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For more information and updates on the VAT legislation in Albania and in European Union, please refer to websites and publications below.

Information and publications from Deloitte

Albania Deloitte Tax & Legal News - Summary of recent legal changes in Albania prepared by the Department of Tax and Legal Affairs at Deloitte Albania

Global Deloitte Tax indirectly News - Updates on the latest legal changes in the field of VAT in different countries, compiled by Deloitte Global

Deloitte Global indirect tax rates - Table information on VAT rates (in percentages) implemented in different countries

Deloitte EU VAT Identification tool - Program developed by Deloitte for identifying persons registered for VAT taxable in the member states of the European Union

Global Financial Services Tax indirectly News - Updates on the latest legal changes in field of VAT in the financial sector in different countries, compiled by Deloitte Global

LAW
Nr. 92/2014
FOR VALUE ADDED TAX IN
REPUBLIC OF ALBANIA

Pursuant to Articles 78, 83, paragraph 1, and 155 of the Constitution, the proposal
Council of Ministers,

CHAPTER I OBJECT AND SCOPE

Article 1 Scope of the Law
1. Ky law imposes a tax on value added tax (VAT).
2. TVSH has been a general tax on consumption of goods and services,
   proportional to their price, which is charged at each stage of production and process
   price without tax distribution.
VAT is applied as a percentage tax on the price of goods and services
becomes required to be paid after deduction of VAT which affects directly
elements of cost of goods and services.

Article 2 Scope
Value added tax subject:
a) all supplies of goods and services carried out against payment, within
   the Republic of Albania, by a taxable person acting as such;
b) all imports of goods in the territory of the Republic of Albania.

CHAPTER II taxable persons

Section 3 Taxable persons
Taxable person means any person, regardless of its form of organization, the
who independently carries out an economic activity, whatever the place and the purpose or
the result of this activity.
In the context of this article, is not considered a taxable person any organization
profit obtained payment of membership fees, if they have them, or funds, grants,
donations received for the purposes of operating profit organization in accordance with law for nonprofit organizations, unless the organization receives payment as a result of economic activity.

**Article 4 Economic Activity**
Economic activity is any activity carried out by manufacturers, dealers, persons


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supplying goods or services, including extractive activities, agricultural and activities Professional.

Economic activity is also considered the use of tangible property or intangible, for the purpose of income continuous character.

**Article 5 The exercise of an economic activity independently**
In terms of section 3 of this Law, the term "independently" means persons who are not employed or affiliated with an employer by an employment contract or any other legal relationship that creates the relationship employer - employee and has to do with working conditions, remuneration of the employee and employer responsibilities. Activity exercised by the employee, as defined in the Labour Code, as work at home, whose incomes are considered as salary or remuneration, does not mean the commission of any independently economic.

**Article 6 Public bodies**
1. The organs of central and local government and other bodies governed by public law does not considered as taxable persons for activities or actions aimed at exercising and in the exercise of their functions as public authorities, even when profit taxes, fees, contributions and payments.

2. If these bodies carry out activities or actions such as those set out in paragraph 1, of this article, and being non-taxable person causes distortion of competition, then considered taxable persons for such activities or actions.

3. In any case the bodies specified in paragraph 1 of this Article, considered to be taxable if you perform activities listed in Annex 1 of this law, when these activities are not negligible.

**CHAPTER III TAXABLE TRANSACTIONS**

**SECTION 1 SUPPLY OF GOODS**

**Article 7 Supply of goods**
1. Me supply of goods means the transfer of the right to dispose of the property owner incarnate.

2. Konsiderohen also as "supply goods" the following transactions:

a) payment transfer of ownership of property by order of / or on behalf of a public authority or law enforcement;

b) the delivery of goods under a contract, which provided rental of
goods for a certain period or installment sale of goods, transfer of ownership of which becomes the payment of the final installment;
c) the transfer of goods based on a contract under which commission paid purchase or sale.

3. Furnizimi electricity, water, gas, heat or cooling and other

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Similarly treated as a supply of tangible goods.

Article 8 Other Commodities
Tangible asset, in terms of this law are also:
a) immovable property rights, which give the holder the right to exploit it, with the exception of lease resulting from lease contracts;
b) real rights, which give their holders the right to use the property of Property;
c) shares or rights equivalent to shares, which give holders legally or actually the right of ownership or right to possession of immovable property or on a part of it.

Article 9 Supply of goods against payment
1. The supply of goods is deemed effected payment, wholly or partly, if the supplier directly or indirectly receives or is entitled to receive payment in cash or in kind for it supply from the person supplied or any other person.
2. Treated also as supplies goods against payment when:
a) a taxable person receives goods that are part of the business property, for the purpose his private or his staff or for purposes different from those of its activity economic, if it has gone down completely or partially VAT on the purchase of this product or elements that make up the goods;
b) in case of cancellation, all goods supplied to the taxable person and still owned by the taxable person as part of the business property, if it is down wholly or partially VAT on purchase of goods or elements that make up the goods;
c) a taxable person uses for his business needs a commodity produced, the extracted, processed, purchased, imported, in the framework of its activities and the purchase of this goods to a taxable person, committed at the moment of its use for business needs, would not have the right to full deduction of VAT, because the right of deduction on this commodity the scope exclusion, restriction or may be subject to regulation. This provision applies even in cases where the goods are used for transactions outside the scope of VAT;
d) a taxable person uses a commodity in a sector exempt activity without right landing, when the mall was entitled to full or partial deduction of VAT on the acquisition or use its own business needs.
3. There is treated as a supply goods against payment of freight business use as samples (samples) or gifts of small value.
4. The Minister of Finance determines the direction, in terms of this article, what
considered "sample" and the maximum value of "gifts of small value".

**SECTION 2 PROVISION OF SERVICE**

**Article 10 Definition of supply of service**
1. Supply of services means any transaction that is not a supply of goods,

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unless otherwise defined in this law.

2. Supply of services made by an employee to his employer for reasons employment, there is a supply of services by the employee.

3. "Telecommunications services" means the supply of services related to transmission, emission or reception (capturing, receiving) signals, words, images and sounds or information of any nature by means of apparatus "wire", radio, optical systems or other electromagnetic systems, including the transfer of the relevant law to capacity used for the realization of such broadcasts, programs or the reception, which allow access (access) to global information networks.

**Article 11 Supplies service**

Also considered as supplies service:

a) Passage of an intangible asset (intangible), whether represented or not by title;

b) Transactions on the shares, participation in society, bonds and other securities of different from those set forth in Article 8 of this law;

c) Construction operations, the performance of the construction process, and maintenance;

d) The obligation not to perform an action or to allow / tolerate an act or a situation;

d) Performing services pursuant to an order given by / or on behalf of an authority public or law enforcement.

**Article 12 The supply of services against payment**

1. Supply of service deemed effected payment, in whole or in part, if the supplier directly or indirectly receives or is entitled to receive payment in cash or in kind for it supply from the person supplied or any other person.

2. Regarded as supply service payment transactions each following:

a) Use for private purposes of goods that are part of the wealth of entrepreneurship taxable person or his staff or generally for purposes different from those of his economic activity, if it has gone down completely or partially VAT on purchases for these goods;

b) The supply of services rendered free by a taxable person for his needs personal or its staff or generally for purposes different from those of the activity of its economic;

c) The supply of services by a taxable person for the purposes of its activity Economic, when VAT for the supply of the service, if it was done by a another taxable person, would not be wholly deductible.

3. The Minister of Finance has the right to determine the direction where no action
under paragraphs 1 and 2 of this Article, provided they do not perpetuate the distortion of competition.

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Article 13 The supply of services on its behalf, but on behalf of another person
Where a taxable person acting in his own name but on behalf of a person
Next, participates in the commission of a service provision, it is considered as received and has
own supply this service.

SECTION 3 IMPORTED GOODS
Article 14 Importation of goods
For the purposes of this Law the term "import of goods" means deliverance for circulation
Free of goods in the territory of the Republic of Albania, as defined in the legislation
customs in force.

SECTION 4 OTHER PROVISIONS FOR TAXABLE TRANSACTIONS
Article 15 self-supply of goods and services
1. For the purposes of this Act, regarded as a supply against payment by the person
taxable supply of goods produced, constructed, extracted, processed, purchased or
supply of services within its economic activity to be used for the purposes of
this activity.
2. For the purposes of paragraph 1 of this Article, the taxable supplies and also treats
such as supplies goods or services received by him for the purposes of economic activity,
zbritshmërinë applying VAT in accordance with the provisions of this law.

Article 16 Transfer of economic activity
1. Transfer of activity, in terms of this law, considered the transfer versus
payment or not, or in the form of a contribution to the whole of an enterprise or an asset
part thereof.
2. Transfer of economic activity is not supply goods or services, in
meaning of this law, but represents a shift of assets from taxable person transfer of a
person who is treated as a successor to the transferor, provided that the person to be or become
taxable person, under this law, for business or part of its
transferred, ensuring the economic sustainability of the activity, in similar conditions as
before transfer.
3. Any liability and right of the transferor, known by / or by law before
transfer time becomes an obligation and right of transfer recipients.
4. All records, books and records relating to the totality of assets or
their portion is transferred and who have been forced to keep, based on
law on value added tax or this law, already in place transferor must
held by the recipient of the transfer.
5. Taxable persons, parties in the process of transferring economic activity should
to announce their intention to implement this section, Regional Tax Directorate
concerned, at least 45 calendar days before the transfer happen.
6. taxable person making the transfer, if necessary, is required to make adjustment of the VAT deducted by the transferor in accordance with the deadline for the right of Deductions and economic activity, which will be used assets transferred to the recipient, under Article 80 of this Law.
7. The Minister of Finance has the right to determine the rules and procedures guide specific transfer of economic activity, in order to avoid and prevent evasion.

**Article 17 Mixed supplies**
1. Supply of services, including the supply of goods, is part of the supply of goods.
2. Supply of goods, including the supply of services, is part of the supply of services.
3. The supply of services, including the import of goods, is part of the import of goods.

**CHAPTER IV PLACE OF SUPPLY OF TAXABLE TRANSACTIONS**

**SECTION I PLACE OF SUPPLY OF GOODS**

**Article 18 Supply of goods without transport**
When goods are not delivered or transported, the place of supply of goods is Republic of Albania if the goods are in the Republic of Albania when performed supply.

**Article 19 Supply of goods with transport**
1. When goods are shipped or transported by the supplier, the buyer or a pair of Third, the place of supply is in Albania, where the goods are located in the Republic of Albania when starting their dispatch or transport to the purchaser.
2. Where goods dispatched or transported by the supplier, the buyer or a pair of Third installed or assembled, with / or without testing, by / or on behalf of the supplier, the place of supply is in the Republic of Albania if the goods are installed or mounted in Republic of Albania.

**Article 20 Supply of goods on board ships, aircraft or trains**
When goods are supplied on board ships, aircraft or trains, the place of supply of goods is in the Republic of Albania if the point of departure of passengers is in the Republic of Albania.
In the case of round-trip travel, part of the return is considered as a separate transportation.

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**Article 21 The supply of natural gas, electricity and water through systems distribution**
1. In case of supply of natural gas, electricity, heat or cooling and water through distribution systems, for a taxable person reseller, country
supply is considered to be in the Republic of Albania, where the reseller has established headquarters
his economic activity or where there is a fixed location of the goods supplied
or, in its absence, the place where he has his permanent address or usually resides.
For purposes of this paragraph, the term "taxable person reseller" means a person taxable, the main purpose of whose economic activity in respect of purchases of gas, electricity, heating or cooling and water is reselling these products, while he himself consumption of these products is negligible.
2. In case of supply of natural gas, electricity, heat or cooling and water through distribution systems for a person different from the
provided for in paragraph 1 of this Article, the place of supply is in the Republic of Albania in
place where the customer effectively uses and consumes the goods.
When all or part of the gas, electricity, heating or cooling and
water supply, effectively consumed by the purchaser is not a consumer, this commodity unconsumed
deemed to have been used in the Republic of Albania at the place where the buyer
customer has established the headquarters of his economic activity or where there is a location
stable, which supplied the goods. In the absence of the latter,
considered that the goods are used or consumed in the Republic of Albania, in place
where has his permanent address or usually resides.

SECTION 2 PLACE THE IMPORT OF GOODS

Article 22 The place of importation of goods
1. The place of importation of goods is in the Republic of Albania if goods
originating from other territories are released for free circulation in the customs territory of
Albania.
2. except paragraph 1 of this Article, goods, which at the time of entry into
Republic of Albania are not in free circulation, but subject to any of the regimes
provided for in Articles 64 and 65 of this law, or under temporary importation regimes, with
total exemption from customs duties, or transit regime, the place of importation of these
goods is in the Republic of Albania if the goods are released by regimes or situations
mentioned in the Albanian customs territory.

SECTION 3 PLACE OF SUPPLY OF SERVICES

Article 23 Definitions
In order to implement the rules relating to the place of supply of services:
(a) The taxable person who also performs transactions which are not supplies
taxable goods or services within the meaning of Article 2 of this law, considered as the

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all taxable supplies of services supplied to the person's needs
activity;
b) a non-assessable legal person within the meaning of this law, equipped with a number
VAT identification is considered a taxable person.

