

L A W
ON DEFERRED PAYMENT OF TAX DEBT

Article 1

This Law regulates the term, conditions, manner and procedure
of deferred payment of tax debt.

Article 2

The provisions of this Law shall not apply to the tax debt based on real estate taxes.

Article 3

The aim of this Law is facilitation of companies' financial position, maintenance of current liquidity, encouragement of employment in the economy, and better recoverability of tax debt.

Article 4

The provisions of the laws governing the tax procedure and general administrative procedure shall apply to the procedure of settlement of tax debt prescribed by this Law.

Article 5

(1) The terms used in this Law shall have the following meanings:

1) a tax debt is the debt of taxpayers based on taxes and secondary tax liabilities which becomes due for payment within the deadlines prescribed by this Law,

2) tax is any payment obligation the taxpayer is obliged to pay to the budgets of the Republic of Srpska, cities, municipalities and funds which represents liability and includes taxes, contributions, fees and charges.

3) secondary tax liability is any obligation of payment to the budgets of the Republic of Srpska, municipalities, towns and funds arising out of the obligation to pay taxes, including tax interest and costs of procedure.

(2) Other terms used in this Law shall have the same meaning as in the Law on Tax Procedure of Republic of Serbian.

Article 6

On the basis of this Law, tax debt can be settled by:

1) deferred payment of tax debt on a one-time basis no longer than one year and

2) deferred payment of tax debt in equal monthly instalments no longer than 60 months.

Article 7

(1) Deferred payment of tax debt prescribed by Article 6 of this Law may be approved to the tax debtor whose of the tax debt of which has been established by the tax return or tax decision, while fulfilling the following conditions:

1) the tax debt became due for payment no later than in the year preceding the year of submission of the request for deferred payment,

2) the tax debt is secured, and

3) individual liabilities, which are based on pension and disability insurance contributions for employees whose rights from pension and disability insurance become due during the deferral, are settled.

(2) Tax debt shall be secured by one of the following security instruments

1) mortgage on taxpayer' real estate or third party mortgage,

2) pledge of movable property of the taxpayer or third party pledge,

3) irrevocable first demand bank guarantee,

4) warranty of other person that owns the property serving as a security instrument of tax debt.

(3) The amount of security instrument referred to in paragraph 2 shall be at least in the value of the total tax debt including interest.

Article 8

(1) Procedure to defer payment shall be initiated with a request for deferred payment of tax debt submitted to the Ministry of Finance (hereinafter: the Ministry) no later than 30 days from:

1) the date of delivery of the final decision for payment of tax liabilities to the tax taxpayer for the liabilities established by the decision of the Republic of Srpska Tax Administration (hereinafter: the Tax Administration) and

2) the date of delivery of the decision on enforced collection of tax liabilities established by tax return.

(2) Notwithstanding paragraph 1, item 2) of this Article, unless the decision on enforced collection is issued, the taxpayer whose tax liabilities have been established by the tax return may also submit the request for deferred payment of tax deb prior to the initiation of enforced collection procedure.

(3) Together with the request referred to in paragraph 1 of this Article, the taxpayer shall submit:

1) decision establishing all tax liabilities, or a decision on enforced collection, as well as tax returns that have been registered with the Tax Administration if the request is submitted for a tax debt established by tax returns,

2) proof of security instrument referred to in Article 7 of this Law and

3) statement of compliance with the requirements of Article 7, paragraph 1, item 3) of this Law.

(4) The form of request for deferred payment of tax debt shall be prescribed by the Minister of Finance (hereinafter: the Minister)

Article 9

(1) The Minister shall issue the decision on the request for deferred payment of tax debt.

(2) The procedure for deciding on the request referred to in paragraph 1 of this Article is a shortened administrative procedure and may not last longer than 30 days from the date of receipt of the complete request.

(3) The decision referred to in paragraph 1 of this Article, in addition to mandatory elements under the the law governing administrative procedure, shall also contain a repayment plan with interest calculated until the date of final settlement of the tax debt.

(4) The Ministry shall calculate interest on the total amount of the tax debt for which a decision from paragraph 1 of this Article is issued, in accordance with the law governing the tax procedure.

(5) The decision referred to in paragraph 1 of this Article shall be final in administrative procedure and it cannot be appealed, but an administrative dispute may be initiated before the competent court.

(6) The Ministry shall deliver the decision referred to in paragraph 1 of this Article to the applicant and the Tax Administration no later than five days after the issue of decision in order to record and monitor the fulfilment of obligations from the decision.

(7) Notwithstanding paragraph 1 of this Article, under the conditions and in the manner prescribed by this Law, the Tax Administration shall decide on the request for deferred payment of tax debt not exceeding BAM 30 000,

(8) Tax Administration shall calculate interest on the total amount of the tax debt for which a decision from paragraph 7 of this Article is issued, in accordance with the law governing the tax procedure.

(9) The decision of the Director of Tax Administration referred to in paragraph 7 of this Article may be appealed to the Minister within 15 days from the date of its delivery to the tax debtor.

Article 10

(1) The Tax Administration shall follow the enforcement of the decision approving the deferred payment and shall immediately notify the Ministry if it determines that the taxpayer fails to comply with conditions and deadlines of the Minister's decision.

(2) If the taxpayer fails to comply with conditions and deadlines of the decision approving the deferred payment of tax debt, the Minister or the Director of Tax Administration, ex officio, shall repeal such decision after receiving the notice referred to in paragraph 1 of this Article.

(3) In the case referred to in paragraph 2 of this Article, the Tax Administration, guided by the efficiency of collection, shall charge the unpaid tax debt:

1) from security instruments or

2) in the procedure of enforced collection

(4) The taxpayer whose decision was repealed for the reasons set out in paragraph 2 of this Article may not again exercise the right to deferred payment of the same tax debt.

Article 11

Limitation periods of tax liabilities shall not run during the deferment of payment of tax debt.

Article 12

The Ministry and the Tax Administration shall control the application of provisions of this Law.

Article 13

The provisions of the law that was in effect at the time of submission of the request based on which the process started shall apply to the procedures initiated by the provisions of the law repealed after the entry into force of this Law.

Article 14

With the entry into force of this Law, the Law on Special Modalities for Tax Debt Servicing ("Official Gazette of the Republic of Srpska", No. 66/13 and 52/14) shall cease to be valid.

Article 15

This Law enters into force on the eight day from the day of publishing in the "Official Gazette of the Republic of Srpska".