# CROATIAN TAX SYSTEM
(as of January 2019)

<table>
<thead>
<tr>
<th>TAX</th>
<th>TAXPAYER</th>
<th>TAX BASE/OBJECT OF TAXATION</th>
<th>TAX RATE/AMOUNT OF TAX</th>
<th>LEGAL ACT</th>
</tr>
</thead>
</table>
| **VALUE ADDED TAX** | Any person who independently carries out any economic activity | - Supply of goods and services in Croatia  
- Intra-Community acquisition of goods  
- Importation of goods | 5%, 13% and 25% | Value Added Tax Act: OG 73/13, 148/13, 143/14, 115/16, 106/18  
Decisions of the Constitutional Court: OG 99/13, 153/13  
Regulation on VAT: OG 79/13, 85/13-corr., 160/13, 35/14, 157/14, 130/15, 17/17, 128/17, 1/19  
Other regulation: OG 79/13, 160/13, 81/15, 1/17, 132/17  
Instruction on the tax and customs exemptions: OG 41/08  
| **EXCISE TAXES** | | | | |
| **1. ENERGY PRODUCTS AND ELECTRICITY** | Producer or importer, legal excise warehouse keeper, and alike | Energy products used as propellant, for heating, and electricity | | |
| 1. Petrol used as propellant:  
- leaded: HRK 4,500/1,000 l  
- unleaded: HRK 3,860/1,000 l | Excise Tax Act: OG 106/18  
Regulation on excise taxes: OG 1/19  
Other different regulations  
Decree on the level of excise tax: OG 4/10, 109/13, 48/14, 43/15 |
| 2. Gas oil used:  
- as propellant: HRK 3,060/1,000 l  
- for heating: HRK 423/1,000 l | | | |
| 3. Kerosene used:  
- as propellant: HRK 2,660/1,000 l  
- for heating: HRK 1,752/1,000 l | | | |
| 4. LPG used as:  
- propellant and for heating: HRK 100/1,000 kg | | | |
| 5. Heavy fuel oil: HRK 160/1,000 kg | | | |
| 6. Natural gas used:  
- as propellant: HRK 0.00/MWh  
- for heating (business): HRK 4.05/MWh  
- for heating (non-business): HRK 8.10/MWh | | | |
| 7. Coal and coke: HRK 2.30/GJ | | | |
| 8. Electricity:  
- business use: HRK 3.75/MWh  
- non business use: HRK 7.50/MWh | | | |
| 9. Biofuels: HRK 0.00 | | | |
| **2. TOBACCO PRODUCTS** | Producer or importer of tobacco products, legal excise warehouse keeper, and alike | Cigarettes, cigars, cigarillos and tobacco | | |
| 1. Cigarettes:  
- specific: HRK 335/1,000 pieces  
- proportional: 34% of the retail price | Excise Tax Act: OG 106/18  
Regulation on excise taxes: OG 1/19  
Other regulation: OG 7/17  
Decree on the level of excise tax: OG 106/18 |
| 2. Tobacco: HRK 600/kg | | | |
| 3. Cigars and cigarillos: HRK 600/1,000 pieces | | | |
### 3. ALCOHOL AND ALCOHOLIC DRINKS
Producer or importer of alcohol and alcohol drinks, legal excise warehouse keeper, and alike

| Beer, still and sparkling wines, intermediate products, ethyl alcohol | 1. **Beer**: HRK 40/hl for 1% of alcohol in 1 hl |
| - **Small breweries (up to 125,000 hl/ per annum)**: HRK 20-26/hl |
| - **Wine and sparkling wines**: HRK 0.00 |
| - **Intermediate products**: HRK 500-800/hl |
| - **Ethyl alcohol**: HRK 5,300/hl of pure alcohol |
| - **Small producer of strong ale. drinks**: HRK 2,650/hl pure alcohol |

Excise Tax Act: OG 106/18
Regulation on excise taxes: OG 1/19
Other regulation: OG 7/17

### SPECIAL TAXES

#### 1. SPECIAL TAX ON COFFEE
Legal excise warehouse keeper, producer and salesman, receiver, person illegally handling coffee in Croatia

| Kilo of roasted coffee, different products containing coffee or coffee extracts | Roasted coffee and products: HRK 6-20/kg, depending on the type of coffee or coffee product |

Excise Tax Act on Coffee and Non-alcoholic Drinks: OG 72/13
Regulation: OG 101/16

#### 2. SPECIAL TAX ON NON-ALCOHOLIC DRINKS
Legal excise warehouse keeper, producer and salesman, receiver, person illegally handling non-alcoholic drinks in Croatia

| Hectoliter of non-alcoholic drink | HRK 40-240/hl |

Excise Tax Act on Coffee and Non-alcoholic Drinks: OG 72/13
Regulation: OG 101/16

#### 3. SPECIAL TAXES ON MOTOR VEHICLES
A) New motor vehicles
- Legal and natural persons acquiring or importing a motor vehicle in Croatia
  - personal cars and other motor vehicles for transport of passengers,
  - motorcycles, bicycles and other
  - pick-up vehicles with double cabin
  - ATV
  - other motor vehicles

According to the formula including:
1) selling price,
2) average CO₂ emissions depending on the type of fuel,
3) engine power in kW,
4) engine capacity in cm³,
5) level of gas emission.

