
Adopted Law on amendments of the LTPTA came into force on 14 December 2019.

An overview of the most significant changes is provided below:

**Fulfillment of the tax liability in case of bankruptcy**

In case of bankruptcy of the taxpayer which is conducted through reorganization, settlement of the tax claim and realization of the reorganization plan, cannot be provided contrary to the provisions of the LTPTA and other tax regulations (for example, postponement of payment cannot be granted for more than 5 years / 60 months, grace period cannot be longer than 12 months, the amount of interest must be determined in accordance with the provisions of Article 75 of the LTPTA, etc.).

**Taxpayer’s obligations**

The Law on Amendments to the LTPTA stipulates that the taxpayer is obliged to submit data on all business premises, as well as the data on all business premises in which goods are stored and in which the activity reported to the Tax Authorities is performed.

A taxpayer who, prior to the entry into force of this Law, has reported data on the business premises in which he stores the goods, as well as the data on the premises in which he conducts the registered activity, shall not be obliged to report the data on those premises again.

This Law prescribes the adoption of the Rulebook, which shall specify in greater detail the manner, deadline, content and form of the application by which the taxpayer declares workplace and business premises, within 60 days from the day this Law enters into force.

**Imposition of an interim restricting order in case of temporary suspension of TIN**

The Law on Amendments to the LTPTA stipulates that in cases of temporary suspension of the tax identification number (TIN), the Tax Administration may issue a decision prohibiting the founders of a company which have more than 5% of shares in that company, to acquire shares in already existing companies, as well as to set up new companies, during the temporary suspension of the TIN.

**Obligations of banks**

The Law on Amendments to the LTPTA provides the obligation of a bank, at the request of the Tax Authorities, to submit electronically, within a time-limit determined by the Tax Authorities, information on:

- balance and turnover in current accounts and savings deposits of legal entities, entrepreneurs and individuals;
- corporate deposits;
- current account numbers and savings deposits of individuals.

**Submission of tax act**

The Law on Amendments to the LTPTA provides the possibility that the tax act can be delivered to the taxpayer in electronic form through the portal of the Tax Authorities, as well as for informing the taxpayer via electronic mailbox. The tax act is considered to have been delivered on the day it was posted on the portal of the Tax Authorities.
Reporting smaller amounts of tax and providing incorrect information in the tax return and tax balance

The Law on Amendments to the LTPTA stipulates a fine for a misdemeanor amounting to 30% of the difference between the amount of tax determined or the amount that should be determined in accordance with the law and the amount of tax determined or the amount that should be determined according to the information from the tax return, in cases where the tax taxpayer (legal entity or entrepreneur) provided inaccurate information in the tax return, as well as in the corporate tax balance, which has or may have resulted in the determination of a smaller amount of tax.

Harmonization of misdemeanor provisions

In accordance with the amendments of the LTPTA, the misdemeanor provisions were précised.

KPMG Support

KPMG tax professionals are at your disposal for assistance in relation to application of the new provisions of the LTPTA.

If you have any questions or need the support of our tax professionals, feel free to contact us on tax@kpmg.rs.

For previous editions of KPMG Tax Alerts please visit the following web page:

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We are at your disposal for any additional information.

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