

January 31, 2013
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**Serbia – New Asset
Disclosure Return Due 31
March 2013**

by KPMG d.o.o. Beograd,
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Beograd in Serbia is a KPMG
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flash International Executive Alert

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Taxpayers subject to tax in Serbia are now required to make a declaration of their assets. The Rulebook on Informative Tax Declaration, which is effective starting 13 December 2012, prescribes the form of the "Informative Tax Declaration" (hereinafter, "the Declaration"), which represents a report on information of special significance for the fiscal interests of the Republic of Serbia.¹

Rulebook on Informative Tax Declaration and the Declaration

The Declaration is filed by individual taxpayers subject to personal income tax and property tax, whose total assets, at home and abroad, are valued at greater than RSD 35,000,000 as at 1 January 2013.

The value of an asset is determined based on the price that could be achieved through its sale on the market as at 1 January 2013.

Information on assets owned by related persons also should be included in the Declaration. Related persons are family members, i.e., conjugal partner, parents, children, adopted children, and foster parents.

The Declaration is to be filed between 15 January and 31 March 2013, with the Headquarters of the Tax Authority, either directly by hand or by post, or electronically on the Tax Authority's portal.

The following personal assets are required to be disclosed in the Declaration:

- real property (all types of land, orchards and vineyards, buildings, parts of buildings, garages, and garage-like structures outside of buildings, sports facilities (stadiums, gyms, pools, etc.) and courts/turfs);
- shares and financial stakes in legal entities;
- equipment for performing commercial activity owned by individuals filing the Declaration;
- motor vehicles, water-craft, and aircraft;
- savings deposits and cash holdings;
- other assets:
 - ownership rights over real property (right to proceeds from assets, right of use, time sharing rights, long-term lease rights, right of use of construction land);
 - copyrights and similar rights;
 - patent rights, trademarks, models, samples, protected geographic origins, and technical developments;
 - licenses;
 - ownership rights over other movable assets with individual value greater than RSD 100,000.

KPMG Note:

Taxpayers with compliance obligations in Serbia should consult with their professional tax advisers to assist in the assessment of their holdings and determine their reporting requirements under the new rules. Although no tax is assessed with regard to the Declaration, given that the tax authorities' will perform cross-checking of the declarations made by taxpayers of their income and property, it may be determined that a tax liability has arisen. Furthermore, taxpayers' failure to accurately comply with their reporting obligations could result in an offense which could be prosecuted by the authorities and could result in criminal proceedings.

Footnote:

1 The Rulebook was published in the official gazette of the Republic of Serbia (*Službeni Glasnik Republike Srbije*) number 117/2012 dated 12 December 2012, and is effective starting on 13 December 2012. See (in Serbian):

<http://www.poreskauprava.gov.rs/index.jsp?page=propisi/PravilnikInformativnaPP.html> .

For information on this and other tax-related developments (in Serbian), see the Web site for the Finance Ministry's Tax Administration at: <http://www.poreskauprava.gov.rs> .

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RSD 1 = USD 0.0122

RSD 1 = EUR 0.009

RSD 1 = GBP 0.00769

RSD 1 = RUB 0.366

For further information or assistance, please contact your local IES professional or one of the following professionals with the KPMG International member firm in Serbia:

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The information contained in this newsletter was submitted by the KPMG International member firm in Serbia. The information contained herein is of a general nature and based on authorities that are subject to change. Applicability of the information to specific situations should be determined through consultation with your tax adviser.

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