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ACCOUNTING






INTERNATIONAL EXPANSION

OVERVIEW OF COUNTRIES FOR INVESTORS






The following infographic introduces basic information about countries that may be interesting to foreign investors. In just a few pages, it should provide basic understanding of the market, company formation, labour law and corporate and personal income taxes.

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SLOVENIA

	Company formation	Incorporation time	LLC - about 1 month
		Shareholders required	1 or more
		Directors required	1 or more
		Official company register	www.ajpes.si
	Company taxes	Corporate income tax	22%
		Tax period for CIT	Calendar month
		Due date for CIT return	Max. 90 days after the end of the tax year
		When is a company considered to be a tax resident?	When the legal entity meets one of the following criteria: <ul style="list-style-type: none"> • have a registered seat in the country • have a place of management located in the country
	VAT	VAT rates	Standard VAT rate: 22%, lowered rate: 9,5%
		When is a resident company eligible for VAT registration?	If the taxable turnover of goods or services in the consecutive 12 months exceeds the amount of EUR 50,000.00, both resident and non-resident companies have to register for VAT or voluntary registration
		When is a non-resident company eligible for VAT registration?	If the taxable turnover of goods or services in the consecutive 12 months exceeds the amount of EUR 50,000.00, both resident and non-resident companies have to register for VAT or voluntary registration
	Labour law and employment	Who is entitled to work?	Anyone above 15 years. Special rules apply to foreign employees from non EU countries. They need a personal work permit, blue card or student visa, and/or some other document, depending on the country of origin.
		Types of employment contracts available	Regular, individual for managers
	Employee taxes and contributions	Personal income tax rates	Tax scale: 16%, 26%, 33%, 39%, 50% (changes in 2023) calendar year
		Tax period for PIT	Calendar year
		Due date for PIT return	31 July
		Individual considered as a tax resident of the country	Has an officially registered permanent residence in Slovenia; and/or has his usual place of residence or the center of his personal and economic interests in Slovenia, or is present in Slovenia for a total of more than 183 days at any time during the tax year.
		Considered as a taxable income of an individual	Income from employment, independent business activities, property and property rights, rent, capital investments, prize winning games and lottery games, other income
		Rate of the social security contributions paid by the employer	16,1%
		Rate of the social security contributions by the employee	22,1%






CROATIA

	Company formation	Incorporation time	LLC - about 1-2 weeks
		Shareholders required	1
		Directors required	1
		Official company register	www.sudreg.pravosudje.hr
	Company taxes	Corporate income tax	10% up to 1.000.000,00 EUR of revenues, in case that revenues exceeds threshold, CIT rate is 18%
		Tax period for CIT	Taxable year
		Due date for CIT return	30 April current year for previous year
		When is a company considered to be a tax resident?	When the legal entity meets one of the following criteria: <ul style="list-style-type: none"> • have a registered seat in the country • have a place of management located in the country
	VAT	VAT rates	Standard VAT rate: 25%, lowered rates: 0%, 5% and 13%
		When is a resident company eligible for VAT registration?	If the taxable turnover of goods or services in the consecutive 12 months exceeds the amount of EUR 40.000,00, resident companies have to register for VAT or voluntary registration.
		When is a non-resident company eligible for VAT registration?	Non resident should register for VAT purposes in case of performing supply of goods/services taxable in Croatia
	Labour law and employment	Who is entitled to work?	Anyone above 15 years. Special rules apply to foreign employees from non EU countries. They need a personal work permit, blue card or student visa, and/or some other document, depending on the country of origin.
		Types of employment contracts available	indefinite and definite employment agreement, managerial agreement
	Employee taxes and contributions	Personal income tax rates	Tax scale: 15%-23,6% and 25%-34,5%
		Tax period for PIT	Year (but salary should be taxable on a monthly basis)
		Due date for PIT return	For income from work - on the day when taxable income is paid
		Individual considered as a tax resident of the country	If person has an officially registered permanent residence in Croatia; and/or has his usual place of residence or the center of his personal and economic interests in Croatia, or is present in Croatia for a total of more than 183 days at any time during the tax year.
		Considered as a taxable income of an individual	Income from employment, independent business activities, property and property rights, rent, capital investments, prize winning games and lottery games, other income
		Rate of the social security contributions paid by the employer	N/A, SSC are paid by employee
		Rate of the social security contributions by the employee	20% (two pillars, 15% + 5%)






