



**Voluntary  
Fulfillment of  
obligations**

**Professional,  
transparent and  
effective services**

**Fair and equal  
application of  
tax laws**

# **WORK REPORT**

## **JANUARY - DECEMBER 2024**

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## 1. REVENUES

### 1.1 Revenues and their structure

The Tax Administration of Kosovo, during the reporting period has had revenues in the amount of over EUR 954.2 million. Compared to the same period last year,<sup>1</sup> revenues are higher by 12.0% or expressed in value by EUR 102.1 million. Whereas, compared to the plan, revenues decreased by EUR 9.5 million or expressed as a percentage by 1.0%.

Pension contributions for this period were collected in the amount of EUR 311.6 million.<sup>2</sup> Total Taxes and Pension Contributions  $954.2 + 311.6 = 1.3$  billion EUR, which compared to the same period last year were collected EUR 131.9 million more.

During this period, TAK has developed important activities which have a special role in realizing its mission and vision as a modern administration.

TAK is based on the Strategic Plan for the period 2022-2026, where through this strategy provides professionalism, integrity, efficiency and excellence of services are envisaged.

Despite the challenges they tackle, TAK is determined to continue with the commitment to achieve further success in its mission of revenue collection while respecting the legal framework. TAK will continuously make efforts to increase voluntary compliance, by providing professional, transparent and effective services, in a fair and equal implementation of tax laws.

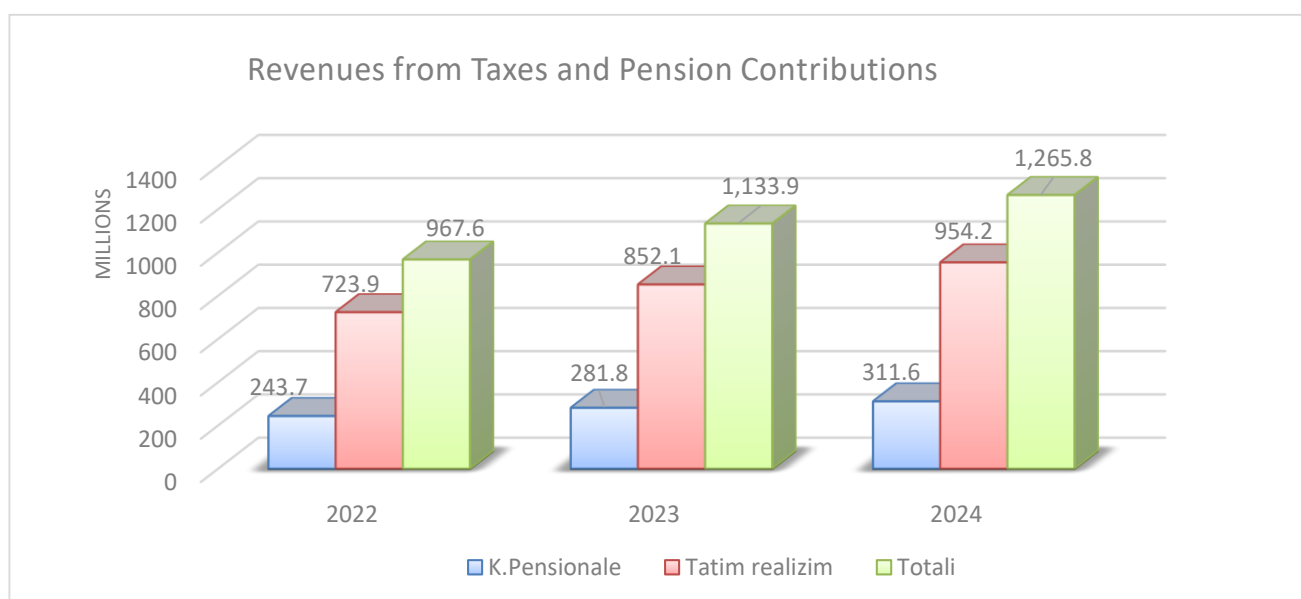


Chart 1: Graphic presentation of realized revenues and pension contributions by years 2022-20 24

<sup>1</sup>Tax revenues have been negatively affected by the application of new personal income tax rates that began in August 2024.

<sup>2</sup>Income from Pension Contributions for this period refers to the date of payment, which may consequently change with their later processing (January-December /2022, 2023, data was extracted on 08.01.2025)

## 1.2 Revenues by month

Revenue trend by months, in January 2024, compared to the same period of 2023, revenues were higher by 15.0%, in February were higher by 15.5%, in March revenues were higher by 5.1%, in April were higher by 12.3%, in May revenues were higher by 8.0%, in June were higher by 13.1%, in July were higher by 13.5%, in August were higher by 0.8%, in September revenues were higher by 1.4%, in October were higher by 21.1%, in November were higher by 13.1%, and in December revenues were higher by 19.1% compared to the same period of last year.

Compared to the plan, January - December 2024 of EUR 963.7 million, for this period, revenues were realized less by 1.0%, or by EUR 9.5 million.

In the following, we present the realized revenues by month, compared to the plan and previous years:

| Month            | Realization by years |             |             | % of participation | Plan 2024   | Comparison of realization-plan 2024 | Comparison of realization 2024/2023 |
|------------------|----------------------|-------------|-------------|--------------------|-------------|-------------------------------------|-------------------------------------|
|                  | 2022                 | 2023        | 2024        |                    |             |                                     |                                     |
| 1                | 2                    | 3           | 4           | 5=4/Σ              | 6           | 7=4/6                               | 8=4/3                               |
| January          | 81,172,872           | 96,720,228  | 111,222,126 | 11.7%              | 106,962,503 | 104.0%                              | 115.0%                              |
| February         | 43,719,401           | 52,612,512  | 60,784,416  | 6.4%               | 57,035,173  | 106.6%                              | 115.5%                              |
| March            | 52,759,958           | 61,118,829  | 64,224,424  | 6.7%               | 66,873,088  | 96.0%                               | 105.1%                              |
| April            | 91,802,769           | 107,110,611 | 120,267,929 | 12.6%              | 117,659,001 | 102.2%                              | 112.3%                              |
| May              | 43,272,030           | 55,191,168  | 59,614,011  | 6.2%               | 61,923,407  | 96.3%                               | 108.0%                              |
| June             | 42,801,412           | 50,473,712  | 57,099,935  | 6.0%               | 61,982,423  | 92.1%                               | 113.1%                              |
| July             | 80,366,982           | 91,596,316  | 103,974,565 | 10.9%              | 105,977,496 | 98.1%                               | 113.5%                              |
| August           | 51,303,687           | 64,329,316  | 64,848,275  | 6.8%               | 70,893,705  | 91.5%                               | 100.8%                              |
| September        | 55,574,648           | 64,971,461  | 65,870,866  | 6.9%               | 74,739,947  | 88.1%                               | 101.4%                              |
| October          | 80,840,389           | 93,682,893  | 113,437,287 | 11.9%              | 106,218,335 | 106.8%                              | 121.1%                              |
| November         | 49,952,481           | 55,023,412  | 62,208,742  | 6.5%               | 64,673,052  | 96.2%                               | 113.1%                              |
| December         | 50,365,629           | 59,309,507  | 70,665,100  | 7.4%               | 68,761,870  | 102.8%                              | 119.1%                              |
| Total            | 723,932,258          | 852,139,963 | 954,217,676 | 100.0%             | 963,700,000 | 99.0%                               | 112.0%                              |
| January-December | 723,932,258          | 852,139,963 | 954,217,676 | 100.0%             | 963,700,000 | 99.0%                               | 112.0%                              |
| Pension cont.    | 243,711,590          | 281,769,971 | 311,567,834 |                    |             |                                     |                                     |

Table 1: Revenues realized by months 2022-2024

Source: MFLT-Treasury / TA

## 1.3 Revenues by type of taxes

In the structure of revenues by type of taxes, VAT has the largest share with 49.1%, followed by Corporate Tax with 21.4%, WT - other salaries with 16.2%, WT - budget salaries with 5.0%, Individual Businesses Tax with 4.5% and Interest Tax, Dividends, Property Rights, Rent and Games of Chance with 3.8%.

Table of revenues by type of taxes:

| Tax accounts                    | Revenues for the period January-December/2022-2024 |             |             | %      | Plan 2024   | Comparison |        |
|---------------------------------|----------------------------------------------------|-------------|-------------|--------|-------------|------------|--------|
|                                 | 2022                                               | 2023        | 2024        |        |             | 7=4/6      | 8=4/3  |
| 1                               | 2                                                  | 3           | 4           | 5=4/Σ  | 6           | 7=4/6      | 8=4/3  |
| Value added tax                 | 346,560,239                                        | 409,726,488 | 468,522,744 | 49.1%  | 467,266,319 | 100.3%     | 114.4% |
| Tmb-budgetary salaries          | 35,918,354                                         | 45,835,345  | 47,490,389  | 5.0%   | 48,401,163  | 98.1%      | 103.6% |
| Tmb-other salaries              | 110,187,246                                        | 136,351,336 | 155,036,635 | 16.2%  | 151,236,118 | 102.5%     | 113.7% |
| Tax for Individ. Bussineses     | 40,634,436                                         | 41,001,897  | 42,608,497  | 4.5%   | 51,429,010  | 82.8%      | 103.9% |
| Interest, rent, property rights | 30,099,668                                         | 33,845,594  | 36,669,910  | 3.8%   | 40,340,786  | 90.9%      | 108.3% |
| Corporate tax                   | 160,532,315                                        | 185,379,303 | 203,889,502 | 21.4%  | 205,026,604 | 99.4%      | 110.0% |
| Total                           | 723,932,258                                        | 852,139,963 | 954,217,676 | 100.0% | 963,700,000 | 99.0%      | 112.0% |

Table 2: Revenues realized by type of taxes, compared to previous years

Source: MF-Treasury/TAK

Revenue structure for the period January-December/2024, according to tax accounts

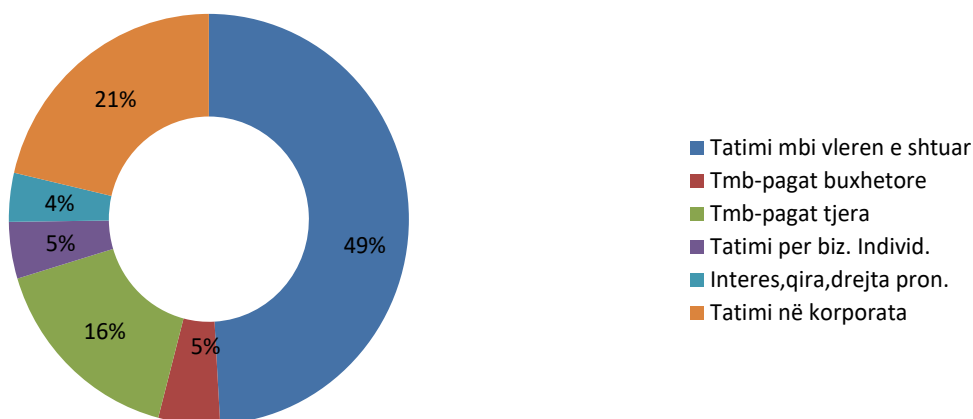


Chart 2: Graphical presentation by type of taxes

Source: MFLT-Treasury/TAK

#### LEGEND:

VAT - Value Added Tax

CD - Corporate Tax

WT - Other salaries

WT - Budget salaries

PD - Individual Businesses Tax

WR – Interest tax, Dividends, Property Rights, Rent, Lottery and Games of Chance

## 2. OPERATIONS

The Operations Department is responsible for heading the primary operational activities in the Tax Administration, either directly or through subordinate directors. The Operations Department is responsible for overseeing the implementation of operational plans in the field, increasing the level of compliance and ensuring proper implementation of tax laws. Operations using data from risk management lead activities in LTD, MTD and Regions, including planning and conducting compliance audits, control and mandatory collection through the selection of taxpayers according to their segments and sector risks.

With the use of tools combined with a case management system, the Department of Compliance Operations has the task of influencing the increase of operational activities and compliance management within TAK.

