

VAT standard rate

The VAT standard rate in the Kosovo is 18%.

Reduced rate

The 8% rate applies to the following groups of goods:

- Water
- Electricity supply
- Waste collection and other waste treatment services.
- Different types of grain products and their derivatives
- Various types of oils
- Dairy products
- Edible salt
- Eggs
- Educational books and materials
- Devices for digital technology
- Medical devices and their derivatives

VAT zero rate

The zero VAT rate applies to the following groups of goods and services:

- Export of goods
- Supply by international bodies
- International transportation
- Deliveries under diplomatic agreements
- Gold supplies to the Central Bank of Kosovo

As well as other related groups of goods and services related to the above.

Threshold

All companies that trade in goods or services must register as VAT payers in Kosovo if their annual income exceeds 30,000 euros. Companies that do not supply goods or services are required to register as VAT payers, regardless of the threshold, at the beginning of their activities in Kosovo. The de minimis threshold for import VAT is applicable to shipments valued at less than €22 per delivery.

Deductible VAT

Companies have the option to deduct input VAT used for their operations by subtracting it from output VAT. The period during which a taxpayer is entitled to a refund in Kosovo is 6 years.

Registration procedure

Companies wishing to register as VAT payers must submit a paper application to the relevant local office, either by themselves or through a representative, together with supporting documents. Application will be processed within 5 days and a decision will be made on whether to assign you a tax number.

Tax representative

Non-resident companies are required to appoint a local tax representative to register as a VAT payer. After the appointment, the representative performs all necessary actions related to VAT and is jointly and severally liable to the company for all obligations and consequences.

Keeping records

All necessary records related to VAT, including invoices, ledgers, coupons, etc., should be kept in chronological order and referenced to each other. The retention period for these documents is 6 years after the end of the relevant tax period.

Filing VAT return and payment date

The tax period in Kosovo is a month. Therefore, tax returns must be submitted and paid by the 20th day of the month following the reporting period.



