



## THE PROCEDURE OF REGISTERING A LIMITED LIABILITY COMPANY (LLC) and registration into the Single Register of Indirect Taxpayers

### ■ THE PROCEDURE OF REGISTERING A LIMITED LIABILITY COMPANY

- The Law on the Registration of Business Entities (RS Official Gazette, 67/13), which is in force since December 1, 2013, defines a „one-stop shop“ system of registration of companies.
- The registration is carried out at the Agency for Intermediary, Information and Financial Services (APIF), which obtains the company registration number (JIB) from the RS Tax Administration ex officio and the identifier (JMB) from the RS Institute of Statistics.
- The Law on Companies, regulates the activity of all forms of business companies, and was published in the „RS Official Gazette“, 100/17.

### ■ PREPARATION AND DRAWING UP OF THE ARTICLES OF ASSOCIATION (decision or contract on establishment - notarized documents)

The decision on establishing a limited liability company (d.o.o.) is brought when the founder is a natural or legal person and notary processing is not required, but only notarization of the signature of the founder (if the founder of a single-member limited liability company is a natural person, the cost of signature notarization is BAM 3.50 + 17% VAT, and in case the founder is a legal entity, the cost of signature notarization is BAM 45.00 + 17% VAT). The contract on the establishment of a limited liability company is concluded when the company is founded by two or more natural or legal persons and the contract is notarized.

The following document must be submitted to the notary public:

1. **Name of the founder of the company and his address,**
2. **Name of the company with address,**
3. **Agreement on the lease of business premises (if the company is not in its own premises),**
4. **Identity card of the founder and diploma of the founder (valid passport in case of a non-resident).**

### ■ PAYMENT OF THE CAPITAL CONTRIBUTION IN ONE OF THE COMMERCIAL BANKS

It is necessary to open an account in one of the commercial banks and deposit a capital contribution in the minimum amount of BAM 1.00. To open a temporary account for the establishment of a business company, it is necessary to submit the following documents to the bank:

1. Notarized documentation on the establishment of the limited liability company, that is the decision on the establishment of a single-member limited liability company with a notarized signature,
2. Fill out the application and
3. Pay a deposit in the minimum amount of BAM 1.00.

## ■ THE NECESSARY DOCUMENTS FOR THE REGISTRATION OF LIMITED LIABILITY COMPANY THAT ARE SUBMITTED TO APIF

1. Decision on establishment (the notarization is not required for a single-member limited liability company with a minimum capital contribution of BAM 1.00, and the notarization of the signature is sufficient),
2. Decision on the appointment of a person authorized for representation - director,
3. Statement on accepting the duty of a director (certified by a notary public or in the municipality),
4. OP form - form of certified signatures of persons authorized for representation (certified by a notary public or in the municipality),
5. Identity card for the founder and the director (certified by a notary public or in the municipality),
6. Confirmation of the bank on the payment of the capital contribution,
7. Request for the registration of business entities (completed electronically),
8. Certificate of residence for the person authorized for representation and the founder,
9. Tax certificate for the founder (that there are no outstanding tax liabilities).

### IMPORTANT NOTES:

- \* if the capital contribution is higher than BAM 1.00 or if there is more than one founder, the decision on founding is subject to MANDATORY notarization.
- \* when deciding, the competent court may ask for other documents that are not listed here.
- \* if the director is a foreign citizen, he/she must have a temporary residence permit from the competent authority (Ministry of Security of Bosnia and Herzegovina, Service for Foreigners) and attach a certified photocopy of the permit to the registry court.