### 2.1 Operations in LTD-MTD and Regional Directorates

Operations in LTD, MTD and Regional Directorates have acted based on the TAK Strategy 2022-2026, the Annual Work Plan for 2024, as well as the Detailed Risk Management Plan for 2024, focusing on the segmentation of taxpayers in general, with a special focus on the equal and fair treatment of all taxpayers. This proactive approach has led to the tax base expansion and fulfilment of tax obligations by taxpayers. For the purpose of equal treatment of all taxpayers, the focus has been oriented towards all those taxpayers who, based on the risk analysis - risk indicators, result to have under-declaration and payment of tax, continuous VAT crediting and continuous losses presented in annual declarations.

### 2.2 Revenues in LTD-MTD and Regional Directorates 2022 -2024

In the total amount of revenues realized for this period in the amount of over EUR 954.2 million, the Large Taxpayers Department (LTD) participates with 44.0%, or expressed in the value of EUR 419.5 million, the Medium Taxpayers Department (MTD) participates with 19.3%, or expressed in the value of over EUR 183.9 million, followed by Prishtina 1 region with 8.7%, the Head Office (Budget salary) with 5.0%, Prishtina 3 with 4.5%, Prishtina 2 with 4.2%, Ferizaj with 2.8%, Prizren 1 with 2.8%, Peja with 2.3%, Mitrovica with 1.7%, Gjilan with 2.0%, Prizren 2 with 1.6% and Gjakova with 1.2%. Compared to last year, revenues have increased by 12.0%.

Table of revenues in LTD, MTD and Regional Directorates 2022-2024<sup>3</sup>:

| Region         | Revenues by year |             |             | %      | Plan 2024   | Ccomparison |        |
|----------------|------------------|-------------|-------------|--------|-------------|-------------|--------|
|                | 2022             | 2023        | 2024        |        |             | 7=4/6       | 8=4/3  |
| 1              | 2                | 3           | 4           | 5=4/Σ  | 6           | 7=4/6       | 8=4/3  |
| LTD            | 353,784,187      | 392,642,248 | 419,465,496 | 44.0%  | 444,139,511 | 94.4%       | 106.8% |
| MTD            | 133,226,176      | 165,414,356 | 183,858,099 | 19.3%  | 186,520,643 | 98.6%       | 111.2% |
| Prishtina 1    | 51,569,977       | 69,390,341  | 83,289,509  | 8.7%   | 78,662,410  | 105.9%      | 120.0% |
| Prishtina 2    | 26,717,908       | 33,220,059  | 39,658,628  | 4.2%   | 38,654,555  | 102.6%      | 119.4% |
| Prishtina 3    | 30,222,613       | 35,146,255  | 43,019,186  | 4.5%   | 41,293,134  | 104.2%      | 122.4% |
| Mitrovica      | 12,970,148       | 14,203,364  | 16,652,494  | 1.7%   | 15,842,567  | 105.1%      | 117.2% |
| Peja           | 14,345,981       | 16,661,141  | 22,088,502  | 2.3%   | 19,307,849  | 114.4%      | 132.6% |
| Prizren 1      | 16,232,485       | 20,329,814  | 26,507,719  | 2.8%   | 23,086,620  | 114.8%      | 130.4% |
| Prizren 2      | 9,415,570        | 12,447,116  | 15,021,474  | 1.6%   | 14,127,520  | 106.3%      | 120.7% |
| Ferizaj        | 18,854,333       | 22,086,932  | 26,604,351  | 2.8%   | 25,469,604  | 104.5%      | 120.5% |
| Gjilan         | 11,565,693       | 14,517,041  | 19,106,203  | 2.0%   | 16,780,788  | 113.9%      | 131.6% |
| Gjakova        | 9,108,833        | 10,245,952  | 11,455,627  | 1.2%   | 11,413,636  | 100.4%      | 111.8% |
| Central Office | 35,918,354       | 45,835,345  | 47,490,389  | 5.0%   | 48,401,163  | 98.1%       | 103.6% |
| Total          | 723,932,258      | 852,139,963 | 954,217,676 | 100.0% | 963,700,000 | 99.0%       | 112.0% |

Table 3: Revenues realized compared to the plan for LTD, MTD and Regional Directorates 2022 -202 4

Source: Information Technology (SharePoint)

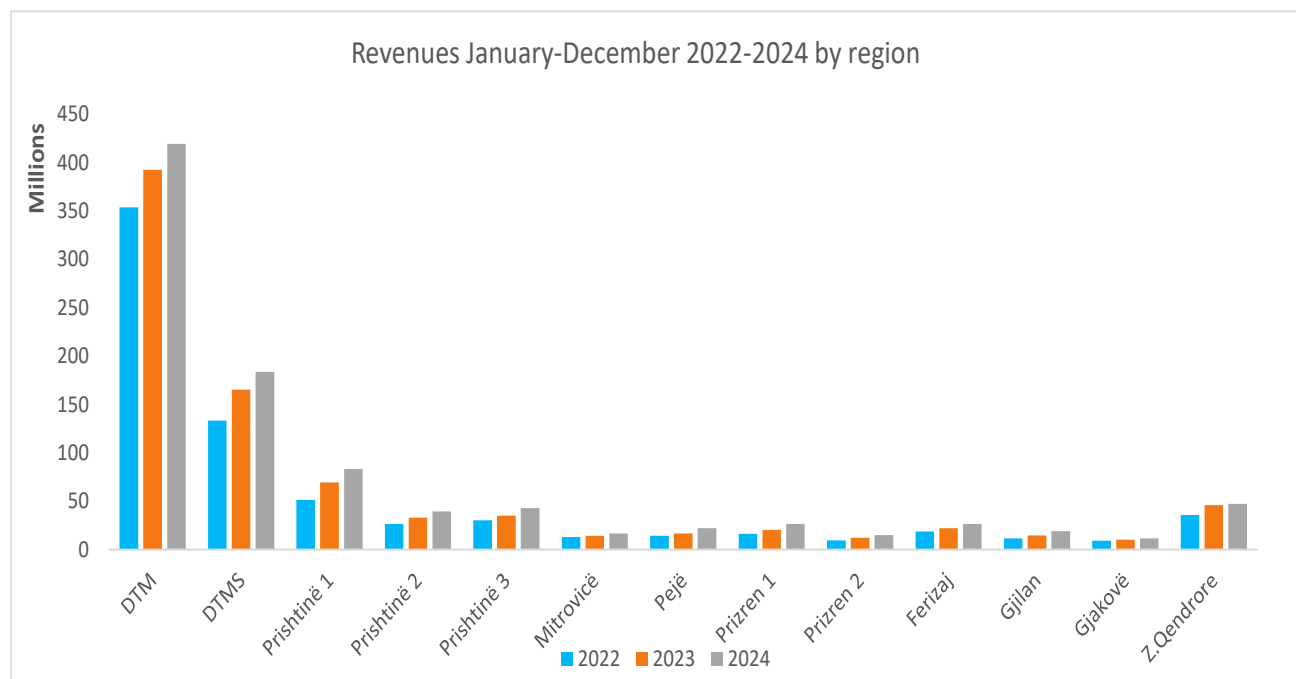


Chart 3: Graphic presentation of revenues by Regional Directorates

Source: Information Technology (SharePoint)

<sup>3</sup>The failure of LTD to implement the plan is a consequence of introducing a greater burden on LTD during the revenue projection against the evaluation criteria, all of this as a result of internal distribution of revenues, while failure of MTD to implement the plan is a consequence of the displacement of revenues by some taxpayers through the establishment of new businesses in other regions.

## 2.3 Revenues grouped in LTD, MTD and Regional Directorates

Based on revenues realized according to LTD, MTD and two other groups of regions, we have the following situation: in LTD, compared to the same period last year, the percentage of realization is higher by 6.8%, in MTD the percentage of realization is higher by 11.2%, in the Regional Directorates Prishtina 1, 2 and 3 percentage of realization is higher by 20.5%, while in other Regional Directorates the percentage of realization is higher by 18.3%.

Compared to the 2024 plan, in LTD the percentage of realization is 94.4%, in MTD the percentage of realization is 98.6%, in Prishtina regions 1, 2 and 3 the percentage of realization is 104.6%, while in other regions the percentage of realization is 106.0%.

Table of revenues grouped into four regions:

| Region          | Revenues by year |             |             | %      | Plan 2024   | Comparison |        |
|-----------------|------------------|-------------|-------------|--------|-------------|------------|--------|
|                 | 2022             | 2023        | 2024        |        |             |            |        |
| 1               | 2                | 3           | 4           | 5=4/Σ  | 6           | 7=4/6      | 8=4/3  |
| LTD             | 353,784,187      | 392,642,248 | 419,465,496 | 44.0%  | 444,139,511 | 94.4%      | 106.8% |
| MTD             | 133,226,176      | 165,414,356 | 183,858,099 | 19.3%  | 186,520,643 | 98.6%      | 111.2% |
| Prishtina 1 2 3 | 108,510,497      | 137,756,656 | 165,967,323 | 17.4%  | 158,610,099 | 104.6%     | 120.5% |
| Other regions   | 128,411,397      | 156,326,704 | 184,926,759 | 19.4%  | 174,429,748 | 106.0%     | 118.3% |
| Total           | 723,932,258      | 852,139,963 | 954,217,676 | 100.0% | 963,700,000 | 99.0%      | 112.0% |

Table 4: Revenues grouped in LTD, MTD and Regional Directorates

Source: Information Technology (SharePoint)

## 2.4 Cost of Values for €100/Unit

Table of costs for every 100 units, for the period January - December 2024:

| Year | Values treated (taxes + pension contributions) | TAK expenditures excluding capital expenditures | Cost of treated values per every €100/unit |
|------|------------------------------------------------|-------------------------------------------------|--------------------------------------------|
| 1    | 2                                              | 3                                               | 4=3/2*100                                  |
| 2022 | 967,643,848                                    | 10,625,811                                      | 1.1%                                       |
| 2023 | 1,133,909,934                                  | 11,698,064                                      | 1.0%                                       |
| 2024 | 1,265,785,510                                  | 10,584,548                                      | 0.8%                                       |

Table 5: Cost of values per €100/Unit

Source: Income and Expenditure Report for the period 2022 – 2024

## 2.5 Additional tax from audits by regions

As a result of 1,932 tax audits and assessments conducted by the office, additional tax in the amount of EUR 77.2 million was collected, which, compared to the same period last year<sup>4</sup>, is higher by EUR 3.3 million, or expressed as a percentage by 4.5%.

