

Confidentiality

In order for TAK to make as accurate and correct as possible determination of your tax obligation, it receives from you and other parties a lot of information, which if are not submitted are subject to fines and penalties. This information may be disclosed to other institutions as allowed by the law:

- Ministry of Finance
- Kosovo Statistical Office
- Kosovo Pension Saving Trust
- Ombudsperson Institution
- Public Prosecution Office
- Courts
- Business Registration Agency
- Office of Auditor General
- Customs
- Tax authorities of other country under treaty
- Mews media and public in very specific cases

 You may release in writing any person from the duty of confidentiality. Any other disclosure of taxpayer information in strictly forbidden by law

Tax Obligation of Third Persons

When someone was responsible for, or has assisted in failure of tax duties, TAK has the authority to complete a tax assessment against those persons and follow all required procedures as for any taxpayer that owes taxes to TAK. He/she can be a:

- Responsible Person (in a business, who was responsible to carry out tax obligations);
- Transferee (a person that enabled the transfer of assets owned by the tax debtor);
- Beneficial Owner (who enjoys the benefits from the domination and control of assets with the title in the other name);
- Nominee (someone assigned to act for someone else).

Tax in Jeopardy

Whenever TAK considers that the payment of tax that is due is in jeopardy, it may issue an order for tax in jeopardy when:

- the taxpayer is about to depart Kosovo;
- the taxpayer is about to cease business;
- the taxpayer is about to transfer property; or;
- for other similar documented reasons.

 When the order for tax in jeopardy is issued, it notifies any person that owes money or property to the taxpayer, to set aside monies, or property, of that taxpayer until further notified.

Pay tax, sleep well!

Call Center

In addition to information through mail, direct contact with the TAK employees, you can be called by telephone by our Call Center employees. They will inform you on tax debt and delinquent returns, and they will demand and help you to make tax payment and filing, in order that your position with TAK be clear.

TAK Integrity

In case you encounter TAK employee misconduct, other actions that lead to corruption, abuse of duty or pose a security threat to TAK employees or citizens, please call the following toll free number:



The Professional Standard Office shall deal with, and investigate the case under the maximal discretion.

Contact

For detail information or issues related to tax debt and collection process, you may search on the TAK website, www.atk-ks.org or by contacting the collection function throughout our regional offices and our Headquarters at addresses and telephone numbers:

Regions	Telephone numbers	Addresses
Prishtina-1	038 / 200 255 55	Street: Nënë Tereza, Former Gërmia Building
Prishtina-2	038 / 200 255 57	Street: Nënë Tereza, Former Gërmia Building
Prishtina-3	038 / 200 255 16	Street: Fehmi Agani - 39
Prizreni	029 / 231 612	Street: William Wolker - NN
Peja	039 / 423 430	Boulevard: Skenderbeu - NN
Ferizaj	0290 / 322 302	Street: Dëshmorët e Kombit -NN
Gjilani	0280 / 326 967	Street: Skenderbeu - NN
Mitrovica	028 / 533 648	Street: Agim Hajrizi - NN
Gjakova	0390 / 330 057	Street: Nënë Tereza - NN
LTU	038 / 200 255 29	Street: Fehmi Agani - 41
Headquarters	038 / 200 347 07	Corner of Streets: Dëshmorët e Kombit and Bill Clinton; 10 000 Prishtinë, Kosovë

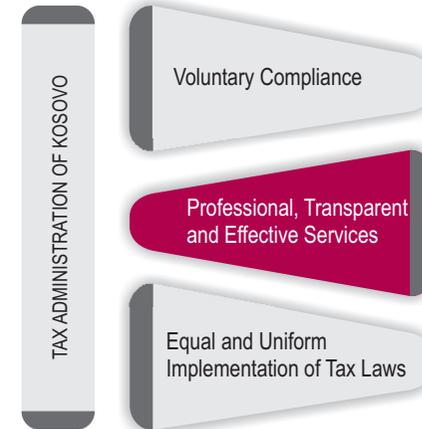
info@atk-ks.org

www.atk-ks.org



Administrata Tatimore e Kosovës
Poreska Administracija Kosova
Tax Administration of Kosovo

INFORMATION ON TAX DEBT



Tax Obligation

Each of us in Kosovo is using many services from the government, including: security, health, education, infrastructure, etc. Certainly all these services have a cost, which is covered by taxes, fees and payments that are made to our government. Therefore each citizen, resident, or business that creates wealth should pay a fair share to government.

 TAK Tax Administration of Kosovo

Creation of Debt

Kosovo's tax system is based on voluntary compliance and self-assessment.

A tax debt (your obligation) is created when:

- You report and do not pay;
- You are late in reporting and payment;
- TAK makes an additional assessment for failure to file, under-reporting, penalty or interest

 The term tax includes also pension contributions or other contributions that may be given to TAK as obligation to collect.

