleted (Official Gazette of the RS, No. 101/11),

7b) deleted (Official Gazette of RS, No. 108/16)

8) ensures the implementation of international tax treaties

9) develops and maintains a unique tax information system

10) conducts tax accounting

11) plans and implements employee training;

11a) conducts internal control over the implementation of laws and other regulations by its organizational units, as well as internal control over the work and conduct of tax officers and employees in relation to their duties and in cases where unlawful actions or conduct are identified, initiates and conducts appropriate proceedings to determine responsibility.

11b) deleted (Official Gazette of RS, No. 30/18)

11c) conducts internal audits of all organizational units of the Tax Administration in accordance with the law and international standards of internal auditing in the public sector.

12) provides expert assistance to taxpayers in the application of tax regulations for taxes

that it establishes, audits, and collects, in accordance with the code of conduct for employees of the Tax Administration;

13) ensures public transparency in its operations;

13a) deleted (Official Gazette of RS, No. 30/18)

13b) deleted (Official Gazette of RS, No. 30/18)

13c) deleted (Official Gazette of RS, No. 30/18)

13d) deleted (Official Gazette of RS, No. 47/13)

13e) deleted (Official Gazette of RS, No. 95/18)

14) performs other duties in accordance with the law;

15) also performs other duties based on concluded contracts with compensation, in accordance with the law.

Tax Police

Article 161

For the execution of tasks related to the detection and reporting of tax crimes and their perpetrators, the Tax Police is established as a separate organizational unit of the Tax Administration.

The Tax Police plans, organizes, and executes tasks from paragraph 1 of this Article, in accordance with the law.

The Tax Police is headed by the chief inspector of the Tax Police, who is appointed by the Government upon the proposal of the minister.

Official Badge and Identification

Article 162

An official badge and identification are issued to the Tax Police inspector as an authorized official.

The Tax Police inspector must possess an official badge and identification while performing duties.

The act concerning the official identification of the Tax Police inspector, tax auditor, and tax enforcement officer, as well as the official badge of the Tax Police inspector, is passed by the minister.

The act concerning the official identification of inspectors and executors in the local self-government unit responsible for assessing, collecting, and auditing own source revenues of the local self-government unit is issued by the competent authority of the local self-government unit, with the consent of the minister responsible for administrative affairs.

The Tax Police inspector must have protective equipment with the Tax Police designations; the appearance and cases in which it is used are prescribed by the minister.

Article 162a

A tax officer at a one-stop shop for providing tax services and a tax officer who processes requests from taxpayers for issuing tax certificates may have an official uniform.

The appearance of the uniform of tax officers from paragraph 1 of this Article, as well as the cases in which it is used, are prescribed by the minister.

Tax Accounting

Article 163

The Tax Administration maintains tax accounting.

The content, procedure, and manner of maintaining tax accounting are further regulated by the minister, upon the proposal of the Tax Administration.

A document issued based on data from tax accounting is considered a public document.

Off-balance Tax Accounting

Article 163a

Deleted (Official Gazette of RS, number 94/24)

Tax Information System

Article 164

There will be a single information system of the Tax Administration.

The development program of the information system of the Tax Administration is issued by the minister, upon the proposal of the director of the Tax Administration.

The program from paragraph 2 of this Article specifically contains:

1) the creation of technical prerequisites for developing a unified information system of the Tax Administration;

2) development directions, dynamics of construction and equipping.

3) required resources and the method of their provision.

Within its information system, the Tax Administration regulates and ensures standards, definitions, classifications, and nomenclatures, data coding, processing techniques, data transmission, and reporting.

Powers of the Tax Administration in Tax and Misdemeanor Procedures

Article 165

Appeals against first-instance decisions made in tax proceedings, or in proceedings under Article 2a paragraph 1 of this law, are resolved by the second-instance authority - the ministry responsible for finance.

The Tax Administration issues misdemeanor orders and files requests for initiating misdemeanor proceedings in accordance with the law governing misdemeanors.

Exemption from Costs in Tax Procedure

Article 166

In tax proceedings, the Tax Administration does not pay fees, charges, and other expenses for actions and services provided to it, in such proceedings, by government authorities, registry management bodies, banks, and other bodies and organizations.

Management

Article 167

The Tax Administration is headed by a director.

The director is appointed by the Government, upon the proposal of the minister.

The Director of the Tax Administration ensures coordination of work and uniform application of tax regulations throughout the territory of the Republic, which is achieved by the acts of the minister (regulations, orders, instructions, mandatory instructions) and directly passing internal acts for work (instructions, orders, instructions, etc.).

Upon the proposal of the director of the Tax Administration, the minister regulates:

1) internal organization and systematization of positions in the Tax Administration, which prescribe special knowledge and abilities for certain positions;

2) rights and obligations of employees in the Tax Administration (hereinafter: tax

officers) from employment relating to: the amount of the basic and additional coefficient, pay groups and pay grades for ranks of tax officials established by this law, criteria, amount and periods for incentive rewarding, initiating and conducting proceedings to determine the liability of tax officials and employees for damage, initiating and conducting disciplinary proceedings against tax officers and employees, as well as imposing disciplinary measures, authorization to conduct disciplinary proceedings and the transfer of such authorization, as well as records of imposed measures;

3) professional development, training, and advancement of tax officers;

4) rules of conduct for tax officers;

5) positions that are incompatible with official duty; 5a) procedure and method of performing internal control;

6) other issues in accordance with this and other laws.

Article 167a

Deleted (Official Gazette of RS No. 86/19)

Organizational Units

Article 168

Organizational units are established to perform tasks within the competence of the Tax Administration.

The method of establishment, number, structure, network, and scope of organizational units referred to in paragraph 1 of this Article are regulated by an act of the minister, upon the proposal of the director of the Tax Administration.

Certain tasks of the Tax Administration may be performed outside the headquarters of the organizational unit, as decided by the director of the Tax Administration.

Article 168a

Organisational units established under Article 168 of this law are managed by employees appointed by the Director of the Tax Administration, with the prior consent of the minister.

Labor Relations

Article 169

Tax officers are subject to regulations concerning public administration, employment relations, and salaries in government bodies, as well as regulations in the field of health and pension-disability insurance and education, unless otherwise specified by this law.

Tax officers are obliged to execute the orders of the minister, director, or immediate supervisor issued for the performance of duties or in connection with work, except for those orders that mandate the execution of actions that constitute a criminal offense.

Tax officers may not engage in activities that are incompatible with their official duties, and in performing duties within their jurisdiction, they must adhere to the rules of conduct applicable to employees in the Tax Administration.

Tax officers are required to undergo professional training, qualification, and advancement according to the program of the Tax Administration.

For a Tax Police Inspector, the insurance period is increased such that every 12 months effectively spent at work is counted as up to 16 months of the insurance period.

For a Tax Police Inspector, tax auditor, and tax enforcement officer who experiences changes in psychophysical or general health condition rendering them incapable of performing the duties of a Tax Police Inspector, tax auditor, and tax enforcement officer, the employment relationship ceases if there is no possibility of reassignment to other duties within the Tax

Administration.

Changes in psychophysical or general health condition as mentioned in paragraph 6 of this Article are considered a loss of working capacity in terms of pension-disability insurance regulations, and a Tax Police Inspector, tax auditor, and tax enforcement officer whose employment relationship ceases on this basis is entitled to a disability pension.

Changes in psychophysical or general health condition as mentioned in paragraph 6 of this Article are determined by the competent commission of the mandatory social insurance organization, upon the proposal of the Director of the Tax Administration or a person authorized by them.

The employment relationship of a tax officer mentioned in paragraph 5 of this Article may also cease before meeting the general conditions for obtaining old-age pension, in accordance with pension and disability insurance regulations.

Method of Filling Employee Positions

Article 169a

Filling employee positions in the Tax Administration is carried out in accordance with regulations governing civil servants unless otherwise specified by this law.

A position in the Tax Administration is filled by permanent transfer of a tax officer, through a public competition, or, exceptionally, by transferring a civil servant from another governmental authority.

The decision on filling positions in the manner mentioned in paragraph 2 of this Article is made by the Director of the Tax Administration.

Filling Positions through Public Competition

Article 169b

The public competition is announced on the website of the Tax Administration, on the e-government portal, in the periodic advertisement of the national employment service, and on the website of the Human Resources Management Service.

The public competition announcement contains information about: the government authority, the position, employment conditions for the position, place of work, professional qualifications, knowledge and skills assessed during the selection process, method of their verification (written test, oral interview or other method), deadline for submitting applications, personal name of the person responsible for providing information about the public competition, address where applications are submitted, and documents to be attached with the application.

The public competition is conducted by a competition committee appointed by the director of the Tax Administration. The competition committee has a chairman and two members who, if necessary, may have deputies.

Selection Process

Article 169c

The competition committee compiles a list of candidates who meet the competition requirements and conducts a selection process among them.

The candidate selection process is conducted to assess the professional qualifications, knowledge, and skills of the candidates.

If, after the selection process, the competition committee determines that no candidate meets the criteria set for selection, or does not meet the needs of the position, it prepares a report stating that the public competition was unsuccessful, about which a decision is issued to inform the candidates who participated in the selection process.

Candidate Selection List

Article 169d

If, after the selection process, the competition committee determines that some or all candidates meet the criteria set for selection, it compiles a candidate selection list of up to three candidates with the best results achieved in the selection process (hereinafter referred to as the candidate selection list) and submits it to the director of the Tax Administration.

From the candidate selection list, the director of the Tax Administration chooses a candidate and decides on their employment by decision if the selected candidate is not a civil servant, or issues a decision on transfer if the selected candidate is a civil servant.

The resolution mentioned in paragraph 2 of this Article contains the personal name of the candidate, type and degree of education, and the name of the internal organizational unit of the Tax Administration to which they are admitted and the name of the position to which they are assigned.

Candidates in the public competition who participated in the selection process have the right to file an appeal within eight days from the day of receiving the decision from paragraph 2 of this Article and Article 169v paragraph 3 of this law. The appeal is submitted to the Government's Appellate Commission through the issuer of the first-instance decision.

Filling positions by Transferring a Civil Servant from Another Government Authority

Article 169e

A permanent position in the Tax Administration may be filled by transferring a civil servant from another government authority.

The transfer of a civil servant from another government authority is carried out based on an agreement signed between the director of the Tax Administration and the head of the government authority from which the civil servant is transferred to the Tax Administration, with the consent of that civil servant.

Fixed-term Employment

Article 169f

Fixed-term employment is established to replace an absent tax officer until their return, to fill a vacant position until the completion of the process of filling it permanently, or due to a temporary increase in the volume of work at certain positions that the existing number of tax officers cannot timely handle.

Fixed-term employment is established for a maximum of 12 months.

Secondment

Article 169g

In addition to cases of secondment of civil servants within the same government authority, regulated by the provisions on labor relations in government authorities, a tax officer may be seconded to a position of a higher rank for a period of up to 12 months, provided they meet the requirements in terms of degree and type of professional education, knowledge and abilities, and if there is an urgent need to fill the position.

A tax officer who is seconded in accordance with paragraph 1 of this Article acquires all the rights of the position to which they have been seconded for the duration of the secondment.

A tax officer may be seconded due to work needs, to another position either within the function to which the original position belongs, or from a position that belongs to the basic

functions of the Tax Administration to a position in other functions and vice versa, provided that they meet the conditions for working at that position as stipulated by the act on internal organization and job systematization.

Article 169h
Deleted (Official Gazette of RS, No. 30/18)

Working Hours

Article 169i

Working hours are determined by a general regulation applicable to government authorities.

Notwithstanding regular working hours, tax officers and employees are required to perform duties even during less favourable working hours.

Working in less favorable working hours includes:

1) shift work;
2) work on Saturdays, Sundays, holidays, and other non-working days;
3) work exceeding full-time hours (overtime);
4) night work.

On-call Duty

Article 169j

On-call duty is considered work during less favorable working hours in which tax officers and employees must be available (on-call) outside of working hours, to perform specific duties of their position if needed.

On-call duty is not included in the regular work obligation.

The specific conditions and manner of performing on-call duty are prescribed by the minister, upon the proposal of the director of the Tax Administration.

Ranks of Civil Servants in Employee Positions at the Tax Administration

Article 169k

The ranks of tax officers in employee positions in the Tax Administration are regulated by this law.

The classification of positions into ranks and the description of job positions are regulated by the act on internal organization and job systematization in the Tax Administration.

Basis and Conditions for Classification of Ranks of Tax Officers

Article 169l

The positions of tax officers are classified by ranks, depending on the complexity and responsibility of the tasks, required knowledge and abilities, and conditions for work, as follows:

1) with secondary education: junior tax clerk, tax clerk, and senior tax clerk;
2) with higher education obtained from basic academic studies of at least 180 ECTS credits, basic professional studies, or studies lasting up to three years: junior tax associate, tax associate, and senior tax associate;
3) with higher education obtained from basic academic studies of at least 240 ECTS credits, master's academic studies, specialist academic studies, specialist professional studies, or basic studies lasting at least four years or specialist studies at a faculty: junior tax advisor, tax advisor, tax advisor I, senior tax advisor, and chief tax advisor.

For positions in the employee roles mentioned in paragraph 1 of this Article, tax

officers, in addition to the general conditions established by law, must meet the following requirements:

1) for positions requiring secondary education:

(1) junior tax clerk - completed internship;

(2) tax clerk - at least two years of professional experience;

(3) senior tax clerk - at least three years of professional experience;

2) for positions requiring higher education obtained from basic academic studies of at least 180 ECTS credits, basic professional studies, or studies lasting up to three years:

(1) junior tax associate - completed internship or at least five years of service in governmental authorities;

(2) tax associate - at least two years of professional experience;

(3) senior tax associate - at least three years of professional experience;

3) for positions requiring higher education obtained from basic academic studies of at least 240 ECTS credits, master's academic studies, specialist academic studies, specialist professional studies, or basic studies lasting at least four years or specialist studies at a faculty:

(1) junior tax advisor - completed internship or at least five years of service in state bodies;

(2) tax advisor - at least three years of professional experience;

(3) tax advisor I - at least five years of professional experience;

(4) senior tax advisor - at least seven years of professional experience;

(5) chief tax advisor - at least nine years of professional experience.

Tax officers with the appropriate education mentioned in paragraph 1 of this Article acquire the initial title of junior tax clerk, junior tax associate, and junior tax advisor, upon completion of their internship and passing the state professional exam.

Article 169m

Deleted (Official Gazette of RS, No. 30/18)

Advancement of Tax Officers

Article 169n

A tax officer may advance by transfer:

1) to an employee position whose duties are performed at a directly higher level

2) to the position of head of an internal organizational unit whose duties are performed at a directly higher rank.

A tax officer may advance by transfer according to paragraph 1 of this Article, under the following conditions:

1) there is a vacant appropriate position;

2) they meet the requirements for the position to which they are being transferred or assigned;

3) they have not been punished for a criminal offense in the last two years before acquiring the rank and have not been disciplined for breach of duty;

4) no criminal proceedings for an offense prosecuted ex officio nor disciplinary proceedings for breach of duty are being conducted against them;

5) they have been consecutively rated at least:

- "particularly distinguished" for the position in the rank of chief tax advisor,
- "distinguished" for positions in other ranks.

Exceptionally, a tax officer who has advanced through transfer because he has been consecutively rated as "particularly distinguished" twice may be transferred in accordance with the clause.

pursuant to this Article, should the rating of "particularly distinguished" be assigned to him again.

A tax officer may be promoted in terms of paragraph 3 of this Article only once, upon which a decision shall be made by the director of the Tax Administration, based on a substantiated proposal from the immediate supervisor.

