



TESLIĆ MUNICIPALITY



REGISTRATION OF A LIMITED LIABILITY COMPANY

The Law on Registration of Business Entities ("Official Gazette of the Republic of Srpska", issue No. 67/13), operational since 1 December 2013, foresees the "one-stop shop" company registration system.

Registration is carried out at the Agency for Intermediary, IT and Financial Services (APIF), which, ex officio, obtains the JIB (TIN) from the RS Tax Administration and JMB (unique identification number) from the RS Statistics Bureau.

The Law on Companies, stipulating the activity of all types of companies, was published in the Official Gazette of the RS, issues No. 127/08, 58/09, 100/11 and 67/13.

Preparing and drafting a founding act (decision or memorandum of association – notarised acts)

Decision on founding a limited liability company (Ltd) is made in the event when the founder is one physical or legal entity, where no notarial processing is required but only the certification of founders' signatures at the notary (when the founder of single member Ltd is a physical entity, certification of signature costs KM 3.5 + 17% VAT, while when the founder is a legal entity, then the certification of signature costs KM 45 + 17% VAT). Memorandum of Association of an Ltd is concluded when the company is founded by two or more physical or legal entities and the memorandum shall be notarised.

The following documents shall be submitted with the notary:

- Name and residential address of founder of the company,
- Name and address of the company,
- Office space lease contract (if the company is not situated on own premises),
- ID card of the founder
- Diploma of the founder

Payment of equity in a commercial bank

An account shall be opened in a commercial bank and minimum equity of KM 1 deposited. The following shall be submitted with the bank for the purpose of opening of a temporary account for the founding of a company:

- Notary certified documents on founding the Ltd, or decision on founding a single member Ltd and notary certified signature
- An application form filled in, and
- Pay the deposit of KM 1

Documents required for the registration of a limited liability company and submission to APIF

- An application form using the prescribed form (available at <http://www.apif.net/>),
- ID card,
- A passport or extract from the relevant register identifying the founder for domestic and foreign physical or legal entity,



- ➔ The Ltd founding act
- ➔ Decision on appointing a person authorised for representation in domestic and foreign trade
- ➔ Bank confirmation on the amount paid (please note that the minimum equity for an Ltd is KM 1)
- ➔ Certified signature of persons authorised to represent the business entities

Fees and charges

- ➔ The Law on Amendments to the Law on Court Fees (Official Gazette of the Republic of Srpska, issue No. 67/13) stipulates that companies are exempt from paying court fees in the registration procedure
- ➔ Fee for entering the foreign trade operations is not paid by companies if the subject of the activity has been indicated in the founding act.
- ➔ Costs of publishing the entry in the Registry of the "Official Gazette of the RS" shall be borne by the applicant (www.slglasnik.org)
- ➔ Costs of publishing the entry in the court register, deletion from the court registry, bankruptcy, winding-up and other court announcements amount to KM 7 per line on an A4 format
- ➔ A company seal may be made by any seal maker, where the court decision on company registration is to be presented. The costs for making the seal amount to KM 35-70.
- ➔ Communal fee for displaying the company sign ranges from KM 400 – 3000, depending on the activity. Each municipality/city in the Republic of Srpska issues a decision prescribing the amount of communal fees.
- ➔ In order to start operating, a company shall buy a fiscal cash register, the costs for which are approximately KM 1000, including installation and contract on annual maintenance.

VAT system

VAT liable persons shall register with the territorially competent regional centre of the Indirect Taxation Authority of BiH.

If the relevant company is estimated to exceed KM 50,000 of annual turnover, it shall be obliged to be entered in the registry of persons liable to indirect taxes (in order to join the VAT scheme) which is done for KM 15 at the Indirect Taxation Authority of BiH. Additional KM 15 shall be paid for foreign trade operations.

Person liable to VAT shall attach to the application form the following documents (original copies or copies certified not more than 60 days prior to that day):

Legal entity:

- ➔ Decision on registration in the court registry with all attachments at all types of VAT registration,
- ➔ Certificate of registration issued by the competent tax administration of the Entity or Brčko District BiH

Physical entity – sole proprietor

- ➔ Decision/approval on performing the activity issued by the competent administrative body, except the physical entity – citizen who wishes to voluntarily register for VAT for the purpose of provisions of Articles 44 (6), 61 and 57 (12) of the VAT Law,
- ➔ Certified copy of the owner's ID card
- ➔ Certificate of registration issued by the competent tax administration of the Entity or Brčko District BiH
- ➔ Original payment slip as the proof of paid administrative fee in the amount of KM 5 (purpose of transfer: fee for application for registration and entry in the Single Register of Persons Liable to Indirect Taxes)
- ➔ Original payment slip as the proof of paid administrative fee in the amount of KM 10 (purpose of transfer: fee for the issuance of administrative decision on registration and entry in the Single Register of Persons Liable to Indirect Taxes)
- ➔ Application for registration and entry in the Single Register of Persons Liable to Indirect Taxes shall be submitted with the competent regional centre – the Tax Unit

Additional information may be obtained at the web site of the Indirect Taxation Authority

<http://www.uino.gov.ba>



Customs number

Application for entry in the register of customs liable persons shall be submitted with the Indirect Taxation Authority of BiH. The registered person in BiH performing foreign trade operations shall attach to the application the following documents in original copies or copies certified not more than 60 days prior to that day:

- ➔ Decision by the competent court (for legal entities) and, for other persons, a decision by another body competent for business activities
- ➔ Certificate of registration issued by the competent tax administration of the Entity or Brčko District BiH
- ➔ Specimen signature card certified by the commercial bank where the transaction account has been opened (for all opened transaction accounts)
- ➔ Original payment slip as the proof of paid administrative fee in the amount of KM 5 (purpose of transfer: fee for application for registration and entry in the Single Register of Persons Liable to Indirect Taxes)
- ➔ Original payment slip as the proof of paid administrative fee in the amount of KM 10 (purpose of transfer: fee for the issuance of administrative decision on registration and entry in the Single Register of Persons Liable to Indirect Taxes)

Additional information may be obtained at the web site of the Indirect Taxation Authority:
<http://www.uino.gov.ba>.

Registration of the company and employees at the RS Tax Administration

The company and employees shall be registered at the Tax Administration. Newly-registered employers are not required to visit individual funds to register own employees for contributions.

Information and form templates available at: <http://www.poreskaupravar.org>.

Meeting the requirements concerning technical equipment, safety at work and the environmental protection and improvement

A company shall perform activity on the premises meeting the requirements concerning technical equipment, safety at work and the environmental protection and improvement, as well as other prescribed requirements.

The Ministry of Labour, War Veterans and Disable Persons' Protection of the RS issues the administrative decision charged KM 10.

Note:

- ➔ A company must have business premises – seat in appropriate office (may not be an apartment or a house) and minimum one employee or a person with an employment contract.
- ➔ Data on certified bookkeeper are desirable.

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Teslić Municipality



Section for Development and
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