

# **THE LAW ON AMENDMENTS AND ADDENDA TO THE LAW ON PROPERTY TAXES**

## **Article 1**

In the Law on Property Taxes (Official Gazette of RS, No. 26/01,45/02-CC, 80/02, 80/02-new law , 135/04, 61/07, 5/09, 101/10, 24/11, 78/11, 57/12-CC, 47/13, 68/14-new law, 95/18 and 99/18 - CC), in Article 2, Paragraph 3 shall be deleted.

Former Paragraphs 4 and 5 shall become Paragraphs 3 and 4.

In former Paragraph 6, which shall become Paragraph 5, the words “Paragraph 5” shall be replaced by the words: “Paragraph 4”.

## **Article 2**

After Article 7a, Article 7b shall be added, which reads:

“Article 7b

If the taxpayer who maintains the books of account shows the value of the real property in the books of account as referred to in Article 7, Paragraph 1 of this Law, as of the beginning of the tax year, or if the value of the real property in the books of account, as of the beginning of the tax year is no longer presented in accordance with Article 7, Paragraph 1 of this Law, the basis of property tax for the tax year shall be determined in accordance with Article 7, Para. 2 to 11 and Article 7a Para. 3, 5 and 6 of this Law”.

## **Article 3**

In Article 12, Paragraph 1, Item 10) after the word: “production”,the comma and the words: “in accordance with the law governing agricultural land” shall be deleted.

## **Article 4**

After Article 12a, Article 12b shall be added, which reads as follows:

“Article 12b

Facilities intended for primary agricultural production, pursuant to Article 12, Paragraph 1, item 10) of this Law, shall be facilities for storing agricultural machinery, raw materials, keeping and storing finished agricultural products, livestock barns, facilities for the cultivation and display of old indigenous varieties of crops and breeds of domestic animals, and facilities for the cultivation of mushrooms, snails and fish”.

## **Article 5**

In Article 17, Paragraph 5 the words: “Art. 34 and”, shall be replaced by the word: “member” and after the word: “untimely” a comma shall be added and the words: “or the taxpayer has no obligation to file a tax return in accordance with Article 34 of this Law”.

## **Article 6**

In Article 27, Paragraph 2, the words: “the provisions of Article 34 and Article” shall be replaced by the word: “member”.

A new Paragraph 3 shall be added, which reads:

“When a taxpayer is not obliged to file a tax return pursuant to Article 34 of this Law, the time limit referred to in Paragraph 2 of this Article shall start to run from the day of submission of evidence relevant to exercising the right to a tax exemption to the notary or tax authority, which the tax authority cannot obtain on the basis of data exchange between government bodies through the Government Service BUS, in accordance with the law governing electronic government (hereinafter: GSB), that is, from the date of expiry of the time limit that the taxpayer had to submit this evidence”.

In former Paragraph 3, which shall become Paragraph 4, the words: “Paragraph 2” shall be replaced by the words: “Paragraphs 2 and 3”.

Former Paragraph 4 shall become Paragraph 5.

In former Paragraph 5, which shall become Paragraph 6, in Item 1), the words: “Paragraph 4” shall be replaced by the words: “Paragraph 5”.

In former Paragraph 6, which shall become Paragraph 7, the words: “Paragraph 2” shall be replaced by the words “Paragraphs 2 and 3”.

In former Paragraph 7, which shall become Paragraph 8, the words: “Paragraph 1 to 5” shall be replaced by the words: “Paragraphs 1 to 6”.

## **Article 7**

In Article 29, Paragraph 9, after the words: “untimely: a comma shall be added and the words: “or the taxpayer has no obligation to file a tax return in accordance with Article 34 of this Law”.

## **Article 8**

Article 33b shall be amended to read:

“Article 33b

A tax return used for property tax assessment shall not be filed when the tax liability of a taxpayer who does not keep the books of account, arises or ends on the basis of a document drawn up, notarized or certified by a notary public (hereinafter: the execution of an action), that is, on the basis of a final decision rendered by a notary public while exercising public authority entrusted by law, on the day the action is completed, or on the day the decision becomes final.

The notary public shall be obliged to make the document referred to in Paragraph 1 of this Article, or a final decision rendered under public authority derived from legislation, available ex officio, that is, to submit it through the electronic counter, through which documents and data are shared in the procedure for registration with the real estate cadastre and cadastre of lines (hereinafter: e-counter), to the republic authority in charge of the real estate cadastre and cadastre of lines (hereinafter: the authority in charge of cadastre) or through the e-counter or GSB to the competent local government authority within 24 hours from the moment of

the execution of the action, or within 24 hours from the date when the decision has become final.

