BOSNA I HERCEGOVINA / БОСНА И ХЕРЦЕГОВИНА



UPRAVA ZA INDIREKTNO - NEIZRAVNO OPOREZIVANJE УПРАВА ЗА ИНДИРЕКТНО ОПОРЕЗИВАЊЕ

COMBATING VAT FRAUD IN CONSTRUCTION-RELATED BUSINESSES
BY TRACKING CONCRETE AS A CRITICAL INPUT

BRIEF INFORMATION ABOUT THE COUNTRY AND TAX ADMINISTRATIONS



- Bosnia and Herzegovina is a country in Southeast Europe, on the Balkan Peninsula. It borders Serbia to the east, Montenegro to the southeast, and Croatia to the north and southwest. In the south it has a 20 kilometre long (12-mile) coast on the Adriatic Sea.
- Bosnia and Herzegovina has two entities: Federation of B&H (51% of territory) and Republika Srpska (49% of territory), and Brcko District. The Federation of B&H consists of ten cantons.

Area	
Total	51,209 ^[7] km ² (19,772 sq mi) (125th)
Water (%)	1.4%
Population	
2022 estimate	▼ 3,434,000 ^[7] (135th)
 2013 census 	3,531,159 ^[2]
Density	69/km² (178.7/sq mi) (156th)

BRIEF INFORMATION ABOUT THE COUNTRY AND TAX ADMINISTRATIONS

- The tax system in B&H is based on regulations adopted at different levels of decision-making which together make up the tax system of the country.
- Direct taxes are regulated at the entity level the Federation of B&H and Republika Srpska and at the level of the Brčko District of B&H, while indirect tax regulations are imposed at the level of B&H.

Headquarters

RC Sarajevo

RC Tuzla

RC Mostar

- The Law on Indirect Taxation System in B&H establishes the institutional and organisational basis for a single indirect taxation system in B&H in order to contribute to the overall macroeconomic stability and fiscal sustainability.
- ITA is the sole authority in B&H, responsible for implementation of legislation on indirect taxation and the policy as determined by the Council of Ministers of B&H at the proposal of the Governing Board of the ITA, as well as for the collection and distribution of indirect taxes in the territory of B&H.

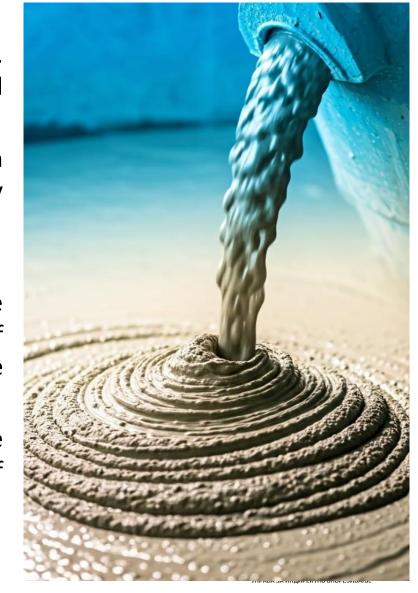
RC Banja Luka

The Headquarters is in Banja Luka. Its four Regional Centres—are based in Banja Luka, Mostar,
Sarajevo and Tuzla, including 37 customs offices and 61 customs posts for customs affairs, out of
which 41 are passenger border crossings, 4 airports, 8 railway border crossings, 3 overseas post
ofices and 5 free zones.



BASICS OF CEMENT AND CONCRETE

- Cement is a powdered ingredient used to make concrete.
- Binding agent that is used to bind various construction materials. Given its adhesive and cohesive properties, it is an essential ingredient of concrete and mortar.
- Concrete production is a technological process that has its function and application in construction and requires the necessary quality and economy.
- Concrete is equally used in construction and civil engineering.
- Concrete works are carried out in accordance with the concrete structure design, instructions for the installation and use of construction products, and appropriate standards (norms) for the construction of concrete structures.
- For the construction of concrete structures, the specifications for the constituent materials for concrete (aggregate, water, cement) are of great importance, on which the quality and price of concrete depend.





OF THE KEY REGULATORY PROVISIONS FOR THE ACTION

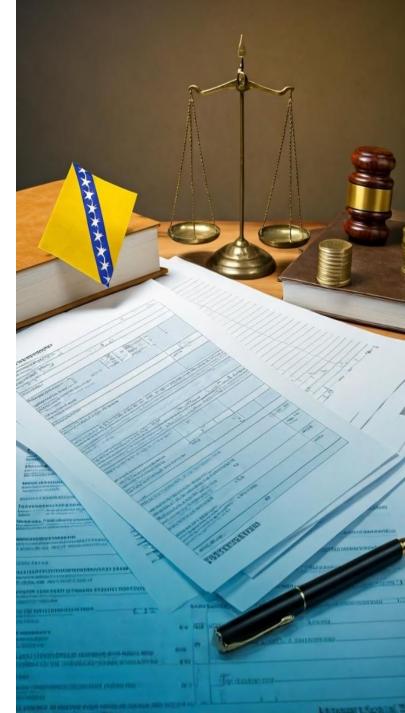
Article 55 of the Law on VAT (Tax invoices)

Article 106 of the Book of rules – invoicing, bookkeeping and storage documents

Article 107 – (content of tax invoice) (...e) name, address and when it exists, the indirect tax identification number of the purchaser, ...

