



REPUBLIC OF CROATIA
MINISTRY OF FINANCE
TAX ADMINISTRATION – CENTRAL OFFICE

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Zagreb, January 15th, 2019

**TAX ADMINISTRATION
REGIONAL OFFICE
- to all -**

Via e-mail su_pis@porezna-uprava.hr

Reference: Instructions for taxable persons not established in the Republic of Croatia who conduct occasional international road transport of passengers

Taxable persons conducting occasional international road transport of passengers on the territory of the Republic of Croatia shall register for VAT purposes in the Republic of Croatia regardless whether they originate from other Member States of the European Union or from the third countries.

Competent office:

- Tax Administration, Zagreb Regional Office, Department for Foreign Taxable Persons, Avenija Dubrovnik 32, 10000 Zagreb.

A. REGISTRATION

The registration can be performed in one of the following ways:

a) *Personally*

- A taxable person shall submit documents as stated under items 1, 3 (optional) and 4.

b) *By a legal representative holding a power of attorney*

- In this case a legal representative holding a power of attorney shall submit the required documents on behalf of a taxable person.

c) *By electronic mail (e-mail)*

- Exclusively for taxable persons from other EU Member States

In case a taxable person decides to use the electronic mailing as the means of communication, he firstly downloads the required documents from relevant link, he fills them in, signs and seals, and then sends the scanned documents to the e-mail address: odjel.stranci@porezna-uprava.hr. In this case only the documents stated under items 1 and 2 are required for submission, while the documents stated under items 3 and 4 are not required for submission. Inquiries in relation to the registration of taxable persons, subsequent submission of the VAT returns or submission of the VAT refund application may be sent to above-mentioned e-mail address. This is rendered possible only for foreign carriers from other EU Member States.

Documents required for registration:

1. **P-PDV Form** (Application for Registration for Value Added Tax Purposes) with the compulsory boxes highlighted yellow. This form shall be filled in and submitted in [Croatian](#) language; however it is also available in [English](#) and [German](#) to facilitate the procedure.
2. **Statement of Acceptance**¹ shall be submitted if a taxable person wishes to communicate and deliver and submit forms and certificates by electronic mail. The statement shall be submitted in [Croatian](#); however it is available also in [English](#) and [German](#) to facilitate the procedure.
3. **Power of Attorney for representation** (if he operates through a tax representative). In this case a tax representative shall submit the required documents on behalf of a taxable person. Foreign carriers from third countries as well as the foreign carriers from other Member States who provide occasional international road transport of passengers are not obliged to appoint a tax representative. If a tax representative is appointed, then he must be registered in the country as a VAT tax payer and he must have a power of attorney to receive correspondence, submit VAT returns and conduct all business operations related to assessment and payment of VAT liabilities by a taxable person.
4. Taxable persons from third countries and taxable persons from other Member States who do not wish to register by electronic mail shall submit, along with a P-PDV Form and a Power of Attorney (in case they have appointed their tax representative), the following documents:
 - a) **Application for the Determination and Assignment of Personal Identification Number – PIN** (it is filled in and submitted in [Croatian](#); however it is also available in [English](#) and [German](#) to facilitate the procedure). If an Application for the Determination and Assignment of PIN is submitted by a legal representative holding a Power of Attorney on behalf of a foreign person, then the Power of Attorney issued for the purpose of determining and assigning PIN must be submitted as well. A Power of Attorney shall be issued in Croatian or translated in Croatian and must be notarised by a notary public only exceptionally if there are doubts about its authenticity. A Power of Attorney issued to a notary public, attorney, public legal body or bank does not require notarisation. If an application is submitted by a natural person, the Power of Attorney must be notarised.
 - b) **Deed on Establishment *for legal persons*** (decision or excerpt from the competent court register which shall be issued in Croatian or translated in Croatian by a certified court interpreter). It is not required to submit the entire Deed but only the part where the basic information about the company is visible for the purposes of identification.
 - c) **Passport** (the original document for inspection and a copy for submission) or an identification document from a country of citizenship accompanied by a proof of a citizenship for a *natural person* (e.g. a tradesman).

If a foreign taxable person who provides occasional international road transport of passengers in the Republic of Croatia appoints a tax representative, then his tax representative shall submit the required applications and other documents for registration for VAT purposes on his behalf.

¹ Exclusively for carriers from other EU Member States. If a taxable person uses electronic mail, then it must be stated in the Statement and exclusively used for all future communication. Communication can be conducted by an e-mail of tourist agencies, accounting firms, and similar.
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B. SUPERVISION OF FOREIGN CARRIERS

For the registration purposes the Tax Administration shall issue to taxable persons the following:

- Personal Identification Number (The Certificate of the Assigned PIN) and
- VAT ID Number (Decision on the VAT ID Number Assignment)

The above-mentioned documents, i.e. their copies, shall be carried in vehicles transporting passengers on the territory of the Republic of Croatia and they shall be made available for inspection by authorised personnel at any moment. In case a single taxable person owns more carriers operating on the territory of the Republic of Croatia, then each carrier must have a copy of the Certificate of the Assigned PIN and the Decision on the VAT ID Number Assignment.