Loss of Rank

Article 169o

A tax officer is stripped of their rank:

1) termination of employment at the Tax Administration

2) If, in disciplinary proceedings, a disciplinary measure of demotion to a lower-ranking position is imposed, it shall apply for the duration for which the measure is pronounced.

Article 169p

Deleted (Official Gazette of RS, No. 30/18)

Article 169r

Deleted (Official Gazette of RS, No. 30/18)

Article 169s

Deleted (Official Gazette of RS, No. 30/18)

Salaries

Basic salary

Article 169t

Tax officers are entitled to a salary comprising a base salary and supplementary allowances.

The basic salary is determined by multiplying the basic coefficient and any additional coefficient, if provided for a specific position, with the base for the calculation and payment of salaries, which is established in accordance with the law governing the salaries of civil servants and employees.

An additional coefficient may be determined for specific job positions, depending on the special working conditions, responsibilities, complexity of tasks, scope, difficulty, and nature of the work.

The basic salary is increased based on allowances, in accordance with the law governing the salaries of civil servants and employees, and the provisions of this law.

For appointees in the Tax Administration, in addition to the coefficient prescribed for the positions of appointees in accordance with the law governing the salaries of civil servants and appointees, an additional coefficient may also be established.

The salary established under the provisions of paragraphs 1-5 of this Article may be adjusted so that the salary of tax officers and employees in the Tax Administration is not less than the salary of persons employed in the competent authority of the local self-government regional unit performing the same duties.

The salary determined under the provisions of paragraphs 1-6 of this Article may be adjusted according to the work performance of the tax officer and employees, and the criteria, method, and procedure for adjustment shall be prescribed by the minister.

The basic and additional coefficients, pay groups, and pay grades for the ranks of tax officials, as well as the amount of the additional coefficient under paragraph 5 of this Article for appointed personnel, shall be prescribed by the minister.

Salary Benefits, Cost Reimbursement, Severance Pay, and Other Remuneration

Article 169u

A tax officer is entitled to salary compensation, reimbursement of expenses, and severance pay and other remuneration, in accordance with the law governing the salaries of civil servants and employees, unless otherwise provided for compensation, costs, and other remuneration by this law.

Article 169v

Deleted (Official Gazette of the Republic of Serbia, No. 30/18)

Recognitions, Awards, and Salary Increases

Article 169w

For exceptional achievements in the performance of the Tax Administration duties, extraordinary contributions to the improvement of service operations, strengthening the reputation of the Tax Administration, creative work, innovations, or other forms of creativity that have significantly contributed to the service's results, tax officers and employees may be awarded recognition and monetary rewards.

Recognition and monetary rewards can be granted quarterly and on Tax Administration Day.

For exceptionally achieved results in the performance of the Tax Administration duties, a tax officer and employee may receive a basic salary increase of 30%.

The types, procedure for awarding recognitions, criteria for determining the amount, as well as the amount of monetary rewards and salary increases are prescribed by the minister, upon the proposal of the director of the Tax Administration.

Article 169x

Depending on the nature of their duties and working conditions, tax officers are entitled to official uniforms, work clothes, and footwear.

The act regulating the right from paragraph 1 of this Article is issued by the minister.

Jobs Incompatible with official duty

Article 169y

A tax officer may not perform a paid or unpaid job that is compatible with their position in the Tax Administration or related to the work of the Tax Administration.

A tax officer, as well as members of their household, may not be owners or co-owners of a business entity whose activities are compatible or related to the work of the Tax Administration.

The minister, upon the proposal of the director of the Tax Administration, determines the jobs referred to in paragraph 1 of this Article.

Members of the household of a tax officer, for the purposes of this Article, are considered to be: a spouse, children (married, non-marital, adopted, and dependent) and parents, if the tax officer supports them or lives with them in a common household.

Upon employment or at the request of an authorized person of the Tax Administration, under material and criminal liability, a tax officer provides a written statement about information relevant to determining the existence of a conflict of interest in work or related to the work of the tax official. The tax officer states in the declaration that the information provided therein may be subject to verification.

A tax officer is required to report any change in the information provided in terms of

this Article within 15 days from the date the change occurred.

Statements given by a tax official in terms of this Article are kept in the file of that tax official.

Article 169z

General rules of conduct for tax officers and employees while performing duties in the Tax Administration and outside, their behavior during and outside working hours, relations with the public, colleagues, superiors, and subordinate tax officials, as well as civil servants and employees in other government authorities are regulated by the minister, upon the proposal of the director of the Tax Administration.

Responsibility of Tax Officers

Article 169h

Tax officers are disciplinarily responsible for breaches of duties from the labor relations.

Disciplinary responsibility of tax officers is subject to the provisions of the law governing the rights and duties of civil servants, unless otherwise prescribed by this law.

Serious Breaches of Duty from the Labor Relations

Article 169c

In addition to the breaches of work duties prescribed by the law governing the rights and obligations of civil servants, a serious breach of work obligations also includes:

1) performing tasks that are incompatible with the official duties of employees in the Ministry of Finance - Tax Administration;

2) failing to report or untimely reporting of changes in data occurring during employment that are important for determining the existence of a conflict of interest of the employee;

3) using property entrusted for safekeeping, holding, or use contrary to the purpose, manner, and conditions of use determined by the head of the body or a person authorized to dispose of the property;

4) unauthorized or illegal creation and issuance or use of an official document, altering content, use, certification, or destruction of documents or tax records;

5) refusal, unjustified non-compliance, or avoidance of a prescribed medical examination, or refusal to undergo appropriate analysis in an authorized medical institution designated by the employer or in another appropriate manner in accordance with the general act, to determine the presence of alcohol or other intoxicating substances in the employee's blood as well as to determine any misuse of the right to absence in case of illness;

6) unauthorized public appearance when expressing the views of the Tax Administration and any public appearance that damages and diminishes the reputation of the Tax Administration and public confidence in the tax service.

Operating Resources

Article 170

Operating resources for the Tax Administration are provided in the budget of the Republic.

For professional education, training, and improvement of employees, designing and building an information system, as well as for incentive rewarding of employees, additional funds from the budget of the Republic may be provided, upon the proposal of the minister.

The minister allocates the funds from paragraph 2 of this Article.

Political Neutrality

Article 171

In performing the duties within their competence, the official personnel of the Tax Administration are required to perform their duties in accordance with the law, without being guided by their political beliefs.

Part Seven

PENAL PROVISIONS

Heading One

TAX CRIMES

Tax Evasion

Article 172.

Deleted (Official Gazette of RS, No. 85/05)

Failure to Pay Withholding Tax

Article 173.

Deleted (Official Gazette of RS, No. 72/09)

Tax Fraud related to Value-added Tax

Article 173a

Whoever, with the intent that they or another person, in the previous 12 months, obtain an unjustified refund of value-added tax or a tax credit for value-added tax, files one or more value-added tax returns of untruthful content, and the amount of the refund or tax credit exceeds one million dinars, shall be punished with imprisonment from one to five years and a fine.

Whoever, with the intent that they or another person, in the previous 12 months, completely or partially avoid paying value-added tax, fails to file one or more value-added tax returns, files one or more value-added tax returns of untruthful content, or in the same intent avoids paying value-added tax in another way, and the amount of tax whose payment is avoided exceeds one million dinars, shall be punished with imprisonment from one to five years and a fine.

If the amount of value-added tax from paragraphs 1 and 2 of this Article exceeds five million dinars, the offender shall be punished with imprisonment from two to eight years and a fine.

If the amount of value-added tax from paragraphs 1 and 2 of this Article exceeds 15 million dinars, the perpetrator shall be punished with imprisonment from three to ten years and a fine.

A natural person, sole proprietor, and responsible person in a legal entity - a tax offender for the crime referred to in paragraphs 1 to 4 of this Article shall also be subject to a safety measure of a ban on practicing a profession, activity, and duty for a period of one to five years.

Compiling or Filing a Falsified Document Relevant to Taxation, Article 174.

Deleted (Official Gazette of RS, No. 85/05.)

Undermining Tax Collection and Tax Audit

Article 175

Should an individual attempt to undermine the collection of taxes that are not yet due or have not been assessed, but for which a assessment or audit procedure has been initiated, or taxes that have been assessed to them or another person, by disposing, concealing, damaging, destroying, or rendering unusable any property on which a preliminary tax security measure has been established, following the imposition of a interim measure to secure tax collection in accordance with the law, or in the process of enforced collection or tax audit, such individual shall be punished with imprisonment of up to one year and a fine.

A prison sentence as stipulated in paragraph 1 of this Article shall also be imposed on anyone who provides false information regarding facts significant for the enforcement of compulsory tax collection or tax audit.

Prohibited Trafficking in Fiscalization Equipment

Article 175a

Those who, in contravention of the regulations governing fiscalization, manufacture, process, sell, or acquire in an authorized manner for the purpose of sale, holding or transfer, or act as an intermediary in the sale or purchase, or otherwise unlawfully place on the market electronic devices, equipment, and software that are not registered in the registry of manufacturers of electronic fiscal devices, and which are used to avoid recording retail transactions shall be punished with imprisonment ranging from one to five years.

For the criminal offense stipulated in paragraph 1 of this Article, the responsible person within a legal entity and the sole proprietor shall also be subjected to a safety measure of a ban on practicing any profession, activity, or duty for a period ranging from one to five years.

Electronic devices, equipment, and software referred to in paragraph 1 of this Article shall be confiscated.

Prohibited Trade in Accounting and Other Software

Article 175b

Anyone who, contrary to regulations, unauthorizedly manufactures, processes, sells, or who acquires for the purpose of selling, holds, or transfers, or mediates in the sale or purchase, or otherwise unauthorizedly places on the market accounting and other software designed to avoid recording of transactions or tax evasion, shall be punished with imprisonment from one to five years.

For the criminal offense stipulated in paragraph 1 of this Article, the responsible person within a legal entity and the sole proprietor shall also be subjected to a safety measure of a ban on practicing any profession, activity, and duty for a period ranging from one to five years.

The accounting and other software referred to in paragraph 1 of this Article shall be confiscated.

Illicit Trade in Excise Goods

Article 176

Whoever, contrary to the regulations governing the taxation of excise duties, unauthorizedly manufactures, processes, sells, or acquires for the purpose of selling, holds or transfers, or mediates in the sale or purchase, or otherwise unauthorizedly places on the market products that are considered excise goods in accordance with the law, shall be punished with

imprisonment from six months to five years.

A sole proprietor, or the responsible person in a legal entity engaged in the production or import of products which, according to the law, must be specially marked with excise control stamps, and who fails to take measures to have these products marked with excise control stamps before placing them on the market, shall be punished with imprisonment from six months to three years.

For the criminal offense from paragraphs 1 and 2 of this Article, the sole proprietor shall also be subjected to a safety measure of a ban on practicing the profession, activity, or duty for a period of one to five years.

The responsible person in a legal entity shall also be subjected to a safety measure of a ban on practicing the profession or duty for a period of one to five years for the criminal offense from paragraphs 1 and 2 of this Article.

Products which are considered excise goods according to the law and which are acquired contrary to the regulations governing excise taxation for the purpose of placing them on the market, as well as products that are not specially marked with the prescribed excise control stamps and the property benefit gained from the criminal act, shall be confiscated.

Unauthorized Storage of Goods

Article 176a

Whoever stores, or allows the storage of goods for which they do not possess the prescribed documentation of origin, shall be punished with imprisonment from three months to three years and a monetary fine.

The penalty from paragraph 1 of this Article shall also apply to anyone who stores goods in premises about which they have not informed the Tax Administration.

For the criminal offense from paragraphs 1 and 2 of this Article, the responsible person in a legal entity and the sole proprietor shall also be subjected to a safety measure of a ban on practicing the profession, activity, or duty for a period of one to five years.

Goods from paragraphs 1 and 2 of this Article shall be confiscated.

Heading Two

TAX MISDEMEANORS

Concept

Article 176b

Tax misdemeanors are violations contained in tax laws prescribed by this law (hereinafter referred to as: general tax misdemeanors of legal entities and sole proprietors), misdemeanors prescribed in tax laws, as well as misdemeanors contained exclusively in this law (hereinafter referred to as: special tax misdemeanors).

For determining the liability for misdemeanors in accordance with this law, a sole proprietor is also considered a natural person who is a taxpayer of value-added tax, and the responsible person in a legal entity is also the responsible person from Article 27, paragraph 2, point 2) of this law.

1) General tax misdemeanors of legal entities and sole proprietors

Failure to File and Untimely Filing of Tax Returns, Failure to Calculate, Failure to Pay, and Untimely Payment of Taxes

Article 177

A taxpayer- legal entity or sole proprietor who fails to file a tax return, fails to calculate and pay tax, shall be punished for the misdemeanor with a fine ranging from 30% to 100% of

the amount of tax owed determined in the tax audit procedure, but not less than 500,000 dinars for a legal entity, or 100,000 dinars for a sole proprietor.

A taxpayer- legal entity or sole proprietor who fails to file a tax return and fails to calculate tax, shall be punished for the misdemeanor with a fine ranging from 20% to 65% of the amount of tax owed determined in the tax audit procedure, but not less than 300,000 dinars for a legal entity, or 70,000 dinars for a sole proprietor.

A taxpayer - a legal entity or sole proprietor who fails to file a tax return, calculates but does not pay the tax, will be penalized with a fine ranging from 20% to 75% of the amount of tax owed as determined in the tax audit, but not less than 400,000 dinars for a legal entity, or 80,000 dinars for a sole proprietor.

A taxpayer - a legal entity or sole proprietor who files a tax return but fails to pay the tax will be penalized with a fine ranging from 10% to 50% of the amount of tax owed as determined in the tax audit, but not less than 250,000 dinars for a legal entity, or 50,000 dinars for a sole proprietor.

A taxpayer - a legal entity that fails to file a tax return but pays the tax within the legally prescribed period, will be penalized with a fine ranging from 100,000 to 2,000,000 dinars, and a sole proprietor with a fine ranging from 50,000 to 500,000 dinars.

A taxpayer - a legal entity or sole proprietor who fails to file a tax return in cases where the law prescribes that self-assessment is not conducted or upon an audit order, will be penalized with a fine as stated in paragraph 1 of this Article.

For misdemeanors from paragraphs 1 to 6 of this Article, the responsible person in the legal entity will be penalized with a fine ranging from 10,000 to 100,000 dinars.

A taxpayer - a legal entity or sole proprietor who file a tax return late and fails to pay the tax within the legally prescribed period:

1) in an amount up to 100,000 dinars, will be penalized with a fine of 25,000 dinars for a legal entity, or 15,000 dinars for a sole proprietor;

2) in an amount from 100,000 to 1,000,000 dinars, will be penalized with a fine of 50,000 dinars for a legal entity, or 30,000 dinars for a sole proprietor;

3) in an amount from 1,000,000 to 10,000,000 dinars, will be penalized with a fine of 200,000 dinars for a legal entity, or 100,000 dinars for a sole proprietor;

4) in an amount exceeding 10,000,000 dinars, will be penalized with a fine of 300,000 dinars for a legal entity, or 150,000 dinars for a sole proprietor.

A taxpayer - a legal entity that files a tax return late but pays the tax within the legally prescribed period, will be penalized with a fine of 100,000 dinars.