Article 116 – (bill functioning as invoice)

- (1) Bills may be accepted as the base for recognizing input VAT if the total amount including VAT does not exceed KM 100,00 KM.
- (2) (2) For bill amounts exceeding 2.000,00 KM a tax invoice must be issued in addition to the bill.







LAW ON THE INDIRECT TAXATION AUTHORITY:

Article 16 "pro-forma" actions - the subject of taxation shall be considered as something it actually is, regardless of how the parties in trade call it.



LAW ON INDIRECT TAXATION PROCEDURES:

Article 61 The onus of proof shall be on the indirect tax obliged person.

Article 71

- indirect evidence on the basis of which indirect tax liabilities may be determined...
- ITA shall assess any fact, action or activity carried out by the person liable to indirect taxes without any obligations in respect of the claims made by the person liable to indirect taxes.



SOME IMPORTANT REGULATORY PROVISIONS AT THE ENTITY LEVEL: FEDERATION OF B&H AND REPUBLIKA SRPSKA, AND BRČKO DISTRICT

- Law on internal payments system (FBiH and RS) and Law on payment transactions in Brčko District BiH For making payments the business entities are obliged to open accounts with the authorized organizations and keep all their funds in such accounts, as well as make payments on such accounts ...
- Regulation on the conditions and method of payment by cash
- RS payment for goods and services, except for payment for products in wholesale trade, to another business entity, if their individual amount does not exceed 200 KM (in January 2023 changed to 500 KM);
- FBiH Article 3 ...Point g) payment of goods and services to another business entity, if their individual amount does not exceed 200.00 KM.





PLAN OF CONTROL ACTIVITIES

Based on the Operational plan, from July 2020 ITA conducted controls of a large number of VAT taxpayers whose main activity was trade and/or use of cement for the production of concrete for construction and other concrete products.

- DATA COLLECTION AND PROCESSING
- SELECTION OF TAXPAYERS FOR INFORMATIVE CONTROLS
- INFORMING THE PUBLIC ABOUT ACTIVITIES
- CONDUCTING INFORMATIVE CONTROLS AND ANALYSING THE RESULTS
- SELECTION OF TAXPAYERS FOR PARTIAL CONTROLS
- CONDUCTING PARTIAL CONTROLS
- REPORTING
- EXTENSION OF ACTIVITIES!





ACTIVITY HOLDER:

RISK ANALYSIS DEPARTMENT

DATA COLLECTION

Collects data on taxpayers

PROCESSING

Processes data from the single register of taxpayers

RISK SCORING

Ranks taxpayers by risk

- NACE Class 23.61 Manufacture of concrete products for construction purposes
- NACE Class 23.63 Manufacture of ready-mixed concrete
- NACE Class 23.69 Manufacture of other articles of concrete, plaster and cement





ACTIVITY HOLDER: TAX SECTOR

PRIORITY SELECTIONS AND CONTROLS

First cement producers and importers gathering information for the next phase :concrete producers

INFORMATIVE CONTROLS

Of cement producers and importers.

PARTIAL AUDITS

Based on information, facts, knowledge



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08.09.2020 | VIJESTI / BOSNA I HERCEGOVINA

Izvor: Akta.ba

UIO BiH najavila pojačane kontrole proizvođača betona

Kontrole poslovanja obveznika "proizvođače betona" vršiti će se uvidom u stanje zaliha i dokumentacije u poslovnim prostorijama poreznih obveznika.

Uprava za indirektno oporezivanje provesti će pojačane kontrolne aktivnosti poreznih obveznika "proizvođača betona", na području cijele Bosne i Hercegovine i to one koji imaju prijavljenu šifru djelatnosti:

UNO će pojačano kontrolirati proizvođače betona u cijeloj BiH

8. rujna 2020. • 8 komentara



ACTIVITY HOLDER:

COMMUNICATIONS DEPARTMENT

WRITTEN NOTICE

Published through media.

OFFICIAL WEBSITE

Announced on the ITA site.



Biznis Info

https://www.biznisinfo.ba > uio-krece-u-kontrolu-proizvodjaca-betona

UIO kreće u kontrolu proizvođača betona - Biznis Info

Sep 8, 2020 - Uprava za indirektno oporezivanje provesti če pojačane kontrolne aktivnosti poreznih obveznika "proizvođača betona", na području cijele Bosne i Hercegovine i to one koji ...

Estimated Reading Time: 1 min

Poslovne novin

https://poslovnenovine.ba > uio-pojacava-kontrole-proizvodjaca-betona

UIO pojačava kontrole proizvođačima betona - Poslovne novine

Sep 8, 2020 - Uprava za indirektno oporezivanje provesti će pojačane kontrolne aktivnosti poreznih obveznika "proizvođača betona", na području cijele Bosne i Hercegovine i to one koji ...

Nezavisne novin

https://www.nezavisne.com > novosti > bih > UIO-BiH...

