

## De-registration of taxpayers, legal persons, that conduct profitable economic activities

### **1. De-registration through liquidation**

The taxpayers, legal persons, that conduct profitable economic activities, shall be de-registered as per the provisions of the Law “On the National Business Centre” and upon fulfilling all the liquidation procedures recognized by the Law “On entrepreneurs and companies”. The request for de-registration shall be submitted at the NBC, pursuant to the procedures determined in the Law “On the National Business Centre”.

Upon receiving the request for de-registration from the taxpayers, the National Business Centre shall immediately inform the competent tax authority to register the opening of procedures for liquidation or the request for de-registration of the natural person or the application for de-registration of the legal person even in the case of an application for de-registration without performing liquidation.

Upon submission of the final report and balance sheet of the liquidation from the liquidator at the National Business Centre, the latter shall inform the Tax Administration. Upon receiving this notification, no more tax declarations shall be generated by the system for the succeeding period for this taxpayer. Within 10 working days from the date of submission of the request for de-registration, the Tax Administration shall be obliged to verify the tax situation of the legal person.

The verification shall include all types of tax liabilities of the taxable person, including the social insurances and health care contributions, as well as fines and actual late payment interests related to these liabilities. When, based on the risk analysis, the tax authority deems that it is necessary to conduct an inspection on the business premises where the entity operates, then this deadline cannot be longer than 30 working days, including the inspection.

The National Business Centre cannot perform the de-registration if, within the deadline of 30 days, mentioned in paragraph 4 of this Article, the Tax Administration rejects in writing the de-registration. Such rejection to de-register the taxpayer from the Tax Administration shall indicate the amount of outstanding tax liabilities of the taxpayer and, in the case of a legal person, the fact that he has not submitted financial statements for the closure of activity till the moment of liquidation, or has not submitted the tax declarations. The rejection from the Tax Administration shall be considered valid even when sent electronically as per the electronic protocol for exchanging data among NBC and the Tax Administration.

In case the tax authority does not respond to the NBC or court within the deadline, the NBC or court shall automatically de-register the entity and inform on the same day the Tax Authority and taxpayer as well.

When the entities registered at the National Business Centre or court appear to have tax liabilities, they shall be automatically de-registered upon having paid all the tax liabilities, including liabilities that arise in case when the de-registration is carried out with liquidation. When the entity pays the tax liabilities, the tax authority shall immediately after inform the NBC or the court and entity, that the entity does not have any outstanding tax liabilities. When the rejection to de-register from tax authorities comes due to the failure to submit financial statements or tax declarations, then, upon submitting them, the competent tax authority shall immediately after withdraw the rejection for de-registration and the National Business Centre immediately de-registers the taxpayer.

If, despite the payment of liabilities, for which de-registration has been rejected, the competent tax authority has not withdrawn the rejection, then the entity shall submit at the National Business Centre the document certifying the payment of these tax liabilities. In such case, the National Business Centre shall immediately de-register the entity and immediately inform the competent tax authority and taxpayer. Pursuant to this Article and Instruction, from the very first moment when the de-registration procedure begins till the final de-registration, the taxpayers shall be simultaneously informed on any procedure performed by the tax authority and NBC.

If the Tax Authority fails to respond to the NBC and the court within the deadline, then the NBC or court shall automatically deregister the entity and inform in the same day the Tax Authority and the taxpayer as well. In such case, the responsibility falls upon the Regional Directorate of Taxes, whose director analyses the personal responsibility of the tax employees and proposes the respective disciplinary or criminal legal measures against them. For any deregistration of the taxable persons, the National Business Centre shall inform the Regional Directorate of Taxes of the respective jurisdiction.

## ***2. Effects of de-registration***

Upon deregistration, the taxpayer being de-registered shall submit the Certificate of Registration at the National Business Centre and in the Regional Directorate of Taxes of the jurisdiction accordingly.

Regarding the period prior to de-registration, the potential unpaid tax liabilities, including here also any fine or late payment interest, shall remain in force and, to collect them, all the measures of forced collection determined by the law and this instruction, shall continue to be undertaken.

## **CAREFUL!**

The tax de-registration shall not eliminate the existing tax liabilities and shall not prevent the Tax Administration from evaluating and collecting the tax liabilities.