A taxpayer - a legal entity or sole proprietor who timely files a tax return but fails to pay the tax within the legally prescribed period, or pays the tax after the prescribed period as determined by the Tax Administration:

1) in an amount up to 100,000 dinars, will be penalized with a fine of 20,000 dinars for a legal entity, or 10,000 dinars for a sole proprietor;

2) in an amount from 100,000 to 1,000,000 dinars, will be penalized with a fine of 40,000 dinars for a legal entity, or 20,000 dinars for a sole proprietor;

3) in an amount from 1,000,000 to 10,000,000 dinars, will be penalized with a fine of 150,000 dinars for a legal entity, or 80,000 dinars for a sole proprietor;

4) in an amount exceeding 10,000,000 dinars, will be penalized with a fine of 250,000 dinars for a legal entity, or 140,000 dinars for a sole proprietor.

For the misdemeanor stated in paragraph 9 of this Article, a sole proprietor will be penalized with a fine of 40,000 dinars.

For misdemeanor from paragraphs 8 to 10 of this Article, the responsible person in the legal entity will be penalized with a fine of 10,000 dinars.

A legal entity or sole proprietor who fails to make a tax payment as determined by the Tax Administration resolution will be penalized with a monetary fine as stipulated in paragraph 1 of this Article.

For the misdemeanor mentioned in paragraph 13 of this Article, the responsible person within the legal entity will be fined a monetary penalty ranging from 10,000 to 100,000 dinars.

A taxpayer- a legal entity or sole proprietor who fails to submit an informative tax return to the Tax Administration will be penalized for the misdemeanor with a fine amounting to 3% of the total income earned in the previous fiscal year; if incomplete information is provided, the fine will range from 100,000 to 2,000,000 dinars.

For the misdemeanor mentioned in paragraph 15 of this Article, the responsible person within the legal entity will be fined a penalty ranging from 10,000 to 100,000 dinars.

The application of the provisions of this Article cannot result in a fine exceeding the maximum amount or less than the minimum amount of the fine prescribed by the law governing misdemeanors.

Underreporting Tax Payable and Providing Inaccurate Information in the Tax Return

Article 178

If the tax amount assessed in the tax return is less than the amount that should have been assessed according to the law, the taxpayer- a legal entity or sole proprietor, will be penalized for the misdemeanor with a monetary fine ranging from 30% to 40% of the difference between these two amounts.

A taxpayer- a legal entity or sole proprietor who provides inaccurate information in the tax return or tax balance sheet, resulting in or potentially resulting in the assessment of a lesser tax amount, will be penalized for the misdemeanor with a fine ranging from 30% to 40% of the difference between the tax amount that was assessed or should have been assessed according to the law and the tax amount assessed or should have been assessed based on the information in the tax return.

For the misdemeanor mentioned in paragraphs 1 and 2 of this Article, the legal entity will be fined at least 200,000 dinars, and the sole proprietor at least 100,000 dinars.

For the misdemeanor mentioned in paragraphs 1 and 2 of this Article, the responsible person within the legal entity will be fined a monetary penalty ranging from 10,000 to 100,000 dinars.

If the difference mentioned in paragraphs 1 and 2 of this Article amounts to up to 5% of the amount that was assessed or should have been assessed, the taxpayer- a legal entity will be fined 100,000 dinars, the taxpayer- a sole proprietor, will be fined 50,000 dinars, and the responsible person within the legal entity will be fined 10,000 dinars.

The application of the provisions of paragraphs 1 and 2 of this Article cannot result in a fine exceeding the highest amount of the fine prescribed by the law governing misdemeanors.

Failure to Enclose Documentation along with the Tax Return, to Submit Registration Forms, and Requests, Notifications, Documents, and Other Data

Article 178a

A taxpayer- a legal entity will be penalized for the misdemeanor with a fine ranging from 100,000 to 2,000,000 dinars if it fails to provide the Tax Administration with:

1) the prescribed documentation along with the tax return, or
2) a registration form, or a request for deletion from the registry, or
3) a notification, document, or other data prescribed by tax law.

For the misdemeanor mentioned in paragraph 1 of this Article, the sole proprietor will be fined a monetary penalty ranging from 50,000 to 500,000 dinars.

A legal entity that submits documents or data referred to in paragraph 1 of this Article after the prescribed deadline shall be fined a monetary penalty of 100,000 dinars.

For the violation referred to in paragraph 3 of this Article, the sole proprietor shall be fined a monetary penalty in the amount of 50,000 dinars.

For the misdemeanor described in paragraph 1 of this Article, the responsible person

within the legal entity shall be fined a monetary penalty ranging from 10,000 to 100,000 dinars, and for the misdemeanor described in paragraph 3 of this Article, a monetary penalty of 10,000 dinars shall be imposed.

Acting Contrary to the Rules of Business Operation Prescribed by the Tax Law

Article 178b

A taxpayer - a legal entity that does not maintain or keep records or business books, does not conduct inventory or make payments through a current account, does not conclude a contract, or does not provide documentation, data, or notifications to third parties.

In accordance with the prescribed tax law, a monetary fine ranging from 100,000 to 2,000,000 dinars will be imposed for the misdemeanor.

For the misdemeanor mentioned in paragraph 1 of this Article, the sole proprietor will be fined a monetary penalty ranging from 50,000 to 500,000 dinars.

Notwithstanding Sections 1 and 2 of this Article, a taxpayer who fails to conduct an inventory of excise goods in accordance with tax law shall be penalized for the misdemeanor with a fine amounting to three times the value of the total turnover of said excise goods achieved in the previous six months.

A legal entity that fails to declare, disclose, or display retail prices in accordance with tax law, or that sells products at prices contrary to tax law, shall be penalized for the misdemeanor with a fine in the amount from 100,000 to 2,000,000 dinars.

A legal entity, being a taxpayer, that declares tax in an invoice contrary to tax law shall be penalized for the misdemeanor with a fine ranging from 100,000 to 2,000,000 Serbian dinars.

For the misdemeanor described in paragraphs 4 and 5 of this Article, the sole proprietor shall be fined a monetary penalty ranging from 50,000 to 500,000 Serbian dinars.

For the misdemeanor referred to in paragraphs 1, 3, 4, and 5 of this Article, the responsible person within a legal entity shall be fined a monetary penalty ranging from 10,000 to 100,000 dinars.

Article 178c

The provisions of Articles 177-178b of this law shall apply accordingly to the management company and the responsible persons within that company, in relation to the actions of the management company on behalf of and for the account of the fund as per Article 15, paragraphs 3 and 4 of this law.

2) Special Tax Misdemeanors

Article 179

A legal entity shall be fined from 100,000 to 2,000,000 Serbian dinars for a misdemeanor if it:

1) fails to submit, or does not submit within the prescribed period, an application for registration (Article 25, point 1; Article 27; and Article 28, paragraph 5); [10] [!]

1a) fails to provide the Tax Administration with information on all business premises and spaces where goods are stored or placed, as well as the premises and spaces where the activity being reported to the Tax Administration is conducted, unless these details have already been submitted to the Tax Administration in accordance with this law and other relevant regulations (Article 25, paragraph 1, item 1).

2) If, upon the request of the Tax Administration, one fails to provide, or does not provide within the specified deadline, the business books and records maintained abroad or in the Autonomous Province of Kosovo and Metohija by associated non-resident entities, or certified copies or certified translations of those books and records (Article 37, paragraphs 3-

5);

2a) If, upon the request of the Tax Administration, they do not provide an extract of data from their electronically maintained business books and records, access and insight into the data in their electronically maintained business books and records, access and insight into the software and hardware equipment, as well as the database used within the system for electronically maintaining business books and records (Article 37a, paragraph 1);

2b) If they do not file the tax return in electronic form (Article 38, paragraph

6); 2c) deleted ("Official Gazette of RS", number 68/14);

3) If they state inaccurate data in an individual tax return (Article 41);

3a) If they do not issue a certificate to the person for whom they have paid the withholding tax by no later than 31 January of the year following the year in which the tax was paid, which contains information about the paid withholding tax (Article 41, paragraph 11);

4) If, upon the request of the Tax Administration, they do not provide, or do not provide at the designated place for audit and verification, business books and records, business documentation, and other documents (Article 25, point 3 and Article 44);

5) If they do not allow an audit to be conducted on goods, premises, or land, or to pass through or over them for the purpose of audit (Articles 49 and 50);

6) If they obstruct the implementation of enforced collection, or if they do not leave the location where the enforced collection is being conducted and continue to obstruct it, or if they refuse to make the goods they possess available for the purposes of conducting enforced collection (Article 89, paragraph 7 and Article 90, paragraph 3);

6a) If they do not act according to the order from the decision under Article 96a, paragraph 2 of this law, or if they do not inform the Tax Administration, or the tax authority of the competent local self-government unit about changes that may affect the execution of the decision from Article 96a, paragraph 2 within the prescribed period (Article 96a, paragraphs 3 and 4);

7) If, upon the request of tax enforcement officers, they do not hand over the taxpayer's property located with them, and do not pay the tax liability of the taxpayer instead of handing over the property (Article 103, paragraph 1);

8) If they prevent a tax auditor, or a tax enforcement officer from entering the land and premises where they conduct activities, and with court approval, into a residence for the purpose of undergoing control, or conducting enforced collection (Article 25, point 7 and Article 125, paragraph 5);

9) If an employee at their premises obstructs an authorized official of the Tax Administration - a tax auditor from temporarily sealing a business or storage space during a tax audit, from conducting enforced collection, or another legally established duty (Article 126, paragraph 2);

10) If, upon the request of the Tax Administration, or a tax auditor, they do not submit documentation, or do not provide information and notifications, or do not give statements that are influential in determining the factual situation crucial for taxation (Article 25, point 3 and Article 127, paragraph 1);

11) If they do not allow a tax auditor during a tax audit to inspect the state of goods, or business books, records, and other documentation or documents, or if an individual designated by them or an employee or another person does not do so on their behalf (Article 127, paragraphs 2, 3, and 7);

12) If an employee at their premises prevents a tax auditor from implementing the measure of confiscation of goods or documentation during a tax audit (Article 130);

13) If they alienate goods for which the tax auditor has issued a temporary prohibition of alienation (Article 132, paragraph 3, point 5);

14) If they do not act upon the request of the Tax Police in the process of collecting information (Article 135, paragraph 3).

The responsible person in a legal entity will be fined from 10,000 to 100,000 dinars for

the misdemeanor described in paragraph 1 of this Article.

For the misdemeanor from paragraph 1 of this Article, the sole proprietor will be fined from 50,000 to 500,000 dinars.

A legal entity will be fined from 100,000 to 1,000,000 dinars for the misdemeanor if it:

1) fails to notify, or does not notify within the prescribed period, the Tax Administration about the person who, as a non-resident, has authorized to perform tasks related to tax liabilities (Article 14, paragraph 2);

2) fails to notify, or does not notify within the prescribed period, the Tax Administration about opening or closing an account at a bank in the Autonomous Province of Kosovo and Metohija or abroad (Article 25, point 8);

3) does not provide, upon request from the Tax Administration, a data extract on the medium specified by the Tax Administration, or if it does not allow the Tax Administration full access to the accounting system through documentation, and when necessary, through access to hardware and software (Article 37, paragraph 6);

4) does not respond to the Tax Administration's request for clarification, or does not provide available information and data important for undertaking activities within the jurisdiction of the Tax Administration (Article 45 and Article 47, paragraph 2);

5) fails to comply with the decision on enforced collection from non-monetary claims of the taxpayer and does not hand over to the Tax Administration the items owed to the taxpayer (Article 97, paragraph 2);

6) fails to deliver, or does not deliver within the prescribed period, data on the securities of the taxpayer that it holds, with an estimate of their value, or if it does not sell these securities within the prescribed period or does not sell them under the best market conditions, or if the proceeds, after deducting the prescribed commission and costs, are not paid into the account of the Tax Administration (Article 98, paragraphs 3-5);

7) fails to preserve in an unchanged condition until the end of the dispute the item covered by the exclusion lawsuit left in its custody (Article 102, paragraph 4);

8) fails to execute, or does not execute within the prescribed period, the decision on enforced collection on wages and other regular monetary income of the taxpayer, or if it does not execute the decision on the collection of the tax debt of the obligor from its own funds in accordance with the law (Article 189, paragraphs 8 and 9).

The responsible person in a legal entity will be fined from 10,000 to 50,000 dinars for the misdemeanor from paragraph 4 of this Article.

For the misdemeanor from paragraph 4 of this Article, the sole proprietor will be fined from
25,000 to 250,000 dinars.

A legal entity will be fined from 100,000 to 500,000 dinars for the misdemeanor if it:

1) fails to report all subsequent changes in the registration application data, including information about all business premises and rooms where goods are stored or activities are conducted, to the Tax Administration, unless these data have already been submitted to the Tax Administration in accordance with this law and other regulations (Article 25, paragraph 1, point 1);

2) fails to enter its Tax Identification Number (TIN) when filing a tax return or other prescribed act at the prescribed place (Article 26, paragraph 12);

3) fails to enter the TIN of the tax advisor in the tax return, or submits it unsigned by that person, if that person prepared the return or part of it (Article 38, paragraph 4).

4) fails to comply with the order of the Tax Administration to participate in the tax audit procedure or to provide the requested explanations (Article 25, item 9);

5) fails to provide an appropriate workplace for tax auditors during the tax audit procedure (Article 125, paragraphs 2 and 3);

6) is not present during the tax audit, or refuses to participate in the tax audit

procedure, in accordance with this law (Article 25, item 9 and Article 127);

For the misdemeanor under paragraph 7 of this Article, the responsible person in a legal entity shall be fined from 10,000 to 20,000 dinars.

For the misdemeanor under paragraph 7 of this Article, the sole proprietor shall be fined from 15,000 to 150,000 dinars.

A fine ranging from 100,000 to 2,000,000 dinars shall be imposed for the misdemeanor committed by an authority, organization, or other entity responsible for registration in the prescribed register of entities engaged in activities if it deletes an entity without proof of termination of tax liabilities, or deletion from the records prescribed by the tax law issued by the Tax Administration, or the tax authority of the competent local government unit, except for entities under Article 29, paragraph 8 of this law, for liabilities based on contributions for pension and disability insurance if they have acquired the right to a pension in accordance with the provisions of the law governing pension and disability insurance (Article 29, paragraph 4).

A fine ranging from 100,000 to 2,000,000 dinars shall be imposed for the misdemeanor committed by the Business Registers Agency if it deletes a legal entity or sole proprietor from the prescribed register, registers status changes, or makes changes to data related to the founder or member, name, headquarters, capital, and form of organization, interruption, or other changes in data related to the sole proprietor's activities, from the time of receiving notification from the Tax Administration that a tax audit will be conducted on the legal entity or sole proprietor, until notification that the tax audit has been completed, as well as in the period from receiving notification that the legal entity or sole proprietor's Tax Identification Number has been temporarily revoked, until notification that it has been reinstated (Article 29, paragraph 6).

A fine ranging from 100,000 to 2,000,000 dinars shall be imposed for the misdemeanor committed by the Business Registers Agency if it registers the acquisition of shares or stakes in business entities, or the establishment of new business entities, in cases where a legal entity or sole proprietor under a measure from Article 29, paragraph 9 of this law is registered as a founder (Article 29, paragraph 7).

A fine ranging from 100,000 to 2,000,000 dinars shall be imposed for the misdemeanor committed by a bank that allows the payment of salaries, salary compensations, and other personal incomes subject to withholding tax, if the order directing the bank to make these payments, as well as the payment of withholding tax, does not contain the reference number for the approval of the total obligation under this basis assigned by the Tax Administration in the manner prescribed by Article 41 of this law, except for the payment of interest on savings deposits to its depositors (Article 30a).

