



# Croatia

## Tax rate

The standard VAT rate in Croatia in 2023 is 25%.

## Reduced VAT rate

5%

- All types of bread and all types of milk (cow, sheep, goat) placed on the market under the same name in the liquid state, fresh, pasteurized, homogenized, condensed (other than sour milk, yogurt, kefir, chocolate milk, and other milk products), substitute for mother's milk.

13%

- Edible oils and fats of vegetable or animal origin, baby food and processed cereal-based food for infants and young children, food for animals other than pet food, live animals, fresh or chilled meat and edible offal, fresh or chilled fish, mollusks, or other aquatic invertebrates, fresh or chilled crustaceans, fresh and dried fruit and nuts, fresh or chilled vegetables, roots, and tubers, including dried leguminous vegetables, fresh poultry eggs in the shell.

## Threshold

Before the entry of the new rules of the year, the threshold of €35,000 was in effect in Croatia; from July 1, 2021, the threshold was reduced to €10,000.

## Deductible VAT

You can deduct VAT on the following transactions:

- Internal deliveries of goods or services and operations, or equivalent to them;
- Purchase of goods and transactions within the EU, or equivalent to them;
- Import of goods.

## Registration procedure

To register, you must send a completed application form for assigning a VAT number. Additionally, it is necessary to attach an extract from the commercial register; a notarized power of attorney, if the application is submitted by an agent. The documents must be translated into Croatian.

## Tax representative

Taxpayers whose headquarters are located outside the European Union must appoint a tax representative.

## VAT returns filing and VAT payment date

Declarations must be submitted and the VAT due must be paid on a monthly basis.

The VAT due should be paid by the last business day of the month following the accounting period.

Periodic VAT declarations must be submitted through the portal “Eporezna” by the 20th day of the month following the reporting period.

## Penalty

For late filing of the VAT declaration, late payment of VAT, and errors made in VAT declarations, a fine in the amount of 1,000 to 500,000 Croatian kuna may be imposed.



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