Along with the document, or the decision referred to under Paragraph 1 of this Article, and in the manner and within the time limits referred to in Paragraph 2 of this Article, the notary public shall submit information provided by the taxpayer who does not maintain the books of account about:

- 1) The right to a tax exemption pursuant to Art. 12 to 12b of this Law, that is, to a tax credit pursuant to Article 13 of this Law;
- 2) Whether the land concerning which the taxpayer is acquiring the right referred to in Article 2, Paragraph 1 of this Law borders with the land on which the taxpayer has acquired the right, so that their total area exceeds 10 a, or whether the termination of the right on part of the land leaves that taxpayer with the land up to 10 a in size;
- 3) The usable area of the property subject to taxation;
- 4) The year in which the construction, or the last reconstruction of the facility was completed.

In addition to the document or decision referred to in Paragraph 1 of this Article, in the manner and within the time limits referred to in Paragraph 2 of this Article, the notary public shall also submit:

- 1) evidence relevant for tax liability assessment, or for the right to a tax exemption or a tax credit, submitted to the notary public by a taxpayer who does not keep books of account before the action was completed, that is, before the decision became final;
- 2) information on a document drawn up, notarized or certified by the notary public, or on a final decision made by the notary public in the exercise of public authority entrusted by law, and on real property subject to taxation (on the type, location, use of undeveloped construction land, etc.) .

On the date when the time limit referred to in Paragraph 2 of this Article expires, the competent body of the local government unit shall be deemed to have learned about the inception or termination of the tax liability on the basis of the document or decision referred to in Paragraph 1 of this Article and to have received the information referred to in Paragraph 3 and Paragraph 4, Item 2) of this Article, as well as the evidence referred to in Paragraph 4, Item 1) of this Article.

When the taxpayer who does not keep the books of account has not provided the public notary with the statement on all points referred to in Paragraph 3 of this Article or when he has not provided all the evidence relevant for tax liability assessment, or for the right to tax exemption or tax credit, which the competent body of the local government unit cannot obtain on the basis of the exchange of data with government bodies through the GSB, the taxpayer shall be obliged to submit that data or evidence to the competent body of the local government within 30 days from the expiry of the time limit referred to in Paragraph 2 of this Article, or at the request of that authority in the time limit set in the tax procedure.

If a taxpayer who does not keep books of account fails to submit the data or evidence referred to in Paragraph 6 of this Article, within the prescribed or given

time limit it shall be considered that the taxpayer does not have them, so the tax liability shall be determined on the basis of data and evidence available to the competent body of the local government unit. .

The notary public shall add the signed declaration of the taxpayer on the data referred to in Paragraph 3 of this Article to the case file and submit the copy to the competent body of the local government unit within the time limit referred to in Paragraph 2 of this Article.

Notwithstanding Paragraphs 1 to 8 of this Article, when a tax liability of a taxpayer who does not keep books of account arises for a person on the basis of inherited real property, for which there are no data in the real estate cadastre and cadastre of lines, that person shall be obliged to file a tax return for property tax assessment purposes either through a notary public who rendered that decision in the exercise of public authority entrusted by law on the day on which the decision on inheritance becomes final, or directly to the competent body of the local government unit within 30 days from the day the decision has become final.

The notary public shall be obliged to deliver the received tax return referred to in Paragraph 9 of this Article, completed and signed by the taxpayer, with a final decision rendered in the exercise of public authority entrusted by law and evidence relevant for tax liability assessment, submitted to the notary public by the taxpayer, ex officio, within 24 hours of the day it has become final, in accordance with Paragraph 2 of this Article.

On the day of filing of the tax return with the notary public in accordance with Paragraph 9 of this Article, it shall be considered that the taxpayer who does not keep books of account submitted the tax return directly to the competent body of the local government unit”.

### **Article 9**

In Article 33v, Paragraph 1, in the introductory sentence after the words: “local government”, a comma and the following words shall be added: “except in the case referred to in Article 33b, Paragraphs 1 to 8 of this Law”.

In Items 1) and 2) the words: “for which he did not file a tax return through a notary public pursuant to Article 33b of this law” shall be deleted.

In Paragraph 2 the words: “Article 33b of this Law” shall be deleted.

### **Article 10**

In Article 33, Paragraph 2 shall be amended to read as follows:

“For property for which a tax return had been filed in accordance with this law or for which a tax return is not required in accordance with Article 33b, Paragraph 1 of this Law, the taxpayer who does not keep books of account shall file a tax return if there has been a change that can affect the amount of tax liability for the property, which is not included in the filed tax return or in other data submitted by the notary public to the competent authority of the local government unit in accordance with Article 33b, Paragraph 3 of this Law”.