Table of additional tax due to audits performed during 2023-2024:

| Region      | Additional tax from audits January - December |            | %      | Comparison |
|-------------|-----------------------------------------------|------------|--------|------------|
|             | 2023                                          | 2024       |        |            |
| 1           | 2                                             | 3          | 4=3/Σ  | 5=3/2      |
| LTD         | 19,524,495                                    | 20,801,278 | 27.0%  | 106.5%     |
| MTD         | 15,415,083                                    | 28,782,153 | 37.3%  | 186.7%     |
| PRISHTINA 1 | 6,426,856                                     | 5,994,488  | 7.8%   | 93.3%      |
| PRISHTINA 2 | 5,655,319                                     | 2,611,139  | 3.4%   | 46.2%      |
| PRISHTINA 3 | 5,278,835                                     | 2,237,818  | 2.9%   | 42.4%      |
| MITROVICA   | 3,061,969                                     | 2,279,423  | 3.0%   | 74.4%      |
| PEJA        | 2,411,235                                     | 3,219,287  | 4.2%   | 133.5%     |
| PRIZREN 1   | 3,692,808                                     | 2,168,512  | 2.8%   | 58.7%      |
| PRIZREN 2   | 2,122,156                                     | 2,434,463  | 3.2%   | 114.7%     |
| FERIZAJ     | 3,706,563                                     | 3,069,171  | 4.0%   | 82.8%      |
| GJILAN      | 6,152,485                                     | 3,059,507  | 4.0%   | 49.7%      |
| GJAKOVA     | 412,925                                       | 496,956    | 0.6%   | 120.4%     |
| Total       | 73,860,730                                    | 77,154,196 | 100.0% | 104.5%     |

Table 6: Additional tax in 2024 from audits, compared to 2023

Source: Information Technology

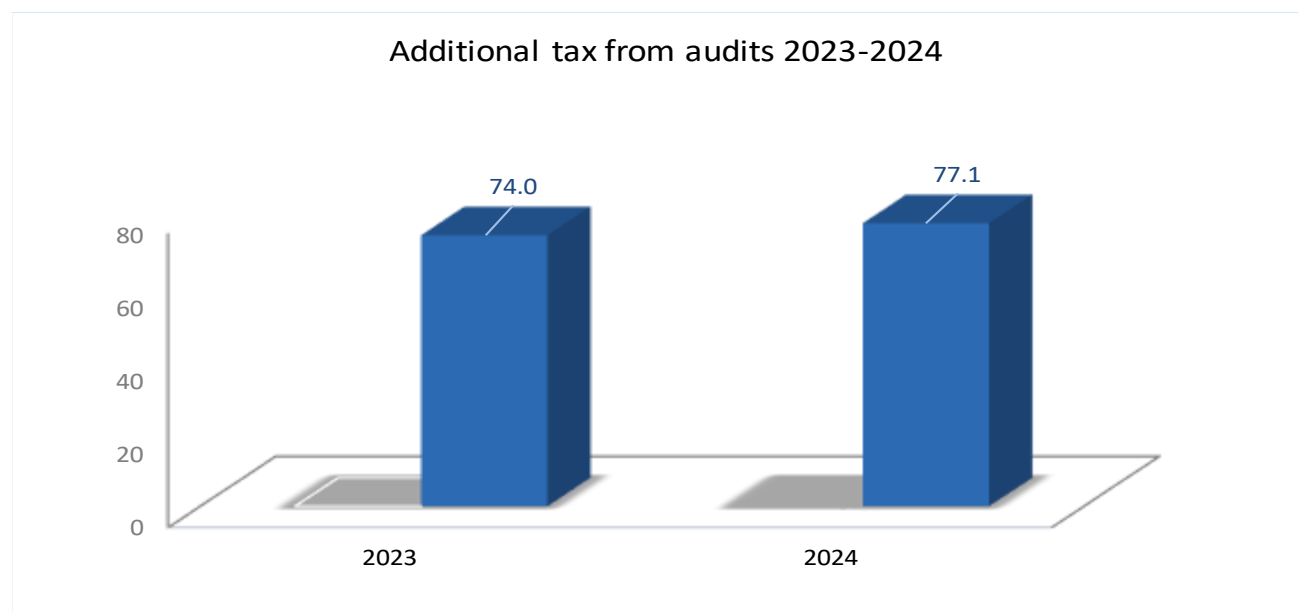


Chart 4: Graphic presentation of the additional tax 2023-2024

Source: Information Technology

The comparison of audits by region with the previous year was made based on data from the January-December 2023/2024 Audit List, (data was generated by IT and processed by the Risk Division)

## 2.6 Number of audits performed by tax inspectors

During this period, 1,932 audits were performed and as a result, there was additional tax in the amount of EUR 77.2 million, which, compared to the same period last year, means that 181 fewer audits were performed, or 8.6%, while compared to the plan, the number of audits is lower by 20.4%.

Table of the number of audits performed 2023 - 2024:

| Region      | No. of completed audits |       | Audit inspectors | Audit plan 2024 | Comparison |        |
|-------------|-------------------------|-------|------------------|-----------------|------------|--------|
|             | 2023                    | 2024  |                  |                 | 6=3/5      | 7=3/2  |
| 1           | 2                       | 3     | 4                | 5               | 6=3/5      | 7=3/2  |
| LTD         | 180                     | 162   | 21               | 208             | 77.9%      | 90.0%  |
| MTD         | 265                     | 286   | 38               | 400             | 71.5%      | 107.9% |
| PRISHTINA 1 | 254                     | 232   | 16               | 351             | 66.1%      | 91.3%  |
| PRISHTINA 2 | 183                     | 156   | 16               | 208             | 75.0%      | 85.2%  |
| PRISHTINA 3 | 242                     | 168   | 17               | 234             | 71.8%      | 69.4%  |
| MITROVICA   | 94                      | 89    | 9                | 104             | 85.6%      | 94.7%  |
| PEJA        | 161                     | 158   | 13               | 195             | 81.0%      | 98.1%  |
| PRIZREN 1   | 157                     | 136   | 8                | 130             | 104.6%     | 86.6%  |
| PRIZREN 2   | 125                     | 127   | 10               | 130             | 97.7%      | 101.6% |
| FERIZAJ     | 152                     | 140   | 8                | 169             | 82.8%      | 92.1%  |
| GJILAN      | 246                     | 220   | 18               | 247             | 89.1%      | 89.4%  |
| GJAKOVA     | 54                      | 58    | 3                | 52              | 111.5%     | 107.4% |
| Total       | 2,113                   | 1,932 | 177              | 2,428           | 79.6%      | 91.4%  |

Table 7: Number of audits 2023-2024, audit inspectors and plan

Source: Information Technology - SharePoint

Number of audits by year 2023-2024

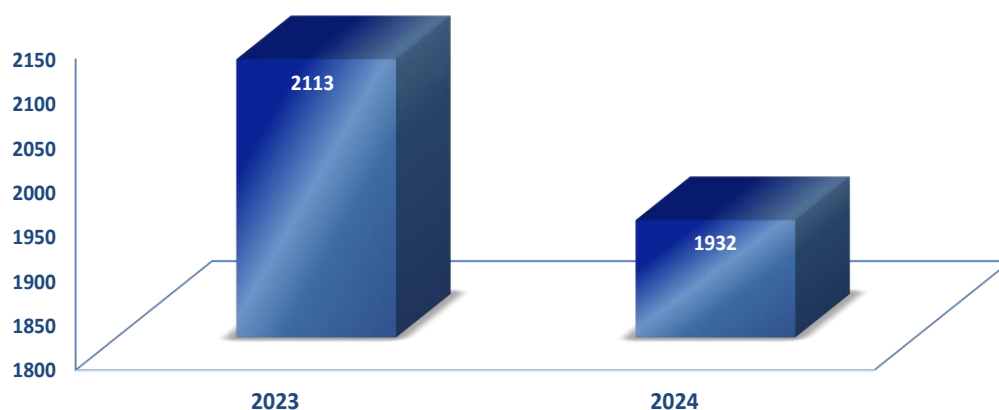


Chart 5: Graphic presentation of audits performed during 2023-2024

Source: Information Technology – SharePoint

## 2.7 Number of Compliance Audits

For this period, a total of 8,654 compliance audits were performed, 12,553 mandatory fines as well as 357 fines for goods without origin were issued as a result of the irregularities found. The compliance audit plan for this period is 8,448 compliance audits, and as a result we have exceeded the compliance audit plan by 2.4%, while compared to the same period of the previous year we have a decrease in the number of compliance<sup>5</sup> audits by 24.9%.

Table of compliance audits by region:

| Region         | No. of compliance checks January-December |       | Compliance check plan 2024 | Comparison |        | No. of mandatory fines | No. of fines for goods without origin |
|----------------|-------------------------------------------|-------|----------------------------|------------|--------|------------------------|---------------------------------------|
|                | 2023                                      | 2024  |                            | 6=4/5      | 7=4/3  |                        |                                       |
| 1              | 3                                         | 4     | 5                          | 6=4/5      | 7=4/3  | 8                      | 9                                     |
| LTD            | 175                                       | 128   | -                          | 0.0%       | 73.1%  | 74                     | -                                     |
| MTD            | 459                                       | 216   | -                          | 0.0%       | 47.1%  | 455                    | 31                                    |
| PRISHTINA 1    | 1,307                                     | 983   | 1,056                      | 93.1%      | 75.2%  | 1399                   | 76                                    |
| PRISHTINA 2    | 2,064                                     | 892   | 1,320                      | 67.6%      | 43.2%  | 935                    | 46                                    |
| PRISHTINA 3    | 2,013                                     | 1,610 | 1,320                      | 122.0%     | 80.0%  | 1462                   | 44                                    |
| MITROVICA      | 1,071                                     | 689   | 1,056                      | 65.2%      | 64.3%  | 725                    | 21                                    |
| PEJA           | 918                                       | 687   | 660                        | 104.1%     | 74.8%  | 636                    | 14                                    |
| PRIZREN 1      | 757                                       | 739   | 528                        | 140.0%     | 97.6%  | 976                    | 35                                    |
| PRIZREN 2      | 547                                       | 666   | 660                        | 100.9%     | 121.8% | 1426                   | 52                                    |
| FERIZAJ        | 1,049                                     | 840   | 792                        | 106.1%     | 80.1%  | 884                    | 16                                    |
| GJILAN         | 805                                       | 718   | 792                        | 90.7%      | 89.2%  | 301                    | 19                                    |
| GJAKOVA        | 325                                       | 319   | 264                        | 120.8%     | 98.2%  | 201                    | 3                                     |
| CENTRAL OFFICE | 37                                        | 167   | 0                          | 0.0%       | 451%   | 3079                   | 0                                     |
| Total          | 11,527                                    | 8,654 | 8,448                      | 102.4%     | 75.1%  | 12,553                 | 357                                   |

Table 8: Compliance audits by regional directorates 2023-2024 and comparison with the plan

Source: Information Technology - VKME Module

### Number of compliance checks by year 2023-2024

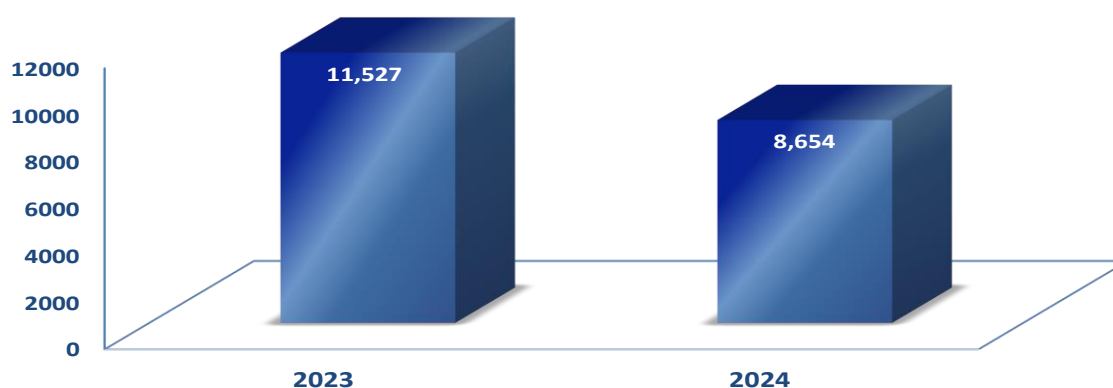


Chart 6: Graphic presentation of compliance audits 2023-2024

Source: Information Technology - VKME Module

<sup>5</sup> The data on the number of compliance audits and the results of compliance audits by region for 2023-2024 are based on data dated 08.01.2025 from the Risk Division.

## 2.7.1 Results from Compliance Audits

During this period, as a result of compliance audits, mandatory fines in the amount of EUR 4.2 million were issued, the value of the goods without origin is EUR 1.7 million, which resulted in a penalty for these goods in the amount of EUR 483.7 thousand, the shortage in stocks is in the amount of EUR 14.9 million, the additional turnover in the amount of EUR 77.0 million, and as a result there is additional tax in the amount of EUR 7.5 million, the credit reduction is in the amount of EUR 3.9 million, while the loss reduction is in the amount of EUR 3.3 million.

