

Obligation of Filing 2012 Annual Personal Income Tax Return



For individuals - Serbian tax residents the deadline for submission of their annual personal income tax returns for income earned in 2012 is **15 March 2013**. This obligation is prescribed for both Serbian and foreign citizens under the same conditions.

Possibility of filing extension

The Law on Tax Procedure and Tax Administration allows a filing extension for returns under the following conditions:

- a written application must be submitted to the in-charged affiliate of the Tax Authorities,
- the application must be submitted before the filing deadline, and
- justification for the filing extension must be provided (e.g. illness, absence from the country, accident, natural disaster, etc.).

The extension application should be submitted to the Tax Authorities affiliate where the tax return is to be filed.

The Tax Authorities should respond within five days from receipt of the extension application. The deadline may be extended for a maximum of six months.

Non taxable amount

Serbian Tax residents whose total personal net income (total personal income decreased for the amount of monthly nontaxable limit/regulated costs and paid tax and mandatory social security contributions) in 2012 exceeded RSD 2,067,480 (approximately EUR 18,500) are obliged to file an annual personal income tax return.

Personal deductions:

Serbian tax residents, who are obliged to file an annual personal income tax return, determine taxable income by decreasing total net income with the amount of prescribed personal deductions. For 2012 personal deductions amount to:

- for the taxpayer: RSD 275,664 (approximately EUR 2,470)
- for each dependant family member: RSD 103,374 (approximately EUR 930)

Personal deductions may not exceed 50% of the amount of taxable personal income.

Limit for higher tax rate:

Serbian tax residents whose taxable income amounts up to RSD 4,134,960 (approximately EUR 37,050) are subject to annual income tax at a rate of 10%. Taxable personal income above RSD 4,134,960 (approximately EUR 37,050) is subject to personal income tax at a rate of 15%.

Should you need assistance in preparing and filing your annual personal income tax return, or if you are interested in a presentation on this for your employees, please do not hesitate to contact us.

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