

Automotive industry incentives - VAT exemption

General info

Economy name

Albania

ID

A21

Incentive name

Automotive industry incentives - VAT exemption

Brief description

Exemption from VAT on import of machinery and equipment in the automotive industry

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)

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

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)

Investors in the automotive industry in Albania may qualify for VAT exemption on machinery and equipment 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://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)

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