A fine ranging from 100,000 to 2,000,000 dinars will be imposed on a bank that fails to provide the Tax Administration with electronic data on executed payment orders for disbursement, or transfer orders post-disbursement by income payers and payment codes by the 5th of the month for the previous month, or on funds deposited into foreign currency accounts of individuals within 30 days of the deposit date, or on deposits into the tax income account of individuals based on income from independent activities within 15 days after the end of the calendar month, or data on the status and transactions of current accounts and savings deposits of taxpayers - legal entities, sole proprietors, and individuals, deposits of taxpayers - legal entities, or on the numbers of current accounts and savings deposits of taxpayers - individuals and the names of the banks managing them, upon request of the Tax Administration (Article 30b, paragraphs 1 and 2).

A fine ranging from 100,000 to 2,000,000 dinars will be imposed on a bank that fails to provide available information and data important for undertaking activities under the competence of the Tax Administration upon its request (Article 45, paragraph 1).

A fine ranging from 100,000 to 2,000,000 dinars will be imposed on a bank that, under an interim measure prohibiting the transfer of funds through the account of a taxpayer, fails to transfer from the taxpayer’s account, up to the amount of available funds, to the designated

public revenue payment account based on a tax decision.

A fine ranging from 100,000 to 2,000,000 dinars will be imposed on a bank if it fails to transfer taxes and secondary tax levies from the account of a taxpayer, registered in the blocked accounts registry maintained by the competent organization, to the prescribed public revenue payment account, in accordance with the tax decision (Article 66, paragraph 6).

A fine ranging from 100,000 to 2,000,000 dinars will be imposed on a bank if it fails to enforce the collection of funds from a taxpayer in accordance with the law, or if it fails to execute a debt collection decision from the funds of that bank in accordance with the law, or if it fails to suspend the fulfillment of financial liabilities that the taxpayer has towards third parties based on a contract of change of creditors or debtors in a specific contractual relationship (assignment, cession, etc.), based on offsetting (compensation) and other bases in accordance with the law (Article 95, paragraphs 2 and 3, and Article 95, paragraph 9).

A fine ranging from 100,000 to 2,000,000 dinars will be imposed on a bank that maintains a current account or savings deposit, if it fails to act according to the Tax Administration's decision on the transfer of taxes and secondary tax levies to the appropriate public revenue payment accounts (Article 96a, paragraphs 7 and 8, and Article 98a, paragraphs 2 and 3).

The provisions of paragraphs 1 and 2, paragraphs 4 and 5, paragraphs 7 and 8 of this Article are correspondingly applicable to a fund management company and responsible persons within that company, in relation to the company's management actions on behalf of and for the account of the fund as per Article 15, paragraphs 3 and 4 of this law.

Tax Misdemeanors of Taxpayers - Individuals

Article 180

A fine ranging from 5,000 to 150,000 dinars will be imposed on an individual, who is not a sole proprietor, if:

1) fails to notify, or does not notify within the prescribed period, the Tax Administration about the person who, as a non-resident, has authorized to perform tasks related to tax obligations (Article 14, paragraph 2);

2) deleted ("Official Gazette of RS", No. 68/14)

3) obstructs or prevents an authorized official of the Tax Administration from performing legally established duties in the tax procedure (Article 25, item 7).

4) fails to notify, or does not notify within the prescribed period, the Tax Administration about opening or closing an account at a bank in the Autonomous Province of Kosovo and Metohija or abroad (Article 25, point 8);

5) fails to enter its Tax Identification Number (TIN) when filing a tax return or other prescribed act at the prescribed place (Article 26, paragraph 12);

6) If a taxpayer fails to file a tax return, or submits an unsigned return, or enters inaccurate information in the return and does not correct it within the prescribed period, or submits it without the necessary documentation and evidence crucial for assessing the tax (Article 25, point 2; Article 38, paragraphs 2 and 3; Article 40, paragraph 1; and Article 41);

7) upon request of the Tax Administration, fails to provide or fails to provide at the designated place for audit and verification documents important for taxation (Article 44);

8) fails, upon request of the Tax Administration, to respond to a summons for clarification, or fails to provide information necessary to establish the factual situation important for taxation (Article 45 and Article 47, paragraph 2);

9) if they do not allow an audit to be conducted on goods, premises, or land, or to pass through or over them for the purpose of audit (Articles 49 and 50);

10) obstructs the enforcement of enforced collection, or if they do not leave the location where the enforced collection is being conducted and continue to obstruct it, or if they refuse to make items they possess available for the purposes of conducting enforced collection

(Article 89, paragraph 7 [5] and Article 90, paragraph 3);

11) fails to comply with the decision on enforced collection from non-monetary claims of the taxpayer and does not hand over to the Tax Administration the items owed to the taxpayer (Article 97, paragraph 2);

12) fails to preserve in an unchanged condition until the end of the dispute the item covered by the exclusion lawsuit left in its custody (Article 102, paragraph 4);

13) if, upon the request of tax enforcement officers, they do not hand over the taxpayer's property located with them, and do not pay the tax liability of the taxpayer instead of handing over the property (Article 103, paragraph 1);

14) fails to comply with the order of the Tax Administration to participate in the tax audit process or to provide requested explanations (Article 25, point 9);

15) fails to provide an appropriate workplace for tax auditors during the tax audit procedure (Article 125, paragraphs 2 and 3);

16) does not allow a tax auditor to enter the land and premises where they conduct business, and with court approval, into a residence, for the purpose of undergoing audit (Article 125, paragraph 5);

17) is not present during the tax audit, or refuses to participate in the tax audit process, in accordance with this law (Article 25, point 9 and Article 127);

18) upon request of the Tax Administration, or the tax auditor, fails to submit documentation or fails to provide information and notifications, or fails to give statements influencing the determination of the factual situation crucial for taxation (Article 25, point 3 and Article 127, paragraph 1);

19) does not allow a tax auditor in the tax audit process to inspect the condition of goods, or the documentation or documents, and does not appoint a person to do so on their behalf (Article 127, paragraphs 2 and 3);

20) prevents a tax auditor from carrying out the measure of confiscation of goods or confiscation of documentation during the tax audit (Article 130);

21) If they do not act upon the request of the Tax Police in the process of collecting information (Article 135, paragraph 3).

A taxpayer referred to in paragraph 1 of this Article who fails to make a payment of the tax assessed in the tax return, or by a decision of the Tax Administration (Article 25, point 6);

1) in an amount up to 50,000 dinars, shall be penalized for a misdemeanor with a fine of 10,000 dinars;

2) in an amount from 50,000 to 200,000 dinars, shall be penalized for a misdemeanor with a fine of 20,000 dinars;

3) in an amount from 200,000 to 1,000,000 dinars, shall be penalized for a misdemeanor with a fine of 40,000 dinars;

4) in an amount over 1,000,000 dinars, shall be penalized for a misdemeanor with a fine of
50,000 dinars.

A taxpayer referred to in paragraph 1 of this Article who files a tax return late shall be penalized for a misdemeanor with a fine of 10,000 dinars.

The application of the provisions of this Article cannot result in a fine exceeding the maximum amount or less than the minimum amount of the fine prescribed by the law governing misdemeanors.

Failure to File an Informative Tax Return

Article 180a

A taxpayer - an individual who fails to submit an informative tax return to the Tax Administration or fails to declare all their property in it, shall be penalized for a misdemeanor

with a fine amounting to 3% of the market value of the undeclared property.

Article 180b

A taxpayer - a legal entity that conducts the sale of goods or services in the Republic of Serbia in accordance with tax law, and does not have a registered office or permanent establishment in the Republic of Serbia, or has a permanent establishment but conducts the sale of goods or services outside its permanent establishment, shall be penalized for a misdemeanor with a fine ranging from 100,000 to 2,000,000 dinars if it fails to appoint a tax representative and register for tax payment liabilities in accordance with tax law.

A taxpayer - an individual who conducts the sale of goods in the Republic of Serbia, In accordance with the tax law, if a service is provided by a person who does not have residence or domicile in the Republic of Serbia, they shall be penalized with a fine of 50,000 dinars for the misdemeanor of failing to appoint a tax representative and failing to register for tax liability as required by the tax law.

Tax Misdemeanors of Tax Intermediaries and Other Tax Debtors

Article 181

A fine ranging from 10,000 to 100,000 dinars shall be imposed as a penalty for the misdemeanor committed by the responsible party in:

1) a court, a local self-government authority, the bar association, professional association, or any other competent body or organization responsible for registration, if the Tax Administration is not provided, or is not provided within the prescribed period, with the required notification or data (Article 29, paragraph 2, and Article 184)

1a) deleted (Official Gazette of RS, No. 94/24)

2) deleted (Official Gazette of RS, No. 94/24)

2a) in a bank, if they do not suspend the execution of the taxpayer's order for the transfer of funds from the taxpayer's account from the moment of receipt of the decision on the revocation of the VAT identification number (Article 26, paragraphs 8 and 14).

2b) a bank, if it fails to suspend the settlement of a taxpayer’s cash liabilities to third parties under contracts on the substitution of creditors or debtors in a given contractual relationship (assignation, cession, etc.), arising from offsets or on other bases in accordance with law (Article 87a);

2c) an enforcement agency, if it fails to calculate interest in the manner laid down by this Law, from the date of the issuance of a decision to the date of transfer of the entire amount of taxes and secondary tax duties, and if it fails to transfer the amount of the calculated interest to relevant public revenue accounts (Article 95, paragraph (2));

2d) the authority, organization or other person responsible for registration in the relevant register of persons conducting business activity, if they deregister a person without proof of termination of tax obligations, or deletion from the records prescribed by tax law, issued by the competent tax authority, except for persons referred to in Article 29, paragraph (8) of this Law for obligations related to pension and disability insurance contributions, if they have acquired the right to retire under the provisions of the law governing pension and disability insurance (Article 29, paragraph (7));

2e) the Business Registers Agency, if it deregisters a business entity from the prescribed register, registers status changes and modify data pertaining to a founder or a member, name, seat, contribution and organization form in the period from receiving a notification from the Tax Administration stating that a business entity is to be audited until receiving a notification that the tax audit has been completed, as well as in the period from receiving a notification that a business entity's TIN has been suspended under this Law, until receiving a notification that such entity's TIN has been reassigned (Article 29, paragraph 6)); In accordance with this law, the sole proprietor shall have their VAT number temporarily revoked until notification is received that the VAT number has been reinstated to that entity (Article 29, paragraph 6).

2f) the Business Registers Agency if it registers the acquisition of shares or stakes in

business entities, or the establishment of new business entities, in cases where a legal entity or sole proprietor under a measure established by Article 29, paragraph 9 of this law is registered as the founder (Article 29, paragraph 7);

3) a bank, if it opens an account for a legal entity, sole proprietor, individual, or fund without submitted proof of registration (Article 30, paragraph 1);

3a) a bank that allows the payment of salaries, salary compensations, and other personal incomes subject to withholding tax, if the order directing the bank to make these payments, as well as the payment of the withholding tax, does not contain a reference number for the approval of payment for the total obligation assigned by the Tax Administration in the manner described in Article 41 of this law, except for the payment of interest on savings deposits to its depositors (Article 30a);

3b) a bank that does not provide the Tax Administration with electronic data on executed payment orders for disbursement, or orders for transfer upon income payers and payment codes by the 5th of the month for the previous month, or about funds deposited into foreign currency accounts of individuals within 30 days from the date of deposit, or about payments to the income tax account of citizens based on income from independent activities within 15 days after the end of the calendar month, or data on the status and transactions on current accounts and savings deposits of tax debtors - legal entities, sole proprietors, and individuals, deposits of tax debtors - legal entities, or about the numbers of current accounts and savings deposits of tax debtors - individuals and the name of banks managing them, upon request of the Tax Administration (Article 30b paragraphs 1 and 2);

3c) a bank, state authority, and organization, authority of territorial autonomy and local self-government if it does not provide available information, as well as data significant for undertaking activities within the competence of the Tax Administration upon its request (Article 45, paragraph 1);

4) the Tax Administration, or at the bank, if it does not perform, or does not perform within the prescribed period, or with the corresponding interest, the reimbursement of overpayment, or tax rebate, or tax refund, or transfer (Article 65, paragraph 4);

4a) to a bank that does not transfer from the account of a tax debtor, up to the amount of available funds on that account, to the prescribed revenue account, tax and secondary tax levies, for which a interim measure prohibiting the transfer of funds through the account of the tax debtor is established and recorded in the register of blocked accounts managed by the competent organization, based on the tax decision (Article 66, paragraph 6);

5) deleted ("Official Gazette of RS", No. 61/07)

6) the authority responsible for managing the registry of movable property liens, real property registry, or blocked accounts registry, if it does not register the lien right of the tax creditor within the prescribed period (Article 87, paragraph 5 and Article 188, paragraphs 1 and 4);

7) the authority responsible for managing the real property registry, if it does not provide, or does not provide within the prescribed period, the Tax Administration with the requested extract from the public books on real property owned by the tax debtor and the report on whether another creditor's mortgage is registered (Article 90, paragraph 2);

8) a bank, if it does not carry out the enforced collection from the funds of the tax debtor in accordance with the law, or if it does not execute the decision on the collection of the tax debt of the debtor from the funds of that bank in accordance with the law (Article 95, paragraphs 2 and 3).

8a) a bank where the current account is held, if it does not comply with the decision of the Tax Administration regarding the transfer of taxes and secondary tax levies to the appropriate public revenue payment accounts (Article 96a, paragraphs 7 and 8);

9) a bank or other legal entity holding securities of the taxpayer, if it fails to provide the Tax Administration with information about these securities along with an estimate of their value within the prescribed period, or if it fails to sell these securities within the prescribed

period or does not sell them under the best market conditions, or if it does not deposit the proceeds after deducting the prescribed commission and costs into the account of the Tax Administration (Article 98, paragraphs 3-5);

9a) a bank where the savings deposit is held, if it does not act according to the decision of the Tax Administration on the transfer of taxes and secondary tax levies to the appropriate public revenue payment accounts (Article 98a, paragraphs 2 and 3);

10) a bank, if it does not comply with the decision of the Tax Administration on prohibiting the disposal of funds in the taxpayer's account (Article 132, paragraph 3, item 1);

11) a government authority and organization, authority of territorial autonomy and local self-government, if it fails to provide the Tax Administration with facts learned while performing duties within its jurisdiction, which indicate the possibility that the tax obligation has not been fulfilled (Article 158);

11a) deleted ("Official Gazette of RS", No. 30/18);

11b) a government authority and organization, if upon request of the local self-government unit, it fails to provide within 30 days from the date of receipt of the request, data it possesses while performing duties from its scope, which are significant for determining the own source revenues of the local self-government unit, or if it charges a fee or other cost for these data to the local self-government unit (Article 159b);

12) a bank, if it does not suspend, or does not suspend within the prescribed period, all transactions through the accounts of legal entities, sole proprietors, or individuals who have not provided proof of completed registration (Article 185, paragraph 2);

13) a bank, if it does not act according to the decision on enforced collection from the monetary claims of the taxpayer and does not transfer funds from the account of his debtor to the prescribed public revenue payment account, or if it does not execute the decision on enforced collection of the owed amount directly from the funds of that bank in accordance with the law (Article 189);

14) the authority responsible for the registration of immovable and movable properties in state ownership if it does not take possession within the prescribed period of immovable and movable properties transferred to the ownership of the Republic (Article 104, paragraph 19, and Article 110, paragraph 11);

Article 181a;
Official Gazette of the Republic of Serbia, No. 30/18

Article 181b;
Deleted ("Official Gazette of RS", No. 95/18);

Misdemeanors by Responsible Officers in the Tax Administration

Article 182

A fine ranging from 10,000 to 100,000 dinars will be imposed on a responsible person in the organizational unit of the Tax Administration if:

1) they deny a taxpayer free information about tax regulations or basic legal assistance, if the taxpayer is uneducated (Article 24, paragraph 1, item 1);

2) they deny a taxpayer access to data on the assessment and collection of taxes that are maintained by the Tax Administration about them, or, upon the taxpayer's request, do not amend incomplete or inaccurate data about the taxpayer (Article 24, paragraph 1, item 6);

A fine as stated in paragraph 1 of this Article will be imposed on an officer of the Tax Administration if:

1) if in the tax procedure one does not treat the taxpayer with respect and consideration (Article 24, paragraph 1, item 3);

2) prevents the taxpayer from being present during the tax audit, in accordance with this law (Article 24, paragraph 1, item 10).