UIO BiH pojačava kontrolu proizvođača betona - Nezavisne novine

Sep 8, 2020 - BANJALUKA - Uprava za indirektno oporezivanje (UIO) BiH do kraja oktobra pojačano će kontrolisati proizvođača betona, s ciljem boljeg uvida u evidentiranje obračuna ...

Akta.b

https://www.akta.ba > vijesti > bih > uio-bih-naj...

UIO BiH najavila pojačane kontrole proizvođača betona

Sep 8, 2020 · Kontrole poslovanja obveznika "proizvođače betona" vršiti će se uvidom u stanje zaliha i dokumentacije u poslovnim prostorijama poreznih obveznika.

b1tv.b

https://www.b1tv.ba > uprava-za-indirektno...

Uprava za indirektno oporezivanje BiH: Pojačane kontrolne ...

Sep 8, 2020 · Uprava za indirektno oporezivanje provesti će pojačane kontrolne aktivnosti poreznih obveznika "proizvođača betona", na području cijele Bosne i Hercegovine i to one koji ...

source.b

https://source.ba > clanak > BiH > UIO-provesti...

Source.ba:UIO provesti će pojačane kontrolne aktivnosti poreznih ...

Uprava za indirektno oporezivanje provesti će pojačane kontrolne aktivnosti poreznih obveznika "proizvođača betona", na području cijele Bosne i Hercegovine.

ACTIVITY HOLDER:

COMMUNICATIONS DEPARTMENT

WRITTEN NOTICE

Published through media.

OFFICIAL WEBSITE

Announced on the ITA site.





PREPARATION FOR EFFECTIVENESS AND SYNCHRONIZED ACTION

COORDINATION OF ACTIVITIES

The Head of the Audit and Control
Department and the Head of the
Large Taxpayers Control Department
continuously coordinate activities
with heads of the control groups in
the regional centres of the Tax
Administration.

PREPARATORY ACTIONS

Inspectors prepare for the control by studying the regulations and standards related to concrete production.



INFORMING INSPECTORS

The control begins after the immediate supervisor (group leader) informs the inspectors about the operational plan (by providing guidelines).

PROVIDING REGULATIONS

The regulations governing this area of construction are sent by email to the heads of the control groups, who are obliged to instruct the inspectors to take preparatory actions before carrying out the inspection.



STEPS (PHASES) OF CONTROL ACTIVITIES





Information gethering controls of cement manufacturers and importers in B&H.



PHASE 2 - CONTROL OF CONCRETE PRODUCERS

Analyzing data and forming a list of taxpayers for partial audits with potential assessment of additional VAT liability, and carrying out audits.



PHASE 3 - ADDITIONAL CHECKS

Applying indirect proof methods and linking findings from various controls, and the new checks...

The control activities were planned to be completed in approximately 60 days starting July 22, 2020, beginning with informative controls to gather data for taxpayer selection.

Extensions may occur if additional checks are needed or information must be obtained from other sources!



INSTRUCTIONS AND TIPS FOR INSPECTORS





Obtain the table of concrete grades produced and review licences and quality certificates.



INVENTORY AND STOCK
CHECK

Conduct inventory of cement stocks, finished products, and additives; compare with records.



CHECKING STANDARDS
AND NORMS

Verify certified standards and calculate cement consumption including allowed waste.



CROSS-CHECKING

Verify customer and supplier turnovers in tax system against reported data.



