

CITY OF ZVORNIK
ADMINISTRATION



GRAD
ZVORNIK

GUIDEBOOK
FOR INDEPENDENT ENTREPRENEURS

CONCEPT

INDEPENDENT ENTREPRENEUR is a legal entity who is administering entrepreneurial work on his own behalf and for his own account for the sake of profit, and as such, is registered in the register of entrepreneurs.

Advantages: easy making business decisions, simple registration of the start and the end of work as well as changing data during business, the possibility of temporary termination of work, simpler accounting, the possibility of flat rate tax payment.

Disadvantages: liability with all assets for obligations which occurred during business, inability to perform certain activities.

REGISTRATION

2 REGISTRATION IN THE CITY OF ZVORNIK

Registration of business in the form of an independent entrepreneur in the Republic of Srpska is regulated by the Law on Craft and Entrepreneurial Activity, while the Decree on Entrepreneurial Activities contains a list of activities that an entrepreneur can perform.

The decision on the registration of entrepreneurs on the territory of the City of Zvornik is made by the Department of Economic and Social Affairs on the basis of the submitted documentation:

- 1) Completed application form for registration of entrepreneurs SP-1 (form can be obtained at the counter number 7, in the office number 4 or from the website of the City Administration of the City of Zvornik: www.gradzvornik.org);
- 2) Certified copy of ID card, i.e. passport for a foreign citizen;
- 3) Certificate of the locally competent basic court that the legal entity, who is registering the start of business in the form of an entrepreneur, has not been issued a final court measure of prohibition of performance of the required activity, and which is not older than 30 days from the date of application for registration of entrepreneurs;

- 4) Certificate of the competent unit of the Tax Administration of the Republic of Srpska that the legal entity, who is registering the start of business in the form of an entrepreneur, has no due and unsettled obligations, and which is not older than 8 days from the date of application for registration of entrepreneurs;
- 5) Certificate of the locally competent basic court that the legal entity, who is registering the start of business in the form of an entrepreneur, has no unpaid fines, enforcement costs and costs of proceedings for a misdemeanor in the field of economic and financial business);
- 6) Partnership contract (only if the founders are two or more legal entities).

Registration of business in the form of an independent entrepreneur on the territory of the City of Zvornik is exempt from paying the fee.

The Department of Economy and Social Affairs is obliged to make a decision on the registration of entrepreneurs no later than two days from the day of submitting a proper application.

MAKING OF THE STAMP

The stamp can be made in any printing office, where it is necessary to submit a decision on the registration of entrepreneurs. Production of the stamp is worth around 20 - 50 KM.

REGISTRATION AT THE TAX ADMINISTRATION OFFICE

The entrepreneur shall register the taxpayer and / or the contribution payer at the Tax Administration of the Republika Srpska, Regional Unit Zvornik, within five days from the day of issuing the decision on registration of the entrepreneur.

To register a taxpayer and / or a contribution payer, it is necessary to submit to the Tax Administration:

- 1) Completed application form PR-2;
- 2) Decision on registration of entrepreneurs;
- 3) Certified copy of ID card or passport (for foreign citizens);
- 4) Contract on accounting (unless the entrepreneur does not do accounting).

Confirmation of registration of the taxpayer is obtained on the same day if the complete documentation is submitted.

OPENING OF BANK ACCOUNT

A bank account can be opened in any commercial bank. When opening an account, it is necessary to submit to the bank:

- 1) Decision on registration of entrepreneurs;
- 2) Cards of deposited signatures of persons authorized to sign orders, for the purpose of disposing of funds from the account (the form is obtained from the bank);
- 3) Taxpayer registration certificate.

FISCALIZATION

The entrepreneur is obliged to introduce a fiscal cash register before starting work. The price of the fiscal device is from 400 to 800 KM. An entrepreneur does not have this obligation if he performs craft activities and activities of old and artistic crafts and domestic handicrafts.

REGISTRATION AT THE INDIRECT TAX AUTHORITY

The registration of VAT payers is done at the locally competent regional center of the Indirect Tax Authority of BiH according to the head office of the entrepreneur.

VAT obligations are subjected to all persons whose taxable turnover of goods or services in the previous year exceeds, or is likely to exceed, the threshold of 50,000.00 KM, as well as all persons engaged in foreign trade.