### **Article 11**

Article 34 shall be amended to read as follows:

“Article 34

A tax return shall not be filed for the assessment of inheritance and gift taxes, i.e. transfer tax, on the basis of a document drawn up, notarized or certified by a notary public, i.e., a final decision rendered by a notary public in the exercise of public authority entrusted by law, when, in accordance with Art. 17 and 29 of this Law, the tax liability arises on the day of drawing up, notarization or certification of the document (hereinafter: the execution of an action), i.e., on the day when the decision rendered by the notary public became final, for:

- 1) inheritance in the form of things and rights referred to in Article 14 of this Law obtained on the basis of a final decision on inheritance rendered by the notary public in the exercise of public authority entrusted by law;
- 2) a gift in the form of things and rights referred to in Article 14 of this Law obtained in the probate proceedings carried out by the notary public in the exercise of public authority entrusted by law, or a gift in the form of real estate rights obtained on the basis of a document drawn up, notarized or certified by the notary public or a final decision rendered by the notary public;
- 3) transfer of absolute rights to real estate.

The notary public shall be obliged to deliver the document referred to in Paragraph 1 of this Article, i.e., the final decision rendered under public authority entrusted by law, ex officio, through the e-counter, i.e., through the e-counter and GSB, to the authority in charge of cadastre within 24 hours from the moment of the execution of the action, or within 24 hours from the day the decision has become final.

Along with the document or decision referred to in Paragraph 1 of this Article, and in the manner and within the time limits referred to in Paragraph 2 of this Article, the notary public shall submit:

- 1) statement of the taxpayer whether there are debts, costs and other burdens that the taxpayer of the inheritance tax is obliged to pay or otherwise settle by inherited property (hereinafter: debts), that is, whether the taxpayer of the inheritance and gift taxes considers that he is entitled to a tax exemption under Article 21 of this Law or to a tax credit under Article 22 of this law, or whether the taxpayer of the transfer tax considers that he is entitled to a tax exemption under Art. 31 to 31b of this Law;
- 2) evidence relevant for tax liability assessment, that is, the statement of the buyer of the first apartment referred to in Article 36, Paragraph 2 of this Law, submitted by the taxpayer before the execution of the action, or before the decision was rendered;
- 3) information about the document drawn up, notarized or certified by the notary public, or about the final decision rendered by the notary public in the exercise of public authority entrusted by law.

The authority in charge of cadastral affairs shall file with the tax authority the document referred to in Paragraph 1 of this Article and the declaration, evidence, statement and data referred to in Paragraph 3 of this Article immediately after receipt, ex officio, through the e-counter.

On the date when the time limit referred to in Paragraph 4 of this Article expires, the tax authority shall be deemed to have learned of the inheritance and gift, or of the transfer of absolute rights, which is made on the basis of the document or decision referred to in Paragraph 1 of this Article, and to have received the declaration, evidence, statement and information referred to in Paragraph 3 of this Article.

When the taxpayer fails to submit or provide all the evidence relevant for tax liability assessment, which the tax authority cannot obtain by exchanging information with government bodies through GSB, or when the taxpayer fails to submit the declaration or statement referred to in Paragraph 3, Items 1) and 2) of this Article, the taxpayer shall be obliged to submit them to the tax authority at the request of the tax authority within the time limit set in the tax procedure.

If the taxpayer fails to submit the evidence, declaration or statement referred to in Paragraph 3, Items 1) and 2) of this Article, within the set time limit, it shall be considered that the taxpayer does not have the evidence, that the statement had not been filed, that there are no debts, and that the taxpayer is not entitled to a tax exemption or to a tax credit”.

## **Article 12**

In Article 35, Paragraph 1, the words: “Paragraph 1” shall be deleted. Paragraphs 2 and 3 shall be amended to read:

“The tax return referred to in Paragraph 1 of this Article shall be submitted to the tax authority - organizational unit competent for the territory in which the taxpayer - natural person is domiciled, permanently or temporary, or to the tax authority - organizational unit competent for the territory in which the taxpayer - legal entity is based.

Notwithstanding Paragraph 2 of this Article, the tax return filed to assess the gift tax that only concerns real property shall be filed with the tax authority - the organizational unit competent for the territory in which the real property received by the taxpayer is located”.

In Paragraph 4, the words: “Paragraph 3” shall be replaced by the words: “Paragraph 2”. Paragraph 5 shall be deleted.

## **Article 13**

In Article 36, Paragraph 1, the words: “Paragraph 1” shall be deleted.

In Paragraph 2, the word: “with” shall be replaced by the words: “it is submitted to the tax authority”, and after the words: “of this article”, the comma and the word “filed” shall be deleted.

## **Article 14**

This Law shall enter into force on January 1, 2020.