Article 24 General rule
1. The place of supply of services is in the Republic of Albania if the recipient of
service, a taxable person who behaves as such, has in Albania:
a) headquarters of its economic activity or a fixed location to which
services are provided, or;
b) ordinary residence or domicile, in the absence of a site activity
economic or of a site consistent.
2. The place of supply of services is in the Republic of Albania, if the recipient of
service is a non-assessable person and service provider, a taxable person has
in Albania:
a) headquarters of his business or a fixed location from which
or services were rendered;
b) ordinary residence or domicile, in the absence of a site activity
economic or of a site consistent.

Article 25 Exceptions to the general rule
Unlike what is provided for in paragraphs 1 and 2 of Article 24 of this law, regardless of whether
the recipient is a taxable person or non-assessable person, and regardless of where located
recipient of the service, the place of supply of services:
a) the supply of services related to a real estate, including services
Real estate experts and agents, the supply of housing in the hotel sector or sectors
similar to, as holiday camps or sites created for use as camping sites,
granting of rights to use immovable property and services for the preparation of
coordination of construction works, such as the services of architects and firms
supervise the execution of works (supervision) is in Albania, if the property is
property located in the Republic of Albania;
b) the supply of passenger transport in the Republic of Albania
proportionally to the distance prescribed;
c) supply of restaurant and food service supply is
in Albania where these services are physically carried out;
d) supply of restaurant and food service supply, which
carried on board ships, aircraft and passenger trains during transport is
Republic of Albania, if the departure of passengers is in the Republic of
Albania;
In the case of a round-trip journey, part of the return is considered as one transaction
separate transport;
d) the supply of rental service short of a transport vehicle is in
Republic of Albania if this means of transportation actually made available to the client in

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Republic of Albania.
For purposes of this letter, the "short" means continuous possession or use
means of transport during a period not more than thirty days and in the case of
vessels or aircraft, not more than ninety days.

Article 26 Exceptions to the rule for services against taxable persons
Contrary to paragraph 1 of Article 24 of this law, to supply versus
a taxable person services, for the purposes of cultural, artistic, sporting,
scientific, educational, entertainment or similar to these, such as exhibitions and fairs, and support services, related to admission to these activities, the place of supply of services is in Albania if these take place actually in the Republic of Albania.

**Article 27 exception to the rule for services supplied by broker**
Contrary to paragraph 2 of Article 24 of this law, the place of supply of service performed by a broker, acting on behalf of a person the other, to a non-assessable person is in the Republic of Albania, if the 
Main transaction, as defined in this law, is in Albania.

**Article 28 Exceptions to the rule for services versus non-assessable persons**
Contrary to paragraph 2 of Article 24 of this law, the place of supply of services to persons non-assessable for:

a) the supply of transport of goods is in the Republic of Albania, proportionally prescribed distance;
b) the supply of services and support services for the purpose of activities cultural, artistic, sporting, scientific, educational, entertainment or similar activities, such as fairs and exhibitions, including the supply of services of the organizers of these activities, is in Albania where these activities are carried out effectively;
c) the supply of support services to transportation, loading, unloading, maintenance and similar activities is in Albania where these services are performed physically;
d) the supply of services or expertise completed works on its tangible is movable in Albania where these services are physically carried out;
d) the supply of rental service of a transport vehicle, excluding the term, is in Albania where the customer is located, has address permanent or usually resides;

However, the place of supply of services of renting a yacht or vehicle floating similar, different from that term, is in Albania where the vehicle actually made available to the client and also the service provided by the supplier of the service in place of activity or a stable of location in the Republic of Albania.

For purposes of this letter, the "short" means continuous possession or

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10 use of means of transport during a period not more than thirty days and in the case of vessels, not more than ninety days.

**Article 29 The supply of telecommunications services, broadcasting and services electronic non-assessable persons**
1. In derogation from point 2 of Article 24 of this law, regardless of where it is located taxable person following services supplier, the place of supply of these services is the place where non-assessable person who receives the service is located, has permanent address or usually resides. These services are detailed as follows:
a) the supply of telecommunications services;
b) the provision of radio broadcasting services and television;
c) Supply of websites, web-hosting, distance maintenance of programs and equipment;
d) supply of software and updating them;
d) supply of images, text and information and the validity of the base of the data (database);
f) supply of music, films and games, including gambling and betting, and broadcasts political, cultural, artistic, sporting, scientific and entertainment;
e) supply of distance teaching service;
2. When the service provider and the receiver communicate through email, this does not mean that the service supplied is an electronically supplied service.

**Article 30 The supply of services to persons non-assessable in Albania**
1. In derogation from point 2 of Article 24 of this law, regardless of where it is located taxable person following services supplier, the place of supply of these services is the place where non-assessable person who receives the service is located, has permanent address or usually resides. These services are detailed as follows:
   a) transfers and provision of copyright, patents, licenses, trademarks, and other similar rights;
   b) advertising services;
c) the services of consultants, engineers, consulting firms, lawyers, accountants and other similar services, as well as data processing and provision of information;
d) obligations not to exercise, partially or completely, a commercial activity or a right mentioned in this article;
d) transaction banking, financial and insurance, which includes reinsurance, with except for the rental of safes;
f) the provision of personnel;
e) rental of movable material assets, with the exception of all means of transport;
h) service allowing natural gas system or in any and every network connected to a such a system, the system of electricity or heating-cooling networks, or broadcast or distribution through these systems or networks and the provision of services directly related to them.

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2. Where the supplier of a service and the customer communicate via electronic mail, this in itself does not mean that the service supplied is an electronically supplied service.

**CHAPTER V THE BIRTH OF TAX, Claim**

**Article 31 Definitions**
For the purposes of this Act, the following terms mean:
a) "The Birth of taxation" is the event through which the legal conditions are met necessary to seek value added tax;
b) "Tax Claim" is right that the tax authority, based on this law, which starting from a certain moment require value added tax on the person responsible the payment of this tax even if the moment of payment may be deferred.

**Claim SECTION 1 BIRTH AND TAX FOR SUPPLY**
GOODS AND SERVICES

Article 32 General rule
Middle happening tax and VAT becomes required when the supply of goods or services performed, except as otherwise provided herein.

Article 33 Special rules
1. If carried out partial payments or payments successive supplies goods or services, in addition to supplies of goods, which have as their object the rental of a goods for a certain period or the sale of goods, according to the payment in installments, as defined the letter “b” of paragraph 2 of Article 7 of this law, these supplies of goods or services considered completed at the end of each period, which refer to payments.
2. Supplies of goods and services performed continuously, within a period, including building operations, are considered committed in the same month, the which the invoice is issued in accordance with paragraph 5 of Article 99 of this Law.
3. For each payment completed before the supply of goods or carried out before the end of service supply, VAT on pay rises and becomes required at the time of collection of amounts paid.
4. In case the tax invoice is issued before the supply, VAT becomes searchable when the invoice is issued.

SECTION 2 BIRTH AND TAX Claim for importing GOODS

Article 34 General rule
Middle happening tax and VAT becomes required when the importation of goods is performed in the sense of Article 14 of this Law.

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Article 35 Special rules for importing
In derogation from Article 34 of this Law, goods, which at the time of entry into Republic of Albania, there are in free circulation, but subject to any of the regimes provided for in Articles 64 and 65 of this law, or under temporary importation regimes, with total exemption from customs duties, or transit regime, birth occurs tax and VAT becomes required when the goods are released from the aforementioned regimes or situations.

CHAPTER VI TAXABLE VALUE

Article 36 Definitions
1. For the purposes of this Act, the term "market value" means the full amount that the buyer, for obtain goods or services at the same stage of trading in which the supply is carried out, should pay in equal conditions of competition suppliers of goods or service, which operates as an independent in market conditions in the territory of the Republic of Albania, in which the supply is subject to tax.
2. If not provided comparable value to the supply of goods or services, then the term "market value" means the following amounts:
   a) the goods, an amount not less than the purchase price of the goods or the goods similar or, in the absence of the purchase price, as the cost value determined at the time of
supply.
b) in the case of services, an amount not less than the full cost of performing the service of the taxable person.

SECTION 1 SUPPLY OF GOODS AND SERVICES

Article 37 General rule
For supplies of goods and services other than those provided for by paragraph 1 to Paragraph 3 of Article 38 of this Law, the taxable value should include everything that constitutes value corresponding to the supplier of the goods or service receives or will receive from the purchaser, customer or a third, in exchange for supplies, including subsidies directly linked to the price of these supplies, in addition to VAT.

Article 38 Special rules
1. In cases where a taxable person uses or disposes of goods belonging property its undertaking or when the goods are held by a taxable person or his successors when its economic activity taxable ends, as provided in the letters "a", "b", "c", "D" of paragraph 2 of Article 9 of this law, the taxable value consists of the purchase price of these goods or similar goods or, in the absence of the purchase price, the cost value, the determined at the point in which the actions are carried out using, possessing or holding.

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2. In case of supply of service provided in the letters "a" and "b", paragraph 2, Article 12 of this Law, where goods belonging to the business property used for purposes private or services are free, the taxable value consists of the full cost of spent by a taxable person for services.
3. In the case of supply of services provided in the letter "c" of paragraph 2 of Article 12 of this law, committed by a taxable person for the purposes of his business, the taxable value will be the fair market value of the service supplied.
4. If the supply exchanged goods / services or partly in cash and partly in goods / services (nature), the taxable value of the supply shall be the market value of goods or services received, calculated on the date on which the tax becomes due.

Article 39 The taxable value
1. The taxable value includes the following elements:
a) taxes, levies, duties, fees and similar payments, excluding VAT.
b) secondary costs, such as brokerage costs, packaging, transport and ensuring that the supplier assigns the buyer or customer.
c) for the purpose of the letter "b" of this item, also considered as expenses Secondary those provided in separate agreements.
2. The taxable value of supply includes the value of packages when they are irreversible.
The value of returnable packaging is not included in the taxable value of supply, unless returnable packaging are not returned by the buyer.
3. If the elements that determine the value of taxable or taxable value is the
expressed in a currency different from the national currency of the Republic of Albania, which is the place in which the assessment, the taxable value is expressed in national currency equivalent at the exchange rate applied by the Bank of Albania at the time, in which tax becomes due.

**Article 40 Elements that are not included in the taxable value**

1. The taxable value does not include the following elements:
   a) price reductions for cases of discount for early payment made to supply;
   b) decreases and price reductions made to the buyer or customer and obtained by him in moment, in which the supply is carried out;
   c) amounts received by a taxable person by the buyer or his client as reimbursement for expenses incurred on behalf of the latter and recorded in accounting taxable person as provisional accounts;

   The taxable person must provide proof of an effective amount of the costs, according to letter "c", to this point, and can not perform deduction of VAT that can be calculated on them.

2. The Minister of Finance has the right to determine the guidance special rules for implementation of the letter "c" of paragraph 1 of this Article.

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**Article 41 Accuracy of the value of taxable**

1. In case of cancellation, withdrawal, settlement of price reduction made after the moment, in carrying out the supply, the taxable value is reduced in accordance with this law.

2. The Minister of Finance determines the instruction specifying the procedure and rules for the taxable value, in accordance with paragraph 1 of this Article.

**Article 42 Measures to prevent tax avoidance and evasion**

1. For supplies of goods and services, in the following cases, the buyer or clients, with which suppliers have family relationships or other close relation personal, management, ownership, membership, financial or legal, taxable value is the equal to the market value if:
   a) The corresponding value is less than the market value and the buyer or the client does not fully enjoys the right of deduction of VAT, under Articles 68, 69, 70, 71, 72, 73 and 74 of this law;
   b) the corresponding value is less than the market value and the supplier does not enjoy fully entitled to deduct the VAT on the basis of Articles 68, 69, 70, 71, 72, 73 and 74 of this law, and when the supply is excluded on the basis of Articles 51, 53 and 54 of this Law;
   c) the corresponding value is greater than the market value and the supplier does not enjoy fully entitled to deduct on the basis of Articles 68, 69, 70, 71, 72, 73 and 74 of this Law.

2. The provisions of paragraph 1 of this Article shall also apply to relations between the employer and the employee or the employee's family or persons others closely associated with him.

**Article 43 The taxable value of processed gold**

The taxable value of processed gold does not include the value of gold used as a raw material. The calculation of the taxable value of processed gold, which guide the Minister of Finance.
SECTION 2 IMPORTED GOODS

Article 44 The value of taxable importation of goods
1. The taxable value of imported goods consist of the amount determined in import customs authority, on the basis of the customs legislation in force in the Republic of Albania.
2. The taxable value of imported goods also includes not included following elements:
   a) fees, taxes, duties, fees and other payments required to be paid outside the customs territory of the Republic of Albania, as well as binding, as a result of imports, excluding VAT.
   b) secondary costs, such as brokerage costs, packaging, transport and ensuring that occur until the entry of goods into the customs territory of

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Republic of Albania.
3. The taxable value of processed gold, imported, determined under paragraphs 1 and 2, of this article, without including the value of gold used as a raw material. The method of calculation determined by instruction of the Minister of Finance, pursuant to this law.

Article 45 elements that are not included in the taxable value of imports
The taxable value of imported goods are not included elements following:
   a) price reductions for cases of early payment discount, committed to supply.
   b) decreases and price reductions made to the buyer or customer and obtained by him in Currently, in carrying out import.