Along with the Application for registration and entry in the unified register of indirect taxpayers (form ZR-1), it is necessary to submit a copy, with the presentation of the original, or a certified copy of the following documents:

- 1) Decision on registration of entrepreneurs;
- 2) ID card of the applicant;

- 3) Certificate of registration of the taxpayer from the Tax Administration of the Republic of Srpska;
- 4) Card of deposited signatures certified by the commercial bank where the transaction account is opened (for all opened transaction accounts);
- 5) Work permit and residence registration issued by the competent authority and passport for a legal entity - entrepreneur, foreign citizen;
- 6) Original payment slips as proof of the paid amount of a total of 40 KM (to the account of JRT TREZOR BiH).

START OF ACTIVITIES

The entrepreneur is obliged to start performing the activity no later than 30 days from the day of delivery of the decision on registration.

The fulfillment of the conditions for performing the activity is checked by the competent inspection body within 45 days from the day of delivery of the decision on registration of the entrepreneur.

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CHANGES DURING BUSINESS

Changes during business are related to:

CHANGE OF DATA SIGNIFICANT TO LEGAL TRANSACTIONS

The entrepreneur is obliged to report the following data changes to the registration authority by submitting the SP-1 application form:

- 1) first name and surname, address, ID card number or passport number;
- 2) business name and head office;
- 3) time of performing activities (throughout the year or seasonally);
- 4) type of occupation (basic or additional);
- 5) place of performing activities (business office or residential premises or without

premises);

- 6) code and name of the predominant activity and other activities in accordance with the classification of activities;
- 7) opening, changing data and closing the separated unit;
- 8) temporary termination of activities and
- 9) permanent termination of activities.

TEMPORARY TERMINATION OF ACTIVITY

An entrepreneur may temporarily cease to perform an activity for a total duration of up to six months for a period of two years.

Exceptionally, the entrepreneur, with the attachment of appropriate evidence, can cease to perform entrepreneurial activities in the case of:

- 1) illness, professional development or action of force majeure, for a maximum of up to one year continuously and
- 2) use of maternity leave, no later than the third year of the child's life.

The entrepreneur is obliged to inform the competent authority in writing about the resumption of entrepreneurial activity, no later than eight days after the expiration of the time of temporary cessation of activity.

PERMANENT TERMINATION OF ACTIVITY

The entrepreneur is obliged to deregister the performance of activities before the termination of work, by submitting the application form SP-1.

An entrepreneur who, in addition to operating at the head office, also operates in separated units, is obliged to deregister all separated units, before submitting a request for deregistration of performing activities.

CHANGE OF INFORMATION

Reporting changes in information related to the business phone, fax, e-mail and website of the entrepreneur is not required.

BUSINESS RESPONSIBILITY

The entrepreneur is responsible for the lawful business and for the lawful work of the person he employs.

Liability for obligations which arised from the performance of entrepreneurial activity, does not end with the termination of work and deletion of the entrepreneur from the register of entrepreneurs.

An entrepreneur who does not report a change in data of importance for legal transactions, to the competent registration authority during the business, is subjected to financial sanctions, in the amount of 1,000 KM to 3,000 KM. An entrepreneur who reports false information or submits false evidence during the process of registration, in order to use such information or evidence as credible, is also subjected to sanctions.

BUSINESS SUPPORT

Government of Republic of Srpska - allocation of budget support funds within the development plans of ministries. 7

Municipalities and cities of Republic of Srpska - allocation of support funds within the development plans of municipalities / cities.

Investment and Development Bank of the Republic of Srpska - credit lines intended for entrepreneurs and companies for initial business activities and business development.

Guarantee Fund of Republic of Srpska - guarantees intended for entrepreneurs with quality and promising projects, who are not able to provide a guarantee with a commercial bank.

Employment Bureau of Republic of Srpska - approves funds for employment and self-employment projects.

Commercial banks - credit funds for initial business activities and operations.

Republic Agency for Development of Small and Medium Enterprises - provides professional services in the field of investment services, professional education, retraining and additional training, as well as business consulting.

Chamber of Crafts and Entrepreneurship of the Republic of Srpska - by registration, entrepreneurs become members of this association, which represents the common interests of entrepreneurs before the administrative bodies, proposes and participates in the development of legal solutions.

ADDITIONAL INFORMATION

Register of approvals in the economy - data on all approvals, laws and bylaws that regulate them, as well as all approvals required to perform certain economic activities (<http://www.regodobrenja.net>)

Entrepreneurial portal of Republic of Srpska - service brings together information intended for those who want to start their own business, but also for existing companies and entrepreneurs who want to develop and improve their business (<http://www.preduzetnickiportalsrpske.net/>).

We wish you a long and successful business!

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