

# Automotive industry incentives - Corporate Income Tax (CIT) Reduction

## General info

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**Economy name**

Albania

**ID**

A20

**Incentive name**

Automotive industry incentives - Corporate Income Tax (CIT) Reduction

**Brief description**

A reduced rate of Corporate Income Tax on 5 percent for legal persons with economic activities in the automotive industry

## Legal reference

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**Legal reference name**

Law No. 29/2023 "Income Tax" ("the new law") dated 30 March 2023 was published in Albania's Official Gazette 02/2023

**Legal reference (Law section / article)**

Not available

## Incentive design

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**Incentive group**

Financial

**Incentive category**

Corporate Income tax (CIT)

**Economy-wide/Sector-specific**

Sector-specific

**Sector (Simplified)**

Manufacturing

**Sector (NACE)**

W AUTOMOTIVE INDUSTRY

**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**

Economic diversification

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

**Access to information**

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**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://gosnishti.com/wp-content/uploads/2023/05/Ligj-nr.-29-date-30.03.2023-Per-tatimin-mbi-te-ardhurat.pdf>

**Eligibility criteria**

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**Eligibility criteria (description)**

Investors in the automotive industry in Albania may qualify for a reduced corporate income tax rate of 5% under conditions such as strategic investment designation, regional development incentives, job creation thresholds, export-oriented production, technology transfer and innovation initiatives, negotiated investment agreements, and participation in specific industry development projects or programs. The specific eligibility criteria and conditions for reduced tax rates are subject to laws of Albania, regulations, and government policies at the time of investment.

**Eligibility criteria (weblink)**

<https://gosnishti.com/wp-content/uploads/2023/05/Ligj-nr.-29-date-30.03.2023-Per-tatimin-mbi-te-ardhurat.pdf>

**Incentive administration**

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**Awarding Authority (Name)**

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

**Application procedure + Weblink (where available)**

The procedures are defined by the legislation and upon the agreement signed with the investor

**Implementing Authority (Name)**

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