Article 182a

If a taxpayer commits the same misdemeanor as stipulated in Article 177, paragraphs 1, 2, 3, 4, and 6 of this law within two years from the date of the final conviction for the misdemeanor, in addition to a fine, a protective measure of a ban on performing certain activities may be imposed for a period ranging from six months to three years.

As the responsible person within the taxpayer - a legal entity referred to in paragraph 1 of this Article, within two years from the date of the final conviction for the misdemeanor under Article 177, paragraphs 1, 2, 3, 4, and 6 of this law, in addition to a fine, a ban may also be imposed on the responsible person from performing certain duties for a period ranging from six months to three years.

Article 182b

Against individuals who commit an act or omission related to tax, the assessment of which is conducted by the taxpayer themselves and are considered tax offenses under Article 177, Article 179, paragraph 1, items 2b) and 3) and paragraph 3 in connection with paragraph 1, item 3) of that Article, as well as Article 180, paragraph 1, items 5) and 6) and paragraph 3 of this law, a request to initiate misdemeanor proceedings will not be filed if the individual, before any action is taken by the tax authority regarding the committed act or omission, or before the commencement of tax audit or the filing of a request to initiate misdemeanor proceedings, voluntarily reports the committed act or omission and simultaneously pays the outstanding tax amount increased by the calculated interest as per Article 75 of this law.

Against individuals who commit an act or omission as described in paragraph 1 of this Article, in relation to the tax determined by decision, a request to initiate misdemeanor proceedings shall not be filed if the individual, before any action is taken by the tax authority concerning the committed act or omission, or before the commencement of tax audit or the submission of a request to initiate misdemeanor proceedings, voluntarily reports the committed act or omission, and pays the determined tax amount within the prescribed period.

Part Eight

TRANSITIONAL AND FINAL PROVISIONS

Registration of Taxpayers

Article 183.

The Tax Administration shall register taxpayers within one year from the onset of implementation of this law.

Submission of the Registration Data to the Tax Administration

Article 184

The court, body, or organization referred to in Article 29, paragraphs 1-3 of this law are required, in accordance with the provision of Article 29, paragraph 5 of this law, to submit to the Tax Administration data on individuals registered in the registry, or other data relevant for the determination of taxes, with the status as of the date of the commencement of this law.

Obligations of the Bank Concerning Account Holders

Article 185

A bank is required to demand from a legal entity, sole proprietor, and individual, who has an account opened with it on the day this law comes into effect, to provide proof of completed registration within 15 days from the date of VAT identification number assignment.

If a legal entity, sole proprietor, or individual referred to in paragraph 1 of this Article fails to provide proof of completed registration within the period specified in paragraph 1, the bank is obligated to suspend all transactions through their accounts the day after the expiry of that period and to immediately notify the Tax Administration.

If on the day of the onset of this law's implementation, the taxpayer's account is blocked due to matured but unpaid taxes and secondary tax levies, the blockage shall be transferred to all accounts held by the taxpayer in accordance with the Law on Payment Transactions referred to in Article 69, paragraph 2 of this law.

Asset Registration Application

Article 186

A taxpayer, being an individual or sole proprietor, is obligated to submit to the Tax Administration a declaration for registration of their total assets in the country and abroad within a period of ten months from the onset of this law's implementation, should the value thereof exceed twenty million dinars.

The assets, as referred to in paragraph 1 of this Article, comprise:

1) immovable property (apartment, house, commercial building and premises, garage, land, etc.)
2) shares or interests in a legal entity
3) equipment for conducting independent activities
4) motor vehicles, watercraft, and aircraft.
5) deleted (Official Gazette of RS, No. 70/03)
6) savings deposits and cash holdings
7) other property rights

In the asset registration application, information about the properties of related entities is also entered. The taxpayer, an individual and sole proprietor, whose assets are referred to in paragraphs 1 and 2 of this Article
exceed 10,000,000 dinars but do not exceed 20,000,000 dinars may file an application for asset registration.

In accordance with Article 60, paragraph 2 of this law, the Tax Administration may assess the value of the assets declared in the asset registration application and issue an assessment decision to the taxpayer.

The application for asset registration is used exclusively for conducting a cross-assessment of the tax base as stipulated in Article 59 of this law.

Cross-assessment shall be applied to the difference between the value of the assets assessed in the tax audit and the estimated or declared value of the assets as described in paragraph 5 of this Article.

If the taxpayer referred to in paragraph 1 of this Article fails to submit an asset registration declaration, a cross-assessment shall be applied to their entire estate.

The form and content of the asset registration application are prescribed by the minister.

The Tax Administration will determine a single tax base through cross-assessment for the period from 1 January 2003 to 31 December 2005, for individuals and sole proprietors mentioned in this Article.

The single tax base referred to in paragraph 10 of this Article is determined as the difference between the value of the assets on 31 December 2005, and 1 January 2003, reduced by the amount of declared income and the value of assets acquired through inheritance, gift, or another lawful non-onerous manner, for which the taxpayer or another person asserts and provides appropriate material evidence.

The value of the property as of 1 January 2003 constitutes the aggregate of the total value of the assets referred to in Article 59, paragraph 3 of this law, as of 1 January 2003.

The value of the assets as of 31 December 2005 constitutes the aggregate value of the assets referred to in Article 59, paragraph 3 of this law as of 31 December 2005, increased by the value of assets that were acquired with encumbrances and alienated with or without encumbrances during the period from 1 January 2003 to 31 December 2005.

Article 186a

The Tax Administration will determine a single tax base through cross-assessment for the period from 1 January 2003 to 31 December 2005, for individuals and sole proprietors whose total asset value as of 31 December 2005 exceeds
20,000,000 dinars, in accordance with Article 59 and Article 186, paragraphs 11-13 of this law.

Republic of Serbia' Lien Pending the Start of Operation of the Pledge Register

Article 187

The enforced collection of taxes and secondary tax levies shall have priority over other liabilities of the taxpayer and claims of other persons until the start of operation of the pledge registry in accordance with the law governing lien on movable properties registered in the registry.

Until the commencement of operation of the pledge registry operations as stated in paragraph 1 of this Article, the lien of the Republic on real property, funds in the taxpayer's account, movable assets, and claims of the taxpayer, shall be established on the date of registration in the real property registry, or blocked accounts, on movable assets - by inventory, and on claims of the taxpayer by delivering the decision from Article 92, paragraph 2 of this law to the debtor of the taxpayer.

An inventoried movable assets on which the lien of the Republic is established shall be seized at the moment of inventory.

Exceptionally, an inventoried movable assets as stated in paragraph 3 of this Article may be left in the custody of the taxpayer until the day of sale, if the requirements of economic efficiency of the enforced collection procedure so dictate.

Transitional Regime for Establishing the Republic of Serbia's Liens

Article 188

Liens on movable assets and claims of the taxpayer established until the commencement of the pledge registry operations in accordance with the law governing the lien on movable assets registered in the registry, in accordance with Article 187, paragraph
2 of this law, shall be registered in the appropriate pledge registry with priority, on the first day of the commencement of that registry's operations.

The Tax Administration is obliged to, in order to achieve the priority pledge right, submit a request for registration of the pledge rights from paragraph 1 of this Article to the appropriate registry within 15 days from the commencement of the pledge registry operations.

One year from the commencement of the pledge registry operations, the Republic shall have a priority right to satisfaction from the monetary funds in the taxpayer's account at banks or other financial organizations, without registration of the pledge right in the appropriate pledge registry.

The liens of the Republic from paragraph 3 of this Article established in accordance with Article 187, paragraph 2 of this law, shall be registered with priority in the appropriate pledge registry, on the first day after the expiry of one year from the commencement of the pledge registry operations.

Transitional Regime of Enforced Collection from Monetary Claims

Article 189

Until 31 December 200, the liens of the Republic on the monetary claims of the taxpayer shall be established on the day of delivering the decision from Article 92, paragraph 2 of this law to the debtor of the taxpayer.

The enforced collection of taxes and secondary tax levies from monetary claims may be executed when the Tax Administration, in the procedure, determines that such a claim is undisputed and has become due for collection.

By the decision on enforced collection of taxes from monetary claims, the claim from paragraph 1 of this Article shall be seized and the debtor of the taxpayer is instructed to pay his debt from that claim into the appropriate public revenue payment account, up to the amount that the taxpayer owes based on taxes and secondary tax levies.

The debtor of the taxpayer may file an objection within three days from the day the decision is delivered, as per Article 3 of this section.

The debtor of the taxpayer is obliged to make the payment of the seized claim within three days after the objection period expires, or from the day of receiving the decision on the objection if the objection is not upheld, as stated in Article 3 of this section.

If the debtor of the taxpayer fails to act as prescribed in Article 5 of this section, enforced collection will be carried out from the funds in their account, in accordance with the provisions of Article 95 of this law.

If the claim of the taxpayer towards their debtor is not due, the Tax Administration orders the payment in terms of Article 3 of this section, upon the maturity of the claim.

Enforced collection from the wages and other regular monetary income of the taxpayer is carried out based on the decision from Article 92, paragraph 2 of this law, which imposes a restriction on a certain part of these incomes and orders the payer to transfer the owed amount of tax and secondary tax levies, starting from the first payment, to the appropriate public revenue account.

If the payer does not comply with the decision from paragraph 8 of this section, the collection of the owed amount of tax and secondary tax levies is carried out directly from the funds available in the payer's account, in accordance with the provisions of Article 95 of this law.

Transitional Regime of Enforced Collection from Non-monetary Claims

Article 190

Until 31 December 2003, the Republic's lien on the non-monetary claims of the taxpayer is established on the date of service on a taxpayer's debtor of the decision referred to in Article 92, paragraph (2) of this Law.

Enforced collection of taxes and secondary tax levies can be executed from the non-monetary claim of the taxpayer when the Tax Administration, in the procedure, determines that this claim is undisputed and has matured for collection.

By the decision on enforced collection from Article 92, paragraph 2 of this law, a prohibition is placed on the non-monetary claim of the taxpayer and orders their debtor to hand over the owed items to the Tax Administration, which will inventory, appraise, seize, and sell them in accordance with the provisions of Article 89 and Articles 99-104 of this law.

If the seized claim relates to the delivery of real estate, enforced collection is conducted in accordance with the provisions of Articles 105-111 of this law.

Taking Over Employees, Appointed Persons, Cases, Archives, Equipment, and Operating

Resources of the Republic Public Revenue Administration

Article 191.

From the day this law comes into effect, the Ministry of Finance and Economy will take over the employees and appointed persons of the Republic Public Revenue Administration, as well as cases, archives, equipment, and operating resources.

Repealing Provisions of Specific Laws

Article 192

From the day this law comes into effect, the following shall cease to be valid:

1) Law on Audit, Assessment, and Collection of Public Revenue ("Official Gazette of RS", No. 76/91, 20/93, 37/93, 39/93, 53/93, 67/93, 45/94, 52/96, 42/98, 18/99, 33/99, 52/2000, and 34/2001);

2) Articles 125g, 136, and 138-144 of the Law on Pension and Disability Insurance ("Official Gazette of RS", No. 52/96, 46/98, and 29/2001).

3) Articles 108s and 108ć-108č of the Health Insurance Law (Official Gazette of RS, Nos. 18/92, 26/93, 53/93, 67/93, 48/94, 25/96, 46/98, 54/99, 29/2001, and 18/2002)

4) Articles 27j, 27j-1, 27k, and 27lj-27r of the Law on Employment and the Exercise of Rights of Unemployed Persons (Official Gazette of RS, Nos. 22/92, 73/92, 82/92, 56/93, 67/93, 34/94, 52/96, 46/98, and 29/2001)

5) Article 90, Article 108, paragraph 1, Article 117, paragraph 2, Articles 120-156 and 163-165, Article 166.

Article 167, paragraph 1, points 13) and 14), Article 168, paragraph 1, points 4)-6), Article 169. Article 170, points 1) and 3), and Article 172 of the Law on Personal Income Tax (Official Gazette of RS, number 24/2001)

6) Articles 72, 73, 77-110, and 114 of the Corporate Income Tax Law (Official Gazette of RS, number 25/2001)

7) Articles 27, 28, 35, 36, 38, and 46 of the Excise Law (Official Gazette of RS, Nos. 22/2001 and 73/2001)

8) Articles 29-31, 40, 41, 43, and 55 of the Law on Sales Tax (Official Gazette of the RS, Nos. 22/2001 and 73/2001)

9) Article 41 of the Property Tax Law (Official Gazette of RS, No. 26/2001)

10) In Article 53, paragraph 1, item 3) and Article 54 of the Law on Conditions for Conducting Trade of Goods, Provision of Services in Trade, and Inspection Supervision (Official Gazette of RS, Nos. 39/96, 20/97, 46/98, and 34/2001), the section that regulates monetary fines for the misdemeanor under Article 7a and Article 53, paragraph 1, item 3) of this law;

11) Article 23, item 2) and Article 25 of the Law on Ministries (Official Gazette of RS, No. 27/2002)

12) In Article 139, paragraph 1, item 3 of the Criminal Code of the Republic of Serbia (Official Gazette of SRS, Nos. 26/77, 28/77, 43/77, 20/79, 24/84, 39/86, 51/87, 6/89, 42/89, and 21/90)

Official Gazette of RS, Nos. 16/90, 26/91, 75/91, 9/92, 49/92, 51/92, 23/93, 67/93, 47/94, 17/95, 44/98, 10/2002, and 11/2002, section prescribing penalties for the crime of abuse of authority in the economy by a responsible person in a company or other organization engaged in economic activity, who, in connection with the fulfillment of tax liabilities or in relation to the payment of other dues, withholds funds that constitute public revenue, and Article 154 of that law.

Entry into Force of the Law

Article 193

This law shall enter into force on the eighth day following its publication in the Official Gazette of the Republic of Serbia and come into effect as of 1 January 2003.

PROVISIONS NOT INCORPORATED INTO THE CONSOLIDATED TEXT

Law on Amendments and Supplements to the Law on Tax Procedure and Tax Administration (Official Gazette of RS, No. 61/07)

Article 60

The Tax Administration shall continue to use the immovable assets owned by the Republic of Serbia and made available for use to local government units, which are actually used by the Tax Administration, pending the adoption of regulations on assets owned by local government units, except for immovable property referred to in Article 61 of the Law on Financing of Local Self-Government (Official Gazette of RS, No. 62/06).

Article 61

The provisions of Article 2 of this law, in accordance with Article 60 of the Law on Local Self-Government Finance (Official Gazette of RS, No. 62/06), shall apply as of 1 January 2007.

Procedures for assessing, collecting and auditing taxes and secondary tax duties collected by local government units under the provisions of the law referred to in paragraph (1) of this Article, which were instituted by the Tax Administration, but not concluded by the issuance of a final and binding decision before 1 January 2007, shall be concluded by the competent body of a local government unit.

