



Bosnia and Herzegovina

VAT standard rate

The standard VAT rate in Bosnia and Herzegovina in 2024 is 17%.

Threshold

Registration is mandatory for non-resident digital service providers that are engaged in this activity on a permanent basis and whose annual revenue exceeds BAM50,000 (approximately \$28,000).

Deductible VAT

A non-resident digital services provider is entitled to a VAT refund. The application can be submitted for a period of 3 months to a year and for an amount not exceeding BAM800 (approximately \$450). The application must be submitted by June 30 of the year following the year in which the purchases were made.

Pieces of evidence

To determine that the place of supply of digital services in Bosnia and Herzegovina, it is necessary to supply services to customers who have a permanent address or reside in the country.

E-services list

The list of digital services includes the following:

The act of transferring or relinquishing rights to copyrights, patents, licenses, and trademarks.

The provision of services in exchange for remuneration as determined by a decision made by a local self-government entity or in accordance with a legal provision.

The provision of services without any remuneration by the taxpayer for non-commercial purposes, benefiting the founder, employees, or other individuals.

The barter or exchange of services for other tangible or intangible goods and services.

VAT registration procedure in Bosnia and Herzegovina

Registration of companies wishing to become VAT payers is carried out exclusively in paper form and with a number of documents relating to the company and its owners. The application is reviewed by the tax authority and may require additional information. Only after the application is approved by the tax authority will be assigned a VAT number.

Tax representative

Non-resident companies that register as VAT payers are required to appoint a tax representative who must be registered in Bosnia and Herzegovina and will be equally liable for various VAT payments.

Keeping records

Non-resident digital service providers must keep accounting records for 10 years. These include accounting books, invoices, and other documents and must be available to the tax authorities for inspection upon request.

Filing VAT return and payment date

Since the tax period in Bosnia and Herzegovina is a month, VAT returns must be submitted and paid by the 10th day of the month following the accounting month.