



In accordance with the provisions of Article 9 of Law no. 03/L-222 for Tax Administration and Procedures, Director of Tax Administration of Kosovo, issues:

PUBLIC RULING No. 04/2013

DEREGISTRATION FROM VALUE ADDED TAX

PURPOSE

This ruling applies to taxable persons (persons registered for VAT, as VAT Declarative and VAT voluntary Declarative) who wish to deregister from VAT pursuant to Article 9 of Law no. 03/L-146 on VAT and Article 8 of the Administrative Instruction no. 10/2010.

LEGAL BASE

Taxable persons registered for VAT, based on Article 9 of Law no. 03/L-146 on VAT and Article 8 of the Administrative Instruction no. 10/2010, may request from Tax Administration, to cancel its registration for VAT purposes if total supplies during the past 12 months have been below the threshold provided for in section 6 of this Law, deregistration from VAT comes into force twelve months after the date of filing the application.

VAT DEREGISTRATION

Each person registered for VAT, forced or voluntary, may require from TAK to deregister for VAT purposes if in the past 12 months its circulation has fallen below the threshold of € 50,000, the threshold defined by Article 6 of Law no. 03/L-146 on VAT.

A taxpayer who is registered for VAT, as a declarer of VAT or as voluntary declarative of VAT, from the moment of registration for VAT, should at least keep this status for 12 months. If after 12 months, its circulation has fallen below the threshold provided for in Article 6 of Law no. 03/L-146 VAT (under € 50,000), he can apply to be deregistered from VAT.

If within 12 upcoming months from the day of applying for deregistration, the supplies of the taxable person will be above the threshold prescribed in Article 6, paragraph 1 of the Law on VAT, this taxable person shall be notified by TAK that its request to deregister from VAT has not been approved.

If within 12 upcoming months from the day of applying for deregistration, the supplies of the taxable person will be below the threshold foreseen in Article 6, paragraph 1 of the law, this

taxable person shall be notified by TAK that its request for deregistration from VAT has been approved, and this person is forced to return to TAK their VAT certificate.

Exception to the above rule, a taxable person who has closed his economic activity, is forced to apply for deregistration from VAT until the 15th day after the date of closing their economic activity. Upon request to deregister, this person must submit to TAK his certificate of VAT and all other certified documentation.

EXAMPLES FOR ILLUSTRATION

Through examples below we will define the differences at the moment - the legal period when a tax payer may request deregister from VAT.

Description	Tax Payer A	Tax Payer B	Tax Payer C	Tax Payer D
Date of registration KBRA & TAK	01 June 2012	01 June 2012	01 September 2012	01 June 2012
VAT registration date	01.06.2012	01.06.2012	01.09.2012	01.06.2013
Status of VAT registration from the beginning	Small importer	Small importer	Small importer	Voluntary declarer of VAT
Turnover by Months				
June / 2012	2,000.00	8,000.00		
July / 2012	2,000.00	10,000.00		
August / 2012	2,000.00	8,000.00		
	From 01.09/2012 switch from a Small Importer to a Declarer of VAT - Volunteer.			
September / 2012	2,000.00	10,000.00	5000.00	
October / 2012	2,000.00	10,000.00	5000.00	
November / 2012	2,000.00	2,000.00	10,000.00	
December / 2012	2,000.00	2,000.00	10,000.00	
		From 01.01/2013, switch to a Declarer of VAT - with Turnover.		
January / 2013	2,000.00	2,000.00	10,000.00	
February / 2013	2,000.00	2,000.00	4,000.00	
March / 2013	2,000.00	2,000.00	2,000.00	
April / 2013	2,000.00	2,000.00	2,000.00	From the moment the business was registered, 01.06 .2013 i registered as a Declarer of VAT - Volunteer.
May / 2013	2,000.00	2,000.00	1,000.00	
June / 2013	2,000.00	2,000.00	1,000.00	5,000.00
			From 01.07/2013, switch to a Declarer of VAT - with Turnover.	
July / 2013	2,000.00	2,000.00	100.00	5,000.00
August / 2013	2,000.00	2,000.00	0.00	2,000.00
September / 2013	2,000.00	2,000.00	0.00	2,000.00
October / 2013	2,000.00	2,000.00	0.00	2,000.00
November / 2013	2,000.00	2,000.00	0.00	2,000.00
December / 2013	All tax payers A; B; C and D, after having submitted a declaration for the period 11/2013, on the date 15 December 2013 have submitted REQUEST TO DEREGISTER FROM VAT			

So all taxpayers A, B, C and D, after submitting their declaration for the period 11/2013, on the date 15 December 2013 have submitted the request to deregister from VAT.

REQUEST FOR DEREGISTRATION FROM VAT / RECOGNITION OF DEREGISTRATION

TAXPAYER A

Fulfills the conditions to apply to deregister from VAT because the 12 months have passed from the VAT registration period and within this period turnover has been below the threshold of 50,000 €. Therefore the tax payer has held the status of Voluntary Decelerator of VAT, from the date 01.09.2012, which means that they have held this status for 15 months. The taxpayer can request to deregister from VAT if on the date 15.12.2013 (see example) requests to de-register from VAT, the de-registration becomes effective after 12 months, on the date of 15.12.2014 provided that during this period it does not exceed the VAT threshold defined by Article 6 of the Law on VAT.

Tax Payer A

Voluntary registration for VAT	Request to De-register	Recognition of termination (conditioned)
01.09.2012	15.12.2013	15.12.2014

TAXPAYER B

Not eligible to deregister from VAT due to the fact that, only 11 months ago with Turnover was registered to VAT as a taxable person. This taxpayer has the right to request deregistration from VAT from the date of 01/01/2014. If on this date (01/01/2014) the tax payer seeks to de-register from VAT, deregistration enters into force after 12 months, i.e. on 01.01.2015 and is conditioned that during this period it shall not exceed the VAT threshold of €50,000.

Tax Payer B

VAT Registration with turnover of over € 50,000	Request to De-register	Recognition of deregistration (conditioned)
01.01.2013	01.01.2014	01.01.2015

TAXPAYER C

Not eligible to deregister from VAT due to the fact that, only 5 months ago with Turnover was registered to VAT as a taxable person. This taxpayer has the right to request deregistration from VAT from the date of 01/07/2014. If on this date (01/07/2014) the tax payer seeks to de-register from VAT, deregistration becomes effective after 12 months, i.e. on 01.07.2015 and it is conditioned that during this period it shall not exceed the VAT threshold of €50,000.

Tax Payer C

VAT Registration with turnover of over € 50,000	Request to De-register	Recognition of deregistration (conditioned)
01.07.2013	01.07.2014	01.07.2015

TAXPAYER D

Not eligible to deregister from VAT due to the fact that only 6 months ago did they registered willingly or voluntarily for VAT as a taxable person. This taxpayer has the right to request deregistration from VAT from the date of 01/06/2014. If on this date (01/06/2014) seeks to de-register from VAT, deregistration becomes effective after 12 months, i.e. on 01.06.2015 and it is conditioned that during this period it shall not exceed the VAT threshold of €50,000.

Tax Payer D

Voluntary registration for VAT	Request to De-register	Recognition of deregistration (conditioned)
01.06.2013	01.06.2014	01.06.2015

ENTRY INTO FORCE

This Public Ruling enters into force on the date of signature by the General Director of TAK.

Date: 04/12/2013
Prishtina,

z. Behxhet Haliti

General Director of TAK