Article 46 Other provisions
1. For goods that are temporarily exported outside the customs territory of the Republic of Albania and following re-imported into the Republic of Albania after being subjected while repair, transformation, adaptation, making or revising outside the Republic of Albania, the taxable value is the same as that which would apply if the repair, processing, adaptation, working or reworking would have occurred in the territory of Albania.
2. If the elements that must be taken into account for determining the taxable importations are denominated in a currency different from the currency national of the Republic of Albania, the exchange rate for calculating taxable value custom made in accordance with the customs legislation of the Republic of Albania.

CHAPTER VII TAX RATE

Article 47 The application of the VAT rate
1. The rate of VAT applicable to taxable supplies, is the rate of VAT in effect at the time of the birth of tax, unless provided otherwise.
2. The rate of VAT applicable is that in force at the time, in which tax becomes due, for the cases provided for under paragraphs 3 and 4 of Article 33 of this Law.

Article 48 Standard rate
Standard rate of value added tax to supplies of goods and services,
which is applied as a percentage of taxable value is 20 percent.

**Article 49 Reduced Rates**
1. In addition to the standard rate of VAT, as provided in this Act, may apply reduced rate of VAT, which is applied as a percentage of taxable value.
2. The amount of VAT resulting from the application of a reduced rate of VAT allows

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16 normally deduction of the amount of VAT, which is a right of deduction, as defined in Articles 68, 69, 70, 71, 72, 73 and 74 of this Law.

**Article 50 The rate of VAT on importation of goods**
The rate of VAT applicable to the importation of goods, is that applied in Republic of Albania for the sale of the same commodity.

**CHAPTER VIII EXCEPTIONS, Supply zero rate, exports**

**SECTION 1 exempt supplies**

**Article 51 Exemption of certain activities of general interest**
Supplies are exempt from VAT transactions with a general interest below:

- **a)** Supply of goods postal service and accessory in the supply of this service, that are consistent with the universal postal service performed by public postal service in Republic of Albania, except for transport of persons and telecommunications;

- **b)** supply of drugs, active implantable medical devices and equipment implantable medical devices;

- **c)** the supply of health services and activities closely related to them, that they aimed at protecting the health of citizens, including prevention, diagnosis, treatment, curing the disease or health disorders and rehabilitation institutions public health or private, recognized as such by the competent authority health;

- **d)** supplies health services provided for health care purposes, exercise under medical or paramedical profession, recognized as such and licensed, according to the legislation on licensing;

- **d)** the supply of organs, blood and human milk;

- **f)** supplies health services, performed in the framework of their profession dentists and dental laboratory;

- **e)** the supply of services performed by independent groups of persons exercising a activities exempted from VAT, or which do not have the quality of a person taxable, with the intention to provide services to their members directly necessary for exercise of that activity, when such groups require their members only reimbursement. The exact amount of the share of common expenses that belongs to them, provided that this Except not bring distortions of competition;

- **h)** the supply of goods and services closely related to the support and social assistance, including actions to perform care homes for the elderly, committed by public institutions or nonprofit organizations, social character, recognized by competent authority in the Republic of Albania and the prices approved by the authority. In If these prices are not approved, the activity of the organization receives this exception, the practice provided lower prices than those required for similar actions by the
VAT subjects and bring distortions of competition, pursuant to
made by the Council of Ministers;

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f) Supply of goods and services closely related to the protection of children
and young people, carried out by public institutions or nonprofit organizations, with character
social, recognized by the competent authority in the Republic of Albania and prices
approved by the authority. If these prices are not approved, the activity of
organization receives this exception, provided that the practice lower prices than those that
required for similar actions by the subjects of VAT and bring
distortions of competition, as defined by the Council of Ministers;
g) provision of education services to children and youth, teaching
school or university, vocational training and retraining, including the supply of
services and goods closely related educational institutions, public and
private, recognized as such by the competent state authority, in accordance with legislation
relevant field;
k) the supply of services to a school or university teaching, committed
privately by teachers;
h) supply service availability of personnel by religious institutions or
philosophical, for the purpose of the activities provided in the letters "b", "c", "h", "f" and "g",
the
this Article, and within the spiritual welfare;
i) supply of services and goods closely related, committed to
Members in their collective interest, the payment of certain fees, in accordance with
statute, by non-profit organizations having objectives of a political, trade union,
religious, patriotic, philosophical, philanthropic or civic, created in accordance with specific laws
that regulate their activity, provided that this exclusion shall not cause distortions
competition;
j) the supply of certain services, closely related to practice sports or
physical education, offered to persons who participate in sport and exercise education
Physical nonprofit organizations, according to the law for sport, registered under the law for
nonprofit organizations. These sports organizations must be recognized by authority
competent in the Republic of Albania and to have prices approved by the authority. In case
that these prices are not approved, the activity of the organization obtains this exemption
provided

k) the supply of certain cultural services and goods closely linked with
them committed by public institutions or by other cultural organizations, unintentionally
profit, registered under the law for non-profit organizations, social character, recognized by
competent authority in the Republic of Albania and the prices approved by the authority. In
If these prices are not approved, the activity of the organization receives this exception, the
practice provided lower prices than those required for similar actions by the
VAT subjects and bring distortions of competition, pursuant to
made by the Council of Ministers;
l) the supply of goods and services carried out by organizations, whose activity
exempt from tax, on the basis of the letters "b", "c", "h", "f", "g", "i", "j" and "k", of this
article about fundraising events exclusively for their own benefit, provided
that exemption should not be such as to bring about distortions of competition;
In view of this letter, the Council of Ministers determines the necessary restrictions as

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the number of performances or the amount of income to obtain an exception;
q) the supply of transport of the sick or injured by vehicles created
specifically for this purpose by duly authorized bodies;
m) activities carried out by the Albanian public broadcasters, except activities with
commercial nature.

Article 52 Limitations of the right of exclusion
1. Supplies of goods and services exempted from VAT, as
provided the letters "b", "c", "h", "f", "g", "i", "j" and "k", article 51 of this law, if
those supplies are not necessary for the performance of exempt supplies.
2. Supplies of goods and services provided in the letters "b", "c", "h", "f",
"G", "i", "j" and "k", Article 51 of this Law, are not exempt from VAT, whether through
their supply extra income realized by competing directly with transactions
conducted by commercial enterprises, subject to VAT.

Article 53 Exceptions for certain other activities
Supplies are exempt from VAT the following transactions:
a) the insurance and reinsurance, including performing services
mediation in the insurance and reinsurance of insurance agents and brokers;
b) the granting and negotiation of credit, as well as management of credit by lenders;
c) negotiation or any other agreement guaranteeing loans or any other insurance
money, as well as management of credit guarantees by the lender;
d) transactions, including negotiation concerning exchange transactions, accounts
deposits, current accounts, the supply of liquidity through payments, transfers,
Debt-making awards, checks and other negotiable instruments, except service
debt collection;
d) transactions, including negotiation about currency, banknotes or coins
used as legal tender, with the exception of coins and banknotes
for the collection, which means gold coins, silver or other metal coins or
notes normally not used as legal tender or coins that
present numismatic interest;
f) transactions, including negotiation but not management or storage quota shares,
participate in society or association, in bonds and other securities, except for documents that
establish
title to the goods and rights or securities referred to in Article 8 of this law;
e) management of investment funds, in terms of the law on investment undertakings
collective;
h) the value of a pre supply of postage stamps for use for postal services in the Republic of Albania and other similar stamps;
f) Supply of betting, lottery and other games of chance, within the meaning of the law on lotteries Chance;
g) the supply of buildings or parts of a building, as well as the supply of land, in the which the building stands, in addition to supplying the construction process;
In terms of this letter, the "building" means any type of structure fixed to the ground;

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k) the supply of land;
In terms of this letter, the "land" means any area of raw, crude, and underdeveloped and unbuilt land.
h) renting of immovable property, except:
i) lease the buildings for a period of up to two months;
ii) accommodation in hotels or vacation spots, performed in hotels or in sectors that have the same function, including the rental of holiday camps or be equipped for camping grounds;
iii) leasing of areas intended for parking and storage cars and other vehicles;
iv) lease fixed equipment and machinery in order to durable;
v) leasing of safes;
i) provision of identity cards for citizens;
j) the supply of printing services for newspapers, the supply of newspapers, magazines and the books of any kind, and supply service advertisements in the press and by electronic media;
k) provision of services intended only for the research phase hydrocarbon, carried out by contractors, certified as such National Agency of Natural Resources for the implementation of the research phase, and supply of goods contractors to each other or sub contractors their imported under paragraph 39 of Article 56 of this Law.
Minister of Finance and Minister responsible for energy with the instruction set common list of goods and services related to the research phase, and procedure exemption from VAT.
In terms of the first paragraph of this letter, the National Agency Resources Natural confirms that subcontractors perform supplies intended solely for implementation phase of hydrocarbon exploration.

**Article 54 Other exemptions from VAT**
Treated as supplies exempt from VAT the following transactions:
a) the supply of goods used solely for an activity exempted under Articles 51 and 53 of this Law, in the case where such goods have not been subject to the right of deduction VAT;
b) supplies of goods, for which VAT is not deductible on the purchase or
Their use, in accordance with Article 74 of this Law.

Article 55 The right to choose the application of VAT
1. The Minister of Finance, in certain circumstances and conditions, has the right to allocate taxable persons the right to choose the application of VAT for each of exempt supplies provided by the letters "b" and "e" and the letters "g", "j" and "h" of Article 53 of this Law.
2. The Council of Ministers in the cases of supplies specified in paragraph 1 of this

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section, which allows taxable persons to exercise their right of choice of VAT, determines the decision modalities and rules of exercising the right to exercise the option, and has the right to limit the scope of this right.

SECTION 2 EXCLUSION on importation

Article 56 Special exemptions on import
Supplies are exempt from value added tax on import:
1. The final importation of all goods by a taxable person, the supply of the which in all circumstances within the country would be exempt supply from VAT add.
2. Imports of shipments, freight commercial character and the value was not significant, in accordance with the value of non-taxable limit, according to the customs legislation in force.
3. The import of used personal goods, individual property of persons who change their ordinary residence in another country in the Republic of Albania, as defined in customs legislation in force. The exemption is not granted in respect of products alcohol, tobacco or tobacco products, vehicles and equipment for performing an activity economic, except portable instruments or applied arts free.
4. Items acquired by inheritance from a person who lives in the Republic of Albania, as defined in customs legislation in force.
5. imported items wedding occasions commercial character, as defined in customs legislation in force. No exemption shall be granted for alcoholic products, tobacco or tobacco products.
6. uniforms, equipment and school items and other items with commercial character, the necessary for studies, according to personal requirements, for use by pupils and students, as defined in customs legislation in force.
7. Goods contained in the personal luggage of travelers, commercial character and which are exempt from payment of customs duties in accordance with customs legislation force.
8. small package freight commercial character, sent free of charge by an individual outside Republic of Albania for an individual in the Republic of Albania, as defined customs legislation in force.
9. Decorations and honorary prizes if their nature or individual value indicates they are not imported for commercial purposes.
10. Random Gifts accepted within the framework of international relations, with condition not be commercial character. No exemption is not granted for products
alcohol, tobacco or tobacco products.

11. Items intended for the needs of leaders of foreign countries or representatives of during an official visit to the Republic of Albania.

12. Imported goods such as fuel and lubricating oils in deposit vehicle, necessary for the realization of this vehicle transport.

13. Items imported for funeral purposes, such as coffins containing residues Bones, urns and funeral ornaments that accompany them.

14. Materials used for the construction, maintenance and decoration of monuments

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or graves of war victims from other countries.

15. therapeutic substances of human origin and reagents for the determination of blood and tissue types used for medical or scientific research purposes, not commercial character.

16. pharmaceutical products for medical care or veterinary use at international sport events.

17. laboratory animals, animal subjects, biological and chemical intended for scientific research ;

18. The object of reference adopted by the World Health Organization, the destination quality control of materials used in the manufacture of medicinal products, the imported by entities authorized by the competent authority.

19. goods destined for examination, analysis and tests, which are used fully or destroyed to determine their composition, quality or other characteristics technical, informational and research purposes, commercial or industrial. The exemption does not apply to goods used in examination, analysis or testing in order to promote sales.

20. Different materials for packaging and storage of goods during transportation them.

21. The pet food and equipment needed during the transport of animals.


23. Publishing tourist information intended for distribution free of charge and where their goal key is to represent foreign products and tourism services.

24. Goods and printed advertising materials not to be traded or to use in view of economic activity, but intended only for use at the fair, exhibition or similar events, as well as samples of negligible value goods, which the appearance and quantity are not usable for purposes other than those relating to encouraging and promoting the goods of the same type. Exemption not granted for products alcohol, tobacco or tobacco products and fuels, whether solid, liquid or gaseous.

25. Humanitarian aid income address on behalf of charities humanitarian, religious institutions, public entities and state institutions budget intended for distribution free of charge to help people in need or purpose of
used exclusively to meet their needs for development work or tasks
them, the function of humanitarian charities. The exception is not granted in connection with
alcoholic products, tobacco or tobacco products, coffee, and tea, motor vehicles,
except ambulances.
26. Special Tools used for education, training, employment or for the purposes of
the blind and deaf or other persons with physical disabilities or
mental, whether provided free of charge and imported by institutions or organizations, the
activity of the
which is education and assistance to these people, committed to non-commercial purposes by
donors.
27. Importation of tools, which help the disabled integrate into life
paraplegia and tetraplegia, including adapted vehicles for the use of
them.