 Any delay in reporting or payment of taxes is associated with accrual of penalties and interest on monthly basis.

Collection Case

When a tax debt is created and it becomes payable, the case is assigned to enforcement collection, which within given authorities shall collect the tax debt and shall ask for delinquent returns. The statutory period for collection of a tax debt is 6 (six) years from the date the tax is assessed. This period may be extended if:

- you filed an appeal with Department of Appeals within TAK,
- you filed an appeal with Independent Review Board,
- you filed an appeal with the court of competent jurisdiction,
- you are Publicly Owned Enterprise (infinite),
- you are Socially Owned Enterprise (until liquidation),
- you are outside the country for more than three (3) months,
- you have made an agreement in writing with TAK to extend the statute (but not more than 24 months).

TAK Authorities

With regard to collection of tax, Tax Administration of Kosovo has many authorities provided in the tax laws, and those are as follows:

- Request for information regarding your property from you and third parties (including banks)
- Recording tax lien (on all movable and immovable property), **10 days after the tax debt is established with the 6 years effect.**

- Levy on bank accounts and seizure of funds
- Levy and seizure of money expected from your clients and your employer
- Embargo on importation or exportation of goods
- Prohibition to depart Kosovo
- Seizure of movable and immovable property (**excluding essential things for life of family**)
- Sale of seized property
- Criminal charge

 For any determination or decision TAK informs you regarding details and legal basis and gives you period of time in which to fulfill your obligations

Payment of Tax Debt

First option is for you to consider your possibilities of making the full payment. To do this, if you have any financial difficulty, it will be advantageous for you to take a loan from a bank, or other lending source, to pay the taxes, because the accrual of interest and penalties with TAK exceeds the rate of bank interest. Any payment you make, whether it is full or partial, shall impact on reduction of tax base, penalties and interest.

- If you are in overpayment, TAK has the right to apply it on debts.
- If you are in a VAT credit, TAK may open audit and the valid credit apply against the debt.
- These processes may be initiated by you through a written request

When the payment is made, it shall be applied in the following order:

1. collection costs
2. the amount of any tax due
3. sanctions and fines, and
4. Interest.

 All taxes are paid in the banks or financial institutions licensed by Central Bank of Kosovo (CBK)

Installment Agreements

When you are facing financial difficulties and you prove it to TAK, TAK may allow you to enter into an agreement for the payment of your liability in installments.

The Law provides that if you make a request for an agreement to pay:

- 20% of total debt,
- in 2 (two) or more installments,
- within 12 months, and
- timely file and pay all the other tax obligations within the agreement,

the penalty for failure to file (5% per month, up to maximum of 25% on tax due) and failure to pay (1% per month, up to maximum of 12% on tax due), which do not accrue simultaneously, shall be reduced to two percent (2%) of the tax due, and interest (1.25% per month) shall stop accruing. With failure to honor the agreement you lose these benefits.

 Agreements with other terms and conditions do not provide all these incentives.

How to Get Forms

To file and pay tax you must get relevant documents from TAK. You can do this from the TAK website: www.atk-ks.org in the link **Download Tax Forms**. But returns and payment papers can be downloaded ONLY when you have a fiscal number, which you must obtain initially in the Tax Administration of Kosovo. When you download forms, only download forms that are applicable for you and ensure that you request the correct tax type and tax periods.

Reduction of penalties

If the incurred tax liability was the result of reasonable causes, exercise of good faith, undue hardship or other strong grounds, you may file a written request, with all the reasons and proofs, to TAK for penalty reduction.

Appeals

If you believe that the decision, determination or document issued by TAK contains procedural violations, factual or legal errors, lack of proofs or lack of materials, you may file an appeal together with your proof and documentation, within 30 days from the date of their issuance, at the Appeals Department (AD) within TAK. Department of Appeals has the obligation to respond within 60 days.

The Appeals Department is located at the TAK Headquarters.

If you still believe that the AD decision is not right, you are entitled to appeal with the Independent Review Board (IRB) (within 30 days after receiving the decision from the AD), or further to a court of competent jurisdiction (within 60 days after receiving the decision from the IRB).

Taxpayer Advocate

When you have not received an answer that you asked for, when your returns or payments have not been processed timely, when the materials you offered have not been taken into consideration, when collection of a debt may harm an innocent person, and similar, TAK has made it possible to present your issues to the Taxpayer Advocate, which is located within TAK Headquarters.

You may contact the Taxpayer Advocate through email: avokati.tatimpaguesve@atk-ks.org, or you can call on the telephone number: **+381 38 200 347 09**.

 Taxpayer Advocate is **not** an appeal instance