

Ideas that pay off.

Monthly Newsletter

May, 2024

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REGULATIONS ON THE AMOUNT OF FOREIGN CURRENCY AND DINARS NATURAL PERSONS ARE ALLOWED TO BRING INTO SERBIA: RULES AND OBLIGATIONS

According to the Law on Prevention of Money Laundering and the Financing of Terrorism, natural persons in Serbia can enter an unlimited amount of foreign currency, but they are required to report the money they bring into the country in order to obtain confirmation. Based on that confirmation, they can return the money the first time they leave the country. Below are some important details about the amount of foreign currency and dinars natural persons are allowed to enter into Serbia:

→ Amount of Foreign Currency allowed:

The entry of foreign currency into Serbia is free, which means that you can enter as much as you wish.

If the amount is greater than 10,000 euros (whether in euros or another currency), it must be reported to customs officials.

By registering the money, a confirmation is given that allows free leave (if the natural person is just passing through Serbia or returning the money abroad).

→ Amount of dinars allowed:

Dinars can be withdrawn up to the dinar equivalent of 10,000 euros per person.

An amount greater than 10,000 euros equivalent in dinars can be entered only if they were purchased from a foreign bank with a confirmation from that bank.

If foreign currency, dinars and traveler's checks are withdrawn at the same time, the amount must not exceed 10,000 euros.

Crediy and debit cards can be brought into Serbia and withdrawn freely. The same applies to securities that have been acquired in accordance with regulations and can be transferred freely.

BASIS FOR LUMP-SUM TAXATION OF ENTREPRENEURS

The basis for the fee for environmental protection and improvement in activities is the level of negative impact caused by those activities. The fee amount is determined by regulations based on the entity size and the impact level of their main activities.

Lump-sum entrepreneurs pay a fee set for small businesses, considering they're exempt from detailed bookkeeping according to accounting laws.

Thus, a lump-sum taxed entrepreneur reports their predetermined income from the previous year, 2023, with the annual fee capped at 0.4% of this income.

Note: The predetermined income is monthly, so multiply it by the months of activity in the reporting year.

COMPENSATION FOR UNEMPLOYMENT OF PERSONS WITH DISABILITIES FOR APRIL 2024

In accordance with the Law on Vocational Rehabilitation and Employment of Persons with Disabilities, employers in Serbia who fail to hire the prescribed number of persons with disabilities for April 2024 are obliged to make a payment to the Budget Fund for Vocational Rehabilitation and Promotion of Employment of Persons with Disabilities. The compensation amount is 50% of the average salary per employee in the Republic of Serbia, which according to data for February amounts to 64,967.00 dinars. The payment account is: 840-745126843-22, with a reference number (BOP) assigned by the Tax Administration.

Alternatively, employers can enter into a business-technical cooperation agreement with a company for vocational rehabilitation and employment of persons with disabilities, in the amount of 20 average salaries, which amounts to 2,598,680.00 dinars (129,934.00 x 20) for a period of 12 months.

EXTENDED VALIDITY OF SPECIAL COLLECTIVE AGREEMENT FOR SOCIAL PROTECTION

In the "Official Gazette of the Republic of Serbia," no. 34/2024 dated April 19, 2024, the extension of the Special Collective Agreement for Social Protection in Serbia was published.

Effective from April 19, 2024, the agreement prolongs the validity of the Special Collective Agreement for Social Protection in Serbia ("Official Gazette of the RS," no. 29/2019, 60/2020, 48/2022-agreement, 28/2023-agreement, and 88/2023) until April 19, 2026.

This agreement governs rights, obligations, and responsibilities in employment relationships and work within social protection institutions, as well as the relations between parties, procedures for amendment, and other relevant matters for employees and employers.

The agreement applies directly to social protection institutions established by the Republic of Serbia, autonomous provinces, and local self-governments, with the employer being the social protection institution.

THE MONTHLY INFLATION RATE (CONSUMER PRICE GROWTH) IN APRIL 2024 IS 0.3%.

Prices of goods and services for personal consumption in April 2024, compared to March 2024, increased on average by 0.7%. Consumer prices in April 2024, compared to the same month of the previous year, rose by 5.0%, while compared to December 2023, they increased on average by 1.8%.

- For the last month (period: April 2024 – March 2024), inflation stands at 0.7%.
- For the last year (period: April 2023 – April 2024), inflation stands at 5.0%.
- Year-to-date (period: December 2023 – April 2024), inflation stands at 1.8%.

According to consumer price movement data:

- The Consumer Price Index in Serbia in April 2024, compared to March 2024, stands at 100.7.
- The Consumer Price Index in Serbia in April 2024, compared to December 2023, stands at 101.8.



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AVERAGE EARNINGS IN THE REPUBLIC OF SERBIA FOR FEBRUARY 2024

Belgrade, April 25, 2024 - The Statistical Office of the Republic of Serbia released data on average earnings in the Republic of Serbia for February 2024, according to Statement No. 106.

- The average gross salary paid in February amounted to 129,934.00 dinars. This amount represents the total earnings before tax and contributions deduction.
- The average net salary (after tax and contributions deduction) paid in the same month amounted to 94,125.00 dinars. Net salary reflects the actual amount received by employees.

These figures offer valuable insights into both the economic landscape and the living standards experienced by the citizens of the Republic of Serbia.

THE REFERENCE INTEREST RATE REMAINS AT 6.50%

The Executive Board of the National Bank of Serbia, at a meeting held on May 10, 2024, decided to keep the reference interest rate (RKS) unchanged at 6.50%. The next session of the NBS Executive Board, scheduled for June 13, 2024, will revisit the decision regarding the reference interest rate.



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