Table of results from compliance audits:

| Region         | Value of mandatory fines | Value of goods without origin | Penalty for goods without origin 25% | Shortages in stocks | Additional turnover | Additional tax | Credit reduction | Loss reduction |
|----------------|--------------------------|-------------------------------|--------------------------------------|---------------------|---------------------|----------------|------------------|----------------|
| 1              | 2                        | 3                             | 4                                    | 5                   | 6                   | 7              | 8                | 9              |
| LTD            | 150,500                  | -                             | -                                    | 1,629,634           | 8,004,254           | 1,584,064      | 251,218          | 406,969        |
| MTD            | 347,625                  | 725,328                       | 185,161                              | 2,561,019           | 3,370,970           | 700,996        | 135,023          | 306,595        |
| PRISHTINA 1    | 370,950                  | 207,882                       | 37,683                               | 3,030,039           | 13,801,910          | 682,711        | 625,445          | 226,843        |
| PRISHTINA 2    | 307,450                  | 123,613                       | 29,938                               | 1,132,688           | 5,337,571           | 564,126        | 303,668          | 128,984        |
| PRISHTINA 3    | 347,950                  | 92,378                        | 19,546                               | 856,767             | 6,212,827           | 251,433        | 192,190          | 43,636         |
| MITROVICA      | 207,475                  | 70,501                        | 23,753                               | 272,100             | 3,742,485           | 298,472        | 183,319          | -              |
| PEJA           | 157,725                  | 25,859                        | 2,484                                | 1,349,239           | 5,382,268           | 532,052        | 438,020          | 410,844        |
| PRIZREN 1      | 261,725                  | 52,524                        | 21,647                               | 615,879             | 7,809,939           | 493,968        | 417,445          | 547,848        |
| PRIZREN 2      | 358,850                  | 271,354                       | 125,574                              | 1,606,638           | 6,944,230           | 590,384        | 327,566          | 843,140        |
| FERIZAJ        | 284,275                  | 83,620                        | 26,227                               | 1,006,644           | 11,411,742          | 1,481,310      | 912,283          | 277,081        |
| GJILAN         | 95,400                   | 39,892                        | 9,979                                | 642,793             | 2,469,883           | 219,902        | 131,866          | 90,678         |
| GJAKOVA        | 72,875                   | 3,935                         | 1,741                                | 198,793             | 2,515,730           | 77,169         | 32,427           | 29,155         |
| Central Office | 1,212,000                | -                             | -                                    | -                   | 1,323               | -              | -                | -              |
| Total          | 4,174,800                | 1,696,885                     | 483,731                              | 14,902,233          | 77,005,132          | 7,476,585      | 3,950,471        | 3,311,773      |

Table 9: Results from the compliance audits

Source: VKME

Table of fines and comparison with the same period of the previous year:

| Region         | Number of mandatory fines 2024 | Value of mandatory fines 2024 | Number of mandatory fines 2023 | Value of mandatory fines 2023 | Index 2024/2023 | Number of fines for goods without origin 2024 | Value of fines for goods without origin 2024 | Number of fines for goods without origin 2023 | Value of fines for goods without origin 2023 | Index 2024/2023 |
|----------------|--------------------------------|-------------------------------|--------------------------------|-------------------------------|-----------------|-----------------------------------------------|----------------------------------------------|-----------------------------------------------|----------------------------------------------|-----------------|
| 1              | 2                              | 3                             | 4                              | 5                             | 6=2/4           | 7                                             | 8                                            | 9                                             | 10                                           | 11=7/9          |
| LTD            | 74                             | 150,500                       | 89                             | 81,850                        | 83.1%           | -                                             | -                                            | -                                             | -                                            | 0%              |
| MTD            | 455                            | 347,625                       | 358                            | 232,025                       | 127.1%          | 31                                            | 725,328                                      | 22                                            | 214,176                                      | 141%            |
| PRISHTINA 1    | 1,399                          | 370,950                       | 1,992                          | 683,600                       | 70.2%           | 76                                            | 207,882                                      | 66                                            | 294,480                                      | 115%            |
| PRISHTINA 2    | 935                            | 307,450                       | 1,858                          | 525,225                       | 50.3%           | 46                                            | 123,613                                      | 166                                           | 474,425                                      | 28%             |
| PRISHTINA 3    | 1,462                          | 347,950                       | 1,504                          | 366,000                       | 97.2%           | 44                                            | 92,378                                       | 169                                           | 285,232                                      | 26%             |
| MITROVICA      | 725                            | 207,475                       | 1,030                          | 212,250                       | 70.4%           | 21                                            | 70,501                                       | 46                                            | 235,294                                      | 46%             |
| PEJA           | 636                            | 157,725                       | 839                            | 222,125                       | 75.8%           | 14                                            | 25,859                                       | 29                                            | 44,978                                       | 48%             |
| PRIZREN 1      | 976                            | 261,725                       | 542                            | 134,900                       | 180.1%          | 35                                            | 52,524                                       | 33                                            | 32,243                                       | 106%            |
| PRIZREN 2      | 1,426                          | 358,850                       | 438                            | 123,950                       | 325.6%          | 52                                            | 271,354                                      | 45                                            | 86,744                                       | 116%            |
| FERIZAJ        | 884                            | 284,275                       | 842                            | 234,600                       | 105.0%          | 16                                            | 83,620                                       | 22                                            | 62,438                                       | 73%             |
| GJILAN         | 301                            | 95,400                        | 378                            | 125,100                       | 79.6%           | 19                                            | 39,892                                       | 35                                            | 87,374                                       | 54%             |
| GJAKOVA        | 201                            | 72,875                        | 194                            | 63,875                        | 103.6%          | 3                                             | 3,935                                        | 2                                             | 906                                          | 150%            |
| Central Office | 3,079                          | 1,212,000                     | 267                            | 82,500                        | 1153.2%         | -                                             | -                                            | -                                             | -                                            | 0%              |
| Total          | 12,553                         | 4,174,800                     | 10,331                         | 3,088,000                     | 121.5%          | 357                                           | 1,696,885                                    | 635                                           | 1,818,291                                    | 56%             |

Table 10: Results of compliance audit fines collection for 2024 and comparison with the same period of 2023

Source: Information Technology - VKME Module

## 2.7.2 Results from activities

During the reporting period, 19,820 activities were performed, and as a result of these activities a total of 352 workers have been registered, the value of goods without origin is EUR 45,752, stock shortages are EUR 4.3 million, mandatory fines have been issued in the amount of EUR 980,075, additional turnover in the amount of EUR 97.7 million and additional tax in the amount of EUR 2.9 million.

| Region      | Number of activities | Number of registered workers | No. of fines for goods without origin | Value of goods without origin | Penalty (25%) | Shortages in stocks | No. of mandatory fines | Mandatory fines | Additional turnover | Additional tax | Credit reduction | Loss reduction |
|-------------|----------------------|------------------------------|---------------------------------------|-------------------------------|---------------|---------------------|------------------------|-----------------|---------------------|----------------|------------------|----------------|
| LTD         | 922                  | -                            | -                                     | -                             | -             | 111,079             | 30                     | 37,250          | 282,639             | 54,736         | 9,562            | -              |
| MTD         | 925                  | 12                           | 2                                     | 18,749                        | 5,625         | 359,031             | 213                    | 88,750          | 48,659,947          | 714,082        | 4,227,059        | 2,379,270      |
| Prishtina 1 | 3,660                | 49                           | 7                                     | 5,766                         | 2,042         | 20,340              | 1,144                  | 198,225         | 11,505,087          | 247,997        | 99,769           | 486,183        |
| Prishtina 2 | 1,322                | 61                           | 4                                     | 8,963                         | 1,883         | 15,253              | 380                    | 96,425          | 1,386,044           | 82,950         | 17,782           | -              |
| Prishtina 3 | 3,168                | 35                           | 5                                     | 10,437                        | 3,412         | 318,133             | 633                    | 126,925         | 14,255,810          | 384,308        | 208,397          | 20,509         |
| Mitrovica   | 1,969                | 110                          | 1                                     | 1                             | 0             | 217,584             | 231                    | 64,950          | 761,561             | 25,022         | 8,947            | 20,464         |
| Peja        | 953                  | -                            | -                                     | -                             | -             | 43,665              | 110                    | 22,550          | 998,615             | 39,557         | 43,580           | 1              |
| Prizren 1   | 1,541                | 4                            | 1                                     | 1,836                         | 551           | -                   | 154                    | 30,500          | 142,332             | 13,831         | 9,558            | -              |
| Prizren 2   | 1,413                | 17                           | -                                     | -                             | -             | 63,484              | 631                    | 108,000         | 412,761             | 59,908         | 12,186           | 27,761         |
| Ferizaj     | 1,791                | 23                           | -                                     | -                             | -             | 252,408             | 595                    | 146,675         | 9,265,437           | 915,601        | 249,284          | 133,681        |
| Gjilan      | 1,618                | 5                            | -                                     | -                             | -             | 12,464              | 50                     | 17,600          | 1,248,819           | 69,774         | 14,626           | 36,200         |
| Gjakova     | 535                  | 21                           | -                                     | -                             | -             | 2,928,373           | 103                    | 34,725          | 8,809,035           | 334,065        | 93,503           | 84,418         |
| Central     | 3                    | 15                           | -                                     | -                             | -             | -                   | 15                     | 7,500           | -                   | -              | -                | -              |
| Total:      | 19,820               | 352                          | 20                                    | 45,752                        | 13,511        | 4,341,814           | 4,289                  | 980,075         | 97,728,088          | 2,941,830      | 4,994,254        | 3,188,487      |

Table 11: Number of Activities and Results

Source: VKME

During the reporting period, the number of activities performed is 19,820, which, compared to the same period of last year there are 5,020 activities less, or 20% less.

In the following we present data from activities performed during January-December 2024 and a comparison with the same period of last year.

| Region         | No. of activities carried out |        | Comparison % | Number of registered |      | Comparison % | Value of goods without |        | Comparison % | Mandatory fines |         | Comparison % | Additional tax |           | Comparison % |
|----------------|-------------------------------|--------|--------------|----------------------|------|--------------|------------------------|--------|--------------|-----------------|---------|--------------|----------------|-----------|--------------|
|                | 2023                          | 2024   | 2024/2023    | 2023                 | 2024 | 2024/2023    | 2023                   | 2024   | 2024/2023    | 2023            | 2024    | 2024/2023    | 2023           | 2024      | 2024/2023    |
| 1              | 2                             | 3      | 4=3/2        | 5                    | 6    | 7=6/5        | 8                      | 9      | 10=9/8       | 11              | 12      | 13=12/11     | 14             | 15        | 16=15/14     |
| LTD            | 1,048                         | 922    | 88%          | 180                  | -    | -            | 135,137                | -      | -            | 176,050         | 37,250  | 21%          | 185,013        | 54,736    | 30%          |
| MTD            | 1,127                         | 925    | 82%          | 4                    | 12   | 300%         | 23,491                 | 18,749 | 80%          | 306,850         | 88,750  | 29%          | 5,971,710      | 714,082   | 12%          |
| Prishtina 1    | 3,832                         | 3,660  | 96%          | 318                  | 47   | 15%          | 49,454                 | 5,766  | 12%          | 261,050         | 198,225 | 76%          | 1,718,275      | 247,997   | 14%          |
| Prishtina 2    | 1,529                         | 1,322  | 86%          | 42                   | 60   | 143%         | 2,897                  | 8,963  | 309%         | 55,800          | 96,425  | 173%         | 169,921        | 82,950    | 49%          |
| Prishtina 3    | 4,202                         | 3,168  | 75%          | 625                  | 35   | 6%           | 74,221                 | 10,437 | 14%          | 298,125         | 126,925 | 43%          | 456,780        | 384,308   | 84%          |
| Mitrovica      | 1,853                         | 1,969  | 106%         | 15                   | 108  | 720%         | 6,091                  | 1      | 0%           | 86,250          | 64,950  | 75%          | 121,405        | 25,022    | 21%          |
| Peja           | 2,053                         | 953    | 46%          | 75                   | -    | 0%           | 11,003                 | -      | 0%           | 144,375         | 22,550  | 16%          | 72,597         | 39,557    | 54%          |
| Prizren 1      | 2,059                         | 1,541  | 75%          | 80                   | 4    | 5%           | 560                    | 1,836  | 328%         | 105,875         | 30,500  | 29%          | 74,210         | 13,831    | 19%          |
| Prizren 2      | 1,850                         | 1,413  | 76%          | 256                  | 14   | 5%           | 8,685                  | -      | -            | 194,775         | 108,000 | 55%          | 49,225         | 59,908    | 122%         |
| Ferizaj        | 1,263                         | 1,791  | 142%         | 50                   | 22   | 44%          | -                      | -      | -            | 174,325         | 146,675 | 84%          | 1,035,512      | 915,601   | 88%          |
| Gjilan         | 3,154                         | 1,618  | 51%          | 220                  | 5    | 2%           | 328                    | -      | -            | 158,275         | 17,600  | 11%          | 181,975        | 69,774    | 38%          |
| Gjakova        | 870                           | 535    | 61%          | 54                   | 21   | 39%          | 802                    | -      | -            | 106,250         | 34,725  | 33%          | 96,461         | 334,065   | 346%         |
| Central Office | -                             | 3      | -            | -                    | 15   | -            | -                      | -      | -            | -               | 7,500   | -            | -              | -         | -            |
| Total          | 24,840                        | 19,820 | 80%          | 1,919                | 343  | 18%          | 312,669                | 45,752 | 15%          | 2,068,000       | 980,075 | 47%          | 10,133,084     | 2,941,830 | 29%          |

Table 12: Activity results and comparison during the period: January-December/2023-2024

Source: VKME

### 3. DEBT COLLECTION MANAGEMENT DEPARTMENT

The DCMD has undertaken all actions for the implementation of the work plan for 2024 and the objectives foreseen by TAK's strategy, as well as fully implemented the IMF recommendations.

