REGULATION NO. 2003/3

AMENDING UNMIK REGULATION NO. 2002/4
ON PERSONAL INCOME TAXES IN KOSOVO

The Special Representative of the Secretary-General,

Pursuant to the authority given to him under United Nations Security Council resolution 1244 (1999) of 10 June 1999,

Taking into account United Nations Interim Administration Mission in Kosovo (UNMIK) Regulation No. 1999/1 of 25 July 1999, as amended, on the Authority of the Interim Administration in Kosovo,

Having promulgated UNMIK Regulation No. 2002/4 of 20 February 2002 on Personal Income Taxes in Kosovo,

Acting at the request of the Government, and having sought the advice of the Economic and Fiscal Council,

For the purposes of amending UNMIK Regulation No. 2002/4 in order to adjust the income tax rates pending the introduction of comprehensive personal income tax legislation covering all sources of income,

Hereby promulgates the following:

Section 1
Amendment

1.1 Section 6.2 of UNMIK Regulation No. 2002/4 is hereby amended to read as follows:

“6.2 For the tax period 2003, and subsequent tax periods, income tax shall be charged on taxable income at the following rates:

(a) For taxable income up to 960 euro, at the rate of zero percent (0%);
(b) For taxable income between 960 euro and 3000 euro, at the rate of five percent (5%);

(c) For taxable income between 3000 euro and 5400 euro, 102 euro plus ten percent (10%) of the amount over 3000 euro; and

(d) For taxable income over 5400 euro, 342 euro plus twenty percent (20%) of the amount over 5400 euro”.

1.2 For the purposes of implementation of section 6.2 of UNMIK Regulation No. 2002/4, as amended by the present Regulation, section 7.2 of UNMIK Regulation No. 2002/4 is hereby amended to read as follows:

“7.2 An employer who is the employee’s principal employer shall withhold for the January, February, and March 2003 payroll periods, an amount as set out in the withholding tables issued by the Central Fiscal Authority for the tax period 2002. For subsequent payroll periods the amount to be withheld shall be determined on the basis of the withholding tax calculation formulas to be issued by the Tax Administration for the applicable tax period”.

Section 2
Applicable Law

The present Regulation shall supersede any provision in the applicable law which is inconsistent with it.

Section 3
Implementation

The Special Representative of the Secretary-General may issue administrative directions for the implementation of the present Regulation.

Section 4
Entry into Force

The present Regulation shall enter into force on the date of signature and shall be effective as of 1 January 2003.

Michael Steiner
Special Representative of the Secretary-General