

12. What is capital profit?

Capital profits are incomes which the taxpayer realizes through selling capital assets, including intangible assets and securities. The incomes realized represents the positive difference between the incomes from the sale of the capital assets according to the selling price and the net value in books. Whereas the selling of assets from group accounts, does not represent a capital profit.

13. What is capital loss ?

Capital losses are losses of the taxpayer through the sale of assets and securities. The loss realized represents the negative difference from the selling of the capital assets according to the selling price and the net value in books increased by the expenditure of eventual improvements and decreased for the part of depreciation. Whereas the selling of assets from group accounts, does not represent a capital loss.

14. Terms of declaration ?

The terms for the payment of investments are up to the 15th day of the oncoming month following each quarter. The term for the submission of the annual statement on Corporate Income Taxes until 31st March of the following year of the tax period.

About

of incomes of TAK are generated from the Corporate Income Tax

20%

“ Tax payment ensures an economical stability of the country! ”

TAK contacts

If you need more information, we encourage you to review the relevant laws and administrative instructions. These are available on our website www.atk-ks.org. If you are not able to find answers to your questions, the TAK staff is available to assist you, there contact the nearest office of TAK:

Republika e Kosovës - Republika Kosova - Republic of Kosovo
 Qeveria e Kosovës - Vlada Kosova - Government of Kosovo
 Ministria e Financave - Ministarstvo za Upravo - Ministry of Finance
 Administrata Tatimore e Kosovës - Poreska Administracija Kosova - Tax Administration of Kosovo

Telephones:

[1] Tax Period: LTU : 038/200 346 41

[3] Fiscal Number: []

[4] Taxpayer Name: Prishtina-1: 038/200-255-21

[5] Taxpayer's Address: []

[6] Owner: Prishtina-2: 038/200-255-02 Phone: []

[7] Manager: [] Phone: []

[8] Accountant/Bookkeeper: Prishtina-3: 038/200-255-17 Phone: []

[9] If the tax declaration is amended, put an 'X' in the box that describes the type of amendment. (Please tick only one box.)

Addition Correction Payment only

Peja: 039/432-812

Ferizaj: 0290/321-668

Gjilani: 0280/326-967

Mitrovica: 028/590-667

Gjakova: 0390/330-021

Headquarter: 038/200-250-17

Corporate toll free line:

0800-80-800

I declare that fact is true and correct. Date: []

Section of the bank

Signature and Stamp Account Number: 1000420070000373 Amount of Tax paid

Address: Këndi i rugëve Bill Clinton & Dëshmorët e Kombit
 10000 Prishtinë, Kosovë

Tel & Fax: +381 (0)38 200 250 17 & 200 250 07

Email: info@atk-ks.org; Web: www.atk-ks.org

Form No. CD-E-4 Revised []



Administrata Tatimore e Kosovës
 Poreska Administracija Kosova
 Tax Administration of Kosovo

QUESTIONS-ANSWERS
 ON CORPORATE
 INCOME TAX

5. How is the Corporate organized for tax issued and what is the criteria based on turnover?

Large Corporate > 50.000 Euro

Small Corporate < 50.000 Euro

1. What is the definition of a Corporate?

Corporate a legal entity, which has an identity which is distinguished from the members, owners and shareholders. A trade association, which capital is divided in specified number of shares of the same nominal value.

2. What is the object of the Corporate Income Tax?

The object of taxation for the resident taxpayer are the taxable incomes from the sources of incomes in Kosovo and the source of incomes from outside. The object of taxation for nonresident taxpayers are the taxable incomes from the source of incomes within Kosovo.

3. What is the rate on the Corporate Incomes Tax in Kosovo?

The tax rate on corporate tax is :

10% The tax rate on corporate tax

4. Who are taxpayers for CIT?

- A corporate or any other enterprise having the status of a legal entity according to the applicable Law in Kosovo;
- A trade association managing socially owned assets;
- An organization registered as a nongovernment organization according to the Legislation regulating the registration and functioning of NGO-s in Kosovo;
- A nonresident person with a permanent unit in Kosovo, subject to paragraph 2 of article 4 of this Law.

6. Can a small corporate declare the tax obligations on real grounds?

Yes, a small enterprise can chose to declare on real grounds if it submits a statement (request) at TAK until 1 March of the current period.

7. How to download the form for CIT?

Go to the website of TAK www.atk-ks.org and click on the **Download Tax Forms** section on the left side of the navigation



Write the fiscal number of your corporate. Its name should appear automatically. (If not, make sure you wrote the accurate FN), select the form, select the tax period and obtain the statement.

8. What are not allowed expenses?

The following expenses are not allowed:

- Cost for the acquirement and improvement of the land;
- Cost of purchase, improvement, renewal and reconstruction of assets capitalized and depreciated; Income Tax; deductible VAT; losses from the selling or exchange of assets between related persons; pension contributions on the maximal amount allowed by the pension law of Kosovo.

9. How are the expenses on behalf of representation determined?

Expenses incurred for representation will be limited to 50% of the amount invoiced for business entertainment. The maximum amount of representation expenses shall not exceed the 2% of annual gross income

10. When can we qualify as bad debt?

Part of the accounts receivable of taxpayers which is questioned for payment can be transferred in bad debt upon meeting several conditions, respectively there should be taken all necessary legal steps to collect them.

11. What is the basis of depreciation calculation?

Basis for calculation of depreciation are purchasing or manufacturing costs including all direct costs which are necessary to put ready for use.