

# Adopted amendments of taxation of individuals

## Tax Alert

December 2024

Parliament of Serbia adopted amendments to the Personal Income Tax Law and the Law on Mandatory Social Security Contributions. Amendments have been published in the Official gazette of Serbia No 94/2024.

Amendments come into effect from 01 January 2025.

*An overview of the most important changes is provided below:*

### **Loss of the right to a tax credit for investment in investment units of alternative investment funds**

The obligation to hold the investment units of the alternative investment fund for at least three years (after expiration of the calendar year for which annual income tax is determined) is introduced in order to realize the right to a tax credit for the annual personal income tax.

If an individual disposes the investment units of the alternative investment fund in the year in which they were acquired or in the following three calendar years, he/she loses the right to the realized tax credit regarding the annual personal income tax based on that investment.

### **The non-taxable amount for salary tax calculation is increased**

The non-taxable monthly amount used for salary tax base calculation is increased and will amount to RSD 28,423 (instead of the current RSD 25,000).

Next adjustment of this amount will be performed in January 2026.



## **The non-taxable daily allowance for business travel abroad is increased**

The non-taxable amount for per diems for business trip abroad is increased and will amount EUR 90 per day (instead of the current EUR 50 per day).

## **The relief for newly employed individuals is extended**

The deadline for exercising the right to a refund of part of the salary tax (Art 21v of the PIT Law) and part of the contribution for mandatory social insurance on behalf of the employee and on behalf of the employee (Art 45 of the Law on Social Contributions) is extended till the salary for a newly employed individual which paid by 31 December 2025.

## **Income of seafarers**

The income generated by an individual from performing work on ships and other vessels with the flag of a foreign country (seafarer) will be taxed if that work is performed for less than 174 days in a calendar year. The tax rate amounts to 10%.

The base for mandatory health contributions calculation, on income generated by seafarer, for calendar year, cannot be lower than twelve times amount of minimum monthly base for social contributions calculation.

Tax on income of seafarer and related social insurance contributions will be paid through self-assessment taxation. The tax return is submitted on an annual basis by 31 March of the current year for the income generated in the then previous year. If an individual is sailing in the period from 1 January to 15 March of the current year, he/she is obliged to submit the tax return within 15 days from the day of disembarkation in that year.

Income of seafarer is also subject to annual personal income tax.

If you have any questions or you need assistance of our tax professionals, please contact us at [tax@kpmg.rs](mailto:tax@kpmg.rs).

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