Ministry of Finance, Tax Administration and Customs Administration shall perform control of tax compliance in this area.

C. SUBMISSION OF VAT RETURNS

Taxable persons who have been assigned a Croatian VAT ID Number are entered into the VAT Register which means that they are required to submit monthly VAT returns (PDV Form) in the Republic of Croatia but only for the tax period in which they have performed such services.

For example, if a bus transport provider provided a service of passenger transport in July and August, then he shall submit VAT return only for July and August. Monthly submissions of the VAT returns are submitted by the 20th of the month for the preceding month, thus the VAT returns shall be submitted by August 20th for July and by September 20th for August.

A taxable person can submit a VAT return in the following ways:

- by post** to the address stated at the opening;
- by electronic mail** (signed and scanned returns are sent to stated e-mail address). This way of VAT submission is available exclusively to foreign carriers from other EU Member States.

VAT returns shall be submitted in [Croatian](#) and in order to facilitate their completion they are also available in [English](#) and [German](#).

In the VAT return the boxes highlighted yellow must be filled in by a foreign taxable person providing exclusively occasional international road transport of passengers in the Republic of Croatia, having no other activities and receiving goods and services in the country only from national tax payers. If not, the VAT return shall be filled in pursuant to the Value Added Tax Act and the Value Added Tax Ordinance.

- by ePorezna System**— detailed information are available [here](#).

It is important to state that in order to submit returns via ePorezna System, it is required that a taxable person and a person in whose name a digital tax certificate is to be issued, holds a determined and assigned Personal Identification Number (PIN). However, a taxable person can appoint a tax representative (e.g. an accounting firm) which shall submit tax forms on his behalf.

D. METHOD OF CALCULATING TAX BASE

A tax base is a consideration which a taxable person receives proportionally to the number of kilometres travelled on the territory of the Republic of Croatia. For example, if a taxable person has issued an invoice for the transportation from Germany to Croatia taking place on the total leg of journey of 1500 kilometres for the total cost of HRK 100, while a leg of journey in the Republic of Croatia amounts to 200 kilometres, then the tax base for the calculation of VAT shall amount to

HRK 13.33 (200 km / 1500 km = 13.33 %, 100HRK * 13.33 % = 13.33 HRK). The VAT liability is calculated from this consideration by applying the converted VAT rate of 20% having in mind that the service of passenger transport is taxable at the rate of 25%².

E. DEDUCTION OF INPUT VAT AND VAT REFUND

A taxable person is entitled to the input VAT deduction for the delivery of goods and provision of services charged by other taxable persons in the Republic of Croatia for the purposes of business operations. In order to be eligible for input VAT deductions, a taxable person shall submit its Croatian VAT ID Number to his supplier each time the delivery is conducted. The input VAT deduction is allowed for e.g. invoices received relating to road fees, highway tolls, tunnel tolls, bridge tolls, fuel costs, unexpected vehicle repairs, drivers' accommodation, and similar.

If a taxable person becomes entitled to the refund of overpaid VAT for a month, he can request all necessary information by sending an inquiry to the e-mail address stated in the opening.

F. FILLING IN THE VAT RETURN

If a taxable person calculated a tax base of HRK 1,000.00 for the transport provided on the territory of the Republic of Croatia in a certain month, then he states the relevant amount under item II.3 of the VAT return in the column "tax base", while the VAT amount of HRK 250.00 is stated in the column "VAT of 5%, 13% and 25%". If it e.g. procured fuel in the amount of HRK 625.00 (tax base is HRK 500.00 and VAT is HRK 125.00) in the same month, then the amount of tax base is stated under item III.3 in the column "tax base" and the VAT amount in the column "VAT of 5%, 13% and 25%". Moreover, the amount of HRK 125.00 (250.00 – 125.00 = 125.00) is stated under item IV and item VI of the VAT Application.

G. REGISTRATION OF SERVICES OF INTERNATIONAL ROAD TRANSPORT OF PASSENGERS

This registration is submitted through MCP Form which, alongside the general data on the taxable person, states the date of transport in the Republic of Croatia, registration number and transit route through the Republic of Croatia. The MCP Form shall be submitted to the Tax Administration, Zagreb Regional Office in advance, prior to performing those services (before each entry into the Republic of Croatia) via dedicated e-mail address: odjel.stranci@porezna-uprava.hr.

The MCP Form shall be submitted in [Croatian](#) language; however it is also available in [English](#) to facilitate the procedure.

Please note, that the Certificate of the Assigned PIN and the Decision on the VAT ID Number Assignment must be carried in vehicles transporting passenger on the territory of the Republic of Croatia together with the completed MCP Form that was submitted to the Tax Administration.

**ASSISTANT MINISTER
DIRECTOR GENERAL**

Božidar Kutleša, dipl. lur.

² As of January 2020, provisions on the reduction of the general VAT rate from 25% to 24% shall enter into force. When VAT has to be calculated from a consideration that includes VAT calculated at 25% rate, then a converted VAT rate in the amount of 20% shall be applied, i.e. 19.3548% when VAT will be calculated from a consideration that includes VAT at 24% rate.
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