Implementation of the Work Plan by the Debt Collection Management Department:

- Treatment of new debts;
- Examination of requests for agreements;
- Treatment of debts with forced collection measures;
- Treatment of open agreements 2022/2024;
- Treatment of cases with debts over €100,000;
- Treatment of debts over €50,000;
- Treatment of debts over €10,000;
- Treatment of debts up to €10,000;
- Other.

Activities Carried Out:

- Examination of new debts – conclusion of payment agreements;
- Placement of pledge;
- Setting of tax lien;
- Blockage at Customs;
- Bank account blocking;
- Third party evaluation;
- Auction for sale of confiscated property;
- Examination of requests for payment in instalments;
- Examination of open agreements by verifying payments according to the agreement;
- Termination of agreements that have not been complied with and continuing with forced collection measures.
- Other.

Results from activities undertaken for the period January-December/2024

- Increased collection from debt treatment
- Increase in the number of open agreements
- Increase in the number of examined requests for agreements
- Termination of agreements that have not been complied with the terms of the agreement.
- Treatment of cases for reduction of penalties
- Implementation of the decisions of the Tax Court to suspend the activity of taxpayers pursuant to paragraph 7 of article 101 of Law 08/L-257 on the Administration of Tax Procedures

During the period January - December/2024, the following results were achieved:

- Debt collection ( Taxes + Contributions ) in the amount of €211,793,754.45 (18% higher than in 2023, or 35% higher compared to 2022);
- Collection of taxes without contributions in the amount of €165,465,640.45 (29% higher than in 2023, or 59% higher compared to 2022);
- 2,732 agreements were concluded (2% more than the same period in 2023)

- The value of the debt in the agreement is €133,579,428.67 (10% higher than the same period in 2023);
- Initial payment in the amount of €30,732,705.49 (8% more than the same period in 2023)
- The value of payment from agreements of 2024 - €58,845,970.11 (taking into account the value expected to be collected from open agreements this year, we have 30% more collection from agreements than the same period in 2023, while 79% more than in 2022);

Cancellation of debts:

- Uncollectible debt, Articles 29 and 33 of Law 08/L-257, 17 cases € 2,332.61
- Debt of PAK SOEs, Articles 29 and 33 of Law 08/L-257, 2 cases € 381,507.53
- Paragraph 3, Article 110 of Law 08/L-257 - 693 cases in the amount of € 4,198,573.63
- Paragraph 4, Article 110 of Law 08/L-257 - 311 cases in the amount of € 1,676,384.61
- Paragraph 3, Article 62 of Law 03/L-222 - Commission - 5 cases € 65,375.47
- Paragraph 2, Article 62 of Law 03/L-222 - 96 cases in the amount of € 491,980.52

Total: 1,124 cases worth € 6,816,154.37

- Closure of business activities for businesses with 3 penalties during 2024, according to decisions from OFAP - 33 cases;

During this period, work was done on the supervision of 2022/2024 agreements and identification of cases of terminated agreements or cases that did not comply with the terms of the agreement.

| Type of activity                                    | No. of collection activities | Basic tax   | Penalty | Interest | Total       |
|-----------------------------------------------------|------------------------------|-------------|---------|----------|-------------|
| Actions with the police-Confiscation Unit.          | 34                           | 208,888     | -       | -        | 208,888     |
| Sale of confiscated property - Public auction       | 2                            | 137,979     | -       | -        | 137,979     |
| Auction with closed bids                            | 2                            | 109,472     | -       | -        | 109,472     |
| Tax cancellation - deletion                         | 2                            | 380,808     | -       | -        | 380,808     |
| Assistance in audit subm.                           | 7                            | 226,982     | -       | -        | 226,982     |
| Tax Burden                                          | 5,405                        | 85,914,526  | -       | -        | 85,914,526  |
| Levies at banks                                     | 3,904                        | 64,706,759  | -       | -        | 64,706,759  |
| Levies at the treasury and other institutions       | 1,561                        | 17,650,839  | -       | -        | 17,650,839  |
| Customs embargo                                     | 2,924                        | 25,609,390  | -       | -        | 25,609,390  |
| Border halt                                         | 1                            | -           | -       | -        | -           |
| Information from third party                        | 1,049                        | 10,901,068  | -       | -        | 10,901,068  |
| Contacts                                            | 8,628                        | 191,224,917 | -       | -        | 191,224,917 |
| Debt correction-Information Technology.             | 163                          | 3,103,263   | -       | -        | 3,103,263   |
| Reminder letter                                     | 10,909                       | 115,990,675 | -       | -        | 115,990,675 |
| Agreement conclusion                                | 2,374                        | 30,456,269  | -       | -        | 30,456,269  |
| Last remark before confiscation                     | 656                          | 28,008,414  | -       | -        | 28,008,414  |
| Liability assessment                                | 5                            | 443,544     | -       | -        | 443,544     |
| Legal Office                                        | 25                           | 88,378      | -       | -        | 88,378      |
| Forgiveness of penalties                            | 447                          | 5,005,531   | -       | -        | 5,005,531   |
| Taxpayer in agreement                               | 5,471                        | 32,656,255  | -       | -        | 32,656,255  |
| Debt forgiveness (Law No. 05/L-43 and AS No. 05/L - | 5                            | 70,533      | -       | -        | 70,533      |
|                                                     | 43,574                       | 612,894,489 | -       | -        | 612,894,489 |

Table 13: Activities by the Debt Collection Management Department

Source: Debt Collection Management Department

## 4. REIMBURSEMENT DEPARTMENT AND CALL CENTER

The Department of Taxpayer Reimbursement and Calls during this reporting period January-December/2024 has carried out the works and tasks emerging from the Action Plan for this time period.

### 4.1 Reimbursement Division

Reimbursement report for the period January-December/2024 - VAT; CD; PD; DI and PC, according to the module and average days

| 2024      | REQUESTS |             | APPROVALS |            | DEBT        | PENSION   |         |         | TAXPAYER   | AVERAGE |
|-----------|----------|-------------|-----------|------------|-------------|-----------|---------|---------|------------|---------|
|           | Number   | Amount      | Number    | AMOUNT     | Tax Pen Int | Base      | Penalty | Interes | Transfer   | per Day |
| January   | 251      | 13,205,329  | 101       | 3,112,934  | 508,400     | 51,232    | 4,137   | 2,171   | 2,546,994  | 20      |
| February  | 253      | 13,339,256  | 105       | 2,870,747  | 362,211     | 42,048    | 2,386   | 1,252   | 2,462,850  | 23      |
| March     | 392      | 8,181,570   | 142       | 4,942,894  | 966,715     | 29,544    | 2,885   | 2,861   | 3,940,888  | 27      |
| April     | 219      | 9,586,442   | 95        | 3,389,491  | 451,692     | 54,920    | 2,518   | 1,038   | 2,879,322  | 26      |
| May       | 190      | 9,711,297   | 123       | 4,607,256  | 914,305     | 69,770    | 5,740   | 3,512   | 3,613,929  | 40      |
| June      | 190      | 8,736,621   | 78        | 9,971,429  | 1,281,798   | 622,213   | 64,238  | 140,230 | 7,862,950  | 35      |
| July      | 208      | 8,448,475   | 130       | 6,864,160  | 635,906     | 71,182    | 1,997   | 2,188   | 6,152,887  | 30      |
| August    | 162      | 9,812,367   | 92        | 4,882,217  | 579,791     | 101,846   | 9,336   | 4,510   | 4,186,734  | 28      |
| September | 140      | 9,950,429   | 95        | 5,088,783  | 604,852     | 98,564    | 7,162   | 9,849   | 4,368,356  | 30      |
| October   | 165      | 8,442,566   | 93        | 5,328,456  | 960,467     | 50,441    | 1,800   | 1,817   | 4,313,931  | 23      |
| November  | 181      | 10,394,580  | 81        | 3,572,728  | 417,922     | 60,703    | 2,873   | 3,510   | 3,087,720  | 25      |
| December  | 173      | 10,412,048  | 88        | 4,189,509  | 332,746     | 47,428    | 9,060   | 8,192   | 3,792,083  | 25      |
| Total     | 2,524    | 120,220,981 | 1,223     | 58,820,603 | 8,016,804   | 1,299,892 | 114,131 | 181,130 | 49,208,646 | 28      |

Table 14: Reimbursements for the period January – December 202 4

Reimbursement Division

### Returns for the period January-December/2024 - VAT, PIT, CIT and PC

| 2024      | Number of requests | Amount requested | Approved number | Approved amount | To the taxpayer's account | Obligations in TAK | KPSF    |
|-----------|--------------------|------------------|-----------------|-----------------|---------------------------|--------------------|---------|
| January   | 4                  | 373,208          | 4               | 373,208         | 373,208                   | -                  | -       |
| February  | 1                  | 85,682           | 1               | 85,682          | 85,682                    | -                  | -       |
| March     | 1                  | 250              | 1               | 250             | 188                       | 62                 |         |
| April     | 1                  | 12,364           | 1               | 12,364          | -                         | 12,364             |         |
| May       | 7                  | 476,852          | 7               | 476,852         | 475,909                   | 942                | 638     |
| June      | 9                  | 278,956          | 9               | 278,956         | 87,868                    | 191,088            | 191,088 |
| July      | -                  | -                | -               | -               | -                         | -                  | -       |
| August    | 27                 | 16,838,210       | 27              | 14,913,214      | 14,116,675                | 796,539            | 500     |
| September | 9                  | 46,165           | 9               | 48,386          | 46,165                    | 2,221              | -       |
| October   | 22                 | 758,382          | 22              | 707,833         | 152,209                   | 555,624            | 555,545 |
| November  | 13                 | 170,924          | 13              | 170,924         | 7,144                     | 163,780            | 163,780 |
| December  | 2                  | 973              | 2               | 973             | 940                       | 33                 | 33      |
| Total     | 96                 | 19,041,965       | 96              | 17,068,641      | 15,345,988                | 1,722,653          | 911,584 |

Table 15: Reimbursements for the period January – December 20 24

Reimbursement Division

## 4.2 Division for taxpayers Calls

During the period January-December/2024, the Calls Division performed the following activities:

| Description of activities                                                                   | January - December 2024 |
|---------------------------------------------------------------------------------------------|-------------------------|
| Successfully placed calls                                                                   | 44,306                  |
| Unsuccessful calls                                                                          | 11,904                  |
| Payment verification                                                                        | 7,609                   |
| Value of payments as a result of the call                                                   | 5,110,828               |
| Number of declarations declared after contact by the Calls Division                         | 422,786                 |
| Number of incoming calls                                                                    | 9,030                   |
| Number of declarations and payments submitted to IT for processing and correction of errors | 166                     |
| Value of payments for declarations submitted to IT for processing and correction of errors  | 163,702                 |

*Table 16: Activities performed by the Call Center*

Source: Call Center Report

## 5. TAX INVESTIGATIONS AND INTELLIGENCE

TIID has carried out the following activities: 155 activities aimed at verifying correct or incorrect tax evasion declarations, 33 interviews, 139 consultations with Prosecutors, 12 cases opened, 23 criminal reports (initial suspicion reports), 2 raids, 17 final investigative reports, 35 information reports for the Prosecutor's Office, KP, etc., 128 requests for information from third parties and 107 pieces of information for third parties.