## ■ FEES AND CHARGES

1. Pursuant to the Law on Amendments to the Law on Court Fees (RS Official Gazette, 67/13 63/14; 66/18), companies are exempted from paying court fees in the registration process.
2. Companies do not pay the fee for registration of foreign trade turnover if the subject of this activity is included in the articles of association.
3. The costs of publishing the entry in the Register in the „Official Gazette of the Republic of Srpska“ shall be borne by the applicant (<http://slglasnik.org/oglasavanje-u-sluzbenom-glasniku/>).
4. Publication of entries in the court register, deletion from the court register, bankruptcy, liquidation and other court notices cost BAM 7.00 per typed line in A4 format.
5. The seal of a business company can be made in any seal maker shop, where it is necessary to submit a decision on the registration of the business company for insight. Price of the seal ranges from BAM 35.00 to 70.00.
7. In order for the company to start operating, it is necessary to purchase a fiscal cash register, the cost of which is approximately BAM 1,000.00, including the cost of installation and the contract on annual maintenance.

## ■ VAT NUMBER

Registration of taxpayers of indirect taxes is performed by the Tax Department of the Indirect Taxation Authority. All rules and conditions for the registration of taxpayers are defined in the Rulebook on Registration and Entry in the Unified Register of Indirect Taxpayers („Official Gazette of Bosnia and Herzegovina“, 51/12; 68/16).

In case of a company that is estimated to have an annual income of more than BAM 100,000.00, it is mandatory to carry out the registration in the register of indirect tax payers (in order to enter the VAT system), which is carried out in the BiH Indirect Taxation Authority, and the fee in the amount of BAM 15.00 is paid. An additional BAM 15.00 is paid for foreign trade transactions.

A person liable to VAT shall submit the following documents attached to the application (as photocopies accompanied with the original or as certified photocopies), the certification of which is not older than 60 days:

Legal entity:

1. **a decision on entry in the court register for all VAT registrations;**
2. **a registration certificate issued by the competent tax administration of the entities or the Brčko District of BiH;**
3. **ID card of the owner and responsible persons of the legal person, the applicant;**
4. **a document of the competent authority in compliance with the regulations regulating the field of work and residence of foreigners in BiH, for the foreign citizen responsible person;**
5. **power of attorney authorising a BiH citizen to represent a taxpayer in proceedings with the ITA, in case of absence of the responsible person-foreign citizen;**
6. **a passport or another identification document for the owner and the responsible person-foreign citizen and**
7. **specimen signature card certified by the commercial bank at which the transaction account was opened (for all open transaction accounts) and a notification regarding the main account designated with an authorised payment organisation, pursuant to the entities' regulations on internal payment system.**

Natural person – entrepreneur:

1. **decision/approval by the competent administrative authority for the performance of an activity, except for a natural person – citizen being registered for VAT within the meaning of the provisions of Article 44, paragraph 6), Article 61 and Article 57, paragraph (1) and paragraph (12) of the Law on VAT;**
2. **applicant's ID card;**
3. **a registration certificate issued by the competent tax administration of the entities or the Brčko District of BiH, (except for a natural person – citizen being registered for VAT within the meaning of the provisions of Article 44, paragraph (6), Article 61 and Article 57, paragraph (1) and paragraph (12) of the Law on VAT);**
4. **specimen signature card certified by the commercial bank at which the transaction account was opened (for all open transaction accounts) or other proof of an open transaction account for a natural person – citizen performing a taxable activity and a notification regarding the main account, designated with an authorized payment organization, pursuant to the entities' regulations on the internal payment system;**
5. **a document of the competent authority in compliance with the regulations regulating the field of work and residence of foreigners in BiH and a passport or other identification document for a natural person-entrepreneur, a foreign citizen and**
6. **power of attorney authorizing a BiH citizen to represent a taxpayer in proceedings with the ITA, in case of absence of the natural person-entrepreneur, foreign citizen.**

A person liable to VAT shall submit the following documents attached to the application:

- An original payment slip as proof of having paid the administrative fee in:
  1. the amount of BAM 10.00 as the fee for the request on registration and entry in the Single Register of Indirect Taxpayers;
  2. the amount of BAM 10.00 as the issuance fee for the decision on registration and entry in the Single Register of Indirect Taxpayers;
  3. the amount of BAM 20.00 issuance fee for a certificate of registration/entry in the Single Register of Indirect Taxpayers.
- **The request for registration and entry in the Single Register of Indirect Taxpayers shall be submitted at the competent regional centre – Tax Division.**

In case the registration and entry in the Single Register of Indirect Taxpayers is requested on multiple grounds, the documentation that is common is submitted in only one copy. All additional information can be found on the website of the Indirect Taxation Authority:

[www.uino.gov.ba](http://www.uino.gov.ba).

