

New Decision of Council of Ministers related to VAT reimbursement for exporters

The Council of Ministers recently approved a new decision “On the determination of the conditions and criteria for the exporters for purposes of the VAT reimbursement” which has already been published in the Official Journal no.54. For purposes of VAT reimbursement, the Decision provides the criteria for classifying taxpayers as “exporters” and “zero risk exporters”.

Amendment to Council of Ministers Decision regarding VAT deferral scheme

The Council of Ministers recently amended its Decision no. 559, dated 16.08.2006 “On the VAT deferral scheme for machineries and equipment, as well as the electrical energy imported from KESH SHA”, as amended; this amendment is already published in the Official Journal no.54. The amendment has abrogated several items of the relevant decision and thereby has abrogated the right of taxpayers to use the accumulated VAT credit for purposes of payment of VAT on import.

Amendment to Income Tax Law

The Albanian Parliament has recently approved an amendment to the Law no. 8438, dated 28.12.1998 “On income tax”, as amended, and the amendment has already been published in the Official Journal no.57. The amendment recognizes bad debts write-off as deductible expenses for the banks, branches of foreign banks and non-bank financial institutions upon the fulfillment of certain conditions and the applicable time-terms.

FOR FURTHER INFORMATION PLEASE CONTACT OUR TAX & BANKING DEPARTMENT:

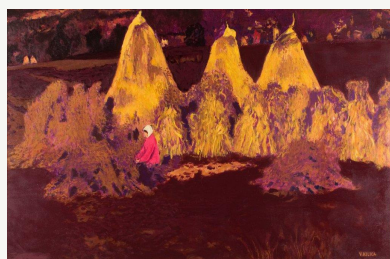
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