During this period, the results from tax evasions were in the amount of: € 1,444,448.41 without penalties and interest (25% penalty = € 354,461.02).

Tax evasion € 1,444,448.41, + 25% penalty € 354,461.02 = € 1,798,949.43.

| Operational activity | Interviews | Cooperation-<br>Consultations (meetings)<br>with Prosecutors | Cases opened | Criminal Reports<br>(Initial Suspicion<br>Report) | Raid | Final<br>investigative<br>reports | Informative reports<br>for the Prosecutor's<br>Office, Police, etc. | Information<br>from third<br>parties | Information<br>for third<br>parties | Tax avoidance (no<br>penalties and<br>interests) |
|----------------------|------------|--------------------------------------------------------------|--------------|---------------------------------------------------|------|-----------------------------------|---------------------------------------------------------------------|--------------------------------------|-------------------------------------|--------------------------------------------------|
| 1                    | 2          | 3                                                            | 4            | 5                                                 | 6    | 7                                 | 8                                                                   | 9                                    | 10                                  | 11                                               |
| 155                  | 33         | 139                                                          | 12           | 23                                                | 2    | 17                                | 35                                                                  | 128                                  | 107                                 | 1,798,949.43                                     |

*Table 17: Activities carried out in the Investigations and Intelligence Unit*

Source: Tax Investigation Unit

The following have been prepared by the Intelligence Division within the Tax Investigations and Intelligence Department:

153 – Intelligence reports for the Regional Directorates of TAK, from which we have received 70 pieces of feedback with the following results:

| Additional tax (without penalties and interests) | Pension Contributions | Credit reduction | Loss Reduction |
|--------------------------------------------------|-----------------------|------------------|----------------|
| 4,029,880.01 €                                   | 19,548.51             | 166,119.93       | 272,383.28     |

Additional tax € 4,029,880.01 + 25 % penalty € 1,045,732.78 = € 5,075,612.79.

## 6. SERVICES, FINES AND ADMINISTRATIVE PENALTIES DEPARTMENT Pr. 1, 2, 3

The Services, Fines and Administrative Penalties Department aims to provide assistance and education to taxpayers in the three regions of Prishtina and TIID, as well as perform the function that will have the authority to confront the findings of the carriers of visits or field audits and the facts and evidence that taxpayers or their representatives will provide regarding these findings.

The Services, Fines and Administrative Penalties Department for Prishtina 1, 2 and 3 is headed by the Director of the Department and reports for its work to the Deputy Executive Director 1. This department includes: Taxpayer Service Division, and Fines and Penalties Division.

### 6.1 Taxpayer Service Division for Pr. 1, 2, 3

Work report from the Taxpayer Service Division for January-December/2024

| No.              | Type of service                                                    | Activity                                                         | Period                 |
|------------------|--------------------------------------------------------------------|------------------------------------------------------------------|------------------------|
|                  |                                                                    |                                                                  | January -December/2021 |
| 1                | Request for Fiscal Number                                          | All                                                              | 1,134                  |
| 2                | Request for VAT                                                    | VAT registration - declarant                                     | 317                    |
|                  |                                                                    | VAT changes - change of VAT status, change of address, change of | 97                     |
|                  |                                                                    | Request for VAT deregistration                                   | 27                     |
|                  |                                                                    | Request for VAT reimbursement/refund                             | 13                     |
| 3                | Request for PIT                                                    | Voluntary Registration in Real Income                            | 193                    |
|                  |                                                                    | Refund in PIT                                                    | 1                      |
|                  |                                                                    | Refund (return)                                                  | 7                      |
| 4                | Request for CIT                                                    | Voluntary Registration in Real Income                            | -                      |
|                  |                                                                    | Refund (return)                                                  | 8                      |
| 5                | Request for Tax Certificate                                        | Change of business form                                          | 160                    |
|                  |                                                                    | Change of business ownership                                     | 5                      |
|                  |                                                                    | Deregistration                                                   | 1,451                  |
|                  |                                                                    | Tender                                                           | 779                    |
|                  |                                                                    | Visa                                                             | 301                    |
|                  |                                                                    | Maternity Leave                                                  | 1                      |
|                  |                                                                    | Release from Citizenship                                         | 53                     |
|                  |                                                                    | Acquisition of citizenship                                       | 969                    |
| 6                | Request for payment of tax obligations in installments (agreement) |                                                                  | -                      |
| 7                | Request for fiscal equipment                                       | Receiving and stamping fiscal receipts                           | 88                     |
|                  |                                                                    | Receiving notifications of errors in fiscal receipts             | 245                    |
| 8                | Other requests                                                     | Request for adjustment of the status of the t/p                  | 584                    |
|                  |                                                                    | Request for processing of unprocessed declarations               | 5                      |
|                  |                                                                    | For change of Tax Center                                         | 1,698                  |
|                  |                                                                    | Request for business activation                                  | 516                    |
|                  |                                                                    | Request for opening tax accounts                                 | 4,259                  |
|                  |                                                                    | Request for tax compensation                                     | 762                    |
|                  |                                                                    | Verification of PD, CD and quarterly installments                | 2                      |
|                  |                                                                    | Request for tax status                                           | 14,929                 |
|                  |                                                                    | Request for change of information                                | 22                     |
|                  |                                                                    | Closing the tax account                                          | 2,775                  |
|                  |                                                                    | Request for debt forgiveness                                     | 1                      |
|                  |                                                                    | Request for forgiveness of penalties                             | 3                      |
|                  |                                                                    | Request for business passivization                               | 1,870                  |
| 9                | Notifications - acceptance and delegation to relevant units        | For breakage, theft and damage to goods                          | 68                     |
|                  |                                                                    | For ceasing of activity                                          | 106                    |
|                  |                                                                    | For the authorized person                                        | 1,751                  |
| 10               | Protocols/submissions                                              | All                                                              | 5,876                  |
| 11               | Pension Contributions                                              | All                                                              | -                      |
| 12               | Other tasks                                                        | Registration in EDI                                              | 2                      |
|                  |                                                                    | Downloading tax forms                                            | -                      |
|                  |                                                                    | Corrected declarations returned by IT                            | -                      |
|                  |                                                                    | Acceptance of financial statements and declarations              | 82                     |
|                  |                                                                    | Equipment with informational material                            | -                      |
|                  |                                                                    | Acceptance of PEDF                                               | -                      |
|                  |                                                                    | Issuance of fines                                                | -                      |
|                  |                                                                    | Letters/E-mails                                                  | 1                      |
|                  |                                                                    | Archiving of documentation                                       | 600                    |
|                  |                                                                    | Services initiated by the Call Center                            | 1                      |
|                  |                                                                    | Fiscal emergency package                                         | -                      |
| 13               | Legal advice                                                       | Cancellation/Reactivation of VAT Certificate                     | 714                    |
|                  |                                                                    | Oral advice (direct/telephone)                                   | 527                    |
| 14               | Certificates created                                               | Written advice                                                   | 24                     |
|                  |                                                                    | Fiscal Number Certificate                                        | 128                    |
| 15               | Visits                                                             | VAT Certificate                                                  | 2,408                  |
| 16               | Approval of change of email address                                | All                                                              | -                      |
| 17               | Acceptance of fiscal receipts                                      |                                                                  | 867                    |
| 18               | Seminars for students (LHS and UHS)                                |                                                                  | -                      |
| Total activities |                                                                    |                                                                  | 51,728                 |

Table 18: Activities carried out by the Taxpayer Service

Source: Report from S. Div. for Pr.1.2.3

## 6.2 Fines and Administrative Penalties Division for LTD, MTD, Pr.1, 2, 3

### Work Report by the Fines and Administrative Penalties Division January-December/2024

| Regions        | Sent to OFAP | Reviewed by OFAP | Approved | Suspended | Under review | No. of fines | Amount of fines |
|----------------|--------------|------------------|----------|-----------|--------------|--------------|-----------------|
| LTD            | 56           | 56               | 56       | -         | -            | 104          | 187,750         |
| MTD            | 252          | 252              | 244      | 8         | -            | 668          | 436,375         |
| Prishtina 1    | 676          | 671              | 671      | -         | 5            | 2,542        | 569,025         |
| Prishtina 2    | 512          | 508              | 506      | 2         | 4            | 1,308        | 402,475         |
| Prishtina 3    | 679          | 678              | 674      | 4         | 1            | 2,094        | 474,725         |
| Central Office | 157          | 157              | 157      | -         | -            | 3,083        | 1,216,800       |
| Total          | 2,332        | 2,322            | 2,308    | 14        | 10           | 9,799        | 3,287,150       |

Table 19: Statistics by activities, visits, cases handled by the Office for Fines and Administrative Penalties

Source: Report from OFAP for LTD, MTD and Pr. 1,2,3

## 7. INDEPENDENT FUNCTIONS DEPARTMENT

During the period January-December 2024, the Executive Director of TAK held regular meetings with the Senior Management, whereby discussed topics related to the implementation of the strategic plan and operational plans and other topics of interest, with the aim of achieving objectives planned for this period. 119 meetings were held with local and international institutions, as well as 47 other meetings were held with external and internal parties, as needed. During this period, the Executive Director of TAK had 10 media appearances, in which he presented the plans and activities of TAK for 2024.

### 7.1 International Cooperation Division

During the reporting period, the following activities were carried out:

33 questions related to the implementation of Double Taxation Agreements have been addressed, of which 31 have been finalized;

A total of 18 outgoing requests and 27 incoming requests for information exchange with the tax authorities of different countries were handled based on the MTD;

658 Residence Certificates have been prepared and issued;

A report was made to the MF on projects related to donors, and a meeting was held with the Committee for EU Programs;

Reporting to the MF - Drafting of the Reform Plan in the framework of the EU Growth Plan - Proposal of activities;

Regular reporting to MFLT: Preparation of the first contribution/input for the EC Report on Kosovo – 2024;

Reporting on the 2025 Objectives within the KPIE and MDP;

Review of the National Program for European Integration;

Donor meetings and missions were held during this reporting period:

IMF: a meeting was held with the IMF Managing Director on the Annual Technical Assistance Plan, and the online workshop for the “Management of International Tax Administration”; The Mission

“Development of architecture for designing modern data warehouse” has been completed. TAK participation in the annual coordination meeting for the countries of the region held in Vienna. The IMF report highly praised TAK in terms of increasing tax compliance and managing fiscal risks. The Self-Assessment Report on the implementation of IMF recommendations has been submitted; During September, the IMF regional advisor visited the country and Expert Mission on Strengthening Tax Debt Collection was conducted, coordination for the Community Practice on Debt Management organized by the IMF, coordination for the Community of Practice (CoP) on Compliance Risk Management (CRM) organized by the IMF in Slovenia;

The IMF has accepted the Draft Report "25 Years of Tax Administration: Review of Progress and Path to Continued Success", which presents progress in TAK, mentioning the reforms implemented to improve tax administration, increase transparency, and improve revenue collection.

In the framework of continuous cooperation with the IMF, activities such as:

Completing the IMF survey “Cross-Country Survey on Digital Money in Fiscal Operations”;

Preparation of a document on the progress made since the TADAT report;

Coordination on the agenda for the visit of the IMF HQ staff in TAK during the month of November;

Summary of comments on the report by Mr. Paul Duffus 'Strengthening Tax Debt Collection';

ISORA Completion and Data Certification;

GIZ: a meeting was held regarding the annual plan of requests and assistance, where in principle it was agreed to continue the remaining work and the plans for 2024; Three workshops were held, organized by GIZ, on the Administrative Burden, the Tax Residency Certificate and the Institutional Risk Strategy. A meeting was also held with GIZ Representatives from the German Ministry regarding the continuation of support in the fight against Corruption. 7 Leadership trainings were held on the topic "Assessment of leadership styles for mental health, stress management and prevention of physical energy expenditure". The application for Incoming Calls from the QTH was presented, which was made possible with the support of GIZ. The Advanced Training by Scaak on Financial Statements was also finalized, where a ceremony was held to distribute Certificates. TAK participated in the 25<sup>th</sup> anniversary of GIZ support in Kosovo, where TAK was introduced as collaborator with information materials. A workshop was held on “Supporting reform processes for the integration of Kosovo into the European Union” where officials from ATK participated in the capacity of experts to exchange information regarding the procedures and techniques for developing the inspection process. With the help of experts, the Institutional Risk document was prepared and approved. Personalized training by Scaak was also held for Financial Statement trainers. The Training Plan for DHTI prepared by GIZ experts was accepted. ATK participated in the workshop organized by GIZ “Anti-corruption measures and their importance in Tax Administration and Inspection Reforms” presenting our experiences and activities. A presentation was made of the application for the Digitalization of the application for the Tax Residency Certificate.

