

"Zero" Value Added Tax (VAT) Rate

General info

Economy name

Albania

ID

A35

Incentive name

"Zero" Value Added Tax (VAT) Rate

Brief description

With the "Zero" VAT rate measure, certain goods and services are taxable, but the tax rate applied is 0%, allowing businesses to reclaim any VAT they have paid on related expenses.

Legal reference

Legal reference name

Law No. 92/2014 dated 24.07.2014 "On VAT in Albania"

Legal reference (Law section / article)

Article 57-67 Article 57: Exports - Zero VAT is applied to the export of goods from Albania.

Article 58: Goods in Personal Luggage of Travelers - Zero VAT is applicable to goods carried in the personal luggage of travelers, provided certain conditions are met.

Article 59: International Transport - Zero VAT is applied to the international transport of goods and passengers.

Article 60: Supplies Similar to Exports - Zero VAT is applied to supplies of goods and services that are treated similarly to exports under this law.

Article 61: Supply of Gold to the Bank of Albania - Zero VAT is applied to the supply of gold to the Bank of Albania.

Article 62: Intermediary Services - Zero VAT is applicable to intermediary services related to supplies that are subject to the zero rate.

Article 63: Definitions Related to International Trade - Definitions related to transactions in international trade and customs warehouses are provided, setting the context for zero VAT applicability.

Article 64: Customs Regimes and Similar Transactions - Zero VAT is applied to transactions related to customs regimes and similar scenarios.

Article 65: Supplies of Goods for Ships - Zero VAT is applied to supplies of goods destined for ships.

Article 66: Other Conditions - Additional conditions under which zero VAT may be applied are specified.

Article 67: Related Services - Zero VAT is applied to services related to transactions that qualify for zero VAT under the aforementioned articles.

Incentive design

Incentive group

Financial

Incentive category

Value Added Tax (VAT)

Economy-wide/Sector-specific

Economy-wide

Sector (Simplified)

All sectors

Sector (NACE)

N/A

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

Weblink to Incentive information in local language

[https://www2.deloitte.com/content/dam/Deloitte/al/Documents/tax/Ligji_nr.92-2014_date_24.07.2014_Per_T_VSH-ne_\(i_indeksuar nga_Deloitte\).pdf](https://www2.deloitte.com/content/dam/Deloitte/al/Documents/tax/Ligji_nr.92-2014_date_24.07.2014_Per_T_VSH-ne_(i_indeksuar nga_Deloitte).pdf)

Eligibility criteria

Eligibility criteria (description)

Legal entities qualify for the zero VAT rate when engaging in activities such as exporting goods, providing

international transport, supplying goods and services similar to exports, supplying gold to the Bank of Albania, and conducting specific transactions under customs regimes and related intermediary services.

Eligibility criteria (weblink)

[https://www2.deloitte.com/content/dam/Deloitte/al/Documents/tax/Ligji_nr.92-2014_date_24.07.2014_Per_TVSH-ne_\(i_indeksuar nga_Deloitte\).pdf](https://www2.deloitte.com/content/dam/Deloitte/al/Documents/tax/Ligji_nr.92-2014_date_24.07.2014_Per_TVSH-ne_(i_indeksuar nga_Deloitte).pdf)

Incentive administration

Awarding Authority (Name)

Ministry of Finance, General Directorate of Taxes and Council of Ministers

Application procedure + Weblink (where available)

The official requests must be submitted to the General Directorate of Taxes with all additional documents.

Implementing Authority (Name)

Ministry of Finance, General Directorate of Taxes and Council of Ministers