- motor vehicles produced before 30 years (not oldtimers)
  - lump sum of HRK 2,000

Regulation on excise taxes: OG 1/17, 2/18
Other regulations: OG 26/10
Decree on the calculation of the special tax on motor vehicles: OG 109/18

B) Second-hand vehicles
- Legal and natural persons residents in Croatia acquiring used motor vehicles in Croatia (Article 26 of the Excise Act)
  - market price

Special method of calculation

#### 4. TAX ON LIABILITY AND COMPREHENSIVE ROAD VEHICLE INSURANCE PREMIUMS
Insurance company

| a) Insurance premiums for auto responsibility | a) 15% |
| b) Premiums for comprehensive motor (car) insurance | b)10% |

Tax Act on Insurance Premiums for Cars: OG 150/02
Regulation: OG 16/03, 1/17
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<th>TAX ON GAINS FROM THE GAMES OF CHANCE</th>
<th>Organizer of the game</th>
<th>Natural persons realizing the gain</th>
<th>Tax on the gain</th>
<th>Act on the Games of Chance: OG 87/09, 35/13, 158/13, 41/14, 143/14</th>
<th>Different Regulations</th>
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<tbody>
<tr>
<td>- Different fees</td>
<td>- VAT</td>
<td>- Different amounts</td>
<td>- HRK 750-10,000: 10%</td>
<td></td>
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<tr>
<td>- HRK 10,000 – 30,000: 15%</td>
<td>- HRK 30,000 -500,000: 20%</td>
<td>- over HRK 500,000: 30%</td>
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</table>

| PERSONAL INCOME TAX                    | Natural person realizing taxable income | Total income realized in Croatia and abroad (for foreign taxpayer’s income realized in Croatia) reduced for personal allowance | 24% and 36% 12% ( withholding tax for special kind od income) | Income Tax Act: OG 115/16, 106/18 | Regulation: OG 10/17, 128/17, 106/18, 1/19 |
|                                        |                                     |                                                                                |                                                                                          |                                              |                                              |
|                                        |                                     |                                                                                |                                                                                          | Other regulations: OG 1/17, 20/17, 62/17, 1/19 |                                              |

| CORPORATE INCOME TAX                   | A company or some other legal entity that carries on some activity for the sake of making a profit. | Profit (difference between revenues and expenditures) | -12% on the tax base up to HRK 3,000,000.00 in the tax period -18% on the tax base over HRK 3,000,000.01 in the tax period | Profit Tax Act: OG 177/04, 90/05, 57/06, 146/08, 80/10, 22/12, 148/13, 143/14, 50/16, 115/16, 106/18 | Regulation: OG 95/05, 133/07, 156/08, 146/09, 123/10, 137/11, 61/12, 146/12, 160/13, 12/14, 157/14, 137/15, 1/17, 2/18, 1/19 |
|                                        | Resident business entity of foreign company. |                                                                 |                                                                                          |                                              |                                              |
|                                        |                                     |                                                                                |                                                                                          |                                              |                                              |
|                                        |                                     |                                                                                |                                                                                          |                                              |                                              |
|                                    |                                     |                                                                                |                                                                                          |                                              |                                              |

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<tr>
<th>REAL ESTATE TRANSFER TAX</th>
<th>Buyer of the real property</th>
<th>Market value of the real property</th>
<th>3%</th>
<th>Real Property Transaction Tax Act: OG 115/16, 106/18</th>
<th>Regulation: OG 1/17, 33/17-corr.</th>
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<tr>
<th>LOCAL TAXES</th>
<th>Local Taxes Act: OG 115/16, 101/17</th>
<th>Regulations: OG 1/17</th>
<th>Act on Financing Local and Regional Entities: OG 127/17</th>
</tr>
</thead>
</table>

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<tr>
<th>1. INHERITANCE AND GIFT TAX</th>
<th>Legal and natural person who have inherited property, including cash or monetary claims, or received it as a gift in Croatia</th>
<th>cash, money claims, shares and movables if the their respective value is greater than HRK 50,000</th>
<th>4%</th>
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<tr>
<th>2. MOTOR VEHICLE TAX</th>
<th>Legal and natural person owner of registered passenger car, motorbike and four wheels bike</th>
<th>a) engine power in kW; b) age in years</th>
<th>Passenger cars: a) more than 0 up to over 130kW b) more than 0 up to 10 years tax: HRK 200-1,500 per year Motorbikes: a) more than 0 up to over 80kW b) more than 0 up to 10 year tax: HRK 50-1,200 per year Four wheel bikes: a) more than 0 up to over 15kW b) more than 0 up to 10 years tax: HRK 30-140 per year</th>
</tr>
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</table>
### 3. BOAT TAX
- **Legal and natural person owners of boats**
- **Boats depending of the length, cabin, engine power and form of power (engine or sailing boat)**
- **HRK 200-5,000 per year**

### 5. CONSUMPTION TAX
- **Legal and natural person in the catering business**
- **Retail price of alcoholic and non-alcoholic beverages sold in bars and restaurants**
- **Up to 3 %**

### 6. HOLIDAY HOUSE TAX
- **Legal and natural person owner of the holiday house**
- **Square meter of usable surface depending on location, age, condition of infrastructure**
- **From HRK 5 to 15 per m² per year**

### 7. PUBLIC LAND USE TAX
- **Natural and legal persons users of public areas**
- **Size of the used public area**
- **Set by local entities**

### 8. LOCAL SURTAX
- **Income tax taxpayers**
- **State income tax**
- 1. municipality up to 10%
- 2. town under 30,000 inhabitants up to 12%
- 3. town over 30,000 inhabitants up to 15%
- 4. Zagreb up to 18%

All other regulations relevant to taxation and excise duties can be found on the web sites of the [Tax Administration](#) and [Customs Administration](#)