WB: Meetings were held with representatives of the World Bank and the Director General regarding the Tax Lottery, where, among other things, the Draft Tax Lottery Platform was accepted. Work was done on the draft Communication Strategy for the implementation of the Tax Lottery.

Meetings were held with the World Bank team, GIZ, as well as with the Economic Operator regarding the Tax Lottery project, work was done on developing the platform, drafting the citizen survey, and on the project implementation plan.

TIWB: Technical assistance in the area of Transfer Pricing, Financial Sector and Banking for DTM has been completed; A virtual meeting was held on the possibility of continuing the Program in other sectors, for which we have received inputs from ML.

TAIEX: requests for technical assistance for 2024 have been prepared and sent.

EU & GIZ: Assistance in the field of Transfer Pricing and METD has been completed. Trainings have been held for all Regions in the field of Transfer Pricing.

Other:

459 pages of proofread documents, announcements and communications for TAK have been completed.

Regular FATCA and Fiscalis reporting were made.

Tabular presentation of the following activities:

| Description of activities               | January-December/2024 |
|-----------------------------------------|-----------------------|
| Responses to taxpayers according to DTA | 31                    |
| Tax Residency Certificate               | 658                   |
| Information exchange according to DTA   | 45                    |

## 7.2 Taxpayer Advocacy Division

During the reporting period, the Taxpayers' Advocate developed activities based on the responsibilities and role it has to help taxpayers resolve issues/problems with the Tax Administration. Handling and resolution of taxpayer problems that have arisen and have not been resolved through normal TAK procedures, addressing issues arising from incorrect application of tax laws.

During the review of taxpayers' requests, answers were given to taxpayers accompanied by recommendations for review by the relevant Region, the Complaints Division as well as by the Fiscal Division in the Administrative Department at the Basic Court, while other answers were accompanied by advice on fulfilling tax obligations and with clarifications for the application of tax legislation.

Regarding activities carried out for the reporting period, we have the following data:

| Description of activities                                      | January-December/2024 |
|----------------------------------------------------------------|-----------------------|
| Number of requests received                                    | 121                   |
| Carried over from 2023                                         | 5                     |
| Total requests for review                                      | 126                   |
| Reviewed for the reporting period                              | 117                   |
| Approved for the taxpayer                                      | 22                    |
| Negative response for the taxpayer                             | 85                    |
| Incorrectly addressed requests                                 | 10                    |
| Request under review                                           | 9                     |
| Participation in hearings organized by the Complaints Division | 237                   |

## 7.3 Complaints Division

The Complaints Division, in the period January - December 2024, has developed and carried out activities based on its responsibilities and role:

- Application of the taxpayers complaint uniformity,
- Review of complaints filed in due time,
- Collaboration with relevant departments/divisions within TAK, with the aim at taking fair and grounded decisions,
- Continuous cooperation with the representative office regarding the security of files and reversed files,
- Collaboration with financial experts, securing information according to their demand, etc.

Distributing of cases/complaints is done in a systemic manner by types of complaints, such as: complaints on audit report, complaints on OFAP decisions (fines), Court decisions, Advocate decisions, rejections and reimbursements, and other, such as DMMB activities.

From the total number of complaints, we also have a breakdown of complaints by type of complaint, where we have the following for control:

| Description of Activities                      | January-December/2024 |
|------------------------------------------------|-----------------------|
| Complaints carried over from 2023              | 42                    |
| Complaints received for the reporting period   | 340                   |
| Complaints reviewed in the reporting period    | 355                   |
| Complaints carried over to the following month | 27                    |

Regarding complaints about field activities and decisions on fines imposed:

| Description of Activities                      | January-December/2024 |
|------------------------------------------------|-----------------------|
| Complaints carried over from 2023              | 7                     |
| Complaints received for the reporting period   | 191                   |
| Complaints reviewed in the reporting period    | 183                   |
| Complaints carried over to the following month | 15                    |

Regarding complaints from the Court, the Taxpayers' Advocate, for other issues we have the following:

| Description of Activities                      | January-December/2024 |
|------------------------------------------------|-----------------------|
| Complaints carried over from 2023              | 11                    |
| Complaints received for the reporting period   | 189                   |
| Complaints reviewed in the reporting period    | 191                   |
| Complaints carried over to the following month | 9                     |

From the total number of complaints we have the following data:

| Description of Activities                                    | January-December/2024 |
|--------------------------------------------------------------|-----------------------|
| Total complaints carried over from 2023                      | 60                    |
| Complaints received for the reporting period                 | 720                   |
| Complaints carried over and accepted                         | 780                   |
| Complaints reviewed within the legal deadline                | 729                   |
| Complaints with positive response for the taxpayer           | 42                    |
| Complaints with negative response for the taxpayer           | 515                   |
| Complaints with partially positive response for the taxpayer | 109                   |
| Complaints that are out of time for review                   | 20                    |
| Complaints returned for re-check for audit cases             | 12                    |
| Complaints returned for re-check for refund cases            | 25                    |
| Complaints returned for re-check after court and others      | 6                     |
| Complaints under review                                      | 51                    |

## 7.4 Media and Public Communication Division

The Media and Public Communication Division has determined all its activities based on the Strategic Plan of TAK. Referring to this plan, we have prepared the Media Communication Plan for 2024, from which we will convey to you the activities carried out:

Media interviews/appearances:

MPCD, in addition to requests from the media, has also arranged the part of presentations in the media, organizing interviews and appearances for electronic and written media. During the period January-December 2024, TAK has made 18 appearances in the media, in which various topics which are related to the activities and other work processes of the institution have been discussed.

Press releases:

The reflection of the developments and activities of TAK has always been present in the media through press releases. Referring to the reporting period, MPCD has published 26 press releases.

Responses for journalist:

A total of 79 responses for journalist were given.

Notice to Taxpayers:

MPCD has developed media campaigns on various topics, which were conducted through the publication of 20 notices to taxpayers. Information campaigns have been developed using the following communication channels: daily newspapers, websites, Instagram and Facebook. Activities on social media, Facebook, Instagram and Youtube:

89 informative statuses, infographics and various posters have been published on social media.

Figures and Facts:

Preparation of Figures and Facts for January-December 2024, which are a summary of TAK's main activities

Access to Public Documents:

According to responsibilities, during this period we handled 23 requests for Access to Public Documents.

Awareness-raising campaign:

A video has been made on the denunciation of non-fiscal coupons in the DENONCO application on the ATK website. We have posted the same on social networks and sent it to RTK for broadcast for the period September-December 2024.

The next video for Non-Declarants has been finalized, publication of which will take place immediately after GIZ confirms its part.

Communication strategy for the tax lottery:

The Media Communication Division has drafted the Communication Strategy for the tax lottery, for which comments have also been provided by the World Bank, which is supporting the implementation of this project.

TAK's 25<sup>th</sup> anniversary ceremony

The Media Communication Division has begun organizing the ceremony marking the 25th anniversary of the establishment of TAK.

Tabular presentation is as follows:

| Description of activities                                      | January-December/2024 |
|----------------------------------------------------------------|-----------------------|
| Taxpayer notifications                                         | 20                    |
| Statements/interviews for the media                            | 18                    |
| Media release                                                  | 26                    |
| Answer for journalist                                          | 79                    |
| Activities on social networks, Facebook, Instagram and Youtube | 89                    |
| Access to public documents                                     | 23                    |
| Figures and Facts                                              | 12                    |

## 8. LEGAL SERVICES DEPARTMENT

### 8.1 Representation and Interinstitutional Cooperation Division

The Representation and Interinstitutional Cooperation Division (RICD) considers that the work plan for this period has been successfully implemented, as TAK has managed to be fairly represented at all levels of judicial procedures, starting with the Basic Court, Commercial Court, Court of Appeals, Supreme Court, Special Chamber, etc.

During the period January - December 2024, within the framework of authorizations, the RICD has developed and carried out the following activities:

Criminal charges filed against persons suspected of tax avoidance, misuse of authorizations in the economy and organization of illegal gambling: 20 cases,

Estimates for the region in the absence of facts: 18 cases, while 10 files are unexamined and are expected to be dealt with in the following period;

During this period, we represented TAK in 705 judicial and non-judicial hearings;

There are 213 lawsuits received against the decisions of CDs, and 41 plaintiffs are TAK officials for food expenses, where for each lawsuit we have provided a response to the lawsuit for the court;

We have received 76 financial expertises from the Court regarding decisions of CDs, and we have responded to each of them;

We have filed 149 appeals against judgments and decisions of Basic Courts;

We have provided responses with submissions to the Courts for 437 cases;

There are 15 decisions we have received from the Prosecutor's Office, where we responded according to legal requirements;

There are 321 decisions we have received from the Courts, and we have responded according to the legal requirements;

There are 10 orders received from the Courts, where we responded according to the legal requirements;

There are 269 judgments received from the Basic Courts and the Commercial Court, and we have acted according to the legal requirements for all of them;

There are 109 judgments received from the Court of Appeal and the Commercial Court II, and we have responded according to the legal requirements in all of these judgments;

There are 44 judgments received from the Supreme Court - Special Chamber and we have acted in accordance with the legal requirements in all of these judgments;

During this period, we have issued 52 legal opinions related to the received judgments and decisions and 122 different responses for the regions, police, prosecutor's office, courts, State Advocacy and other relevant institutions;

Participation in commissions and working groups: 35 cases.

In the following, in tabular form are presented activities developed and implemented:

