

Regarding the incoming into force of the new law nr.10215 dated 21.01.2010 “In some foreseen changes of the law nr.7928 dated 27.04.1995 “ Value added tax ”, changed, we wanted to inform that are some new changes:

Article 3 – OBLIGATION TO REQUIRE THE REGISTRATION

The right to determine and modify the minimal border of circulation, regarding the registration at the tax authorities for the taxpayers subjects, is given to the Council of Ministers (section 4).

Article 7 – CANCELLATION OF THE REGISTRATION

Every taxable person is obliged to require the cancellation of the registration from the tax authorities within 15 days from the last day on which it has taxable supplies, regarding its economic activity; for this purpose, the subject must implement the procedures provided by the tax procedures in the Republic of Albania (Law no. 9920, dated 05.19.2008).

At the moment of the cancellation, the taxable person should submit near at the Tax Authorities the special form of the declaration, which must contain all the information required by Tax Authorities, and must proceed with the final payment of its obligations.

- **EXCLUDED SUPPLY FROM VAT**

To the list of the excluded services from the application of VAT will be added the following supplies:

1. “Non-profit organization”-article 24: has been the article 24/1, which involves supplies regarding the education services from private or public education institutions, in accordance with legislation, starting from date 1 October 2010.
2. “International Services” article 25.9: the supplying of services abroad the territory of the Republic of Albania by a taxable person, who develops its economic activities in Albania or by an individual resident in Albania, will be considered as an excluded supply.

Article 31 – EXPORTS AND INTERNATIONAL SERVICES

The modified article provides that VAT will be applied to measure zero per cent for exported goods from the territory of the Republic of Albania, the international transport of goods or passengers and the supplying of goods and services associated with the latter (in this case, the Minister of Finance and Minister of Public Works, Transport and Telecommunications have the right to determine with a shared directive the list of supplying of goods and services related to international transportation of goods and passengers) and also for supplying of goods or services related to commercial or industrial activity in the sea.

- ***VAT on imports of military material to the Armed Forces***

The importation of military material to the Armed Forces, donated by member states of alliance of the NATO or partners will not be considered as a supply of exempt from VAT;

In this case, Article 50 on "Reimbursements" determines that the value of VAT is to be charged as local costs by the Ministry of Defense.

This law is announced with decreed nr.6393, dated 04.02.2010 of the President of Republic of Albania, and come **into force on date 27.02.2010.**

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