## CUSTOMS NUMBER

The request for the entry in the Single Register of Indirect Taxpayers for foreign trade activities is also performed by the BiH Indirect Taxation Authority. A person registered in BiH for foreign trade business activities shall submit the following documents attached to the request in the form of the original document or certified copies not older than 60 days:

1. **for legal persons – a decision of the competent court, and for other persons – a decision of another competent authority, on allowing foreign trade activities;**
2. **A registration certificate issued by the competent tax administration of the entities or the Brčko District of BiH;**
3. **A specimen signature card certified by the commercial bank at which the transaction account was opened (for all open transaction accounts);**
4. **ID cards of the owner and responsible persons of the legal person; the applicant;**
5. **work permit and registration of temporary place of residence issued by competent authority of the entities or the Brčko District of BiH, for the responsible person - foreign citizen;**
6. **a passport for the owner and the responsible person-foreign citizen;**
7. **power of attorney authorizing a BiH citizen to represent a taxpayer in proceedings with the ITA, in case of absence of the responsible person-foreign citizen.**

The request for registration and entry in the Single Register of Indirect Taxpayers is submitted on the ZR1 form. The request may be submitted for registration and entry on one or multiple grounds.

Registration and entry in the Single Register of Indirect Taxpayers can be performed on the following grounds:

- a) **registration for VAT and/or;**
- b) **conducting foreign trade activities and/or;**
- c) **performance of international freight forwarding activities and/or;**
- d) **registration for excise duty.**

All additional information can be found on the website of the Indirect Taxation Authority:

[www.uino.gov.ba](http://www.uino.gov.ba).

## REGISTRATION OF THE COMPANY AND EMPLOYEES TO THE REPUBLIC OF SRPSKA TAX ADMINISTRATION

- Registration of taxpayers is a procedure in which company registration number (JIB) is assigned to a person who is a taxpayer, whereby the competent organizational unit of the Tax Administration enters identification data about the taxpayer.
- Taxpayers submit the request for registration on the following forms: PR-1 - Request for registration of a legal person or PR-2 - Request for registration of an entrepreneur or PR-3 - Request for registration of a foreigner.
- The request must be submitted in two copies in person or by mail to the address of the regional unit of the Tax Administration, indicating the name of the tax request.
- All conditions and methods of registration and identification of taxpayers are defined by a special Rulebook („RS Official Gazette“, 04/13).

- Newly registered employers do not have to go to the funds individually to register their employees for contributions.
- Applications for registration in the Single system of registration, control and collection of contributions are carried out via the Application/Change/Unsubscribe form for payment of contributions.

Information and forms at: [www.poreskaupravars.org](http://www.poreskaupravars.org).

## ■ FULFILLMENT OF REQUIREMENTS REGARDING TECHNICAL EQUIPMENT, SAFETY AT WORK AND ENVIRONMENTAL PROTECTION AND IMPROVEMENT

- The company must carry out its activity in an area that meets the requirements in terms of technical equipment, occupational safety (Law on Safety at Work „RS Official Gazette“, 01/08) and environmental protection and improvement (Law on Environmental Protection of the RS „Official Gazette 71/12 and 79/15), as well as other defined conditions.
- The decision is issued by the Ministry of Labour and War Veterans' and Disability Protection of the RS, and the fee for issuing this decision is BAM 10.00.

Note:

- \* The company must have business premises - headquarters in a suitable office (it cannot be an apartment or a house) and at least one employee,
- \* Information about the authorized accountant is also desirable.

Updated in June 2024



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