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28. Goods imported by state bodies and organizations, charities and
philanthropic organizations intended for free distribution to people affected by natural disasters
and other disasters or wars. No exemption is not granted for materials and
equipment intended for rebuilding disaster areas.
29. Objects and associated documents in order to mospërvetësimit or protection of
trademarks, patents, copyright, intended for organizations to protect the
intellectual property rights.
30. Deliveries of the board of transport vehicles and equipment necessary for
their normal functioning.
31. Importation of live animals to breed, donated by various donors.
32. Re-importation of goods in the state in which they were exported by the one who has
exported, which granted relief from customs duties.
33. Imports of goods made in the context of diplomatic relations
consular, which granted relief from customs duties, on the basis of reciprocity, and
importation of goods made by international organizations recognized as such by
public authorities of the Republic of Albania, as well as members of these organizations,
within limits and under international agreements, under which are
established.
34. Imports of goods by the armed forces of other member states of NATO
for use by these forces or civilian staff accompanying them, and to supply
respective canteens for the common defense.
35. Fishery products and other products in its natural state, extracted from water
territory of another country by vessels registered or recorded in the Republic of
Albania flying the Albanian flag, as well as products obtained in ship - factory by
the products mentioned above at this point, but before there is any sale.
36. Imports of gold carried out by the Bank of Albania.
37. Services associated with the importation of goods, the value of which is included in
taxable base, in accordance with the letter "b" of paragraph 2 of Article 44 of this Law.
38. Imports of machinery and equipment:
a) in order to achieve the investment contracts with a value equal to or greater
greater than 50 million;
b) in order to achieve the investment contracts in active processing sector
and agribusiness, regardless of the value of the investment; and
c) importation of machinery manufacturing entities simplified tax on profits.
List of machinery and equipment that are directly related to the investment, the procedure of
exemptions relevant criteria and categories of economic operators involved in
active processing sector and agribusiness, determined by the Council of
Ministers.

39. Imports of goods and services related to the implementation of the research phase
hydrocarbon, carried out by contractors who work for these
operations. Contractors and subcontractors are certified as such by the National Agency
Natural Resources. Minister of Finance and Minister responsible for energy determine the
joint instruction list of goods and services related to the research phase, and
procedure exclusion from VAT.

40. Importation of live animals for fattening.
services that are excluded in accordance with Articles 51 and 53 of this Law, if they are
directly related to exports or imports of goods under Article 22 of this Law.

**Article 58 Goods in travelers' personal luggage**
1. Supply of goods intended to be transported in personal luggage
   Passengers considered as export only if both conditions are met following:
   a) the traveler is not established within the Republic of Albania;
   b) goods transferred out of the Republic of Albania, within three months following
      performing month supply;
   c) the total value of the supply, expressed in its ALL or ALL, including
      VAT should not be less than the value specified by the instruction of the Minister of Finance.
      This value can be reviewed no more than once a year.
   2. For the purposes of paragraph 1 of this Article, the term "traveler not located within
      the Republic of Albania "is the traveler, domicile or habitual residence
      which is not located within the Republic of Albania. In this case, the term "flat or
      usual residence "means the place indicated as such in the passport, identity card or
      in another document accepted as valid identification document of the country, in the territory of
      which is performed supply.
      As a document justifying the export in this case serves tax receipts of purchase, the
      coupled with tax receipt showing payment completed, stamped by the customs authority in
      point of exit from the Republic of Albania.

**Article 59 International Transport**
Supplies are zero rate of VAT following transactions transport
International:
   a) the supply of fuel and other resources necessary for sailing vessels
      Offshore and international transport of passengers or for exercising free
      commercial activities, industrial and fisheries, as well as vessels for carrying out
      and rescue at sea and coastal fishing vessels, except supply
      Other reserves required for maritime fishing vessels;
   b) refueling and other resources needed to combat ships
      Included in the CN code (NC) 8906 10 00, which left the territory of
      Republic of Albania to the destination or to be anchored in a port outside;
   c) the supply, transformation, repair, maintenance, rental and hiring of vessels for
      offshore sailing; international transport of passengers with free; to exercise
      commercial activities, industrial and fisheries; for carrying out rescue and
      assistance at sea; coastal fishing: as well as supplies, rent, repairs and
      maintenance of equipment, including fishing equipment, tangible or used within them;
   d) the supply of services different from those provided in the letter "c" of this
      Article necessary to meet the direct needs of the vessels mentioned in letter
      "A" and load them;
   d) refueling and other necessary reserves aircraft that
used by air transport companies for international transport charge;
f) the supply, transformation, repair, maintenance, rental and hiring of vehicles
aircraft used by air transport companies for international transport fee,
as well as supplies, rent, repair and maintenance of equipment, tangible or
used, within them;
e) the supply of services different from those provided in the letter "f" of this
Article necessary to meet the direct needs of the aircraft, referred
the letter "d" of this Article, and load them;
h) the international transport of passengers from / or destination outside the Republic of
Albania.

Article 60 Supplies resemblance to exports
1 of supplies similar to exports:
a) the supply of goods and services performed under diplomatic relations

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25 and consular offices;
b) supplies of goods and services to international organizations, and
members of these organizations, recognized as such by the public authorities
Republic or the members of these organizations, within the limits and under
terms of international agreements under which they are established.
2. Supplies of goods and services in the Republic of Albania, intended to
armed forces of other member states of NATO to be used by these forces or
civilian staff accompanying them, as well as to supply the respective canteens for the purpose of
common defense.
3. The Minister of Finance determines the specific procedure or guideline refund
VAT for the above cases to provide treatment to the VAT tax rate of 0 for
percent of these supplies treated as exports.

Article 61 The supply of gold to the Bank of Albania
1. Treated as supply VAT rate of 0 percent supply of gold to the Bank of
Albania.
2. The Minister of Finance determines the specific procedure or guideline refund
VAT for the above supply to the Bank of Albania to provide treatment
0 percent tax rate of VAT.

Article 62 service brokers supplies scale of 0 per cent VAT
1. degree of supplies with 0% VAT supply of services by
brokers acting on behalf of another person, when they take part in
transactions set out in Articles 57, 58, 59, 60 and 61 of this Law, or the actions taken
of them outside the territory of the Republic of Albania.
2. forecast, according to paragraph 1 of this Article shall not apply to travel agents who,
acting on behalf of travelers, supply services which are carried out
Republic of Albania.

Subsection 2 EXEMPTIONS FOR TRANSACTIONS RELATING TO TRADE
INTERNATIONAL, customs warehouses, warehouses other than
CUSTOMS AND THOSE SAME REGIMES
Article 63 Definitions
For purposes of this section, the following terms mean:
a) the term "customs warehouse" is considered the country designated as warehouse customs, according to the customs legislation in force.
b) in the case of products subject to excise tax, "Warehouse other than those customs", considered the country designated as fiscal warehouse, as defined for warehouses Fiscal excise law in Albania.

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Article 64 actions related to customs regimes and other similar
Treated as supplies zero rate of VAT following actions:
a) Supply of goods declared to be under temporary storage, as defined in customs legislation in force;
b) the supply of goods intended to be placed in a free zone or in a free warehouse, as defined in customs legislation in force;
c) the supply of goods placed under the customs warehousing procedure or under the active processing as defined in customs legislation in force.

Article 65 A supply of goods to sea
Treated as zero rate supplies the following actions:
a) the supply of goods that are intended to be admitted into territorial waters Republic of Albania, in order to embodying or drilling platforms exploitation, within the construction, repair, maintenance, conversion or equipping of these platforms or their relationship with the land;
b) refueling and other necessary reserves of drilling platforms or exploitation, located in the territorial sea of the Republic of Albania.

Article 66 Other conditions
1. Supplies provided for in Articles 64 and 65 of this law, are treated as supplies zero rate of VAT, provided that they are used for purposes of economic activity, for which they were intended, provided they are not for final use or consumption.
2. At the time of liberation from regimes or exit from the situations set out in this section, calculated VAT for these goods, many of which should correspond to the amount of VAT that would be required if each of these operations have been subject to VAT within the territory of the Republic of Albania.

Article 67 related services
Supplies of services relating to supplies of goods under Articles 64, letters "A", "b", "c", and 65 of this law, are treated as supplies zero rate of VAT.

CHAPTER IX
SECTION 1 BIRTH AND APPLICATION OF THE RIGHT OF DEDUCTION
Article 68 East deduction right of General Principle
The right of deduction arises when the deductible VAT becomes required.

Article 69 of the VAT deduction
1. The taxable person is entitled to deduct the VAT calculated for taxable transactions following amounts of VAT, to the extent that supplies goods and services received are used by a taxable person in the function of these transactions taxable:
   a) VAT paid or payable in the Republic of Albania for supplies goods and services supplied to or be supplied to this by another taxable person;
   b) VAT payable on actions resemblance to sales of goods and provision of services, in accordance with the letters "c" and "d" of paragraph 2 of Article 9, and letter "c" of paragraph 2 of Article 12 of this Law.
   c) VAT paid on goods imported into Albania.
2. For immovable property, which is part of the business property of a person taxable and also used for purposes of his business, even for purposes other than those of economic activity, VAT on supplies received, directly related to this asset is deductible in proportion to the use of this property for purposes of economic activity of the taxable person.
3. VAT obtained supplies of goods other than those in paragraph 2 of this article, and are part of the business property is deductible in proportion to the use of such property for purposes of economic activity of the taxable person.

**Article 70 Other deduction**
Taxable person has the right also to deduction of VAT amounts, the provided for in Article 69 of this Law, to the extent that goods and services are used for needs the following transactions:
   a) supplies within the economic activity of the taxable person, committed outside the territory of the Republic of Albania, which if carried out within the country will be to yield the right of deduction of VAT taxable person.
   b) supplies the taxable person under paragraph 37, Article 56, and supplies zero rate of VAT under Articles 57, 58, 59, 60, 61, 62, and 64, 65 and 67 of this Law.
   c) the person's taxable supplies, exempt from VAT, in accordance with Article 53, letters from "a" to "f", the taxable person to whom the services are intended is located outside the Republic or where such transactions are directly related goods destined for export outside the Republic of Albania.

**SECTION 2 PARTIAL deducted VAT**

**Article 71 General rule**
If supplies of goods and services used by a taxable person, for performance of taxable transactions giving rise to the right of deduction of VAT, on the basis of Articles 69 and 70 of this law, even for transactions that do not bring this right, then only the part of VAT relating to the first category of transactions is deductible. Part of input VAT is determined on the basis of Articles 72 and 73 for the entirety of transactions carried out by a taxable person.

**Article 72 The calculation of the coefficient of VAT deduction**
1. The rate of deduction of VAT is calculated by the following ratio:
   a) the numerator, the total amount of volume of turnover without VAT, associated with transactions that bring entitled to deduct under Articles 69 and 70 of this Law.
   b) in the denominator, the total amount of volume of turnover without VAT, associated with transactions included in the numerator and to transactions that do not bring the right of deduction.
2. In contrast to item 1 of this Article, the coefficient for calculating the deduction of VAT of, not taken into account the following amounts:
   a) the value of the turnover achieved by the supplies of capital goods used by taxable person for the purposes of his business;
   b) the value of turnover, carried out financial transactions and real property if these transactions are incidental;
   c) the value of turnover, carried out transactions defined by the letter "b" to the "e", Article 53 of this Law, if these transactions are incidental.

Article 73 The rules for applying the coefficient of VAT deduction
1. The rate of deduction of VAT determined on an annual basis, determined in percentage and rounded to the maximum with the highest unit.
2. The rate of deduction of VAT, applicable provisionally for one year, is deducting the initial coefficient and the rate calculated on the basis of transactions ye
   Previous in terms of Article 71 of this Law. In the absence of such transactions or when their amount is negligible, initial coefficient deducting estimated VAT provisionally by the taxable person himself, based on his predictions and supervision tax administration.
3. The deduction of VAT, performed on the basis of the initial coefficient of deduction, should adjusted tax in the first period of the following year, according to the final coefficient deduction of VAT.
4. For purposes of this section, the taxable person shall notify the tax administration the initial coefficient of VAT deduction will apply during the year and the manner of Its calculation, no later than:
   a) January 31, when it is not the first year of application of the deduction coefficient VAT.
   In this case the initial coefficient of deduction of VAT is the final coefficient deduction of VAT for the previous year;
   b) the period of the declaration of the first tax period in which there is the obligation to apply initial coefficient of VAT deduction.
5. The Minister of Finance determines the instruction rules and modalities of application of this article.

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SECTION 3 REQUIREMENTS AND RESTRICTIONS OF THE RIGHT OF DEDUCTION
Article 74 limits the right of deduction
1. excluded from the right of deduction of VAT on the purchase costs, import of goods, costs for services as follows:
   a) fuel costs, unless:
i) the purpose of economic activity is the purchase of fuel in order to sell it;
ii) fuel purchased is used for technological needs in order to achieve the primary purpose of the business. In this case, with the proviso that the used fuel purchased only for taxable economic activity and for any other needs VAT credited to the norms set out in the guidance of the Minister of Finance by activities;

b) the cost of fuel of any kind, used for cars;
c) costs for cars and services related to them, unless:
i) The purpose of economic activity is the purchase of motorcars order to sell them;
ii) the use of vehicles is the only purpose of business (leasing rental, taxi service, ambulances and similar activities of this nature);
d) expenses for travel and per diem, hotel accommodation, recreational activities and entertainment, luxury and representation expenses during economic activity. For representation expenses of the right of deduction is allowed for expenses beyond the permitted rate to be recognized as a deductible expense in accordance with the law that deals with taxes on profits.