BOSNIA AND HERZEGOVINA

Federation of Bosnia and Herzegovina **FBiH**






Republic of Srpska **RS**

	Company formation	Incorporation time	LLC - about 1 month
		Shareholders required	1
		Directors required	1
		Official company register	FBiH: www.bizreg.pravosudje.ba, RS: www.apif.net
	Company taxes	Corporate income tax	10%
		Tax period for CIT	calendar year
		Due date for CIT return	Max. 90 days after the end of the tax year, but no later than 31 March
		When is a company considered to be a tax resident?	When the legal entity meets one of the following criteria: <ul style="list-style-type: none"> • have a registered seat in the country • have a place of management located in the country
	VAT	VAT rates	17% is the standard VAT rate, 0% on the export of goods
		When is a resident company eligible for VAT registration?	If the taxable turnover of goods or services in the previous year exceeded the amount of BAM 100.000,00, both resident and non-resident companies have to register for VAT
		When is a non-resident company eligible for VAT registration?	A non-resident that carries out a taxable supply of goods and services in Bosnia and Herzegovina has to register for VAT.
	Labour law and employment	Who is entitled to work?	BiH citizens and all foreign employees with valid stay and work permits
		Types of employment contracts available	FBiH: Full-time and Part-time employment. In some cases freelancing contracts and Managerial contract without employment for directors (good option for foreign directors as no stay&work permit is needed) RS: Full-time and Part-time employment. In some cases freelancing contracts
	Employee taxes and contributions	Personal income tax rates	10%
		Tax period for PIT	calendar year
		Due date for PIT return	31 March of the following year
		Individual considered as a tax resident of the country	FBiH: Tax residents are individuals, who have a permanent address in the FBiH or stay longer than 183 days in the FBiH. RS: Tax residents are individuals, who have a permanent address in the RS or stay longer than 183 days in the RS.
		Considered as a taxable income of an individual	FBiH: Income from employment, independent business activities, property and property rights, capital investments, prize winning games and lottery games. RS: Income from employment, independent business activities, property and property rights, capital gain income and income from foreign source
		Rate of the social security contributions paid by the employer	FBiH: 6%, RS: not applicable
		Rate of the social security contributions by the employee	FBiH: 17%, RS: 18,5%






SERBIA

	Company formation	Incorporation time	Opening a company takes 3-5 working days, while the Agency for Business Registers makes a decision
		Shareholders required	1
		Directors required	1 person, who can be both director and founder
		Official company register	www.apr.gov.rs
	Company taxes	Corporate income tax	15%
		Tax period for CIT	Calendar or fiscal year
		Due date for CIT return	29 June or max. 180 days after the end of the tax year
		When is a company considered to be a tax resident?	When the legal entity meets one of the following criteria: <ul style="list-style-type: none"> • have a registered seat in the country • have a place of management located in the country
	VAT	VAT rates	Standard rate: 20% / Reduced rate: 10%
		When is a resident company eligible for VAT registration?	When reaching a threshold of RSD 8.000.000 of taxable turnover in Serbia in the previous 12 months A non-resident that carries out a taxable supply of goods and services in Serbia has to register for VAT.
		When is a non-resident company eligible for VAT registration?	Non resident should register for VAT purposes in case of performing supply of goods/services taxable in Croatia
	Labour law and employment	Who is entitled to work?	A personal work permit enables a foreigner in the Republic of Serbia to freely employ, self-employ and exercise unemployment rights, in accordance with the law. A work permit is considered an act on the basis of which a foreigner can be employed or self-employed in the Republic, in accordance with the law. A work permit can be issued as personal work permit or work permit. Only one type of work permit is issued for the same time period.
		Types of employment contracts available	Fixed term contract, Indefinite duration contract, Service contract, Temporary - occasional job contract, Additional work contract, Contract on professional and training development
	Employee taxes and contributions	Personal income tax rates	10%-20%, based on the type of income
		Tax period for PIT	Tax period for PIT is monthly. Tax period for yearly PIT is calendar year
		Due date for PIT return	May 15 for yearly PIT, monthly for each salary payment.
		Individual considered as a tax resident of the country	Tax residents are individuals, who: have a permanent address in Serbia or stay longer than 183 days in Serbia or who are sent abroad by the Serbian government or whose center of vital interests is situated in Serbia
		Considered as a taxable income of an individual	Employment income, royalties, business income, income from agriculture and forestry, investment income, income from immovable property, capital gains, other income
		Rate paid by the employer	15.15%
Rate paid for employee by the employer	19.9%		

