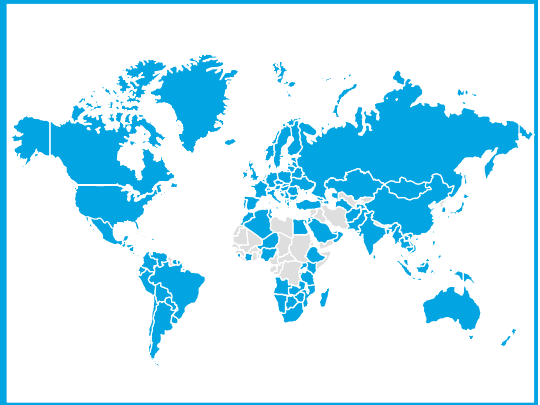


EXPATRIATES

Macedonia

Tax facts for international assignees



INCOME TAX: WHO IS LIABLE

Personal income tax shall be applied to any resident of the Republic of Macedonia, on the income earned in the country and abroad.

A resident, in terms of this Law, shall be any individual who has a permanent or temporary residence in the territory of the Republic of Macedonia.

An individual has a residence if he is resident in the country continuously, or with interruptions, for 183 or more days in any 12-month period on the territory of the Republic of Macedonia.

Withholding Tax

A non-resident shall be able to apply the provisions of the valid agreement for avoidance of double taxation between Macedonia and the other country, if the individual proves the status of a tax residence in the other country with which Macedonia has concluded the agreement.

If the recipient of the income taxable with a withholding tax requirement is a tax resident of a foreign state with which Macedonia has concluded an agreement on avoidance of double taxation, the tax rate applied must not be higher than the amount of the tax rate prescribed for that type of income under the agreement.

Tax exemption or tax relief prescribed in the agreement with the foreign country can be applied to the taxable income, if the taxpayer provides appropriate forms verified by the Public Revenue Office and the appropriate Tax office in the foreign country, or by approval for tax exemption/relief issued from the Public Revenue Office in Macedonia.

The Public Revenue Office will issue a declaration on the tax paid in the Republic of Macedonia on request of the non-resident.

INCOME TAX RATES

Tax rate	Types of income	Notes
10%	Personal income (salary, pension, and other reimbursements arising from employment)	N/A
7%-7.5%	Income from rent and other property rights	The rate depends on the fact is it equipped or not equipped rented office
4%-7.5%	Income from royalties (copyrights) and industrial property rights	The rate depends on the type of the royalty/industrial property right
10%	Income from earned capital (dividends, interest etc.)	N/A
10%	Income from gains from games of chance	N/A
6.5%	Other incomes (sponsorship, donation, aim)	N/A

SOCIAL TAX RATES

The following social contributions apply:

- Pension Fund contributions - rate of 18.00%;
- Health Fund contributions - rate of 7.30%;
- Additional Health Fund contribution - rate of 0.50%;
- Employment Fund contribution - rate of 1.20%.

For further information and to register for future updates contact expat@bdo.global

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