Article 62

The provisions of Article 47 of this Law, in the part related to the competence of the Tax Administration for conducting the second-instance tax misdemeanor procedure, shall cease to be valid on the date when the second-instance misdemeanor court begins to operate in accordance with the Law on Misdemeanors (Official Gazette of RS, No. 101/05).

Article 63

The regulations from Articles 10 and 46 of this law shall be enacted within six months from the date this law comes into effect.

Article 64

The Tax Administration shall also have jurisdiction over deciding on appeals lodged against decisions passed in tax procedure by competent bodies of local government units, which were filed with the Tax Administration in the period between 1 January 2007 and the effective date of this Law.

Article 65

The provisions of Article 10 of this Law on the obligations of large taxpayers shall be implemented as of 1 January 2009.

Law on Amendments and Supplements to the Law on Tax Procedure and Tax Administration (Official Gazette of RS, No. 20/09)

Article 28

The regulations from Articles 10, 21, and 25 of this law shall be enacted within six months from the date this law comes into effect, except for the regulations from Article 25

concerning the base and additional coefficients, pay groups, and pay grades for tax officials, which shall be enacted within three months from the date this law comes into effect.

Article 29

For the attainment of a higher designation of a tax officer as stipulated in Article 25 of this law based on evaluations, the assessments of the civil servant for the years 2007 and 2008, determined by the final decision of the director of the Tax Administration, shall also be considered.

Article 30

The provisions of Article 4 of this law shall apply from 1 May 2009.

The provisions of Article 25 of this law, concerning the termination of employment based on the evaluation of tax officers, shall be applied following the evaluations for the years 2009 and 2010. The provisions relating to the rights of tax officers to official uniforms, work clothing, and footwear shall be applicable as of 1 January 2011.

Article 31

The provisions of Article 37a, paragraph 7, of the Law on Tax Procedure and Tax Administration (Official Gazette of RS, Nos. 80/02, 84/02 - correction, 23/03 - correction, 70/03, 55/04, 61/05, 85/05 - other law, 62/06 - other law, and 61/07) shall be enacted no later than 31 December 2009.

Law on Amendments and Supplements to the Law on Tax Procedure and Tax Administration (Official Gazette of RS, No. 53/10)

Article 47

If a taxpayer discovers that the tax return filed with the Tax Administration before the effective date of this law contains an error or omission, they may submit only one amended tax return, in accordance with Article 40 of the Law on Tax Procedure and Tax Administration (Official Gazette of RS, Nos. 80/02, 84/02 - correction, 23/03 - correction, 70/03, 55/04, 61/05, 85/05 - other law, 62/06 - other law, 61/07, 20/09, and 72/09 - other law).

Article 48

A taxpayer undergoing reorganization, in accordance with the law governing bankruptcy, who has been approved for tax debt payment in accordance with the provisions of Article 73 of the Law on Tax Procedure and Tax Administration (Official Gazette of RS, Nos. 80/02, 84/02 - correction, 23/03 - correction, 70/03, 55/04, 61/05, 85/05 - other law, 62/06 - other law, 61/07, 20/09, and 72/09 - other law), and who submits a request for deferral of tax debt payment in accordance with Article 14 of this law, before the expiry of the period for which the payment has been deferred, may be granted a deferral of tax debt payment for a period which, together with the period for which the payment has already been deferred, amounts to no more than 60 months.

Article 49

The allocation of the amount paid on account of taxes due and secondary tax levies by 31 December 2010, shall be carried out by applying the provision of Article 70, paragraph 2, of the Law on Tax Procedure and Tax Administration (Official Gazette of RS, Nos. 80/02, 84/02 - correction, 23/03 - correction, 70/03, 55/04, 61/05, 85/05 - other law, 62/06 - other law, 61/07, 20/09, and 72/09 - other law).

The calculation and payment of interest on the amount of tax and secondary tax levies underpaid or overpaid by 31 December 2010, shall be carried out by applying the provision of Article 75, paragraph 1, of the Law on Tax Procedure and Tax Administration (Official Gazette

of RS, Nos. 80/02, 84/02 - correction, 23/03 - correction, 70/03, 55/04, 61/05, 85/05 - other law, 62/06- other law, 61/07, 20/09, and 72/09 - other law).

Article 50

When the decision of the Tax Administration transferring ownership of real property or movable assets, under Article 104, paragraph 18, and Article 110, paragraph 5, of the Law on Tax Procedure and Tax Administration (Official Gazette of RS, Nos. 80/02, 84/02 - correction, 23/03 - correction, 70/03, 55/04, 61/05, 85/05 - other law, 62/06 - other law, 61/07, 20/09, and 72/09 - other law), becomes final before the effective date of this law, or before the start of the application of regulations from Articles 20 and 21 of this law, the authority responsible for the registry of real property and movable property in state ownership is obliged, in accordance with the regulations from Articles 20 and 21 of this law, to take possession of such real estate and movable property within 30 days from the start of their application.

A fine ranging from 5,000 to 50,000 dinars shall be imposed on the responsible person in the authority responsible for the registry of real estate and movable property in state ownership, if they fail to take possession of the real property and movable property within the period specified in paragraph 1 of this Article.

Article 51

The regulations from Articles 20 and 21 of this law shall be enacted within 90 days from the date this law comes into effect.

Article 52

The provisions of Articles 12 and 15 of this law shall apply as of 1 January 2011.

Notwithstanding the provisions of this law, local government units may, by their decision in the year 2010, regulate different conditions and methods for deferral, payment, and cancellation of interest on tax debt based on original public revenues due by 31 December2009, which remains unpaid by the end of 2010.

Law on Amendments and Supplements to the Law on Tax Procedure and Tax Administration (Official Gazette of the RS, No. 101/11)

Article 51

The provisions of Article 1 and Article 45 of this law shall apply as of 1 January 2012.

According to the complaints in tax matters from Article 2a of the Law on Tax Procedure and Tax Administration (Official Gazette of RS, Nos. 80/02, 84/02 - correction, 23/03 - Corrections, law No. 70/03, 55/04, 61/05, 85/05 - subsequent law, 62/06 - subsequent law, 61/07, 20/09, 72/09 - subsequent law, and 53/10, stipulate that if the Tax Administration does not issue a decision by 31 December 2011, the competent local government units shall decide on the matter.

The Tax Administration is obligated to, within 30 days from the date of entry into force of this law, transfer the files of the cases referred to in paragraph 2 of this Article to the competent local self-government units.

Article 52

A taxpayer who has entered into a financial restructuring agreement in accordance with the law governing consensual financial restructuring of companies, and who has been granted permission to pay tax debt in accordance with the provisions of Article 73 of the Law on Tax Procedure and Tax Administration (Official Gazette of RS, Nos. 80/02, 84/02 - correction, 23/03 - correction, 70/03, 55/04, 61/05, 85/05 - other law, 62/06 - other law, 61/07, 20/09, 72/09 - other law, and 53/10), and who submits a request for deferral of tax debt payment in

accordance with Article 22 of this law, before the expiration of the period for which the payment of the debt has been deferred, may be granted a deferral of tax debt payment for a period which, together with the period for which the payment of the tax debt has already been deferred, amounts to a maximum of 60 months.

Article 53

The provision of Article 11 of this Act, as well as the provisions of Articles 48 and 49 of this Act concerning the penal responsibility of banks for non-compliance with the provision of Article 11, shall be applicable as of 1 July 2012.

Article 54

The regulation from Article 30 of this law shall be enacted within six months from the date this law comes into effect.

Law on Amendments and Supplements to the Law on Tax Procedure and Tax Administration (Official Gazette of the RS, No. 93/12)

Article 36

Upon the entry into force of this law, the Decree on the Detailed Conditions and Manner of Conducting Foreign Exchange Operations ("Official Gazette of RS", No. 7/12) and the Decree on the Detailed Conditions and Manner of Supervising Foreign Exchange Transactions of Residents and Non-Residents ("Official Gazette of RS", Nos. 112/06, 39/10, and 15/12) shall cease to be valid.

Upon the entry into force of this law, the provisions of Articles 119-123 and Article shall cease to apply.

Articles 125-129 of the Law on Games of Chance (Official Gazette of RS, No. 88/11)

Subordinate legislation enacted under the authority of the Foreign Exchange Act (Official Gazette of RS, Nos. 62/06 and 31/11), which governs the conditions and manner of conducting exchange operations, shall be harmonized with the provisions of this Act within 90 days from the date of its entry into force.

Until the implementation of the regulations from paragraph 3 of this Article, the regulations adopted based on the Foreign Exchange Law (Official Gazette of RS, Nos. 62/06 and 31/11) shall apply, provided they are not in contradiction with the provisions of this law.

Article 37

Upon the entry into force of this law, the Tax Administration shall assume the responsibilities of the Foreign Exchange Inspectorate for issuing and revoking authorizations to conduct foreign exchange operations, and for issuing certificates for conducting foreign exchange operations and control of foreign exchange operations, as well as other tasks that, according to the Foreign Exchange Operations Law (Official Gazette of RS, Nos. 62/06 and 31/11), fall under the jurisdiction of the Foreign Exchange Inspectorate.

The procedures initiated by the Foreign Exchange Inspectorate in exercising the powers conferred to it pursuant to Article 1, any proceedings not concluded by the date of entry into force of this law shall be finalized by the Tax Administration in accordance with this law.

Residents - legal entities and sole proprietors who have been issued a decision for the authorization to conduct foreign exchange operations prior to the enactment of this law, shall continue to operate based on that resolution in accordance with the provisions of this law.

Article 38

Upon the entry into force of this Act, the Tax Administration shall assume the responsibilities of the Gaming Administration that the latter holds under the Law on Games of

Chance (Official Gazette of RS, No. 88/11).

Proceedings in the field of games of chance initiated by the Games of Chance Administration, which are not concluded by the date of entry into force of this law, shall be concluded by the Tax Administration in accordance with this law.

Organizers of games of chance who have been issued a permit or approval for organizing games of chance by the Games of Chance Administrationin accordance with the Law on Games of Chance (Official Gazette of RS, No. 88/11) prior to the effective date of this law, shall continue to organize such games until the expiration of the validity period of the permit or approval.

Entities that, according to the regulations governing games of chance, are obligated to submit documents related to the organization of games of chance, certificates, reports, notifications, etc., to the Games of Chance Administration, are required to submit these documents to the Tax Administration in cases, in the manner, and within the deadlines prescribed by the regulations governing games of chance.

Article 39

Upon the entry into force of this law, the Foreign Exchange Inspectorate established by the Law on Foreign Exchange Operations (Official Gazette of RS, Nos. 62/06 and 31/11) and the Games of Chance Administration established by the Law on Games of Chance (Official Gazette of RS, Nos. 84/04, 85/05 - other law, and 95/10) shall cease operations.

Upon the entry into force of this law, the Tax Administration shall assume responsibility for the employees and appointed officials of the Foreign Exchange Inspectorate and the Games of Chance Administration, as well as their business premises, objects, information system, archives, equipment, and working assets.

Article 40

The provisions of Articles 13 and 14 of this law shall apply as of 1 January 2013.

The provisions of Articles 17 and 18 of this law, concerning the interest rate on the amount of tax overpaid or underpaid, including interest on tax debt for which payment has been deferred, as well as the method of calculating interest, shall apply as of 1 January 2013.

The provision of Article 17 of this law, concerning the date from which interest is calculated for a value-added taxpayer to whom a refund of such tax is made, shall apply to tax returns filed for the tax period starting as of 1 January 2013.

The provision of Article 17 of this law, concerning the date from which interest is calculated for a taxpayer who has submitted a request for tax reimbursement, shall apply to decisions establishing the right to reimbursement issued based on requests submitted as of 1 January 2013.

The provisions of Article 23 of this law, concerning the determination of tax liability for persons conducting unregistered or unreported activities, shall be applicable as of 1 January 2013.

The provisions of Article 26 of this law, concerning the initiation and conduct of the first-instance misdemeanor proceedings that are not exclusively within the jurisdiction of the misdemeanor court and the imposition of penalties - for tax misdemeanors, for misdemeanors related to foreign exchange operations and other activities that, according to the Law on Foreign Exchange Operations (Official Gazette of RS, Nos. 62/06 and 31/11), fall under the jurisdiction of the Foreign Exchange Inspectorate, as well as for offenses related to games of chance and Articles 2, 5, 19, 20, 22, 24, 27, and 35 of this law, shall apply
as of 1 January 2013.

The first-instance misdemeanor proceedings for tax misdemeanors, misdemeanors related to foreign exchange operations, and other activities that, according to the Law on Foreign Exchange Operations (Official Gazette of RS, Nos. 62/06 and 31/11), fall under the jurisdiction of the Foreign Exchange Inspectorate, as well as for misdemeanors related to games

of chance, which are not conclusively resolved by 31 December 2012, shall be concluded by the competent misdemeanor court.

The provisions of Article 10 and Article 32, paragraph 1 of this law shall apply as of 1 July 2014.

Article 41

In accordance with the demands for deferral of tax debt payments, for which no final decision has been made by the date this law comes into effect, the competent authority shall decide in accordance with this law.

Article 42

The procedure for legal remedies filed against tax administrative acts issued by local government units for own source public revenues under Article 2a, paragraph 1, of the Law on Tax Procedure and Tax Administration (Official Gazette of RS, Nos. 80/02, 84/02 - correction, 23/03 - correction, 70/03, 55/04, 61/05, 85/05 - other law, 62/06 - other law, 61/07, 20/09, 72/09 - other law, 53/10, 101/11, and 2/12 - correction), shall be concluded by the competent appellate bodies of those local government units by 31 December 2012.

Article 43

The Tax Administration is obligated to initiate the process for the selection of leaders referred to in Article 29 of this law through a public competition within eight days from the date this law comes into effect.

Article 44

The regulations from Article 7 of this law shall be enacted within six months from the date this law comes into effect.

Law on Amendments and Supplements to the Law on Tax Procedure and Tax Administration (Official Gazette of the RS, numbers 47/13 and 108/13)

Article 45

The provisions of Article 4, paragraph 2 of this law shall apply to acts adopted after the entry into force of this law.

Article 46

The regulations from Articles 11, 26, 30, 33, and 34 of this law shall be enacted within six months from the date this law comes into effect, and the regulation from Article 12 of this law shall be enacted within three months from the date this law comes into effect.

Article 47.

Deleted (Official Gazette of RS, No. 108/13)

Article 48

Provisions of Article 8, 12, and 13, Article 15, paragraph 1, Articles 22 and 23, Article 36, paragraph 1, Article 40, paragraph 4 and paragraph 16, Article 41, paragraph 2, and Article 43, paragraph 3 of this law, shall apply as of 1 March 2014.

Notwithstanding the provisions of paragraph 1 of this Article concerning the commencement of application of Article 12 of this law, a taxpayer who meets the technical requirements may file individual withholding tax returns to the Tax Administration in electronic form starting as of 1 October 2013.

The procedure and method for filing an individual tax return starting as of 1 October 2013, may be regulated by the minister responsible for financial affairs.

Article 49.

The provision of Article 7, paragraph 1 of this law, pertaining to the delivery of notifications or enabling direct access to the database, shall be applicable as of 1 January 2014.

The authority responsible for maintaining records of residence is obligated to provide the Tax Administration with a database in electronic format based on the recorded data as of the date of commencement of Article 7, paragraph 1 of this law, no later than 31 January 2014.

Notwithstanding the provisions of paragraph 1 of this Article, the authority responsible for providing technical conditions may submit notifications to the Tax Administration in electronic form, or enable direct access to the database starting as of 1 October 2013.

