

Manufacturing Incentives - Value Added Tax (VAT) Exemption on Import

General info

Economy name

Albania

ID

A15

Incentive name

Manufacturing Incentives - Value Added Tax (VAT) Exemption on Import

Brief description

Textile and footwear industries are exempted from VAT on imports of machinery and equipment. The textile and footwear industry is exempted from 20% of VAT on raw materials if the finished product is exported.

Legal reference

Legal reference name

Law no. 85/2019 "On some additions and amendments to the Law no. 92/2014 'On value added tax', as amended", part of Fiscal Package 2020, Official Gazette of Albania no. 184, 31.12.2019

Legal reference (Law section / article)

Not available

Incentive design

Incentive group

Financial

Incentive category

Value Added Tax (VAT)

Economy-wide/Sector-specific

Sector-specific

Sector (Simplified)

Textile and shoes

Sector (NACE)

C MANUFACTURING

Size of firm that can use incentive

All sizes of firms

Level at which incentive is available

Economy-wide

Ownership of firm that can use incentive

Any

Incentive location

General

Main objective of the incentive

Increase competitiveness

In case of grant, share of grant in investment (in %)**Access to information**

Contact Info

Street "Dëshmorët e Kombit" Nr.3, Tirana 1001

Weblink to Incentive information in English

<https://aida.gov.al/en/>

Weblink to Incentive information in local language

https://www.hatfinance.al/images/dokumenta/Ligj_Nr_85__Per_Tatimin_Mbi_Vleren_e_Shtuar_Te_Ndryshuar_HAT_FINANCE-converted.pdf

Eligibility criteria

Eligibility criteria (description)

The manufacturer must be registered under the priority sectors as textile and footwear industry.

Eligibility criteria (weblink)

https://www.hatfinance.al/images/dokumenta/Ligj_Nr_85__Per_Tatimin_Mbi_Vleren_e_Shtuar_Te_Ndryshuar_HAT_FINANCE-converted.pdf

Incentive administration

Awarding Authority (Name)

Ministry of Finance, Ministry of Economy and General Directorate of Taxes

Application procedure + Weblink (where available)

Manufacturers must follow the designated application process to request tariff exemptions or reductions for imports of apparel and raw materials. This may involve submitting applications to customs authorities, providing supporting documentation, and meeting any additional requirements specified by relevant regulations.

Implementing Authority (Name)

Ministry of Finance, Ministry of Economy and General Directorate of Taxes