CEMENT ⇒ **(CEMENT !)** ⇒ **CONCRETE TRACKING TABLE**

ı	PODACI O	PODACI O KONTROLISANOM OBVEZNIKU NALOG ZA KONTROLU								NABAVKA CEMENTA U RINFUZI - PODACI O DOBAVLJAČU I KOLIČINI CEMENTA (U						PODACI O KUPCIMA I ISPORUKAMA CEMENTA U RINFUZI I BETONA (UKLJUČIJUĆI VLASTITU POTROŠNIU) ISPORUKA CEMENTA OL UTONAMA:											
ŀ				_			1				TONAMA) nahayka cementa po godinama							SPORUKA CES	EMENTA (U TONAMA) isporuka cementa po godinama				ISPORUKA BETONA (U KUBNIM			IETRIMA)	KOLIG
Red. bioj unosa	NAZIV KONTROLISANOG OBVEZNIKA	PDV broj:		a (KVPO/RIK)	bioj naloga za kontrolu	datum naloga	mična/potpuna)	kontrolisani period (ggmm- ggmm)	inspektori u kontroli	Naziv dobavljača CEMENTA	PDV br. dobavljača cementa	2017.	2018.	2019.	2020.	Naziv kupca CEMENTA	PDV br. kupca cementa	Regionalni centar kupea cementa	2017.	2018.	2019.	2020.	Naziv kupca BETONA	PDV br. kupca betona	Regionalni centar kupca betona		ZA VLA POTRE N KONTRO
	controlled taxpayer fare controlled taxpayer fare	99999999999	Bania Luka Bania Luka	RIK	S-2/I-17-1-55-808 S-2/I-17-1-55-808	24.08.2020 - 24.08.2020 - 24.08.2020 - 24.08.2020 - 24.08.2020	Dielimična Dielimična	1808-2007 1808-2007	inspector/s	cement supplier cement supplier			1.151.18	3.810.20 81.72	1.434.88								concrete buyer concrete buyer	333333333333	 Bania Luka Bania Luka 	28.5 66.5	0
4	controlled taxpayer fare				5-2/1-17-1-55-811 5-2/1-17-1-55-811	- 24.08.2020 - 24.08.2020	Dielimična Dielimična	1512-2007 1512-2007 1512-2007	inspector/s inspector/s	cement supplier cement supplier	**********	4.445.40 64.14	560.78	4,149,96	600.74 438.32	cement buver cement buver	263135460007 263054460002	1. Banja Luka 1. Banja Luka	133.12		81.00	248.08	concrete buver concrete buver concrete buver	***************************************	 Bania Luka Bania Luka 	194.5 444.1	8
	controlled taxpayer fare		Bania Luka Bania Luka Bania Luka	RIK	5-2/1-17-1-55-811	- 24.08.2020 - 24.08.2020	Dielimična Dielimična	1512-2007	inspector/s	cement supplier cement supplier			3.267.62		189.56								concrete buyer	***************************************	1. Bania tuka	444.1 743.7 411.5	8
=	controlled taxpaver face	99999999999	Banja Luka	RIK	5-2/1-17-1-55-811	- 24.08.2020 - 24.08.2020 - 24.08.2020 - 24.08.2020 - 24.08.2020	Dielimična	1512-2007 1512-2007 1512-2007	inspector/s	cement supplier			523.16	234.50	241.92 1.651.52	4							concrete buyer	***************************************	1. Bania Luka 1. Bania Luka	5,453.9	
#	controlled taxpayer lare		Banja Luki Banja Luki	RIK	5-2/1-17-1-55-811	24.08.2020	Digimična		inspector/s	cement supplier	*********	91.00	154.83		1.031.34								concrete buyer		1. Bania Luka	2.581.7 46.0	Ŏ.
	controlled taxpayer are		Bania Luka	KVPO		0 24.08.2020	Dielimicna	1812-2007 1812-2007	inspector/s	cement supplier	*****		3/4.28	4.340.94		cement buver cement buver	400679810009	1. Santa Luka		238.12			concrete buyer concrete buyer	5555555555	 Bania Luka Bania Luka 	13.0	ő
_	controlled taxpayer fare controlled taxpayer fare	<u> </u>	 Banja Luka Banja Luka 	KVPO RIK		24.08.2020 - 24.08.2020 - 24.08.2020	Dielimična Dielimična	1812-2007 1508-2007 1508-2007	inspector/s	cement supplier cement supplier	*****	571.26 134.70	26.86	0.00	2.205.46	cement buver	400804900007	1. Bania Luka			1.220.30		concrete buyer concrete buyer	*************	 Bania Luka Bania Luka 	85.5 16.7	8
	controlled taxpayer face	999999999999	Bania Luka Bania Luka	RIK RIK	5-2/1-17-1-55-816	24.08.2020	Dielimična Dielimična	1508-2007 2001-2007	inspector/s	coment supplier	***********	134.70	213.36	856.74	404.12 2.777.96								concrete buver	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	1. Bania Luka	255.6	0
	controlled taxpaver fare	999999999999	Banja Luka Banja Luka	RIK	5-2/1-17-1-55-817	- 25.08.2020 - 25.08.2020	Dielimična	2001-2007 2001-2007	inspector/s	cement supplier	800000000000000000000000000000000000000				975.87 227.20								4		1		4
	controlled taxpayer fare controlled taxpayer fare	99999999999	 Bania Luka 	RIK	5-271-17-1-55-817	- 25.08.2020	Dielimična	2001-2007	inspector/s	cement supplier	******	2 222 62		420.02	566.00								continue puyer		1	24.0	
	controlled taxpayer fare controlled taxpayer fare		Banja Luka Banja Luka Banja Luka	KVPO	5-2/1-1/-1-55-805 -1/1-17-UP-1-44-19	7 25.08.2020 7 25.08.2020 7 25.08.2020	Dielimicha	1911-2007	inspector/s	cement supplier	*****	2.228.92	1.418.26	438.82 162.94 54.28	248.36 115.46								concrete buyer	333333333	1. Banja Luka	21.0	8