2. The Council of Ministers determines the prohibition of the exercise of the right of deduction VAT paid or payable for the goods or services used for the purposes of transactions contemplated in article 70, paragraphs "a" and "c" of this law.

Article 75 Criteria for the exercise of the right of deduction of VAT
To be able to exercise the right of deduction of VAT taxable person must meet the following criteria:
a) for the deduction, pursuant to letter "a" of paragraph 1 of Article 69 of this Law, related to sales of goods and rendering of services, to possess a bill drafted in accordance with Articles 96 to 105 of this Law;
b) deduction, pursuant to letter "b" of paragraph 1 of Article 69 of this Law, regarding actions akin to sales of goods and rendering of services should fulfilled the formalities prescribed by regulation of the Minister of Finance;
c) deduction of VAT, pursuant to letter "c" of paragraph 1 of Article 69, the this law, regarding the importation of goods, the taxable person must possess a document proving the importation, issued at the time of release for free circulation of goods in Republic of Albania, as defined in the Customs Code of the Republic of Albania, which he termed as receiver or importer of goods and where to write the sum of VAT paid and the method of its calculation;
d) when the buyer is obliged to pay VAT, as defined in paragraph 2 of Article 86, the
law, deducting from the amount of VAT calculated on the total taxable value of all taxable supplies made during a tax period the amount of VAT, for which its right of deduction, during the same tax period.

2. If for a tax period the amount of deductible VAT exceeds that of VAT calculated to be paid, then the surplus carried VAT to be deducted in period ahead.

3. Excess of VAT, the bear to be deducted in the period ahead, reimbursed according to the criteria set out in Article 77 of this Law.

4. If a taxable person does not commit the deduction in the tax period in which has the right of deduction, he can deduct this amount of input VAT thereafter tax period, but not later than 12 tax periods including the period in question.

5. If a taxable person receives an invoice showing VAT from a person who does not entitled to VAT accounts, according to this law, a person who receives the bill, regardless of the paid, should not deduct the VAT shown on the bill, while the person who has calculated unfairly must pay VAT tax administration.

A taxable person who has received an invoice, under paragraph 4 of Article 86, the this law has no right to deduct VAT listed on the invoice.

6. If a taxable person receives an invoice showing an amount of VAT, which the exceeds the amount of VAT that should have been charged under this law, the taxable person who receives bill, whether paid, should not deduct the amount of VAT calculated on too.

7. A taxable person, which is carried a supply of goods or services in terms The paragraph 7 of Article 86 of this Law, no right to deduct VAT listed on the invoice.

SECTION 4 Reimbursement

Article 77 of the VAT Refund

1. A taxable person seeking reimbursement of the tax credit of VAT if:
   a) the taxable person is carrying excess input VAT for 3 consecutive months under paragraphs 2 and 3 of Article 76 of this Law; and
   b) VAT is required to reimburse exceeding 400,000 (four hundred thousand) Lek.

2. In cases where financial agreements ratified by Parliament or the grant agreements approved by the Council of Ministers envisaged the non-foreign financial resources to pay taxes and duties, including whether or not tax value added tax, value added tax paid foreign reimbursed by the system treasurer, within 30 days, according to rules established by the Minister of Finance. Tax

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value added for the import of military materials for the Armed Forces, donated by Alliance member countries of NATO and partners, as local costs paid by the Ministry of Defence.

3. Exporters are entitled to reimbursement if their balance exceeds
400,000 (four hundred thousand). The Council of Ministers determines the category of exporters, according this article.

4. Within 60 days of the filing of the taxpayer and within 30 days from the date of filing of the taxpayers exporter, the regional directorate tax verify the taxpayer's tax situation, exercises control based on risk analysis and adopt as refundable deposit balances. Payment of outstanding credit reimbursable completed within 5 days of the approval, through the treasury system. Director General of Taxation, on reasonable grounds, at the request of the Director of the Regional Directorate tax, has the right to extend the control and approval for a credit balance taxpayers up to 60 days. Tax Administration, before proceeding a request for VAT refund to a taxable person has the right to force that person to prove that the purpose of economic activity is the realization of taxable transactions, which give the right of deduction of VAT.

5. The Minister of Finance determines the instruction how to implement the provisions of this article.

SECTION 5 REGULATION OF DEDUCTION OF APPLIED VAT

Article 78 General rule
The deduction of VAT previously performed adjusted when it is higher or lower than that value for which the taxable person has enjoyed the right of deduction.

Article 79 Rules for the implementation of the regulation of deductions
1. Adjustment of VAT deduction performed, especially when, after the declaration of VAT, have changed the factors taken into consideration for determining the amount of VAT deducted, for example, if purchases are canceled or price reductions are obtained.
2. As an exception to the provisions of paragraph 1 of this Article, adjusting the deduction of VAT is not transactions carried out in the case of completely or partially unpaid or in the case of destruction, loss or theft of property, proven or confirmed by the relevant procedures legal, as in the case of goods reserved for the purpose of gifts of small value or be used as samples or samples, to point 3 of Article 9 of this law.
3. The Minister of Finance determines the direction when changing from point 2, of this article transactions wholly or partially unpaid and in the case of a theft of property, whether proven or confirmed, according to relevant procedures legal, performed regulation of VAT deduction.
4. The Minister of Finance determines the instruction how to implement the provisions of this article.
produced.
2. Changes of the right of deduction along the deadlines set forth in paragraphs 3 and 4, the this article, occurs when goods are destination, passing from one activity taxable, having the right of deduction of VAT, in an activity that does not entitle the Its deduction and vice versa.
3. Adjustment of the deduction of VAT on capital goods movable lies along a full period of 5 years starting from the date on which the goods were purchased or produced. The annual adjustment of the deduction of VAT on capital goods carried on a movable fifth of VAT that has burdened the value of the goods or, if the adjustment period has been extended, adjusting the deduction of VAT is performed for the corresponding who belongs to this period. 4. Adjustment of the deduction of VAT on capital goods property lies along a full period of 10 years starting from the date on which the goods were purchased or produced. The annual adjustment of the deduction of VAT on capital goods estate performed on a tenth of VAT that has burdened the value of the goods or, if the period, which would performed regulation, is longer than a year, the adjustment is made with the tithe to remain before the expiration of 10 years. 

**Article 81 Supply during regulation**

1. If the capital goods supplied during the adjustment period are considere d as were used for economic activities of the taxable person until the end of the period the regulation. The economic activity of the taxable person is considered:
   a) fully taxable when the supply of capital goods is subject to VAT;
   b) completely exempt from tax when the supply of capital goods is exempt from VAT.
2. Adjustment of the deduction of VAT, provided for in paragraph 1 of this Article, carried only once for all the remainder of the period of adjustment.

**Article 82 Other regulating deduction of VAT**

1. In the context of this chapter, the term "capital goods" means any tangible fixed asset that the taxable person uses during the production process to produce goods or services consumption, for example, buildings, equipment, machinery.
2. The Minister of Finance with instruction sets the rules for application of provisions relating to the regulation of the deduction of VAT, and for obtaining all necessary measures to regulate the deduction not to bring any undue advantage, and to easily create management.
3. Except as provided in paragraph 1 of this Article, the Minister of Finance may consider as capital goods, for purposes of applying the regulation of the right of deduction VAT, services that have characteristics similar to those of capital goods.

**Article 83 The right of deduction in connection with the exercise regime**

In the case where a taxable person passes from the general regime to a regime special or vice versa, for VAT, the Minister of Finance may take the measures necessary and determine the criteria and procedures relating to the right of deduction of VAT, for the
avoiding privileges or unjustifiable discrimination in person taxable.

**Article 84 Bad Debt**

1. When a payment is not received in full or in part for a taxable supply of suppliers and is advertised as uncollectible by the judicial authorities, allowed deductions Relevant VAT, which is VAT applied in accordance with the law on the amount of uncollectable bad debt.

2. VAT deduction allowed in any tax period after the debt becomes bad debt and begins, at least, six months after the end of the tax period for which VAT was applied to the supply.

3. A taxable person shall issue an invoice for the amount of uncollected where the written words "bad debt" as well as invoice number, which connects this debt, bill, which serves vendors to reduce liability for VAT and buyers to reduce VAT deductible.

4. When the VAT deduction for bad debt is conducted as provided in this section and later this debt paid in full or in part, the consideration received is treated as a new supply and the receipt issued for the supply bill is considered the number of bad debt and written expression "bad debt paid".

**CHAPTER X OBLIGATIONS OF PERSONS AND certain Persons taxable**

**NO taxable**

**SECTION 1 OF PAYMENT OBLIGATIONS VAT and persons responsible**

**Article 85 The concept of a taxable person in relation to the location**

For purposes of this section, a taxable person, having a fixed location in the Republic of Albania, performs a taxable supply of goods or services in the Republic of Albania, a country where there is the obligation to pay VAT, and fixed location that the Republic of Albania does not participate in the performance of this provision, is considered taxable person not established in the territory of the Republic of Albania.

**Article 86 The person responsible for the payment of VAT**

1. VAT paid by a taxable person who carries a supply of goods or taxable services, unless otherwise specified.
6. VAT paid by the person who delivers the goods for free circulation regimes set out in Articles 64 and 65 of this Law.

7. A taxable person, which is carried a supply of goods or services and has knew or could not deny the fact that VAT payable or part of the VAT on the supply or on all previous supplies of goods or services is not paid because of fraud, is responsible with the supplier for payment of VAT.

8. Forecast in point 7 of this article and paragraph 7 of Article 76 of this Law, not simultaneously applied to the same supply.

Section 87 tax representative
In the cases referred to in point 1 of Article 86 of this Law, the person responsible for payment of VAT is a taxable person who is not resident in the Republic of Albania, a country in which you have to pay VAT pursuant to this section, the person shall be appoint a tax representative in the Republic of Albania as the person responsible for the payment of VAT, unless the person who supplied the goods or services is a person taxable, registered in the Republic of Albania and subject to paragraph 2 of Article 86 of this law.

Article 88 Rules of tax representatives
1. A person appointed as a tax representative of a person who is not located in Republic of Albania only if it has a place of business in Republic of Albania.
2. A person appointed as a tax representative is personally liable on the basis of this law, to meet all obligations, including any fine or penalty, for which forced person represented and entitled to all the rights of the person represented by this law.
3. If, contrary to paragraph 1 of this Article, a person who is not located in Republic of Albania, which is responsible for payment of VAT, does not appoint a tax representative, all charges and penalties in his charge to be paid by supply local beneficiary.

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SECTION 2 RULES OF PAYMENT OF VAT

Article 89 Payment of VAT
Any person who pays the VAT, must pay VAT of the payable not later than the date of the declaration of VAT, designed in accordance with Article 106 of this Law.

Article 90 Payment of VAT on import of goods
Payment of VAT on importation of goods made as defined in the Customs Code Republic of Albania for the payment of customs duties on import.

SECTION 3 IDENTIFICATION

Article 91 Registration of the taxable person
1. Every taxable person shall declare the start of his economic activity and be registered as such within 15 days from the date of commencement of this activity.
2. You must also register through tax representatives each person
taxable, which is not located in the Republic of Albania, but carries supplies services for which VAT is paid in the Republic of Albania, under Articles 87 and 88, the this law, other than those for which VAT is to be paid by a taxable person, receiver service in Albania.

3. Persons referred to in paragraphs 1 and 2 of this article, to identify and registered, comply with the law on the National Registration Center and Law tax procedures in the Republic of Albania.

4. Tax Administration, under the procedures established in the law for procedures tax in the Republic of Albania has the right to register a person even if he does not has applied to be registered when it determines that the person has met the requirements to be a person of taxable under this law.

**Article 92 Number of identification**

Any person identified through an identification number for VAT. The identification number of the taxable person is an individual and recorded on the certificate issued for this purpose, in accordance with the law on tax procedures in the Republic of Albania.

Tax Administration, for purposes of this Act, to identify any person taxable, creates and maintains a separate register, which is part of the general register, as defined in the law on tax procedures in the Republic of Albania.

**Article 93 Deletion**

Taxable person registered in accordance with the provisions of this chapter, shall be obliged to require the cancellation no later than 15 days from the last day when he performed supplies taxable, as part of its economic activity.

Deletion of the taxable person carried out in accordance with the procedure provided for in tax procedures law in Albania.

**Article 94 Obligation to notify changes**

Taxable person registered in accordance with the provisions of this chapter, shall be obliged to notify the tax administration, in writing, within 15 days of any change in name, address, its economic activities or of any change in the information provided by him tax authorities when requested to be identified for VAT.

Notification of change of the taxable person carried out in accordance with the procedure provided for in the law on tax procedures in the Republic of Albania.

**SECTION 4 BILLING**

**Article 95 Definitions**

For purposes of this section, with:

a) "Bill" means any document on paper or in electronic form that meets conditions stipulated in this law.

b) "Electronic Invoice" means an invoice that contains the information required in this law, which has been issued and received in an electronic format.

c) In accordance with this article shall be treated as an invoice every document on paper or electronically.
changing and refers specifically and clearly the initial invoice and that, for purposes of this are documents labeled as follows:

i) credit note, a document issued by a taxable person to a recipient of goods or services for the purpose of an adjustment to increase the liability of VAT, after tax invoice for that taxable supply.

ii) debit, document issued by a taxable person to a recipient of goods or services for the purpose of an adjustment in the liability discount VAT after tax invoice for that taxable supply.