Law on Amendments and Supplements to the Law on Tax Procedure and Tax Administration (Official Gazette of RS, No. 108/13)

Article 10.

In accordance with Article 41 of the Law on Tax Procedure and Tax Administration (Official Gazette of RS, Nos. 80/02, 84/02 - correction, 23/03 - correction, 70/03, 55/04, 61/05, 85/05 - other law, 62/06 - other law, 61/07, 20/09, 72/09 - other law, 53/10, 101/11, 2/12 - correction, and 93/12), the following is submitted:

1) Consolidated tax return for withholding taxes paid up to and including 28 February 2014, for which prescribed tax returns have not been filed.

2) Individual tax return for income paid in the year 2013.

Upon the entry into force of this law, Article 47 of the Law on Amendments and Supplements to the Law on Tax Procedure and Tax Administration (Official Gazette of RS, number 47/13) shall cease to be valid.

Article 11.

The provisions of Articles 3, 4, 8, and 9 of this law shall apply as of 1 March 2014. For each income payment made in January or February 2014, a taxpayer, or withholding agent, is obligated to submit to the Tax Administration an individual tax return as prescribed by this law, no later than the last day of the month in which the payment was made.

In Article 48, paragraph 1 of the Law on Amendments and Supplements to the Law on Tax Procedure and Tax Administration (Official Gazette of RS, No. 47/13), the words "1 January" are replaced with "1 March".

Law on Amendments and Supplements to the Law on Tax Procedure and Tax Administration (Official Gazette of RS, No. 68/14)

Article 75.

The Tax Administration conducts control of the reduction of net income of employees in the public sector in accordance with the law governing the reduction of net income in the public sector, for incomes paid up until the date of cessation of implementation of that law.

Article 76

The authority responsible for maintaining records of the residence or domicile of an individual is obligated to provide the Tax Administration with the data specified in Article 12, paragraph 1 of this law, reflecting the status as of the date this law comes into effect, within five days from the enactment of this law.

Article 77

Until the onset of filing tax returns in electronic form in accordance with Article 15, paragraph 2 of this law, large taxpayers shall file tax returns in electronic form in accordance

with Article 38, paragraph 8 of the Law on Tax Procedure and Tax Administration (Official Gazette of RS, Nos. 80/02, 84/02 - correction, 23/03 - correction, 70/03, 55/04, 61/05, 85/05 - other law, 62/06 - other law, 61/07, 20/09, 72/09 - other law, 53/10, 101/11, 2/12 - correction, 93/12, 47/13, and 108/13).

The provisions of Article 15, paragraph 4, Article 39, paragraphs 3 and 4, and Article 44, paragraphs 2 and 3 of this law shall be applicable from the day of filing of the tax return in electronic form in accordance with Article 15, paragraph 2 of this law.

In cases where the taxpayer, due to technical reasons, was unable to file a tax return in electronic form in accordance with Article 38, paragraph 9 of the Law on Tax Procedure and Tax Administration (Official Gazette of RS, Nos. 80/02, 84/02 - correction, 23/03 - correction, 70/03, 55/04, 61/05, 85/05 - other law, 62/06 - other law, 61/07, 20/09, 72/09 - other law, 53/10, 101/11, 2/12 - correction, 93/12, 47/13, and 108/13), as of 1 July 2014 until the effective date of this law, for a specific tax type, the tax return shall be filed directly or by mail, up to the respective dates specified in the Article.

Article 15, paragraph 2 of this law specifies the dates from which tax returns must be filed exclusively in electronic form.

Article 78

For income payments made in the year 2014, the taxpayer, or the withholding agent, is obligated to file an individual tax return to the Tax Administration in electronic form as prescribed by Article 41 of the Law on Tax Procedure and Tax Administration (Official Gazette of RS, Nos. 80/02, 84/02 - correction, 23/03 - correction, 70/03, 55/04, 61/05, 85/05 - other law, 62/06 - other law, 61/07, 20/09, 72/09 - other law, 53/10, 101/11, 2/12 - correction, and 93/12), no later than January 31, 2015.

Article 79

Regarding the requests for deferral of tax debt payments that have not been definitively decided upon by the date this law comes into effect, the competent authority will make a decision in accordance with the Law on Tax Procedure and Tax Administration (Official Gazette of RS, No.80/02, 84/02 - correction, 23/03 - correction, 70/03, 55/04, 61/05, 85/05 - other law, 62/06 - other law, 61/07, 20/09, 72/09 - other law, 53/10, 101/11, 2/12 - correction, 93/12, 47/13 and 108/13, except for provisions regarding the interest rate amount.

Taxpayers who, prior to the effective date of this law, acquired the right to defer payment of tax debt under the provisions of the Law on Tax Procedure and Tax Administration (Official Gazette of RS, Nos. 80/02, 84/02 - correction, 23/03 - correction, 70/03, 55/04, 61/05, 85/05 - other law, 62/06 - other law, 61/07, 20/09, 72/09 - other law, 53/10, 101/11, 2/12 - correction, 93/12, 47/13, and 108/13), shall exercise that right in accordance with said law.

Article 80

For tax payment requests through transfer that have not been definitively decided upon by the date this law comes into effect, the competent authority will make a decision in accordance with this law.

Article 81

Misdemeanor proceedings initiated before the date of implementation of the Law on Misdemeanors (Official Gazette of RS, No. 65/13) shall be concluded in accordance with the provisions of the Law on Tax Procedure and Tax Administration (Official Gazette of RS, Nos. 80/02, 84/02 - correction, 23/03 - correction, 70/03, 55/04, 61/05, 85/05 - other law, 62/06 - other law, 61/07, 20/09, 72/09 - other law, 53/10, 101/11, 2/12 - correction, 93/12, 47/13, and 108/13).

Article 82

The allocation of the paid amount for due taxes and secondary tax liabilities as of 31 December 2014, shall be carried out in accordance with the provisions of Article 70, paragraph 2 of the Law on Tax Procedure and Tax Administration (Official Gazette of the Republic of Serbia, Nos. 80/02, 84/02 - correction, 23/03 - correction, 70/03, 55/04, 61/05, 85/05 - other law, 62/06 - other law, 61/07, 20/09, 72/09 - other law, 53/10, 101/11, 2/12 - correction, 93/12, Sections 47/13 and 108/13 respectively.

Article 83

The act from Article 12, paragraph 4, and Articles 19 and 55 of this law shall be adopted within one month from the date this law comes into effect.

The act from Article 12, paragraph 8, and Articles 13 and 59 of this law shall be adopted within three months from the date this law comes into effect.

The act from Article 26 of this law shall be adopted by 1 December 2014.

Article 84

The provisions of Article 13, paragraph 1 of this law shall apply from the day following the expiry of the 30th day from the date of entry into force of the act referred to in Article 13, paragraph 2 of this law.

The provision of Article 14, paragraph 11 of this law shall apply from the day following the expiry of three months from the date of entry into force of this law.

Article 85

Upon the entry into force of this Act, the following shall cease to have effect:

1) Article 60 and 60a of the Value Added Tax Law (Official Gazette of the Republic of Serbia, Nos. 84/04, 86/04 - correction, 61/05, 61/07, 93/12, and 108/13)

2) Articles 41, 41a, 42, 43, 44, and 45 of the Excise Law (Official Gazette of RS, Nos. 22/01, 73/01, 80/02 - other law, 43/03, 72/03, 43/04, 55/04, 135/04, 46/05, 101/05 - other law)
Articles 61/07, 5/09, 31/09, 101/10, 43/11, 101/11, 93/12, 119/12, and 47/13;

3) Article 44 of the Law on Property Taxes (Official Gazette of the Republic of Serbia, Nos. 26/01, 42/02 - SUS, 80/02, 80/02 - other law, 135/04, 61/07, 5/09, 101/10, 24/11, 78/11, 57/12 - US and 47/13)

4) Articles 112 and 113 of the Corporate Income Tax Law (Official Gazette of the Republic of Serbia, Nos. 25/01, 80/02, 80/02 - other law, 43/03, 84/04, 18/10, 101/11, 119/12, 47/13, and 108/13)

5) Articles 166, 167, and 168 of the Law on Personal Income Tax, Official Gazette of the Republic of Serbia, Nos. 24/01, 80/02, 80/02 - other law, 135/04, 62/06, 65/06 - correction, 31/09, 44/09, 18/10, 50/11, 91/11 - Constitutional Court, 93/12, 114/12 - Constitutional Court, 47/13, 48/13 - correction, 108/13, and 57/14.

6) Art. 72, 72a, 72b, 73, 74, and 74a of the Law on Contributions for Mandatory Social Insurance (Official Gazette of the Republic of Serbia, Nos. 84/04, 61/05, 62/06, 5/09, 52/11, 101/11, 47/13, 108/13, and 57/14)

7) Article 28 of the Law on Taxes on the Use, Possession, and Carrying of Goods (Official Gazette of the Republic of Serbia, Nos. 26/01, 80/02, 43/04, 31/09, 101/10, and 24/11)

8) Article 12 of the Law on Tax on Non-Life Insurance Premiums (Official Gazette of the RS, number 135/04)

Law on Amendments and Supplements to the Law on Tax Procedure and Tax Administration (Official Gazette of RS, No. 112/15)

Article 30

A taxpayer who meets the technical requirements may, from 1 January 2016, to 29

February 2016, concurrently with the filing of tax returns referred to in Article 6, paragraphs 2, 5, and subparagraphs (1) and (2) of this law in written form - either directly or by mail, also file these tax returns in electronic form in the prescribed manner.

Based on the tax returns referred to in paragraph 1 of this Article, filed in electronic form, tax liabilities shall not be recorded on the accounts of taxpayers.

Article 31

The allocation of the paid amount for due taxes and secondary tax liabilities as of 31 December 2015, shall be conducted in accordance with the provision of Article 70, paragraph 2 of the Law on Tax Procedure and Tax Administration (Official Gazette of the Republic of Serbia, Nos. 80/02, 84/02 - correction, 23/03 - correction, 70/03, 55/04, 61/05, 85/05 - other law, 62/06 - other law, 61/07, 20/09, 72/09 - other law, 53/10, 101/11, 2/12 - correction, 93/12, Sections 47/13, 108/13, 68/14, and 105/14.

Law on Amendments and Supplements to the Law on Tax Procedure and Tax Administration (Official Gazette of RS, No. 15/16)

Article 10.

Exceptionally, a taxpayer who filed a request in the decision-making process regarding the deferral of payment of the owed tax in installments, for the tax debt that became due for payment by the date this law comes into effect, which is recorded as such in the tax accounting of the Tax Administration, and does not exceed 2,000,000 dinars and does not include interest, may be granted a deferral of the payment of the owed tax that does not include interest for that debt, for a period of up to 60 months.

The taxpayer referred to in paragraph 1 of this Article does not provide security for the tax debt that does not include interest on that debt up to the amount specified in Article 4 of this law. For the taxpayer whose tax debt mentioned in paragraph 2 of this Article exceeds the amount prescribed by Article 4 of this law, the decision-making process regarding the security measure will be determined.

The security measure chosen corresponds to the amount of the tax debt exceeding the amount prescribed by Article 4 of this law, which also includes the amount of interest applicable to that portion of the debt.

The taxpayer from paragraph 1 of this Article, who has acquired the right to pay the owed tax in installments in accordance with this law and who regularly fulfills the installments of deferred obligations, including current obligations in accordance with the law, will have the interest on the debt related to the tax paid during that period waived, upon the completion of every 12 months, until the debt is fully settled.

In the situation where the taxpayer, even before the expiration of the installment payment period of the owed tax in accordance with this law, pays the owed tax in full, the entire interest on that debt will be waived for the taxpayer.

The request from paragraph 1 of this Article must be submitted starting from the first day of the month following the month in which this law came into effect, and no later than within 120 days from the date this law came into force.

Until the submission of the request from paragraph 1 of this Article, the taxpayer is obligated to settle all current liabilities due for payment from the date this law comes into effect and provide proof thereof, which is also a condition for the right to pay the owed tax in installments in accordance with this law.

From the date of submitting the request from paragraph 1 of this Article until the decision or agreement on the installment payment of the owed tax in accordance with this law is made, the taxpayer is obligated to settle all current liabilities due in that period, no later than within 30 days from the date of delivery of that decision or agreement, with interest calculated on that debt in accordance with the law.

If the taxpayer fails to settle the current liabilities in accordance with paragraph 8 of this Article, or if the deadlines from the agreement or decision on the deferral of the tax payment are not adhered to, or if the current obligation for the period for which the tax payment has been deferred is not met, the Tax Administration will officially annul the agreement or rescind the decision, and the outstanding tax debt, including unpaid interest on that debt, will be collected from the security provided or through enforced collection.

During the installment payment of the owed tax, in accordance with this law, interest is calculated on that tax as per Article 6, paragraph 2 of this law.

Current liabilities are liabilities based on public revenues that periodically become due for payment under tax regulations or other acts, starting from the date this law comes into effect.

Current liabilities do not include liabilities determined in the control process, as well as liabilities determined by a decision of the tax authority, relating to the tax period covered by the period for which interest waiver is requested under this law.

By approving the deferral of tax payment in installments, the statute of limitations for the right to collect the owed tax whose payment term has been deferred is interrupted, and the time for which the payment deferral has been approved is not included in the absolute statute of limitations.

Article 11

Taxpayers who have acquired the right to defer payment of the principal tax debt over 24 monthly installments in accordance with the Law on Conditional Waiver of Interest and Suspension of Tax Debt (Official Gazette of RS, No. 119/12), may file a request to the competent organizational unit of the Tax Administration in written form, in order to gain the right to pay the owed tax in installments, in accordance with this law.

Taxpayers who have filed a request for the deferral of payment of due taxes prior to the enactment of this law, or who have acquired the right to defer payment of due taxes, including taxpayers for whom the Tax Administration has officially annulled the agreement or revoked the decision on deferral of payment of due taxes in accordance with the provisions of the Law on Tax Procedure and Tax Administration (Official Gazette of RS, Nos. 80/02, 84/02 - correction, 23/03 - correction, 70/03, 55/04, 61/05, 85/05 - other law, 62/06 - other law, 61/07, 20/09, 72/09 - other law),
Pursuant to Articles 53/10, 101/11, 2/12 - correction, 93/12, 47/13, 108/13, 68/14, 105/14, 91/15 - authentic interpretation, and 112/15, individuals may submit a request in written form to the competent organizational unit of the Tax Administration to be granted the right to pay the owed tax in installments, in accordance with this law.

The security measures established in the decision-making process regarding the deferral of payment of the owed tax as stipulated in paragraph 2 of this Article, the Tax Administration is not obliged to return to the taxpayer, and these measures shall be applicable in the decision-making process regarding the installment payment of the owed tax, in accordance with this law.

Article 12

The decision regarding the deferral of payment of the owed tax in accordance with the provisions of Articles 10 and 11 of this law shall be made by the person referred to in Article 73, paragraph 3, of the Law on Tax Procedure and Tax Administration (Official Gazette of RS, Nos. 80/02, 84/02 - correction, 23/03 - correction, 70/03, 55/04, 61/05, 85/05 - other law, 62/06 - other law, 61/07, 20/09, 72/09 - other law, 53/10, 101/11, 2/12 - correction, 93/12, 47/13, 108/13, 68/14, 105/14, 91/15 - authentic interpretation, and 112/15.

The act for the implementation of the provisions of Articles 10 and 11 of this law shall be enacted by the Minister, upon the proposal of the Director of the Tax Administration.