	controlled taxpayer fare controlled taxpayer fare	99999999999	 Bania Luka 	k KVPO	1/1-17-UP-1-44-19 1/1-17-UP-1-44-19	74 25.08.2020 74 25.08.2020	Dielimična Dielimična	1911-2007	inspector/s inspector/s	cement supplier cement supplier	***********	-	-	54.28	236.58 313.62								concrete buyer concrete buyer	33333333333	 Bania Luka Bania Luka 	120.4 17.5	3
\exists	contro led taxpaver fare contro led taxpaver fare	999999999999	Banja Luki Banja Luki		5-27-17-155-80	74 25.08.2020 34 24.08.2020	Dielimična Dielimična	1911-2007 1508-2007	inspector/s	coment supplier	**********	1.009.10	847.62	1.180.56	7.70								concrete buyer	33333333333	1. Bania Luka	10.0 8.946.1	8
			 Bania Luka 	RIK	/S-2/1-17-1-55-805	14 24.08.2020	Dielimična	1508-2007	inspector/s	cement supplier	888888888888888888888888888888888888888	0.00	0.00	26.86	26.94								CONCRESS DUVER	***************************************	1	537.5 485.5	9
=	control ed taxpayer fare control ed taxpayer fare	***********	Banja Luki Banja Luki	KVPO	71-17-1-18-1-44-19	94 24.08.2020 94 24.08.2020 95 24.08.2020	Dielimična	1710-2007	inspector/s	cement supplier	88888888888	2.265.16	20.841.22	3.072.76	2.608.02	cement buyer	201259180007	3. Sarajevo	27.22	1.048.08			4			483.3	4
_			Bania Luka Bania Luka Bania Luka	KVPO			Dielimicha	1710-2007 1710-2007	inspector/s	cement supplier	888888888888	324.76	6.154.92	14,777,40	8.446.02	cement buyer	400771620003	1. Bania Luka 1. Bania Luka	80.60	238.20 26.80	241.44 162.50	108.06			1		+
	control ed Saxpayer Sare control ed Saxpayer Sare		Banja Luka Banja Luka	RIK	/S-2/1-17-1-55-810 /S-2/1-17-1-55-810	7 24 08 2020 10 24 08 2020	Dielimična Dielimična	1710-2007 1909-2007 1909-2007	inspector/s inspector/s	cement supplier cement supplier	888888888888			105.22 87.66	248.98 51.90		400679810009	1. Bania Luka			50.020.00		concrete buver concrete buver	***************************************	Bania Luka Tuzla	5.5 234.0	8
\exists	contro led taxpayer fare contro led taxpayer fare	999999999999	Bania Luka Bania Luka	RIK	5-271-17-1-55-810	M 24.08.2020	Dielimična Delimična	1909-2007	inspector/s	coment supplier	888888888888			28.04 27.38 5.484.92	194.36								concrete buver concrete buver	777777777777	4. Tuzla 4. Tuzla 1. Bania Luka	36.0	8
	controlled taxpaver lare		 Banna Luka 	KYPO			Dielimična	1708-2007	inspector/s	cement supplier	888888888888	2.869.52	5.901.14	5.484.92	4.275.08								concrete buyer	mmmm	 Bania Luka 	56.0	Ø.
	control ed taxpaver fare	anananananan	 Banja Luka Banja Luka 	RIK	/5-2/1-17-1-55-812	7 24.08.2020 7 24.08.2020 7 24.08.2020	Dielimična	1508-2007	inspector/s	cement supplier	888888888888	685.96 53.88	823.24	657.44	385.66								concrete buyer concrete buyer	**********	 Bania Luka Mostar 	202.8	ő
+	controlled taxpayer fare controlled taxpayer fare	99999999999	Bania Luka Bania Luka	RUK RUK	/S-2/I-17-I-SS-812 /S-2/I-17-1-SS-813	3/ 24.08.2020	Dielimična Dielimična	1508-2007 1611-2007	inspector/s	cement supplier cement supplier	8888888888888	53.88 611.66	567.11	433.48	81.24								concrete buyer concrete buyer	777777777777	 Mostar Bania Luka 	155.5 42.0	8
	control ed taxpaver fare control ed taxpaver fare control ed taxpaver fare	999999999999	Bania Luka Bania Luka	RIK	(5-2/)-17-1-55-813	34 24.08.2020 34 24.08.2020 34 24.08.2020	Dielimična	1611-2007	inspector/s	coment supplier	888888888888				294.40 134.32								concrete buver concrete buver	333333333333	4. Tuzla 1. Bania Luka	3.353.5 162.5	202
#	controlled taxpayer face	999999999999	 Bania Luka 	RIK	5-2/1-17-1-55-814	- 24.08.2020	Dielimicna	1908-2007	inspector/s	cement supplier	8888888888			10.769.30	9.810.40								concrete buyer concrete buyer	*************	2. Mostar 1. Bania Luka	28.464.00	Ø.
	controlled taxpayer fare controlled taxpayer fare	99999999999	Banja Luki Banja Luki	RIK	/5-2/1-17-1-55-815	24.08.2020 - 24.08.2020 - 24.08.2020	Dielimična	1911-2007	inspector/s	cement supplier	22222222222	2.524.90	3,124,18	1.556.12	438.64	cement buyer	400143220004	1. Bania Luka	438.06	907.00	108.52	449.84	CONCINUE DUVER		I. Darrie Luke	4.043.0	4
	controlled taxpayer lare		 Banja Luka Banja Luka 	RIK	/5-2/1-1/-1-55-815 /5-2/1-1/-1-55-815	54 24.08.2020 54 24.08.2020 54 24.08.2020	Dielimična Dielimična	1911-2007	inspector/s	cement supplier	888888888888				1.455.62	cement buyer	400151910001	 Sanja Luka Sanja Luka 	1.728.78 358.06	2.161.92	1.268.62	313.62 282.44	1 /		1		+