**Article 96 The general principle on billing**

1. Billing is done according to the rules specified in this section for all supplies of goods and services, whose country under the provisions of Chapter IV of this law is to Republic of Albania.

2. Billing is subject to the rules set out in this section even when supplier has in Albania headquarters of its economic activity or location sustainable which is committed to tender or, in the absence of a site or a stable of location, the supplier has in Albania his address permanent or usually resides, regardless of the supply of goods or services, as provided for in Chapter IV of this law, considered to be made in the Republic of Albania.

3. In the case where the billing is performed by a taxable person who has taken the supply,

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37 through vetëfaturimit, invoice is issued as provided in paragraph 1 of this Article.

**Article 97 Issuance of invoices**

1. The taxable person shall be provided for the issuance of invoice by himself or by the buyer his or its name and on its behalf by third parties in the following cases:
   a) to supply any product or service that performs against another taxable person or a legal person non-assessable;
   b) for each payment completed before performed supply of goods or before the end of service supply, according to the letter "a" of this point.

2. Contrary to paragraph 1 of this Article, the issuance of the invoice is not required the case of supplies of services exempt from VAT, according to letters from "a" in "E" of Article 53 of this Law.

Documentation of these transactions done as determined by authorities that oversee these types of activities in agreement with the tax authority and must contain at least information, as defined in Article 102 of this Law.

**Article 98 Other definitions on billing**

Taxable person supplies goods or services with maximum value 40000 ALL is not obligated to issue tax invoice content, as defined in Article 101 of this Law, unless the buyer requests it.

**Article 99 Moment of invoice**

1. The invoice is issued when the supply of goods or services, unless stated otherwise.

2. For supplies of services for which VAT is paid by the recipient of the supply,
according to paragraph 2 of Article 86 of this Law, the invoice must be issued no later than the 14th of the month following the month during which VAT arises has to be supplied.

3. A taxable person who carries a supply of goods, is obliged to issue a receipt for the supply at the moment when goods are delivered or when they become available, in accordance with the provisions of Section 1 of Chapter IV of this law.

4. A taxable person who carries a supply of services is required to issue an invoice for the supply at the moment when the services are rendered.

5. The invoice can be issued periodically for some supplies of goods or services, which are supplied on a regular or continuous, conducted between taxable person and his client in the same month, in which supplies were made. In Building tax invoice must be issued each month.

**Article 100 Other cases invoice**

1. The invoice can be issued by the buyer or customer of a good or service for supplies the goods or services received from him by a taxable person has a deal Preliminary between the two parties and provided that a procedure for acceptance by supplier of goods or services of any invoice issued on behalf and in its name.

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2. The Minister of Finance determines the direction of implementing the conditions and possibilities of point 1 of this article.

**Article 101 Contents of the bill**

Invoice issued compiled in the form prescribed by the Minister of Finance and contains the following information:

a) the date of invoice;

b) a serial number that identifies the bill in order unique;

c) identification number VAT taxable person who carries out the supply of goods and services, as defined in Article 92 of this Law;

d) identification number of VAT to buyers, as defined in Article 92 of this Law, where he is a taxable person for supplies within the territory of the Republic of Albania;

e) the full name and address of the seller and the buyer; f) the name, address and TIN of the carriers, vehicle plate number and time of supply;

f) when the invoice is issued for payments made in advance and VAT becomes claimable upon receipt of payment, and the right of deduction arises at this moment, in bill should be written "Payment in advance";

h) the price per unit without VAT, for every kind of good or service supplied, as well as any price reductions or discounts not included in the unit price;

k) the taxable value, according to the tax rate applied or excluded;
h) the rate of VAT applied, expressed as a percentage;
i) the amount of VAT payable, unless applied a special regime, according to which, in accordance with the law, this value should not be shown on the invoice;
j) the total amount of VAT;
k) the invoice issued by the buyer to supply received from the supplier to bill issued should be written "Vetëfaturim";
l) if the taxable person supplies goods or services exempt from VAT Behold, the invoice must indicate the provision of this law, according to which excluded;
l) if the taxable person in the quality of the buyer or customer is responsible for payment of VAT on the invoice should be written "autongarkesë VAT" (reverse-charge);
m) in case of application of special regime for travel agencies, the bill must be written "VAT has been implemented on the margin, travel agencies regime";
n) in case of implementation of one of the special regime for used goods and art objects, collections or antiquity, the bill should be written respectively "VAT is applied on the margin, the regime used goods "; "VAT is applied on margin-art facilities "; "VAT is imposed on the margin, collections and facilities antiquity ";
a) if the person liable for payment of VAT is a tax representative, for the purposes of Article 87 of this Law, shall be indicated on the invoice identification number VAT

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Article 102 simplified tax documents
1. The taxable person, for supplies made under paragraph 1 of Article 98 of this Law, to which is not obliged to issue a tax invoice content as defined in section 101 of this law, shall issue a simplified invoice, which include:
a) the date of issuance;
b) identification of the taxable person who supplies goods and services;
c) identification of the goods and services supplied;
d) the VAT amount payable and the information necessary for its calculation.
For purposes of this paragraph, tax coupon, as defined in the law on tax procedures in the Republic of Albania, is simplified tax document.
2. The documents specified in the letter "c" subdivisions "i" and "ii", Article 95, the this law, except for the information specified in paragraph 1 of this Article shall have written initial invoice references relevant and specific details that they correct.

Article 103 Other conditions for the content of bills
1. The values shown on the invoice may be expressed in any currency, provided taxable value and the value of VAT payable is expressed in equivalent value Albanian national currency (ALL), as determined by the instruction of the Minister of Finance.
2. When invoices for supplies received are drawn in foreign languages, tax administration, tax audit purposes, may require a translation authentic
bills in Albanian.

SECTION 5 PAPER INVOICES AND ELECTRONIC INVOICES

Article 104 Manner of issuance and delivery of invoices
1. Tax invoices and other documents released under this law can be put in
available in paper-size tax bill is printed and distributed by
tax authorities or by private entities authorized, as defined in law
tax procedures in the Republic of Albania.
2. Director General of Taxation has the right to allow the non bills
tax, in accordance with paragraph 1 of this Article, where a taxable person registered
may indicate, at the request of the tax authorities, that its system of records is
computerized and produce tax bills serial number for each transaction
taxable and which has a significant number of client users, according to the procedure
determine the direction of the Minister of Finance.
3. Tax invoices and other documents released under this law may be made
electronically available after prior agreement, according to which the recipient receives the
bills be made available electronically, only if the requirements of

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provided for in paragraph 2 of Article 105 of this Law.

Article 105 Criteria for sending and issuance of bills
1. The authenticity of origin, integrity of content and readability of an invoice, whether it
on paper or in electronic form, guaranteed starting from the moment of its release to the
completion of the invoice storage period. The way to ensure the authenticity of the origin,
integrity of content and legibility of the invoice as defined in paragraph 2 of this Article,
determined by instruction of the Minister of Finance.
2. The authenticity of origin and integrity of the content of an electronic invoice must
guaranteed by an advanced electronic signature or through exchange
data electronically (EDI), as required and provided in regulations and recommendations
European.
3. For purposes of this Article:
a) "The authenticity of origin" means the assurance of the identity of the supplier or the issuer
the bill;
b) "The integrity of the content" means that the content required under this law is not
changed.
4. If several electronic invoices are sent a series of simultaneously to the same
receivers, common data of each bill may be mentioned only once, provided
that for every bill be possible to obtain all the information that it contains.

SECTION 6 STATEMENT

Article 106 of the VAT declaration
1. Any person shall submit a VAT declaration, which contains all
necessary information on which is based the calculation of VAT that has become due,
the amount of VAT that can be deducted, the taxable values of actions relating to the calculation of
VAT due and the deductible and the amount of supplies exempted from
VAT.
2. In addition to data contained in the VAT declaration under paragraph 1 of this Article, Minister of Finance determines the instruction complete the form and content of the declaration and defines the modalities of declaration of VAT in relation to imports.
3. Statement of VAT, made under paragraph 1 of this article, submitted as specified in Article 65 of the law on tax procedures in the Republic of Albania, which reads even sending electronically.

**Article 107 Deadline for submission of the declaration and tax periods**

1. The declaration of VAT, made in accordance with Article 106 of this Law shall submitted no later than 14 days after the end of the tax period is declared.
2. In terms of paragraph 1 of this Article, the tax period is the calendar month, except cases where otherwise provided in this article.
3. For a taxable person who is initially recorded, the tax period begins on the day

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1. The declaration of VAT, made in accordance with Article 106 of this Law shall submitted no later than 14 days after the end of the tax period is declared.
2. In terms of paragraph 1 of this Article, the tax period is the calendar month, except cases where otherwise provided in this article.
3. For a taxable person who is initially recorded, the tax period begins on the day

**Article 108 Declaration for others**

Persons in the Republic of Albania, who in support of Articles 86, paragraph 2, and 87 of this law shall be deemed liable for payment of VAT instead of the person taxable, that is not located in the territory of Albania to meet the obligation to declared, in accordance with the provisions of this chapter.

**Article 109 Other statements**

1. The tax authorities may request and allow the taxable person to make other statements, in addition to declarations for tax periods, in accordance with Article 67, the tax law procedures in the Republic of Albania. In this case the declaration is made in accordance with paragraph 3 of article 106 of this Law.
2. All persons who, pursuant to this chapter, have the obligation to deliver VAT declaration must accompany each statement for a certain period tax monthly summary records for supplies carried out, and for supplies received and their corrections, named respectively book sales and purchase book. In this case the declaration made in accordance with paragraph 3 of article 106 of this Law.
3. The Minister of Finance determines the form and content instruction book sales and book purchase.

**Article 110 Miscellaneous Provisions**

1. Taxable persons, subject to the regime of small businesses under Chapter XI, Section 1 of this law, exempt from the obligations of invoicing and declaration of VAT, as defined in sections 4, 5 and 6 of this chapter.
These people, for invoicing subject to the provisions of Article 47 of the Law on Procedures tax in the Republic of Albania, according to which the simple use tax bill contains less elements than those provided for in section 101 of this Law.

2. Agricultural producers, subject to the compensation regime, as defined in Section 4, Chapter XI of this law, exempt from meeting the obligations on billing, declaration, bookkeeping, defined in sections 4, 5, 6 and 7 of this chapter.

**Article 111 Documentation of import operations**
For import operations related to goods released for free circulation in the territory The Republic of Albania, the prescribed formalities and procedures laid down in the provisions Law no. 92/2014, dated 07.24.2014, "On VAT"

42 applicable customs importation of goods into the customs territory of the Republic of Albania.

**Article 112 Documentation of export operations**
For actions exportation of goods, which are released for free circulation to the territories that are not part of the customs territory of the Republic of Albania, the prescribed formalities and procedures laid down in the customs regulations applicable to the export of goods from the territory Customs of the Republic of Albania.

**SECTION 7 ACCOUNTING**

**Section 113 Definitions**
For the purposes of this chapter, the term "storage of an electronic invoice" means data retention performed by means of electronic equipment handling (including compression Numerical) and memorizing and using cable, wireless, optical devices or tools electromagnetic.

**Section 114 Obligation to Keep Records**
1. Any person shall keep accounts of accounting, detailed mass enough, the VAT to be applied and its application checked by the administration tax.
2. Any person required to keep accounts, including records of all supplies made by him, all supplies made him and all imports of goods performed by him as part of his economic activity, in accordance with law accounting and financial statements.
3. Any person required to keep records under this section, including all bills and any other similar document issued by / or for the person taxable in respect of supplies made to him and made him.
4. Records kept under this section are kept for a period of 5 years.
5. The Minister of Finance has the right to determine the format of the books which will be held records relating to tax documents provided in this law, as well as provide the records kept under this section to register on the computer or data electronic.

**Article 115 Preservation of tax documents**
1. Any person should take measures to maintain invoices issued by him itself, by the purchaser or recipient, or on his behalf for his account of a third party, as well as
invoices received.
2. A taxable person has the right to appoint himself the place of storage of invoices or
information stored in accordance with paragraph 1 of this Article, provided that he has put in
available to the competent authorities immediately upon request. If the records are
held on computer or electronic data, to allow access to the tax authorities

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the place where the records are kept and access to a computer or other device to inspect
records kept as electronic data.
3. taxable person established in the territory of the Republic of Albania to maintain
within the territory of the Republic of Albania, all invoices issued by himself or by the buyer
or the recipient, or in his name and on his behalf by a third, as well as all the bills that he
received, where preservation is not performed by means of an electronic device that provides
access to
complete and in line to the data concerned.

**Article 116 Time and manner of information storage**
1. The period during which the taxable person must ensure the preservation of the bills, which
relating to supplies of goods or services performed in the territory of Albania, as well as
those received by taxable persons or non-taxable, located in Republic
Albania is the fifth full calendar years, starting from the year following issuance
invoices.
2. In terms of paragraph 1 of this Article, invoices issued in accordance with what is prescribed in
Section 5 of this Law shall be kept in its original form in which they were sent or made available, whether paper or electronic. In addition, in the case of invoices stored
electronic tools, data, guaranteeing the authenticity of origin of invoices and integrity
Their content should be saved also by electronic means.

