

# Amendments to the Bylaws on the Implementation of the General Tax Act and a reminder on the financial reporting deadlines for 2020



## Amendments to the Bylaws on the Implementation of the General Tax Act

On 13 March 2021, the amendments to the Bylaws on the Implementation of the General Tax Act have entered into force. The amendments include various tax topics related to corporate income tax ("CIT"), personal income tax ("PIT"), and value added tax ("VAT").

Please see a summary of the amendments below.

### 1. Extension of the deadline for the submission of the CIT return

In the conditions of the special circumstances caused by the COVID-19 crisis, **30 June 2021** is the extended deadline for the submission of the following returns, forms or reports:

- ▶ CIT return for the tax period which commenced on 1 January 2020 or during the 2020 calendar year and
- ▶ all other forms or reports which are submitted together with the CIT return or which deadline for submission is due at the same time as the CIT return.

The above-mentioned **does not apply** to taxpayers who have:

- ▶ chosen the tax period different than the calendar year or
- ▶ the obligation of the CIT return submission is other than four months after the end of the tax period.

Liabilities of public dues which are determined based on the above-mentioned returns, forms, and reports are due on **30 June 2021**.

By 30 June 2021, the determined amounts of CIT prepayments will not change unless the taxpayer requests it in accordance with the CIT legislation.

### 2. Vessels, apartments and holiday homes

When determining the CIT base for the tax period which commenced on 1 January 2020 and ended on 31 December 2020, the provisions for the purpose of determining CIT **base on the grounds of the use of vessels, apartments and holiday homes will not apply**.

For vessels, apartments and holiday homes, the taxpayer must provide, together with the CIT return, the documentation prescribed by the CIT legislation.

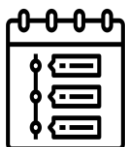
### 3. Changes in determining the right to a personal deduction for dependent members

When determining the right to a personal deduction for dependent members, receipts that a natural person realizes **on the grounds of donations** from legal and natural persons for the purpose of settling the necessities and which are **collected in charity campaigns and publicly announced campaigns** are not taken into consideration.

The above-mentioned is applied for the determination of the annual PIT **for 2020 and 2021**.

## 4. Changes in payment of VAT on import

The application of the VAT exemption on final imports of certain goods (goods needed to combat the effects of the COVID-19 pandemic) provided for in Article 71.u of the Bylaws on the Implementation of the General Tax Act, which was prescribed only for 2020 **is extended. The respective exemption will be in force until Commission Decision (EU) 2020/491 is valid, currently this is until 30 April 2021.** The VAT exemption applies to goods imported for release for free circulation by or on behalf of State organizations including State bodies, public bodies and other bodies governed by public law or by or on behalf of organizations approved by the competent authorities in the Member States.



### Deadlines for financial reporting

The Ministry of Finance has issued on its webpage a notification in which it declares that, due to the still present special circumstances caused by COVID-19, the annual financial statements and other accounting documentation for the business year which commenced on **1 January 2020 or during 2020** is submitted within the deadlines

prescribed by the Bylaws on the deadlines for Submission of the Financial Statements and Accounting Documentation in Special Circumstances (Official Gazette 43/2020), i.e., as follows:

- ▶ Statistical report - 30 June of the current year for the preceding year;
- ▶ Annual Report together with the audit report, if applicable - 8 months after the financial year end;
- ▶ Annual Financial Statements together with the audit report, if applicable - 8 months after the financial year end;
- ▶ Consolidated Annual Report / Financial Statements together with the audit report, if applicable - 10 months after the financial year end.
- ▶ Financial Statements of a branch of the company established in another Member State - deadlines are deferred in line with the deadlines for the submission of parent company's financial statements in that Member State due to specific circumstances.
- ▶ Companies that are required to prepare the separate non-financial report according to the Accounting Act and publish it on its website, must publish the report within eight months after the trial balance date.

#### EY | Building a better working world

EY exists to build a better working world, helping to create long-term value for clients, people and society and build trust in the capital markets.

Enabled by data and technology, diverse EY teams in over 150 countries provide trust through assurance and help clients grow, transform and operate.

Working across assurance, consulting, law, strategy, tax and transactions, EY teams ask better questions to find new answers for the complex issues facing our world today.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation are available via [ey.com/privacy](https://ey.com/privacy). EY member firms do not practice law where prohibited by local laws. For more information about our organization, please visit [ey.com](https://ey.com).

© 2021 Ernst & Young Advisory LLC  
All Rights Reserved.

**Ernst & Young Advisory LLC**  
Radnička cesta 50, 10 000 Zagreb, Croatia  
Tel: + 385 1 5800 800 | Fax: +385 1 5800 888  
[ey.com/hr\\_hr](https://ey.com/hr_hr)