Н	controlled taxpayer lare	999999999999	Banja Luka Mostar	RIK	75-271-17-1-55-815 -2711-17-11P-8-868	54 24.08.2020 C 24.08.2020	Dielimična	1911-2007	inspector/s	coment supplier	**********		28.66		272.80	cement buyer	400024560000	4. Tuzla	55.26			282.44	concrete buyer		2. Moster	639.5	0
	controlled taxpaver lare	99999999999	Moster Moster	RIK	-2/III-17-UP-8-868	24.08.2020 - 24.08.2020 - 24.08.2020 - 24.08.2020 - 24.08.2020 - 24.08.2020	Dielimična	1812-2007 1812-2007 1812-2007	inspector/s	commit supplied	********		108.28	1.971.90	1.353.64								concrete buyer concrete buyer	7777777777777	2. Moster 2. Moster	327 5	9
⇉	controlled taxpayer lare	96999699699	Moster	RIK	-2/III-17-UP-8-868	24.08.2020	Dielimična	1812-2007	inspector/s	cement supplier	*******		30.00	440.04	47.3.04								concrete buver	7777777777777	2. Moster	416.0	Ø.
⇉	controlled taxpayer fare	рругруруруру	Moster	RIK	-2/III-17-UP-8-861		Diglimicha	1788-2887	inspector/s	canan suppila	000000000000000000000000000000000000000	1.343.78	1:248.54	2-777-48	329.30	cement buyer	227841290002	2. Moster	152.68				concrete buyer concrete buyer	***************************************	2. Moster 3. Senievo 3. Senevo	148.5	ő
\exists	condoned sapayer lare	33333333333	P NOSSE	BUA	-2/III-17-UF-6-661	24.08.2020	Openmicha	1708-2007	inspeciorys	canant supplier		2.343,70	1.141,14	77,36	330,70								CONCINUE DUVE	***************************************	a, ameno	3.443.7	0
	conduited supplyer sale	333333333333	P NOSGE	DUA	-2/III-17-UF-0-001	- 24.08.2020 - 24.08.2020 - 24.08.2020	Optimiena	1609-2007	Inspector/s	commit supplier	0000000000000	2.154,62	1.914,55	1.041,30	1.152,42								concrete buyer	11111111111111	2, NOSSE 2, NOSSE	3.0	10
7	conducted sapayer rate	99999999999	NOSSE NOSSE	DUA		24.00.2020	Optimiena	1609-2007	Inspector/s	content supplier	99999999999	467,60	779,18	1.027,24	715,54								concress ouver	///////////////////////////////////////	4, moser 4, moser	36.5	8
=	CONDUINED GROWN TADE	222222222222	F NOSSE		-2/III-17-UF-0-004	24.08.2020	Ummicha	1904-2007	Inspector/s	content supplier	0000000000000			027,38	033,70								CONCRESS DUVER	7777777777777	2, moser 2, moser	1.219.7	Ŏ.
⇉	сописней верзул нали	99999999999	NOSSE NOSSE		-2/III-17-UF-0-004	24.08.2020 24.08.2020 24.08.2020	Optimicna	1904-2007	inspector/s	санан заррна	000000000000				2 4 4 1 1 7								concrete buyer	***************************************	4, NOSSE	1.526.6	ă .
	conduited sapayer sale	333333333333	P NOSE	KWO	III-17-1-UP/I-2-00	24.00.2020	Djermicha	1909-2007	mspecior/s	cament supplier	86868686888			1.740,37	3.441,00								concrete payer	***************************************	2, mosser	86.51 12.51	ő
-	сопрошер сворчув или	3333333333333	NOSSE NOSSE	KYPU	III-17-1-UP/I-2-00	24.08.2020	Ujulmicha	1801-2007	Inspector/s	cement supplier	0000000000000		4.000,00	0.307,78	3.725,30								concrete buyer	***************************************	Z, MONNE	1.570.4	48
	condoned sapayer sale condoned sapayer sale	99999999999999999999999999999999999999	NOSSE PROSSE	KAAG	III-17-1-0F/I-Z-00F	9 24.08.2020 9 24.08.2020 9 24.08.2020	Optimicha	1801-2007	inspectorys	саная заррна	0000000000000		27,24	470,30 112,64	1.215,46								CONCRESS DUVER	***************************************	2, MOSSE 2, MOSSE	6.257.7 1.060.0 9.504.9	0
	conduited sapayer sale	333333333333	P NOSSE	KVPO	-27111-17-UP71-2-001	24.08.2020	Dienmicha	1801-2007	Inspector/s	саная заррна	0000000000000		013.40	6.367.07	1.304.04								CONCRESS DUVER	77777777777	4. MONSE	9.504.9	5
	consones sapayer sare	33333333333	NOSSE NOSSE	NIX.		24.08.2020 24.08.2020	Delimitra	1811-2007	Inspectory's	санал заррна	000000000000		0,00	02,10	27,10								CONCRESS DUVER	***************************************	1, perpe curse 4, proper	29.5 17.0	Ø .
	condoned sapayer rate	33333333333	PROSE	INIA.			Ujermicha	1811-2007	inspecior/s	canant supplier	888888888888888888888888888888888888888			270.32	193.70								concress payer	***************************************	4, mouse	3.0	30
	сопрошер зафаўетные сопрошер зафаўетные	9999999999	NOSSE NOSSE	RUK		24.08.2020 24.08.2020	Unimicia	1908-2007	Inspector/s	canaic supplier	000000000000			1.030,34	163,78								concrete buyer	***************************************	a, amejuvo a, amejuvo	362.5 1.209.0 1.028.1	0