**CHAPTER XI SPECIAL REGIMES**

**SECTION 1 REGIME OF SMALL BUSINESS**

**Article 117 The object of the regime of small businesses**
1. Taxable persons resident in Albania, whose annual turnover is below the minimum threshold for VAT registration, are subject to the regime for small businesses, while
obtained an exemption from the obligation to calculate VAT on sale for supplies goods and services performed.
2. The minimum limits for VAT registration with the decision of the Council of Ministers.
3. Not included in the regime of small businesses, in terms of paragraph 1 of this Article, taxable persons carrying out economic activities that constitute tax evasion, within the meaning Article 116 of the tax law procedures in the Republic of Albania.

**Section 118 activities for which no regime applies**
The regime does not apply in the following cases:
a) supplies made randomly real estate;
b) the activities included in the scheme of agricultural producers;
c) supplies of services made by a taxable person not established in Albania, a country in which there is the obligation to VAT.

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**Article 119 Turnover**

1. Turnover serving for the procedure under Article 117 of this section, includes the turnover generated from all taxable supplies of goods and services, including supplies made under Articles 57, 59, 60, 61 and 62 of this law, committed by the same taxable person, and calculated based on the total price to be paid by the buyer, without including VAT.

2. There taken into account for the calculation of turnover:
   a) supplies tangible and intangible assets of the taxable person, who considered as investment assets and are not kept in order to be sold;
   b) values derived from financial operations provided for in Article 53, the letters "b" to "e", of this law, which does not arise as a result of the exercise of economic activity, but are actions accessory;
   c) values derived from the real estate operations, which are not created as The main result of economic activity, for which the person is registered.

3. supplies of the real estate and financial services, despite being supplies exempt from VAT under Article 53 of this Law, when created as a result of The main economic activities are part of the Annual turnover for the purposes of paragraph 1 of this Article.

4. For the purposes of this article, for a taxable person who is registered for the first time to carry out an economic activity, circulation about minimum limit calculated in proportion to the period from the date of creation (registration) by the end of fiscal year.

**Article 120 Right to Choose**

1. The taxable person, whether the application meets the criteria of this regime or the implementing it, has the right to elect to apply the normal regime of VAT.

2. A person who chooses to be registered for VAT under paragraph 1 of this Article, forced to stand and be subject to the normal VAT regime not less than 2 years calendar.

3. The person registered for VAT, according to this article, has the right to ask to subject to small businesses regime and its deregistration from the normal regime of VAT enters into force six months after the date of application.

**Article 121 Billing**

1. Taxable persons who benefit from involvement in this mode, do not enjoy the right to credit the VAT in accordance with Chapter X of this law.

2. These persons are not entitled to calculate VAT on the invoice.

3. If taxable persons applying this regime, calculate VAT on invoices them, but subject to punishment stipulated in the law on tax procedures Republic of Albania, have to pay VAT billed as a taxable person has taken the supply is not entitled to deduct the VAT.
Article 122 Transfer of registration threshold
1. A taxable person who is subject to the regime of small businesses, turnover which during 12 consecutive months exceeds the minimum threshold for VAT registration, is obliged to ask for registration within 15 days of crossing the border. When the limit Minimum registration for VAT previously exceeded 12 months, then the taxable person must apply to be registered immediately within 15 days of crossing the border. Date border crossing is considered the last day of the calendar month in which overlimit accomplished minimum registration.
2. A person registered for VAT under paragraph 1 of this article has the right to ask to subject to the regime of small businesses in the event that its circulation in the last 12 months calendar falls below the minimum threshold for VAT registration. Striking his regime normal VAT enter into force 12 months after the date of application to undergo small businesses regime.

SECTION 2 REGIME FOR TRAVEL AGENCIES
Section 123 Definitions
1. Travel Agency is a taxable person acting as a mediator in the name of his care for clients realize journey.
2. The organizer of the tour is regarded as travel agency.
3. The term "client" for the purposes of this section, shall mean a traveler or another agency travel.

Article 124 The object of the regime of travel agency
1. The actions that the agency conducts its name to the client, for whose implementation uses supplies of goods and services provided by other taxable persons, considered as a single service supplied by the travel agency for its client.
2. Service is taxable only in Albania, if agency Travel has set the main place of its activity or a fixed unit, from which it provides service in the Republic of Albania.

Article 125 of taxable value
1. The taxable value of a supply only service agency is margin reduced travel with the VAT value associated with self margin.
2. Margin travel agency considered the difference between the total price paid the client and the real value paid by the travel agency for supplies of goods and invoiced services from other taxable persons for acts committed for the benefit of customer directly. Transactions under this article shall be conducted through the accounts bank.

Article 126 The right of deduction of VAT
VAT, travel agency owes other taxable persons for actions carried out under Article 124 of this Law, the direct benefit of its client, not known as the deductible or reimbursable.
Article 127 Other cases
1. If the actions for which the travel agency is directed other persons taxable, are performed by such persons outside the Republic of Albania, the service conducted by travel agency is similar to the activity of brokers and excluded from VAT under Article 62 of this Law.
2. If these actions, according to paragraph 1 of this Article, are conducted within and outside the Republic of Albania, the margin applies only to service travel agency committed within country. The service travel agency that belongs operations outside the Republic of Albania exempt from VAT under Article 62 of this Law.

Article 128 Exceptions to the regime
Determinations made in this section do not apply to the travel agency that operates just as a mediator in the name and on behalf of its principal, pursuant to letter "c", of paragraph 1 of Article 40 of this Law.

SECTION 3 regimes SPECIAL EFFECT ON SALE OF GOODS USED, artworks, OBJECTS OF COLLECTION AND Antiquarian
Subsection 1 REGIME profit margin
Section 129 Definitions
For purposes of this section:
  a) "goods" are movable material goods that are suitable for further use in the state that are or after repair, in addition to works of art, buildings collection and antiquity and except precious metals or precious stones, according Legal provisions.
  b) "artwork", "Objects in the collection" and "antiques" are those goods that are determined in Annex II attached to this law.
  c) "taxable person reseller" means any taxable person who, within the its economic activity, in order to resell, buys, uses for the purposes of activity his or importing used goods, works of art, artifacts and antiques collection, whether for own account, or for the account of third parties on the basis of a contract, which pays purchases or sales commission. 
  d) "organizer of sales at auction" is a taxable person who, within the his economic activity, on his behalf, but on behalf of ordering, goods issue ordering at auction to sell to the highest bidder.

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d) "The ordering of the auction" means any person whose goods are given to sell organizer of the auction, on the basis of a contract under which it receives commission for sale.
f) "sale price" is the total value of the taxable person or organizer resellers the auction benefiting or will benefit from the buyer for the sale of goods referred to in letters "a" and "b" of this article, including duties, taxes, customs costs, expenses secondary as commissions, transport costs, packaging, insurance, etc., excluding amounts
reimbursed by the letter "c" of paragraph 1 of Article 40 of this Law.
e) "purchase price" means the total amount paid or payable to suppliers for the purchase of
goods referred to in letters "a" and "b" of this article.

**Article 130 Scope**
Margin regime applies to supplies made by a taxable person reseller of
used goods, works of art, collection or antique objects, which are
supplied to him within the territory of the Republic of Albania by the following persons:

a) a person who is not taxable for VAT;
b) a taxable person, if the supply of goods which he performs exempt from VAT

behold, under Article 54 of this Law, or supplies goods for which there was no right of deduction
of VAT, under Article 74 of this Law;
c) a taxable person reseller, if funrnizimi of goods from this the
latter is subject to VAT, in accordance with the margin scheme;
d) a taxable person who is subject to the regime for small businesses, according to
provisions of Section 1 of Chapter XI of this law, and supplying performed relates to commodity
capital included in current assets.

**Article 131 of taxable value**
1. The taxable value of the supply of goods under Article 130 of this Law, is the margin of
conducted by subject, reduce the amount of VAT relating to self margin.
2. margin realized by the taxable person is equal to the difference between
selling price required by the taxable person reseller and purchase price.

**Article 132 total margin**
1. For certain categories of taxable persons resellers, the taxable value for
supplies of goods, which apply the same VAT rate consists of the total margin
realized for the period for which the taxable person is obliged to submit statement resellers
under Article 106 of this Law, reducing the VAT related to the total margin itself.
2. The total margin is the difference between the total value of supplies with the total value of
purchases of goods subject to this regime committed during any period for which
reseller taxable person is obliged to declare.
3. If during a total value of purchases is larger than the total value of
supplies made, the difference is added to the total purchases of the following month.
4. reseller taxable person who applies this regime makes an annual adjustment as

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follows:
a) if the difference between the value of the stock at 31 December the value of the stock of 1
January of the same year is negative, it is added to purchases made in the first period of the year
successor;
b) if the difference between the value of the stock at 31 December the value of the stock of 1
January of the same year is positive, it is deducted from acquisitions completed in the first period
of the year successor.
5. Perform regulatory actions on the taxable value does not result in benefit
taxable person any right resellers reimbursement of value added tax related
with those transactions.

**Article 133 Right to Choose**
1. reseller taxable person has the right to choose the application of the margin regime for supplies of goods following:
   a) art objects, items and antique collection, which person imported taxable own;
   b) the objects of art, which have been supplied to the taxable person by the author or from those who own the rights on them.
2. If a taxable person chooses to apply the margin regime for supplies provided in this article, their taxable value will be in accordance with Article 131 of this section.
3. For supplies art objects, items and antiques collection of imported by the taxable person reseller, the purchase price to be considered for The margin calculation is equal to the taxable value of imports, and determined to accordance with Article 44 of this law, added to the VAT paid or payable to import.
4. reseller taxable person who exercises the right, under paragraph 1 of this Article, obliged to apply this regime for a period of at least three fiscal years.

**Section 134 Limitation of lending VAT regime margin**
1. resellers taxable persons not entitled to deduct VAT in relation to domestic purchases, the importation of works of art, objects of collection or antiquaries when supply taxed in accordance with the provisions of Articles 129 and 130 of this Law.
2. A taxable person is not entitled to credit the VAT on goods that are supplied by a taxable person reseller if this provision is subject regime margin.

**Article 135 Billing**
Taxable persons resellers who follow margin regime should not compute or to reflect the share value of VAT on the invoice issued. In any invoice issued to the subject to margin regime, the taxable person resellers should note: "Sale to subject profit margin regime ".

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**Article 136 Right to apply the normal VAT regime's**
1. For each supply, which applies the margin regime, the taxable person reseller may apply the rules on VAT for each taxable person. In this case the person taxable resellers entitled to deduction of VAT on goods purchased with VAT.
2. The right of deduction arises at the time, which realized sales of goods, for which reseller taxable person choose the option under paragraph 1 of this Article.

**Article 137 Keeping of accounts**
Taxable persons who carry out transactions involving goods used, works of art, objects of collection or antiquaries have to bear in order to share accounts for transactions carried out with the goods, under various regimes that apply.

**Subsection 2 REGIME OF SALE BY AUCTION**

**Article 138 Scope**
For auction sales of used goods, works of art, objects collection or antiquaries conducted by the organizer of the auction, on behalf of the requester sales at auction, apply a special regime related to margin realized by the organizer Sales by auction.

**Article 139 Taxable persons**

This regime applies to supplies made by the organizer of sales by auction, for ordering account for the auction, which is one of the following persons:

a) a person who is not a taxable person;

b) the taxable person, if the supply of goods carried, on the basis of a contract Commission exempt from VAT under Article 54 of this Law, or supplies goods for which there was no right of deduction of VAT, under Article 74 of this Law;

c) the taxable person, subject to the regime for small businesses, according to the definitions of Section 1 of Chapter XI of this Law, the supply of goods by which is done on the basis of a brokerage contract for the sale and deals with capital goods included in assets long term;

d) the taxable person reseller, if the supply of goods by the latter, carried out on basis of a brokerage contract for the sale, subject to VAT in accordance with regime margin.

**Article 140 Moment of supply**

Supply of goods organizer of sales by public auction is considered conducted in when realized by public auction sale of these goods.

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**Article 141 of taxable value**

The taxable value for the supply of goods under this regime consists of the total value of billed buyers the best bidder by the organizer of the sale by auction, reduce the the following values:

a) the net value of sales by auction organizer has paid or will pay ordering, which consists of the difference between the sale by auction of goods and the value of committee, the organizer of the auction has received or will receive from ordering on brokerage contract basis for sale;

b) the amount of VAT payable by the organizer of the sale by auction supply of conduct.

**Article 142 Obligations of billing to buyers**

1. The organizer of the sale by public auction must issue the buyer a receipt, in which distinguished separately following elements:

a) price auction sale of goods.

b) duties and taxes, duties, fees and other similar.

c) secondary costs, such as commissions, transport costs, packaging, insurance, etc. that organizer assigns the buyer of goods.

2. The invoice issued by the organizer of the sale by auction the buyer does not have to count or separate reflect the value of VAT. In any invoice issued subject auction sale organizer of the auction should note: "Sale subject auction sale regime ".

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Article 143 Obligations of the auction organizer to ordering
1. The organizer of the auction, which was delivered the goods, on the basis of a contract commission on the sale by auction must submit a detailed overview ordering the value net, under Article 141, paragraph "a" of this law, be detailed as the difference between the sale price the goods at auction and the value of the commission to be received from the customer.
2. Statement of the design under paragraph 1 of this Article, the bill replaces the requester, the when is a taxable person, shall issue, at the time of the supply in accordance with Article 140, of this subsection.

