Rulebook on the Form, Content and Manner of Keeping Records of Value-added Tax and the Form and Content of the Review of Value-added Tax Calculation ("Official Gazette of RS", no. 90/2017)

The Ministry of Economy of the Republic of Serbia adopted the Rulebook on the Form, Content and Manner of Keeping Records of Value-added Tax (VAT) and the Form and Content of the Review of Value-added Tax Calculation ("Official Gazette of RS", no. 90/2017, hereinafter: "Rulebook") which enters into force on October 14, 2017 and will be applicable as of January 1st, 2018, when the Rulebook on the Form, Content and Manner of Keeping Records of VAT ("Official Gazette of RS", no. 120/12) and Rulebook on the Form, Content and Manner of Keeping Records of Value-added Tax (VAT) and the Form and Content of the Review of Value-added Tax Calculation ("Official Gazette of RS", no. 80/2016 and 109/2016) ceases to be valid.

Rulebook is stipulating obligation for all taxpayers to keep special records, as well as the obligation to submit a review of VAT calculation (POPDV form) alongside every tax return, starting from January 2018. If POPDV form is not submitted alongside the tax return, it shall be
considered that the tax return has not been submitted, with all prescribed consequences of the such omission.

Rulebook is prescribing the form, content and manner of keeping records of value-added tax (VAT) in one part and the form and content of the review of value-added tax calculation in the other.

As it was prescribed by the previously applicable regulation, the Rulebook does not prescribe the form in which the records should be kept, but only the content and manner of keeping records, which means that the taxpayers shall continue to keep records as they used to, with some adjustments. The Rulebook stipulates the obligation of keeping records of all types of transfer and some other activities, except that the taxpayers shall not include the details of each individual transfer (referring to quantity, model, scope, etc.), since such data will anyhow be shown in the issued invoices, in accordance with the elements that invoices, and other documents used as invoices must contain. Accordingly, taxpayers will be obliged to keep records of input and output invoices, by type of transfer, along with providing other data for which they are obliged to keep records of.

The general records of foreign taxpayers contain only data related to the transfer of goods and services performed by that taxpayer in the Republic of Serbia, i.e. transfer which has been carried out to that taxpayer in the Republic of Serbia, as well as data related to import of goods released in free transfer, in accordance with the customs regulations. Foreign taxpayers don’t have the obligation of recording transfers deemed to have been realized abroad.

The rules regarding keeping of special records have not been significantly changed in comparison with the current regime. However, as per the currently applicable provisions, the taxpayer is obliged to provide, among other things, data on the type and quantity of goods, i.e. type and scope of services, which, however, is not the case according to the provisions of the new Rulebook.

One of the most important novelties is the expansion of the obligation of keeping records of transfers and supplies of goods and services without compensation, which should include data on the transfer and the purchase of goods and services, without compensation, regardless of the status of the person who performed such delivery of goods or provided the service (domestic or foreign companies, non-VAT payers, small taxpayers, and even natural persons).

The second part of the Rulebook is dedicated to the obligation of the taxpayer to compile an overview of VAT calculation, on the prescribed POPDV form, according to the data from the record, which data is automatically transferred to the tax return. Articles 28-41 of the Rulebook regulate the content of the POPDV form in detail, and its form is an integral part of the Rulebook.

The VAT calculation review is submitted in the same way as the tax return, in accordance with the Rulebook on the Form and Content of the Application for Recording the VAT-taxpayers, the Procedure for Recording and Deleting from the Records and the Form and Content of the VAT
Return ("Official Gazette of RS", No. 123 / 12, 115/13, 66/14, 86/15 and 11/16). Article 25, paragraph 4 of the Rulebook stipulates that a tax debtor who is not a taxpayer (such as a small taxpayer) has an obligation of submitting the tax return, but is not obliged to keep the records of VAT, nor to submit the POPDV form.

The taxpayer shall no longer be obliged to enter data into the PP PDV form as these data will automatically be generated based on the data from the POPDV form.