7	condoned sapayer sale condoned sapayer sale	99999999999	NIOSEE	BUK	-2/III-17-UF-8-870 -2/III-17-UF-8-870	24.08.2020 24.08.2020	Djelmicha	1908-2007	inspectorys	canare suppria	0000000000000			0,00	1.701,90								concrete buyer	777777777777	2, moser 2, moser	1.028.1	0
4	conduited saquiyer rater	99999999999	P NOSSE	NIK.	-2/III-17-UF-6-600	24.08.2020	Unimicha	1509-2007	Inspector/s	синия хиррни	0000000000000	334,34	891,78	363,78 337-70	219,02								concress buyer	77777777777	4, MOSSE	3.762.0	0
	conduited applying later	22222222222	NOSSE	NIX.	-2/III-17-U7-8-866	24.08.2020 24.08.2020 24.08.2020 24.08.2020 04.09.2020	Ummicha	1509-2007	Inspector/s	санан хоррна	000000000000	83,10	0,00	0,00	0,00								concrete buyer	***************************************	Z, NIOSSE Z, NIOSSE	539.8	ā .
	conduited sapayer late	333333333333	P NOSSE	AVPO	/III-17-1-0F/I-1-00	04.09.2020	Popuna	1911-2007	inspeciorys	cameric supplier	88888888888			27,38	1.301,16								concrete buyer	***************************************	Z. MICHGE	21.5 414.0	io I
1	сопронер сефама или	9999999999	100000E	KYPU	/III-17-1-0//I-1-00	04.09.2020 04.09.2020 04.09.2020	roquina	1911-2007	Inspector/s	camaric supplier	800000000000000000000000000000000000000			301,40	1.370,04								concress buyer	***************************************	2, MOSSE 2, MOSSE	133.4	ò
7	сопионей зафауатые сопионей зафауатые	333333333333	F NOSGE	KYPO	**************************************	04.09.2020	Popuna Popuna	1911-2007	inspecior/s	canare suppria	******			0,00	1.986,30								CONCRESS DUVER	***************************************	1, benje cuse 2, moster	17.0	8
	conduited sapayer sale	33333333333	NOSSE SERVICE	AVPO	7111-17-1-UP/11-1-UU	0 04.09.2020 0 04.09.2020 24.08.2020	Popuna	1911-2007	Inspector/s	coment supplier	000000000000	6.921.16	41.137.00	20.055 (4	12,139,39	coment power	200215520-02	3. See 800	(31.55	34.44			continue payer	***************************************	2, NIOSSE 3, SEREUVO	631.0	9
	consones sapayer sale	9999999999	SERIORO SERIORO	KYPU	1711-17-1-07-1-240	24.08.2020	Ujenmicha	1710-2007	inspectory's	сепен хиррне	88888888888	224,40	20.000,00	430,24	2.370,32	coment buyer	218807440004	S, Sarajovo	120,00	- 1/44	20,04		CONCRESS DUVER	***************************************	5, Senguro 5, Senguro	2.157.5	ő
	condolled sapayer late	333333333333	2 Selectivo	KYPO	1/11-17-1-07-0-240	24.08.2020 24.08.2020 24.08.2020 24.08.2020 24.08.2020	Unimicia	1710-2007	inspectory's	санан заррна	8888888888888		823,30	2.639,90	27,44	carriers buyer	219001920002	4, 102H			10,34		concrete buyer	***************************************	a, ameuvo	95.4 31.5	8
	consolies sapayer sale	333333333333	2 Satisfano 2 Satisfano	KWO	1/11-17-1-07-0-240	24.08.2020	Unimicha	1710-2007	Inspector/s	canant supplier	**********	3,60	,	27,36									concress ouyer	777777777777777777777777777777777777777	a, ameuvo a, ameuvo	13.0	8
	сопрошер сворчуе пре	99999999999	5 Sandano	AVYO	17/11-17-1-UF-1-248 17/11-17-1-UF-1-248	24.08.2020	Unimicha	1710-2007	Inspector/s	coment supplier	888888888888888888888888888888888888888	811,36	137,50	3.440,10	1.976.00								CONCRESS DUVER	77777777777	a, amenyo a, amenyo	3.0	8
	conduited sapayer sale	33333333333	Serejovo	KVPU	1/11-17-1-07-1-248	24.08.2020	Dimmicha	1710-2007	Inspectorys	comerc supprior	0000000000000	704,20	5.034,34	3.004,16	1.332,72	coment buyer	222044200222	e. 1021a			323.89		CONCRESS DUYER CONCRESS DUYER	7777777777777	a, sereuvo	168.2	5
2	conducted sapayer sale	333333333333	7 1021H	KYPU	1717-17-1-07-1-60-1	25.08.2020	Unimicia	1903-2007	inspector/s	синин хиррни	209234740009	0,00	0,00	4.330,66 334.75	706,24	синит воуи	227841290002	4, 1021a			33,32	743.76	CONCREME DUVER	***************************************	a, penje cuke	168.2 272.0 517.0	ő
3 4	сопоснев вараўе паве	999999999999	10214	KYPU	1/19-17-1-07-1-00-1 1/19-17-1-07-1-00-1 1/19-17-1-07-1-00-1	25.08.2020 25.08.2020	Optimiena	1903-2007	Inspectory's	сапан заррна	401990710006	0,00	0,00	4.534,24	700,76	cament buyer	227841290002	4, 10214			952,34	652,04	contrast payer	***************************************	4, 19218	895.5 225.5	0
5	condoned sapayer race	333333333333	10219	KYPU	1/19-17-1-07-1-00-	25.08.2020	Uprimicha	1905-2007	mspecial/s	cameric supprier	600011970003	0,00	0,00	778,34	161,90	Carriers Buyer	227841290002	4, 10214			912,28	241,52	concress ouver	777777777777777777777777777777777777777	4, 1021d	416.0	0