Article 144 Keeping of accounts
The Minister of Finance may determine specific guidance related provisions way of keeping the accounts by the organizer of the sale by auction transactions performed within the auction.

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SECTION 4 SPECIAL ARRANGEMENTS: COMPENSATION SCHEME OF PRODUCERS AGRICULTURAL

Section 145 Definitions
For purposes of this section, the following terms mean:

a) "agricultural producer" is the entity that conducts its activities under a agricultural enterprise, forestry and fishing.

b) "Venture agriculture, forestry or fishing" activity is exercised by agricultural producers for the production of agricultural products.

c) "agricultural product" is a plant or animal product, which is produced by a agricultural producers in an enterprise, in the framework of defined and listed, according to Annex III attached to this law.

d) "Performing agricultural services" means services performed by agricultural producer his arm to work with the tools available and the work of the enterprise, its agriculture, forestry and fishing and that normally contribute to the production of agricultural product under manufacturing activities.

d) "agricultural productive activities" are those determined according to Annex III attached to this law.

f) "Goods and Services", in terms of this section, means the products and services, as defined in letters "c" and "d" of this article.

Article 146 The object of the compensation scheme
1. The compensation scheme applies to agricultural producers, for whom involvement in normal mode creates difficulties VAT. These producers, in the context of their activity manufacturing, determined according to Annex III, attached to the law, provide the products and agricultural services a taxable person, who receives no compensation scheme Republic of Albania.

2. The Minister of Finance with guidance may exclude from the application of this scheme some categories of agricultural producers or agricultural producers, for whom application of the normal regime VAT does not create administrative difficulties.
3. Any agricultural producer who applies farmers compensation regime may opt to apply the normal regime of VAT, the standard scale 20 percent.

Section 147 conditions to benefit from the compensation scheme
Benefit agricultural producers entitled to compensation if:

- a) their annual turnover does not exceed the minimum threshold for VAT registration, the approved by the Council of Ministers;
- b) supplying goods or services originating from their work done in one of the activities, defined in the letter "d" of Article 145 of this Law;
- c) goods and services supplied to taxable persons who do not benefit from compensation scheme in the Republic of Albania;
- d) are equipped with an identification number of the taxable person, issued by the Department Law no. 92/2014, dated 07.24.2014, "On VAT"

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Tax which operates regional agricultural producer, without being subject to liability for declaration under Article 106 of this Law.

Article 148 Rate of compensation agricultural producers
The rate of compensation for farmers is 20 percent.

Article 149 The amount of compensation
1. The rate of compensation on the price excluding VAT applies to goods and services, defined by the letter "f" of Article 145 of this law.
2. Compensation covers VAT paid by agricultural producers involved in purchase price of the goods and services that have been supplied to them for the purpose of performing agricultural production activity.
3. Compensation is paid to agricultural producers accorded by the buyer, the taxable person, committed against supplies of goods or services.

Article 150 The manner of implementation of the scheme
1. Buyer, taxable person, issue a tax invoice for the seller agricultural producer for each supply of goods and services received by him. The invoice value represents the value of supply paid by the buyer to the seller's account, including the rate of compensation.
2. The form and content of the bill are set out in Article 101 of this Law, in accordance the nature of supply. In invoice shall indicate TIN according to article 147, paragraph "d" this section.
3. Compensation, that the taxable person has paid the seller buyer agricultural producer, VAT is deductible for the taxable person, under the terms of Articles 69 and 70 of this law, and declared in the tax period when the invoice is issued.
4. If the bill does not contain the information stipulated in paragraph 2 of this Article, taxable person is not entitled to credit compensation and forced presented in the pay the penalty in accordance with the law on tax procedures in the Republic of Albania.

SECTION 5 SPECIAL REGIME ON INVESTMENT gold

Section 151 Definitions
1. For purposes of this section, the term "investment gold" means:
   a) gold in the form of bars or plates with weights accepted by the gold market greater than 1 gram, with a purity equal to or higher than 995 per thousand, represented or not
securities;
b) gold coins with a purity equal to or greater than 900 thousandths, cut after
1800, who have or have had legal tender in the country of origin and that, as a rule, sold
a price that does not exceed the free market gold they contain more than 80 per
percent.
2. For purposes of this section, shall not be considered as sold their interest

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Numismatic coins subsection "b" of paragraph 1 of this Article.

Section 152 Exemption from tax
Exempt from value added tax:
a) the supply and importation of gold for investment, including investment gold, represented
of gold certificates or traded on gold accounts and, in particular, exchange contracts and
gold loans, including a property right or a claim on gold for investment, as
the transactions in gold for investment, according to contracts "entered" and "forward", which
lead
to transfer ownership or claim on the gold investment;
b) supplies of services performed by agents, acting on behalf of
another person, when they take part in the supply of investment gold for their sponsor.

Article 153 The right to choose the implementation of VAT
1. A taxable person who produces investment gold or gold turns into gold for
investment may elect to apply the value added tax for the supply of gold
investment to another taxable person, who would otherwise be excluded on the basis of
Article 152, paragraph "a", this law.
2. A taxable person who, in the context of its economic activity, supplies
consistently with gold destined for industrial uses, may elect to apply tax
The value added to any supply made under the letter "a" of paragraph 1 of Article 151 of this
law, to another taxable person, who would otherwise be excluded on the basis of
Article 152, paragraph "a" of the law.
3. A taxable person acting as agent on behalf of third parties that perform
taxable supplies under paragraphs 1 and 2 of this Article may elect to apply tax
adding value to the supply of the services performed.
4. taxable person acting under paragraphs 1, 2, 3 of this Article, shall indicate on
invoice issued phrase: "VAT is applied pursuant to Article 153 of Law no. 92/2014,
"For value added tax in the Republic of Albania" ", otherwise the right of choice
will not be considered to be exercised.

Article 154 The rights and obligations of operators in the sector for investment gold
1. If a subsequent sale of gold for investment, made by a taxable person
excluded under Article 152, paragraph "a" of this law, the taxable person has the right to
deducting the following amounts:
a) VAT payable or paid for gold for investment, which is supplied
of a person who has exercised the right of election under paragraph 1 or 2 of Article 153 of the
Law.
b) VAT payable or paid in connection with acquisitions or importing finished
gold than gold for investment, which is then transformed by him or on his behalf, in investment gold;
c) VAT payable or paid for services received, which consist of changing shape, weight or purity of gold, including gold for investment.

2. Taxable persons who produce investment gold or transform gold into gold for investment, have the right of deduction of VAT payable or paid by them for purchases or importation of goods or services related to the production or processing of the gold, as if the subsequent sale of their gold excluded on the basis of Article 152 of the Law, was subjected to tax.

Article 155 Maintenance of accounts
1. Operators, operating with gold for investment, should hold at least accounting all essential actions related to gold for investment and preserve documents enable the identification of clients of such actions.
In terms of this section, the Minister of Finance determines which actions instruction considered essential.
2. Operators shall keep records as defined in paragraph 1 of this Article, for a period of at least five years, according to the law on tax procedures in the Republic of Albania.
3. Taxable persons must register separately accounts for transactions on gold for investment, exempt under section 152 of them with the right choice according to Article 153 of this Law.

CHAPTER XII TRANSITIONAL AND FINAL PROVISIONS
Article 156 Final Provisions
For non-implementation of the provisions of this law or any act, omission or violation, the contrary to the provisions of this Act, apply sanctions and penalties under the Law on tax procedures in the Republic of Albania.

Article 157 Transitional provisions
1. Regulating the deduction of VAT, as defined in Article 80 of this Law shall be applied to capital goods movable and immovable property, for which the right of deduction VAT arises after the date of entry into force of this law.
2. Determinations of Articles 104 and 105 of this Law, for issuing and delivering invoices in electronic format, which requires the creation of adequate infrastructure, according to regulations European, and Section 5 of Chapter XI of this law, enacted with the membership of the Republic of Albania into the European Union.

Article 158 The authorities responsible
1. Ministry of Finance and the tax administration have the responsibility to administer VAT under this law and bylaws in its implementation.
2. The Customs Administration has the responsibility to assess, charge, search and collect VAT on import, export and in relation to other customs regimes under this law.
Article 159 Issue of Regulations
The Council of Ministers and Minister of Finance of issuing
enacted pursuant to this Law, no later than 4 months from the date of publication of this law in
Official Journal.
The Minister of Finance to issue guidance on the application of Article 4 of
Chapter XI of this law, within 15 days after publication of this law in the Official Gazette.

Article 160 Repeals
1. With the entry into force of this law, the law 7928, dated 27.4.1995, "On tax
value added ", as amended, all legal acts in its implementation, as well as any
other provision contrary to this law.
2. Regardless of paragraph 1 of this Article, Article 58.1; 58.2; 58.3 and 58.4 of Law no. 7928,
dated 27.4.1995, "On value added tax", as amended repealed 15 days after publication of
this law in the Official Gazette.

Article 161 Entry into force
This law is published in the Official Gazette and shall come into force on 1 January 2015, with
the exception of
Session 4, Chapter XI of this law, which takes effect 15 days after publication of this Law
Journal
Official.
Approved on 24/07/2014
Promulgated by Decree no. 8672, dated 11.08.2014 of the President of the Republic of
Albania,
Bujar Nishani
Published in the Official Gazette no. 128, dated August 13, 2014.

ANNEX I LIST OF ACTIVITIES CARRIED by public entities
1. telecommunications services.
2. The supply of water, gas, electric and thermal energy.
3. The transport of goods.
4. Perform port and airport services.
5. The transport of persons.
6. Sales of new goods produced for sale.
7. Actions intervention agricultural organizations related to agricultural products, the

carried out pursuant to regulations on the common organization of the markets of these
products.
8. Management of fairs and exhibitions commercial character.
10. The activities of commercial publicity offices.
11. The activities of travel agencies.
12. Sales management, cooperatives, the canteens and similar enterprises.
13. Management of radio entities, when they are not excluded on the basis of Article 51, the letter "m", of this law.

Law no. 92/2014, dated 07.24.2014, "On VAT"

ANNEX II WORKS OF ART, THE COLLECTION OR FACILITIES antiquarian

PART A WORKS OF ART

1. cadres and cadres Similarly, paintings and drawings, done entirely by hand artist, with the exception of the plans of architects, engineers and project and sketches Other industrial, commercial, topographical or similar craft objects decorated with hand, for scenarios painted cohèrave theater, art studios backgrounds or uses similar (NC code 9701).

2. Carving, prints and original lithographs, exactly, samples obtained in limited numbers directly in black, or color of one or more matrices made entirely by hand by the artist, whatever the technique or materials used, excluding the use of any mechanical or photomechanical method (NC code 97020000).

3. The original work of art or art statues sculpture, in any material, provided they are carried out entirely by the artist's hand; sculptures shed circulation limited to eight copies, controlled by the artist, or those who have rights (code NC 97030000); as an exception, in certain cases by the Member States, to sculptures pouring money January 1, 1989, it is possible to cross the limit of eight copies.

4. Tapestry wall (NC code 58050000) and wall carpets (NC code 63040000), performed with up data from the original drawings of artists, provided that there are not more than eight specimens.

5. Samples unique ceramic, made entirely by hand by the artist and signed from him.

6. enamels on copper, carried out entirely by hand, within the limit of eight copies counted, and bear the signature of the artist or his studio, with the exception of works filigree jewelery and objects and jewelery.

7. Photos made by the artist, printed by him or under his control, the signed and numbered limited amount of thirty copies, of whatever format and frame.

PART B OBJECTS OF COLLECTION

1. Postage stamps, marks stamps, postal marks, envelopes first day of release, postal and similar sets, repay or unpaid, but have not and neither course was destined to flow routing (NC code 97040000);

2. Collections and specimens for collections zoology, botany, mineralogy, anatomy, or historic interest, archaeological, paleontological, ethnographic or numismatic (NC code 97050000).

PART C antiquarian

Goods different from art facilities and collections that have an age greater than hundred years (NC code 97060000).
ANNEX III

I. LIST OF AGRICULTURAL PRODUCTION ACTIVITIES

1. Culture:
   a) general agriculture, including viticulture;
   b) orchards (including olivokulturen) and horticulture (vegetables, flowers and plants
   ornamental), and in greenhouses;
   c) production of mushrooms and spices, seeds and seedlings;
   d) breeding nursery beds.

2. Livestock, about the culture of the land:
   a) animal husbandry;
   b) the birds;
   c) rabbits;
   d) the bees;
   d) the silkworm;
   f) The snail.

3. Forests.

4. Fishing:
   a) freshwater fishing;
   b) fish farming;
   c) growth of mussels, oysters growth, the growth of molluscs and crustaceans;
   d) breeding frogs.

II. SHOW LIST OF AGRICULTURAL SERVICES

1. Proceedings of the cultivation, harvesting, threshing, printing, assembly and association,
   including planting.

2. Packaging and conditioning, as drying, cleaning, breaking, disinfection, introduction
   silos agricultural products.


4. Maintain, breeding or raising animals.

5. Lease, for agricultural purposes, the tools used, as a rule in enterprises
   agriculture, forestry or fishing.

6. technical assistance.

7. The destruction of harmful animals and plants, treatment plants and soils through
   The mjegullizimit.

8. Management of irrigation facilities and drainage 9.Prerja trees, the trees and
   other forest services.