



# Serbia

## Standard rate

The standard VAT rate in Serbia in 2023 is 20%.

A reduced VAT rate of 8% applies to basic food, regular newspapers, medical supplies, publications, public transport services, utilities, etc.

## Zero rate

Serbia applies for various exemptions with a refund of tax paid at the preceding stages for:

Supplies of goods relating to aircraft and ships used in international traffic.

## Threshold

The local small taxpayer is an entity that sells goods or services for an amount not exceeding 8,000,000.00 dinars in the previous 12 months. There is no prescribed threshold for foreign entities.

## Deductible VAT

Registered taxpayers have the right to deduct their input VAT from VAT payable if the following conditions are met:

The source materials are used for their own consumer purposes;  
The taxpayer has been issued an invoice according to the model established by tax legislation.

Excess of input VAT in a given tax period may be offset for tax repayment in the following periods, or the taxpayer may apply for a refund of such VAT.

## Registration procedure

For registration, you must fill out the "PR1 Declaration" form and attach an extract from the trade register no older than 3 months. We can help you properly prepare a package of documents and send them to the tax office.

## Tax representative

Foreign entities that supply goods to Serbia and are required to register must appoint a fiscal representative to comply with tax requirements.

Tax representatives can be:

- A company;
- A person engaged in entrepreneurial activity;
- A physical person.

In order for a person to be appointed a fiscal representative, it is necessary that he falls under the following criteria:

- He has a registered headquarter or residence in the Republic of Serbia;
- He must be in the VAT system for at least 12 months before applying for approval of VAT representation of a concrete foreign person;
- On the day of applying he mustn't have any payable and unsettled debts for public revenues;
- He isn't convicted for tax criminal acts.

## VAT returns filing and VAT payment date

In Serbia, VAT declarations are submitted on a monthly and quarterly basis. Return must be submitted no later than the 15th of the month following the reporting period.

The deadline for paying the tax coincides with the deadline for filing the declaration.

## Penalty

Failure to comply with requirements such as registration, reporting, and payment of tax on the foreign entity can be subject to a fine of 10,000 to 2,000,000 dinars.



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