FEEDBACK FROM PHASE 1 AND PHASE 2

- As a result of the concealment of a part of bulk cement buyers and concrete deliveries, some additional checks were needed and also waiting for the results of these checks before finishing the initially planned activities;
- Due to the lack of documentation in some cases, that could directly determine such supply (quantities and value), indirect methods of proof were applied more extensively by identifying the actual transport of bulk cement based on:
- fuel consumption of transport vehicles,
- control of travel orders,
- tachograph records and other records of vehicle movements,
- records from surveillance cameras, police records and GPS (global positioning system),
- other available sources on the movement of transport vehicles provided at the request of the ITA.





FEEDBACK FROM PHASE 1 AND PHASE 2

- in case of concrete:
- consumption of cement, stone aggregates, electricity and water consumption, disposition and use of construction machinery, possibilities of providing construction services installation of concrete by certain persons, verification of presented facts with employed drivers and other personnel by taking their statements, etc.
- To determine the facts, the requested data was obtained through verious information requests, information exchanged with the ITA Law Enforcement Sector, data obtained from entity or local administrations in construction inspections, data from authorized entities for drafting and certifying norms for the production of concrete products, information from interviews with persons who have professional experience in assessing average consumption of different materials for construction or civil engeneering, information from websites, internet portals and other media.





FEEDBACK FROM PHASE 1 AND PHASE 2

- High hygroscopicity of the bulk cement associated with special transport requirements challenges the existence of a longer distribution chain!
- Resale of bulk cement to further customers in parallel with the sale of other quantities to concrete plants and/or the production of concrete or concrete products - announcement of extension of the activities.
- The newly established facts required additional time to complete certain inspections, especially in cases of pro forma actions in a way that the sale of cement in retail (to unknown persons) was presented, while in reality the sale of bulk cement to known buyers and/or the production and sale of concrete was carried out (concealing the real buyers).
- The above phenomena, along with the need to link the findings of various controls and compare them, the greater use of indirect methods as a significant novelty for some inspectors compared to the classic approach based predominantly on accounting data..., and the impact of the Covid 19 epidemic, slowed down control activities.

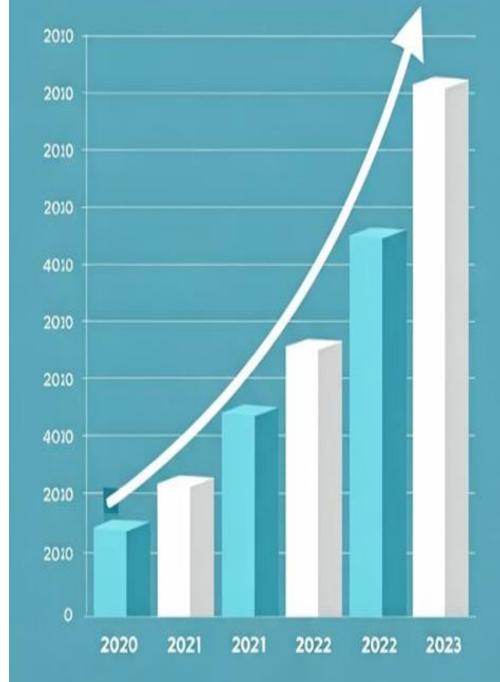




RESULTS AND ACHIEVEMENTS

70 INFORMATIVE CONTROLS 123 PARTIAL CONTROLS 13 COMPREHENSIVE CONTROLS

- ✓ Millions of BAM (KM) Additional VAT liabilities as a direct effect of the implementation of the Operational plan
- ✓ The most significant irregularities identified were the fictitious presenting of retail sales of cement in bulk by cement traders, concealment of the actual cement buyers, in an attempt to conceal further sales of concrete and concrete products and, in this regard, avoid paying VAT.
- ✓ Other effects that are more difficult to measure should not be underestimated improved tax compliance and a fairer environment for compliant taxpayers involved in specific businesses valuable experience in applying the indirect assessment method.



THANK YOU FOR YOUR ATTENTION





UPRAVA ZA INDIREKTNO - NEIZRAVNO OPOREZIVANJE УПРАВА ЗА ИНДИРЕКТНО ОПОРЕЗИВАЊЕ