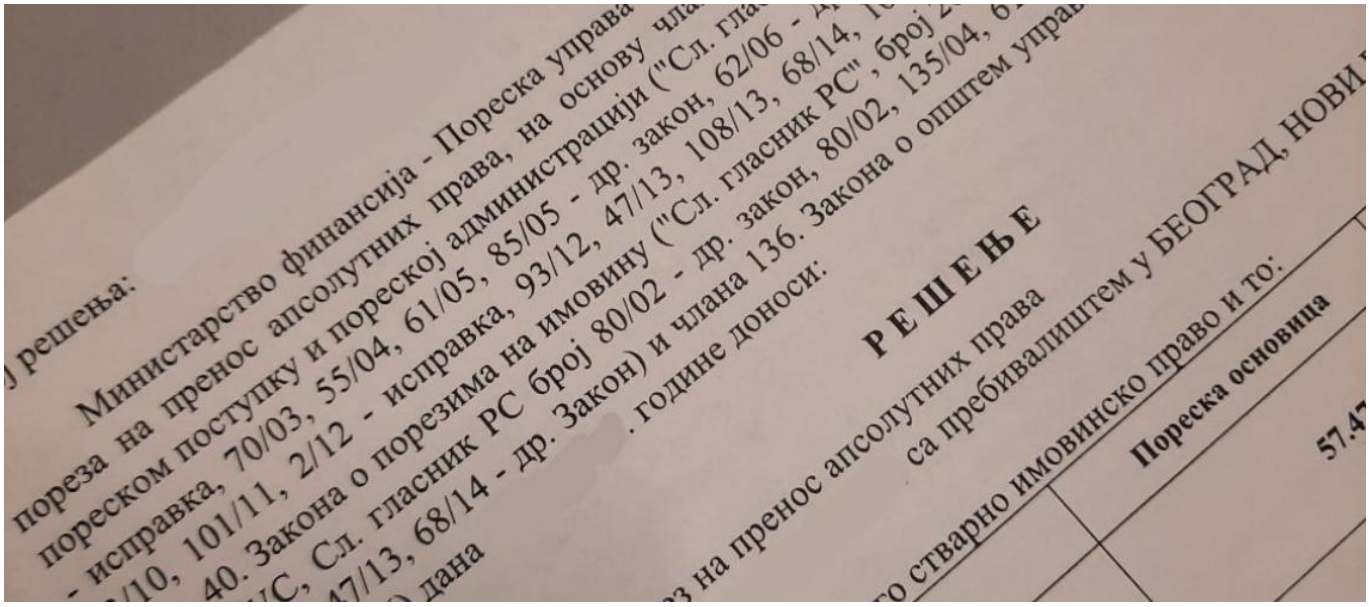
TAX ON TRANSFER OF ABSOLUTE RIGHTS



When buying an apartment, one of the following taxes is paid: value-added tax (porez na dodatnu vrednost, PDV) - if the seller is a legal entity or tax transfer of ownership (porez na prenos apsolutnih prava), if the seller is an individual. More about the latter:

The general rule establishes that the payer for this tax is the seller of real estate, however, in most cases, the actual costs are borne by the buyer. In the contract of sale (or another document that transfers ownership of the apartment) is determined formally, who is responsible for paying this tax.

From January 1, 2020, there is no oligation to registrate a deal in the tax office if if the property is transferred on the basis of a document drawn up or certified by a registered notary.

The notary is obliged, within 24 hours from the moment of certification of the contract, to submit information about it through the electronic system to the relevant body responsible for working with the cadastre.

The tax is calculated at a rate of 2.5% of the value specified in the transfer of ownership documents (ex. sale agreement), in case if that value is not lower than the market value. If happens that in the opinion of the tax office, the indicated value is below the market value, within 60 days a new basis for calculating the tax is determined. For these purposes, the tax can use its base of average market prices for similar real estate or send an on-site committee to the facility to assess its real value.

Within 15 days after receiving from the tax office verified or updated tax on the transfer of ownership, it must be paid according to the payment details specified by that document.

There is a right of exemption from payment of this tax that can be used by adult citizens of Serbia with a permanent place of residence in Serbia, who buy their first apartment, up to 40 square meters. In case if the buyer will live in an apartment with his family (whose members are not owners of the residential real estate since July 1, 2006), the area of housing exempted from paying taxes increases by 15 sqm. for each member of the family. When buying an apartment larger area tax is paid on the difference.