

STATUS OF RECOMMENDATIONS

INVESTMENT COUNCIL MEETING

Tirana, 29th June 2016

RECOMMENDATIONS

- TAX INSPECTION- SIMPLIFICATION OF PROCEDURES
- DISPUTE RESOLUTION MECHANISMS BETWEEN ADMINISTRATION-BUSINESS
- BANKRUPTCY
- INVESTMENTS & INCENTIVES
- NOTIFICATION AND PUBLIC CONSULTATION

I. Tax Inspection –Simplification of procedures

IC Recommendations have been included in the draft-law “*On Some Amendments in Tax Procedures*”. PILLARS:

Information & Transparency

- ✓ Prior notification to businesses subject to tax inspection and fiscal visits
- ✓ Obligatory publication of legislation in English language
- ✓ GTD should publish the interest rate applicable on arrears

Tax precedent & standardization

- ✓ GTD should publish its technical decisions and opinions on tax issues, and it will be considered as *tax precedent* for all the similar cases
- ✓ GTD should publish periodically the summary bulletin on court decisions

Other

- ✓ Clearer procedures on authorization of tax re-inspections
- ✓ Shorter time-terms and simplification of procedures on business de-registration
- ✓ Bankruptcy of business debtors as per the provisions of the Law On Bankruptcy and not upon tax administration request.
- ✓ Customs- “*One stop shop application*” to simplify the administrative procedures for businesses. Information related to businesses will be retrieve through the on-line exchange of information with 20 government agencies

II. Dispute resolution public administration – business

Draft-law “On some changes to Tax Procedures” - increased the business guarantees on tax appeal procedures.

Reshaping of TAD role

- ✓ Depending from MoF
- ✓ Established the Board for Reviewing Tax Appeals
- ✓ TAD and Board decisions shall be final and not subject of further appealing from tax administration
- ✓ Clarified the notion of *burden of proof* during the tax appeal process.

Reshaping of Taxpayers’ Advocate role

- ✓ Establishing in perspective an independent entity as Business Ombudsman.

III. Bankruptcy

✓ **DRAFT-LAW “ON BANKRUPTCY”**

IT IS APPROVED FROM COUNCIL OF MINISTERS AND SUBMITTED TO THE ASSEMBLY ON 09.06.2016 UNDER NORMAL REVIEWING PROCEDURE.

IV. Investments and Incentives

- ✓ AIDA in cooperation with Department of Strategic Investments in Council of Ministers are designing and preparing *'incentives mapping'*.
- ✓ AIDA is in process of drafting the *'road map'* on investments in strategic sectors. The road map will assist any kind of proposal for investments to AIDA, providing the potential incentives and procedures.
- ✓ AIDA has available an *Inventory- database of state properties* to be used by strategic investors. The electronic platform of these assets will be *on-line*, as soon as all the public assets included are confirmed as such by the relevant institutions.
- ✓ The restructuring and update of AIDA *official website* is ongoing. By the end of September, AIDA will manage the new website, TEDA's website as well as Electronic Register of strategic investments.

V. Notification and public consultation

- ✓ *Draft-law "On Some Amendments on Tax Procedures" discussed with groups of interest, business associations, businesses, IC Secretariat etc.*
- ✓ Positive initiative from the Ministry of State for Relations with Parliament regarding the application of the Law No. 146/2014 "*On Notification and Public Consultation*". Ministries should insert in the Matrix attached to the project-acts sent for approval to the Council of Ministers, the concrete actions performed for notification and consultation of their proposed acts with groups of interest.

SUMMARY	
RECOMMENDATIONS	35
PROPOSED MEASURES	60
MEASURES REQUESTING LEGAL AMENDMENTS	16
COMPLETED	4 RECOMMENDATIONS (2 legal measure; 2 other measures) & some partially completed
DRAFT-LAW	10 RECOMMENDATIONS (14 legal measures; 5 other measures) & some partially completed
UNDER DISCUSSION AND EVALUATION	13