MONTENEGRO

	Company formation	Incorporation time	10 working days
		Shareholders required	1 or more
		Directors required	One, local or foreign person. Foreign person has to have work and residence permit.
		Official company register	/
	Company taxes	Corporate income tax	9%-15%, based on profit
		Tax period for CIT	Calendar year
		Due date for CIT return	End of March of the following year
		When is a company considered to be a tax resident?	When the legal entity meets one of the following criteria: <ul style="list-style-type: none"> • have a registered seat in the country • have a place of management located in the country
	VAT	VAT rates	Standard rate: 21% / Reduced rate: 7%
		When is a resident company eligible for VAT registration?	When reaching a threshold of EUR 30,000 of taxable turnover in Montenegro in the previous 12 months
		When is a non-resident company eligible for VAT registration?	A non-resident that carries out a taxable supply of goods and services in Montenegro has to register for VAT.
	Labour law and employment	Who is entitled to work?	Local and foreign people. Foreigners need to obtain work and residence permit.
		Types of employment contracts available	Labour contract (indefinite and definite) Contract on temporary job (project or task job)
	Employee taxes and contributions	Personal income tax rates	Non taxable part and 9%-15%, based on the income
		Tax period for PIT	Calendar year
		Due date for PIT return	End of April
		Individual considered as a tax resident of the country	Tax residents are individuals, who: <ul style="list-style-type: none"> • have a permanent address in Montenegro • stay longer than 183 days in Montenegro • whose center of vital interests is situated in Montenegro
		Considered as a taxable income of an individual	Employment income, income from entrepreneurship
		Rate of the social security contributions paid by the employer	6% (5.5% for pensions and 0.5% for unemployment)
		Rate of the social security contributions by the employee	15.5% (15% for pensions and 0.5% for unemployment)

NORTH MACEDONIA

	Company formation	Incorporation time	About 1 month
		Shareholders required	1
		Directors required	1
		Official company register	www.crm.com.mk
	Company taxes	Corporate income tax	10%
		Tax period for CIT	Calendar year
		Due date for CIT return	15 March
		When is a company considered to be a tax resident?	When the legal entity meets one of the following criteria: <ul style="list-style-type: none"> • have a registered seat in the country • have a place of management located in the country
	VAT	VAT rates	Standard rate: 18%, reduced rate: 10% and 5%
		When is a resident company eligible for VAT registration?	When reaching a threshold of MKD 2.000.000 of taxable turnover in North Macedonia in a calendar year
		When is a non-resident company eligible for VAT registration?	A non-resident that carries out a taxable supply of goods and services in North Macedonia has to register for VAT.
	Labour law and employment	Who is entitled to work?	Local and foreign people. Foreigners need to obtain work and residence permit.
		Types of employment contracts available	Labour contract (indefinite and definite) Contract on temporary job (project or task job)
	Employee taxes and contributions	Personal income tax rates	10% all kind of personal income, except income from winnings from games and lottery games which is 15%
		Tax period for PIT	Calendar year
		Due date for PIT return	Until 30 April, the tax administration sends a pre-filled tax return to your registered e-mail, for which you are obliged to confirm or make corrections by 31 May. The unconfirmed tax return within the given period is accepted as final.
		Individual considered as a tax resident of the country	Tax residents are individuals, who: <ul style="list-style-type: none"> • have a permanent address in North Macedonia • stay longer than 183 days in North Macedonia • whose center of vital interests is situated in North Macedonia
		Considered as a taxable income of an individual	Income from employment, independent business activities, copyright and related rights, sale of own agricultural products, industrial property rights, lease and sublease, capital, capital gains, winnings from games and lottery games, insurance income and other income.
		Rate of the social security contributions paid by the employer	N/A, SSC are paid by employee
		Rate of the social security contributions by the employee	28% (18.8 for Pensions, 7.5% Health Insurance, 1.2% for unemployment and 0.5% for additional mandatory insurance in case of injury or occupational disease)