



North Macedonia

In North Macedonia, VAT taxpayers include both legal entities and individuals, including associations of individuals, who generate income through their commercial activities.

VAT Standard rate

In 2024 the general VAT rate of 18% applies to most goods selling in North Macedonia.

Reduced rates

Reduce rate of 5% applies to the following products:

Food products for human consumption

- Drinking water sourced from public systems dedicated to urban wastewater supply and drainage, as well as water for agricultural irrigation;
- Publications;
- Seeds and planting materials for agricultural crop production;
- Fertilizers;
- Plant protection products;
- Plastic films designed for agricultural use;
- Agricultural machinery and equipment;
- Pharmaceuticals, including those for veterinary purposes;
- Computers;
- Thermal solar systems and their components;
- Medical equipment and devices, as well as assistive devices intended solely for personal use by individuals with disabilities;
- Crude oil for the production of human food;

The initial sale of residential buildings and apartments, specifically the portions designated for residential purposes and slated for completion within five years of construction;
Animal feed, feed additives, and live cattle;
Baby products;
School supplies;
Pellets, pellet stoves, and pellet boilers;
Heating energy;
Household electricity.

Examples of goods taxable under the VAT at 0%

Exports of goods and services;
International transportation services;
Services related to goods in transit;
Supplies of gold to the National Bank;
Supplies of goods and services to diplomats, consuls, and international organizations;
Certain healthcare services.

Thresholds

Taxpayers that either surpassed a total turnover of 1 million denars in the previous calendar year, projected a turnover exceeding 1,000,000 denars at the start of their economic activities, or experienced turnover exceeding 1,000,000 denars during the year, are mandated to register for VAT purposes.

Registration procedure

For registration it is required to fill a form Form DDV-01.

The VAT registration application must be submitted according to the following deadlines:

By the 15th of January in the current year for taxpayers who:
Achieved a total taxable turnover exceeding 1,000,000 denars in the preceding calendar year;
Voluntarily opt for VAT registration.

By the 15th of the month following the month when the turnover surpasses 1,000,000 denars, for taxpayers who exceed this turnover threshold during the calendar year.

Within 15 days of commencing their business activity for taxpayers who:
Initiate their economic activities during the calendar year;
Transition from a previously tax-exempt business activity without the right to deduct previous tax to a taxable activity.

VAT filing and payment date

The due date for filing monthly and quarterly tax returns is 25 days following the conclusion of the respective tax period.

Companies who, during a specific tax period, did not engage in any taxable transactions, must still submit a tax return with all fields completed as “0” (zero).

The deadlines for VAT payments align with the deadlines set for tax return submissions.

Penalties

The penalty for non-filing or late filing of VAT returns in North Macedonia could vary depending on the specific circumstances and the amount of tax owed. Penalties for non-compliance with VAT regulations are subject to change and can be influenced by various factors, including the amount of unpaid tax, the frequency of non-compliance, and the policies in place at the time of the violation.