

# LEGAL NEWS 1/2015



With respect to the recent changes and amendments of legislation in the Republic of Serbia, in this edition of JSP Legal News we are presenting the most important novelties in legislation which could influence your business and which pertain to the following laws:

- Law on Accounting;
- Law on Corporate Income Tax;
- Law on Planning and Construction;
- Energy Law;
- Insurance Law;

---

The information provided in this Legal News is intended for informational purposes only. Nothing set forth within this document should be construed as providing legal advice regarding an individual situation or as creating an attorneys-client relationship. All readers of this document should not assume that this information is applicable to their specific situation without consulting qualified and competent counsel.



JOKSOVIĆ, STOJANOVIĆ & PARTNERI  
ADVOKATSKA KANCELARIJA

## LAW ON ACCOUNTING – NOVELTIES IN SIGNING OF THE FINANCIAL REPORTS

Transferring and final provisions of the currently in force Law on Accounting prescribes that financial reports made on 31 December 2014, must be certified by a qualified electronic signature of the legal representative. The qualified electronic signature is thus made to be a mandatory element of the financial report.

With respect to this fact the legal representatives of legal entities must obtain a qualified electronic certificate and in relation with this, an electronic signature.

Obtaining of qualified electronic certificates may be conducted before certification bodies which are inscribed in the Certification Bodies Registry, where inter alia are inscribed Javno preduzeće PTT saobraćaja „Srbija“ PJ za elektronsko poslovanje and Chamber of Commerce and Industry of Serbia.

Because the Serbian Agency for Business Registry is of the opinion that the qualified electronic certificate which is used for communication with public authorities must contain a personal ID number, commercial entities whose legal representative is a foreign citizen may fulfill this requirement in one of following manners:

1. by obtaining an electronic certificate for their legal representative which entails prior obtaining of a residence permit and a temporary personal ID number; or
2. by registration of a Serbian citizen or foreign citizen that already has a temporary residence, as a legal representative, and thereafter obtaining of a qualified electronic certificate for signing of the financial reports.



February 2015

## LAW ON AMENDMENTS AND SUPPLEMENTS OF THE LAW ON CORPORATE INCOME TAX



JOKSOVIĆ, STOJANOVIĆ & PARTNERI  
ADVOKATSKA KANCELARIJA

Law on Amendments and Supplements of the Law on Corporate Income Tax was published in the “Official Herald RoS” no. 142/2014, and entered into force on 26 December 2014.

By this amendments and supplements the Law on Corporate Income Tax the scope of payments which are recognized in tax balance as expenses up to 5% of entire income is extended for:

- humanitarian assistance or elimination of the consequences incurred in the event of emergencies, which are incurred in Republic of Serbia, the autonomous province and the local government.

Also, the following novelties are important:

- excess of division assets in cash respectively non cash assets, over the value of invested capital which is distributed to the members of the company over which bankruptcy procedure is concluded, shall be deemed as dividend and thus taxed;
- Republic of Serbia, the autonomous province and the local government shall not be deemed as legal entities in sense of transfer pricing provisions.



February 2015

**LAW ON AMENDMENTS  
AND SUPPLEMENTS OF  
THE LAW ON  
CORPORATE INCOME  
TAX**



**JOKSOVIĆ, STOJANOVIĆ & PARTNERI**  
ADVOKATSKA KANCELARIJA

The provisions of the Law which regulate deadlines for submission of the tax returns for the companies which are in the bankruptcy procedure, liquidation procedure and companies which have undergone status changes, have been changed in the following way:

- within 60 days from the opening of liquidation proceedings and within 60 days after the completion of liquidation proceedings;
- within 60 days from the opening of bankruptcy proceedings and within 60 days of the effective date of the reorganization plan;
- within 60 days from the rendering the final decision on the continuation of the bankruptcy proceedings bankruptcy and within 60 days from the rendering of final decision on the completion of the bankruptcy procedure;
- in the case of status changes that result in the termination of the company tax return is filed within 60 days from the status change.

February 2015

## LAW ON AMENDMENTS AND SUPPLEMENTS OF THE LAW ON PLANNING AND CONSTRUCTION



JOKSOVIĆ, STOJANOVIĆ & PARTNERI  
ADVOKATSKA KANCELARIJA

The Law on Amendments and Supplements of the Law on Planning and Construction was published in the “Official Herald RoS” no. 132/2014 and entered into force on 17 December 2014.

Among the most important novelties we accentuate the following:

- obtaining of all required permits within 28 days instead of the until now prescribed 240 days;
- obtaining of documentation in unified procedure, i.e. from obtaining of a location conditions up to obtaining of a usage permit;
- issuing of usage permit within 5 days and delivering of the same to the investor and competent construction inspector;
- possibility to perform construction on urban building land over which the usage right is acquired through a privatization process, i.e. without the necessity of conversion into ownership rights.







JOKSOVIĆ, STOJANOVIĆ & PARTNERI  
ADVOKATSKA KANCELARIJA

## ENERGY LAW

The Law on Energy was published in “Official Herald RoS” no. 145/2014 and entered into force on 30 December 2014, except provisions which shall enter into force on 1 June 2016.

Among the most important novelties we accentuate the following:

- imposed obligation for operators of transmission/distribution network to allow to the other suppliers a access to the network which guides to final costumer, without discrimination;
- distribution operators must apply determined tariffs;
- the companies which perform production and supplying must separate those activities from distribution;
- activity of the supply wholesale electricity is established as well as possibility for a foreign company to obtain the license for that activity without mandatory registration in Serbia.

The main goal of this law is to completely liberate the electricity and gas market, incitement of competition and preventing abuse of dominant position.



JOKSOVIĆ, STOJANOVIĆ & PARTNERI  
ADVOKATSKA KANCELARIJA

## INSURANCE LAW

The Insurance Law was published in “Official Herald RoS” no. 139/2014 and entered into force on 26 December 2014, and is to be implemented as of 27 June 2015, except provisions which shall be implemented after joining of the Republic of Serbia to the World Trade Organization and European Union.

Among the most important novelties we accentuate the following:

- obligation on providing of detailed information to the insured person regarding all matters relating to the exercise of rights under the insurance;
- abolition of the obligation to engage insurance salesman exclusively through permanent employment, i.e. now there is a possibility that the insurance salesman is engaged in accordance with other modalities prescribed by the Labor Law;
- market liberalization and incitement of competition in accordance with directives of European Union;

Full implementation of this law is expected after the National Bank of Serbia adopts relevant bylaws.





**CONTACT:**

**JOKSOVIC, STOJANOVIC & PARTNERS  
LAW OFFICE**

Internacionalnih brigada 38  
11000 Belgrade, Serbia

Tel: +381 11 344 59 70 and +381 11 344 03 74

Fax: +381 11 344 59 72

E-mail: [office@jsplaw.co.rs](mailto:office@jsplaw.co.rs)

[www.jsplaw.co.rs](http://www.jsplaw.co.rs)