Article 13

The provision of Article 2, paragraph 4 of this law shall apply to decisions on the prohibition of disposal of funds through the account of the taxpayer opened at a bank, issued after the entry into force of this law.

Article 14

The provisions of Article 6, paragraphs 3 and 4 of this Act, which pertain to the write-off of 50% of the interest on the owed tax, shall apply to taxpayers for whom decisions or agreements on the deferral of the owed tax have been issued or concluded after the entry into force of this Act.

Law on Amendments and Supplements to the Law on Tax Procedure and Tax Administration (Official Gazette of the RS, No. 108/16)

Article 25

The provisions of Article 1 and 3, Article 5, paragraph 5, Articles 15-19, and Article 21 of this law, which pertain to the determination of jurisdiction of the appellate authority and the resolution in appellate tax proceedings, shall be applicable starting as of 1 July 2017, at which point the jurisdiction of the Tax Administration regarding the authority to resolve in appellate tax proceedings shall also cease.

Items in which the procedure before the second-instance tax authority has not been concluded by 30 June 2017, shall be taken over by the second-instance authority determined by this law.

Law on Amendments and Supplements to the Law on Tax Procedure and Tax Administration (Official Gazette of the RS, No. 30/18)

Article 94

The provisions of Article 1, Article 2, paragraph 3, Articles 3, 5, and 54, Article 66, paragraphs 1, 2, and 5, and Article 92 of this law concerning the transfer of authority to the National Bank of Serbia in foreign exchange and currency exchange operations shall apply as of 1 January 2019.

The provisions of Article 8 and 18, Articles 39-53, Articles 55-60, Article 62, Article 89, paragraphs 2-4 and 7-9, Article 90, paragraphs 2-6, and Article 93 of this law, which regulate the tasks of tax audit and the provision of tax services, shall be applied starting from 1 January 2019.

The provisions of Article 9, Article 88, and Article 89, paragraphs 1 and 6 of this law, which pertain to the submission of data concerning all business premises where storage or accommodation of goods is conducted, as well as premises where registered activities are carried out, shall be applicable upon the expiration of 120 days from the date this law comes into effect.

The provisions of Article 61 of this law shall apply to irregularities identified by decisions in tax audit procedures issued from the date this law comes into effect.

Article 95

The provisions of Article 65 of this law shall be applicable upon the establishment of a unified information system of local tax administrations, as of 1 January 2019.

The local government unit is obligated to connect with the unified information system of local tax administrations as of 1 January 2019.

The responsibility of managing the unified information system of local tax administrations shall be assumed by the Tax Administration, no later than 1 January 2020.

Article 96

A taxpayer who has been granted permission to defer the payment of owed taxes in accordance with the provisions of Article 74b of the Law on Tax Procedure and Tax Administration (Official Gazette of RS, Nos. 80/02, 84/02 - correction, 23/03 - correction, 70/03, 55/04, 61/05, 85/05 - other law, 62/06 - other law, 61/07, 20/09, 72/09 - other law, 53/10, 101/11, 2/12 - correction, 93/12, 47/13, 108/13, 68/14, 105/14, 91/15 - authentic interpretation, 112/15, 15/16, and 108/16), may submit a request for postponement of the payment of owed taxes under this law before the expiration of the period for which the payment has been deferred if it is more favorable for them. However, the total period for which the obligation is deferred cannot exceed 60 months.

Article 97

The Decree on Internal Organization and Systematization of Job Positions in the Tax Administration shall be adopted within one year from the date of entry into force of this Act.

Pursuant to the provisions of the regulation from paragraph 1 of this Article, the merging of the ranks of tax officers shall be executed in accordance with the provisions of the Article that governs the basis and conditions for the classification of the ranks of tax officers, as follows:

1) At a random place classified as the rank of Senior Tax Associate, the corresponding rank is that of Senior Tax Auditor; the rank of Tax Associate corresponds to the rank of Tax Auditor; the rank of Junior Tax Associate corresponds to the rank of Junior Tax Auditor.

2) At the position classified as the rank of Senior Tax Associate, the corresponding title is Senior Tax Officer - Expert Associate; to the rank of Tax Associate, corresponds the title Tax Officer - Expert Associate.
To the rank of Junior Tax Associate, corresponds the title Junior Tax Officer - Expert Associate.

3) At the position classified as the rank of Chief Tax Advisor, the corresponding title is Independent Tax Advisor; to the rank of Senior Tax Advisor corresponds the titles Independent Tax Auditor and Senior Tax Auditor I; to the rank of Tax Advisor II, corresponds the titles Senior Tax Auditor II and Tax Auditor I; to the rank of Tax Advisor corresponds the titles Tax Auditor II and Tax Auditor ; to the rank of Junior Tax Advisor, corresponds the title Junior Tax Auditor .

Law on Amendments and Supplements to the Law on Tax Procedure and Tax Administration (Official Gazette of RS, number 86/19)

Article 17

The act referred to in Article 3, paragraph 2, of this law shall be adopted within 60 days from the date of entry into force of this law.

Provisions of Article 3, paragraph 1, Article 13, and Article 15, paragraphs 1 and 2, of this law shall apply from the next day after the expiration of 30 days from the date of entry into force of the act referred to in paragraph 1 of this Article.

A taxpayer who, in accordance with the provision of Article 25, paragraph 1, item 1) of the Law on Tax Procedure and Tax Administration (Official Gazette of RS, nos. 80/02, 84/02 - correction, 23/03 - correction, 70/03, 55/04, 61/05, 85/05 - other law, 62/06 - other law, 61/07, 20/09, 72/09 - other law, 53/10, 101/11, 2/12 - correction, 93/12, 47/13, 108/13, 68/14, 105/14, 91/15 - authentic interpretation, 112/15, 15/16, 108/16, 30/18, and 95/18), who has reported data on business premises where goods are stored or placed, as well as data on premises where registered activities are conducted, is not required to re-report this data in accordance with the provisions of this law.

Article 18

The tasks of managing the unified information system of local tax administrations will be taken over by the Ministry of Finance - Tax Administration, no later than 1 January 2021.

Law on Amendments and Supplements to the Law on Tax Procedure and Tax Administration (Official Gazette of RS, number 144/20)

Article 29

Provisions of Article 3, paragraph 5, and Article 21, paragraphs 1 and 2, of this law regarding the submission of applications in electronic form via the portal of the Tax Administration will apply as of 1 January 2021.

The provision of Article 21, paragraph 3, of this law applies from the calendar year in which this law entered into force.

Article 30

Taxpayers who had their Tax Identification Number temporarily revoked in accordance with the provisions of Article 26, paragraph 2, of the Law on Tax Procedure and Tax Administration (Official Gazette of RS, nos. 80/02, 84/02 - correction, 23/03 - correction, 70/03, 55/04, 61/05, 85/05 - other law, 62/06 - other law, 61/07, 20/09, 72/09 - other law, 53/10, 101/11, 2/12 - correction, 93/12, 47/13, 108/13, 68/14, 105/14, 91/15 - authentic interpretation, 112/15, 15/16, 108/16, 30/18, 95/18, and 86/19), may submit a request for the reinstatement of their Tax Identification Number after the entry into force of this law.

Based on the request, the Tax Administration will return the VAT identification number to the taxpayers referred to in paragraph 1 of this Article, provided that the conditions prescribed by this law are met.

Article 31

The provisions of Articles 19 and 20 of this law shall also apply to tax liabilities due up to the date of entry into force of this law, as well as to tax obligations covered by agreements and decisions on deferred payment approved prior to the date of entry into force of this law.

Article 32.

The Ministry of Finance - Tax Administration will take over the management of the unified information system of local tax administrations no later than 1 January 2022.

Law on Amendments and Supplements to the Law on Tax Procedure and Tax Administration (Official Gazette of RS, number 96/21)

Article 13

The provision of Article 5, paragraph 1 of this law, which relates to the possibility of deferring the payment of interest, shall also apply to the owed tax that was the subject of a deferred payment procedure in which the agreement was annulled or the decision revoked prior to the entry into force of this law.

The provisions of Article 5, paragraph 4 of this law, which relate to the possibility of substituting the security in the deferred tax payment procedure, shall also apply to the securities in the deferred tax payment procedure approved before the entry into force of this law.

The Ministry of Finance - Tax Administration will take over the management of the unified information system of local tax administrations no later than 1 January 2024.

Law on Amendments and Supplements to the Law on Tax Procedure and Tax Administration (Official Gazette of RS, number 138/22)

Article 10

The act from Article 7 of this law shall be issued within one year from the date of entry

into force of this law.

Law on Amendments and Supplements to the Law on Tax Procedure and Tax Administration (Official Gazette of RS, number 94/24)

Article 38

Tax debt, secondary tax liabilities, and overpayment of taxpayers are written off, except for contributions to mandatory pension and disability insurance:

1) deleted from the prescribed register by 31 December 2024, based on a court decision made in bankruptcy proceedings in accordance with the law governing bankruptcy;

2) deleted from the prescribed register by 31 December 2019, upon completion of the liquidation or compulsory liquidation process in accordance with the law governing commercial companies,

3) deleted from the register of commercial companies maintained by the Agency for Commercial Registers by 31 December 2019, ex officio due to non-compliance with the law governing commercial companies;

4) deleted by 31 December 2014, due to the loss of the status of an sole proprietor in accordance with the law governing commercial companies;

5) registered in the book of deceased as of 31 December 2014.

Tax debt, secondary tax liabilities, and overpayment of taxpayers from paragraph 1. items 2) to 5) of this Article are written off provided that by 31 December 2024:

1) no liability of another person for fulfilling these obligations has been established, nor has a process to determine such liability been initiated;

2) no lien right has been registered for the collection of these obligations in public books or registers;

3) no secondary tax liability has been established in accordance with this law, nor has a process to determine secondary tax liability been initiated.

Tax debts and secondary tax liabilities of taxpayers for which the absolute statute of limitations on the Tax Administration's right to collect has expired as of 1 January 2025, are written off, except for tax debts and secondary tax liabilities secured by a lien recorded in public books or registers.

Overpayments of taxpayers for which the right to reimbursement, refund, or settlement of matured liabilities through transfer has ceased as of 1 January 2025, are written off.

The write-off from paragraphs 3 and 4 of this Article also includes tax debts, secondary tax liabilities, and overpayments of individual taxpayers, who have been assigned a special identifier ex officio based on data from the records of organizational units of the Republic Public Revenue Administration, except for tax liabilities determined by applying the Law on One-Time Tax on Extra Income and Extra Property Acquired by Exploiting Special Benefits.

The write-off from paragraph 1 of this Article is implemented in the tax accounting following a government decision based on the minutes of the working group consisting of employees of the Tax Administration, formed by the director of the Tax Administration and approved by the Coordination Body formed by the Government for coordinating strategic activities envisaged by the Tax Administration Transformation Program for the period 2021-2025.

The working group prepares the minutes from paragraph 6 of this Article based on records maintained by the Tax Administration and other competent state authorities, which determine the list of taxpayers with data on their tax identification number, name or full name, amount and type of tax debts, secondary tax liabilities, or overpayments to be written off, account for payment of public revenues, and code of the territory where the tax debt, secondary tax liabilities, or overpayment are recorded in tax accounting and the basis for write-off.

The write-off from paragraphs 3 and 4 of this Article is implemented in the tax accounting based on a decision of the Tax Administration.

The write-off from paragraph 5 of this Article is implemented in the tax accounting based on the minutes prepared by the working group from paragraph 6 of this Article, which contains data on the special identifier assigned ex officio based on data from the records of organizational units of the Republic Administration of Public Revenues, the amount of tax debts, secondary tax liabilities, and overpayments to be written off, account for payment of public revenues, and code of the territory where the tax debt, secondary tax liabilities, or overpayment are recorded in tax accounting.

The Tax Administration is required to carry out appropriate accounting entries on special tax identification numbers assigned for implementing government decisions in the privatization process and thereafter exclude these special tax identification numbers from the Unified Register of Taxpayers.

The deadline for forming the working group from paragraph 6 of this Article is 30 days from the date this law comes into effect.

The deadline for preparing the minutes from paragraphs 7 and 9 of this Article is 30 September 2025.

The Coordination Body gives approval, and the Government issues a conclusion within 30 days from the date the minutes from paragraph 7 of this Article are submitted to the Coordination Body.

The deadline for implementing the write-offs from paragraphs 1, 3, 4, and 5 of this Article in tax accounting is 31 December 2025.

The deadline for implementing the appropriate accounting entries and the exclusion of special VAT numbers from the unified registry of taxpayers as stated in paragraph 10 of this Article is 31 December 2025.

Article 39.

The off-balance sheet records abolished by Article 30 of this law shall be concluded by 31 December 2025, after which no new data will be entered.

Unpaid tax liabilities of taxpayers recorded in the off-balance tax accounting based on the submitted claim in bankruptcy proceedings as of 31 December 2025, shall be transferred by the Tax Administration ex officio to the tax accounting as doubtful and disputed claims.

The Tax Administration ex officio prepares a report on unpaid tax liabilities, excluding the unpaid tax liabilities of taxpayers mentioned in paragraph 2 of this Article, as well as overpayments transferred to the off-balance tax accounting as of 31 December 2025.

The report referred to in paragraph 3 of this Article shall be prepared in electronic form and shall contain information on the VAT number, name, or first and last name of the taxpayer, the amount and type of unpaid tax liability or overpayment, the account for payment of public revenues, and the code of the territory where the unpaid tax liabilities or overpayment were recorded in the off-balance tax accounting and the basis for the transfer to the off-balance tax accounting.

The deadline for transferring unpaid tax liabilities referred to in paragraph 2 of this Article and for preparing the report referred to in paragraph 3 of this Article is 30 September 30 2026.

Article 40

Technical protocols from Article 8 of this law, which are prescribed by the new Article 28g, shall be concluded within one year from the date this law comes into effect.

The act from Article 8 of this law, which is prescribed by the new Article 28ž paragraph 3, regulating the procedures for the storage, protection, and security of data, as well as the procedures in case of their breach, shall be issued within six months from the date this law comes into effect.

The act from Article 16 of this law, which regulates the payment of taxes in foreign currency, shall be issued within six months from the date this law comes into effect.

The act from Article 29 of this law, which regulates the appearance of the official uniform of the tax officer at the unified place for providing tax services, as well as the tax officer who acts upon the requests of taxpayers for issuing tax certificates, shall be issued within six months from the date this law comes into effect.

Article 41

This law shall come into force on the eighth day after its publication in the "Official Gazette of the Republic of Serbia," and shall apply from 1 January 2025, except:

4) provisions of Article 8, Article 9 paragraphs 1-3, and Article 35 paragraph 1 of this law regarding the introduction of records of natural persons for tax purposes, which shall apply from 1 January 2026;

5) provisions of Article 16 paragraph 2 of this law regarding the payment of taxes in foreign currency by non-residents, which shall apply from 1 January 2026;

6) provisions of Article 17 paragraph 1 of this law regarding the deferral of payment of owed taxes, which shall apply from 1 January 2026;

7) provisions of Article 24 of this law regarding the new Article 115g and provisions of Article 30 of this law regarding the deletion of off-balance tax accounting, which shall apply from 1 January 2026;

8) provisions of Article 2, Article 7, Article 9 paragraphs 4 and 5, Article 11 paragraphs 1 and 2, Article 12.

Article 13, Article 17, paragraph 2, Article 18, Article 19, Article 20, Article 25, Article 26, Article 29, Article 33, sections 1-4, and Article 35, paragraph 2 of this law concerning the jurisdiction of the organizational units of the Tax Administration, which will be applied as of 1 January 2026.