| Regions    | Files received from Regional Offices and Division actions regarding files |                |                  |                  |                     | Representation of TAK in Court hearings and DAs |                                                    | Responses to lawsuits, Objections to expert opinions, appeals to acts... of the Court of Appeals – Fiscal Div. |                                                      |                                                                            | Lawsuits against decisions of the IOMSC, appeals against decisions and responses to various submissions |                           |                       |
|------------|---------------------------------------------------------------------------|----------------|------------------|------------------|---------------------|-------------------------------------------------|----------------------------------------------------|----------------------------------------------------------------------------------------------------------------|------------------------------------------------------|----------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|---------------------------|-----------------------|
|            | Files received and those carried over from the previous year              | Files reviewed | Unreviewed files | Criminal Reports | Regional Assessment | Complaints Division                             | Basic Courts, Court of Appeal and Private Bailiffs | Response to the lawsuit for the Basic Court – Fiscal Division                                                  | Objection of Financial Expertise regarding decisions | Judgments of the Court of Appeal and the Court of Appeal – Fiscal Division | Lawsuit against the Decisions of the Independent Civil Service Council                                  | Appeals against Decisions | Answers for the Court |
| 1          | 2                                                                         | 3              | 4                | 5                | 6                   | 7                                               | 8                                                  | 9                                                                                                              | 10                                                   | 11                                                                         | 12                                                                                                      | 13                        | 14                    |
| LTD        | 1                                                                         | 1              | -                | 1                | -                   | -                                               | 100                                                | 63                                                                                                             | 20                                                   | 42                                                                         | -                                                                                                       | -                         | -                     |
| MTD        | -                                                                         | -              | -                | -                | -                   | -                                               | -                                                  | -                                                                                                              | -                                                    | -                                                                          | -                                                                                                       | -                         | -                     |
| Pristina 1 | -                                                                         | -              | -                | -                | -                   | -                                               | 113                                                | 23                                                                                                             | 9                                                    | 16                                                                         | -                                                                                                       | -                         | -                     |
| Pristina 2 | 1                                                                         | -              | 1                | -                | -                   | -                                               | 51                                                 | 17                                                                                                             | 6                                                    | 7                                                                          | -                                                                                                       | -                         | -                     |
| Pristina 3 | -                                                                         | -              | -                | -                | -                   | -                                               | 61                                                 | 26                                                                                                             | 10                                                   | 15                                                                         | -                                                                                                       | -                         | -                     |
| Mitrovica  | 16                                                                        | 9              | 7                | 2                | 7                   | -                                               | 44                                                 | 17                                                                                                             | 4                                                    | 10                                                                         | -                                                                                                       | -                         | -                     |
| Peja       | 9                                                                         | 8              | 1                | 6                | 2                   | -                                               | 49                                                 | 15                                                                                                             | 3                                                    | 1                                                                          | -                                                                                                       | -                         | -                     |
| Prizren 1  | 1                                                                         | 1              | -                | 1                | -                   | -                                               | 54                                                 | 6                                                                                                              | 4                                                    | 7                                                                          | -                                                                                                       | -                         | -                     |
| Prizren 2  | 5                                                                         | 4              | 1                | 3                | 1                   | -                                               | 65                                                 | 9                                                                                                              | 7                                                    | 2                                                                          | -                                                                                                       | -                         | -                     |
| Ferizaj    | 2                                                                         | 2              | -                | 1                | 1                   | -                                               | 41                                                 | 17                                                                                                             | 2                                                    | 9                                                                          | -                                                                                                       | -                         | -                     |
| Gjilan     | 13                                                                        | 13             | -                | 6                | 7                   | -                                               | 71                                                 | 15                                                                                                             | 8                                                    | 8                                                                          | -                                                                                                       | -                         | -                     |
| GJAKOVO    | -                                                                         | -              | -                | -                | -                   | -                                               | 10                                                 | 5                                                                                                              | 1                                                    | 3                                                                          | -                                                                                                       | -                         | -                     |
| ZQ         | -                                                                         | -              | -                | -                | -                   | -                                               | 45                                                 | 41                                                                                                             | 2                                                    | 24                                                                         | 1                                                                                                       | 2                         | 6                     |
| CCIT       | -                                                                         | -              | -                | -                | -                   | -                                               | 1                                                  | -                                                                                                              | -                                                    | -                                                                          | -                                                                                                       | -                         | -                     |
| TOTAL      | 48                                                                        | 38             | 10               | 20               | 18                  | 55                                              | 705                                                | 254                                                                                                            | 76                                                   | 144                                                                        | 1                                                                                                       | 2                         | 6                     |

| Regions        | Judgments, rulings, orders received from courts, prosecutors and private enforcement agents and actions of TAK |                 |              |                                           |                                            |                                      | Complaints against the KPA, SCSC judgments, defense responses, counter-responses to the SCSC |                           |                        |                               |                           | Legal advice, participation in working groups |                                          |
|----------------|----------------------------------------------------------------------------------------------------------------|-----------------|--------------|-------------------------------------------|--------------------------------------------|--------------------------------------|----------------------------------------------------------------------------------------------|---------------------------|------------------------|-------------------------------|---------------------------|-----------------------------------------------|------------------------------------------|
|                | Prosecutor's Office Decisions                                                                                  | Court Decisions | Court Orders | Judgments of the Courts of First Instance | Judgments of the Courts of Second Instance | Judgments of the Supreme Court, SCSC | Appeals to the SCSC against KPA Decisions                                                    | Appeals to the SCSC Panel | SCSC defense responses | Counter-responses to the SCSC | Legal Opinions and Advice | Answers to various letters                    | Participation in Committees and Groups.. |
| 1              | 2                                                                                                              | 3               | 4            | 5                                         | 6                                          | 7                                    | 8                                                                                            | 9                         | 10                     | 11                            | 12                        | 13                                            | 14                                       |
| LTD            | -                                                                                                              | 77              | 1            | 42                                        | 21                                         | 7                                    | -                                                                                            | -                         | -                      | -                             | -                         | -                                             | -                                        |
| MTD            | -                                                                                                              | -               | -            | -                                         | -                                          | -                                    | -                                                                                            | -                         | -                      | -                             | -                         | -                                             | -                                        |
| Prishtina 1    | 3                                                                                                              | 56              | -            | 37                                        | 17                                         | 5                                    | 1                                                                                            | -                         | -                      | -                             | -                         | -                                             | -                                        |
| Prishtina 2    | 1                                                                                                              | 21              | -            | 18                                        | 9                                          | 3                                    | -                                                                                            | 1                         | -                      | -                             | -                         | -                                             | -                                        |
| Prishtina 3    | 2                                                                                                              | 45              | -            | 28                                        | 14                                         | 5                                    | -                                                                                            | 2                         | -                      | -                             | -                         | -                                             | -                                        |
| Mitrovica      | -                                                                                                              | 18              | 1            | 18                                        | 5                                          | 6                                    | -                                                                                            | -                         | -                      | -                             | -                         | -                                             | -                                        |
| Peja           | 4                                                                                                              | 10              | 1            | 10                                        | 9                                          | 3                                    | -                                                                                            | -                         | -                      | -                             | -                         | -                                             | -                                        |
| Prizren 1      | -                                                                                                              | 13              | -            | 15                                        | 8                                          | 3                                    | -                                                                                            | -                         | -                      | -                             | -                         | -                                             | -                                        |
| Prizren 2      | 2                                                                                                              | 6               | 1            | 17                                        | 5                                          | 1                                    | -                                                                                            | -                         | -                      | -                             | -                         | -                                             | -                                        |
| Ferizaj        | 1                                                                                                              | 18              | 2            | 20                                        | 11                                         | -                                    | -                                                                                            | -                         | -                      | -                             | -                         | -                                             | -                                        |
| Gjilan         | 1                                                                                                              | 38              | 4            | 20                                        | 5                                          | 7                                    | -                                                                                            | -                         | -                      | -                             | -                         | -                                             | -                                        |
| Gjakova        | -                                                                                                              | 4               | -            | 6                                         | 3                                          | 2                                    | -                                                                                            | -                         | -                      | -                             | -                         | -                                             | -                                        |
| Central Office | 1                                                                                                              | 15              | -            | 38                                        | 2                                          | 2                                    | -                                                                                            | -                         | -                      | -                             | -                         | -                                             | -                                        |
| DTII           | -                                                                                                              | -               | -            | -                                         | -                                          | -                                    | -                                                                                            | -                         | -                      | -                             | -                         | -                                             | -                                        |
| TOTAL          | 15                                                                                                             | 321             | 10           | 269                                       | 109                                        | 44                                   | 1                                                                                            | 3                         | -                      | -                             | 52                        | 122                                           | 35                                       |

Table 20: The activities carried out by the Representation and Interinstitutional Cooperation Division

Source: Report from legal services

## 8.2 The Legislation and Legal Interpretations Division

The Legislation and Legal Interpretations Division, during the period January - December 2024, within its scope, has developed and carried out the following activities:

The number of requests addressed to this division by regional tax departments and other units within TAK during this reporting period is 319, of which 318 have been completed and 1 request is in process, as follows:

The number of requests for legal interpretations received was 70, with all 70 requests being implemented;

The number of requests for legal advice and opinions was 105, of which all 105 were completed;

The number of responses to requests for clarification and other information during this period was 144, of which 143 requests were responded to, and 1 is still in the process.

The participation of officials of this division in various working group meetings during the reporting period is as follows:

- Participation in meetings of inter-ministerial working groups outside TAK was 51 out of a total of 51 meetings held, while

- Participation in working group meetings within the Tax Administration was 76 out of a total of 76 organized meetings.

During the reporting period, officials of this division participated in 135 official meetings with various tax officials from regional tax departments or various departments within the Central Office in order to provide legal support on certain issues from a legal perspective.

Also, the number of participation of officials of this division in various committees established by the Director General for this reporting period was 57 committees.

Meanwhile, in the same period, we have received 27 draft laws and draft guidelines as well as 2 different official documents for providing comments and recommendations regarding those drafts, as well as 12 memorandums of cooperation for providing comments.

In the following, in tabular form are presented activities developed and implemented:

| Report of the Division for Legislation and Legal Advice for the period January-December / 2024 |                                                                              |                                    |                                                               |                                                      |                                            |                                                                        |                    |                                                         |                                 |                                                 |
|------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------|------------------------------------|---------------------------------------------------------------|------------------------------------------------------|--------------------------------------------|------------------------------------------------------------------------|--------------------|---------------------------------------------------------|---------------------------------|-------------------------------------------------|
| Division Activities                                                                            | Requests from regional offices and other units within the Tax Administration |                                    |                                                               | Participation of officials in various working groups |                                            | Participation of officials in official meetings and various committees |                    | Commenting on laws, bylaws and other official documents |                                 |                                                 |
|                                                                                                | Requests for legal interpretations                                           | Requests for legal advice/opinions | Responses to requests for clarification and other information | Participation in working groups outside of TAK       | Participation in working groups within TAK | Providing legal support in official meetings                           | Various committees | Commentary on laws, other bylaws                        | Commenting on various documents | Commenting on memoranda and other official acts |
| 1                                                                                              | 2                                                                            | 3                                  | 4                                                             | 5                                                    | 6                                          | 7                                                                      | 8                  | 9                                                       | 10                              | 11                                              |
| Accepted                                                                                       | 70                                                                           | 105                                | 144                                                           | 51                                                   | 76                                         | 135                                                                    | 57                 | 27                                                      | 2                               | 12                                              |
| Accomplished                                                                                   | 70                                                                           | 105                                | 143                                                           | 51                                                   | 76                                         | 135                                                                    | 57                 | 27                                                      | 2                               | 12                                              |
| In process                                                                                     | -                                                                            | -                                  | 1                                                             | -                                                    | -                                          | -                                                                      | -                  | -                                                       | -                               | -                                               |
| TOTAL                                                                                          | 70                                                                           | 105                                | 144                                                           | 51                                                   | 76                                         | 135                                                                    | 57                 | 27                                                      | 2                               | 12                                              |

Table 21: Activities carried out by the Legislation and Legal Advice Division

Source: Report from legal services

### 8.3 Fines and Penalties Division

The Fines and Penalties Division during the reporting period January-December 2024 has recorded the following activities:

The OFAP Division, through our office, has continued to carry out the planned activities, while below you will find those that have been implemented and are in progress.

Participation in the capacity of Chair in the Working Group for the drafting of the Internal Regulation on procedures related to fines and penalties.

Member of the Working Group for the preparation of the Clarifying Guide on the manner of implementation of certain articles of Law No. 08/L-257 on the Administration of Tax Procedures by TAK staff.

Participation in the Working Group for the drafting of the internal Regulation on Procedures for the Determination of and Access to Confidential Information

Participation in the capacity of the chairperson of the disciplinary committee within the Kosovo Tax Administration

Participation in the regular meetings of the Committee for the Complete Removal of Penalties established by Decision of the Executive Director of TAK.

All new forms have been designed in accordance with the new internal Regulation on Fines and Penalties for the purposes of the Offices for Fines and Administrative Penalties in operations.

During this period, 59 professional clarifications were given for aspects of the OFAP, according to the requests received in different forms by the OFAP teams operating in the regional tax departments.

As part of the planning for 2024, visits to the Offices for Fines and Penalties that operate within the regional tax departments have continued.

Other works and tasks in the scope of the Division.

### 8.4 Human Resources Division

During the reporting period January-December 2024, the Human Resources Division has carried out the following activities:

The number of employees by qualification, ethnic and gender structure

| Current situation | Qualification structure |      |        |            | Ethnic structure |      |         |       | Gender structure |     | Total |
|-------------------|-------------------------|------|--------|------------|------------------|------|---------|-------|------------------|-----|-------|
|                   | Superior                | High | Middle | Elementary | Albanian         | Serb | Turkish | Other | M                | F   |       |
|                   | 675                     | 5    | 37     | 0          | 690              | 20   | 1       | 6     | 471              | 246 | 717   |

During this reporting period, the General Director issued decisions for replacements.

| Transfers and Acting Officials 2024                | Number |
|----------------------------------------------------|--------|
| Acting Director of the Ferizaj Regional Department | 1      |
| Acting Division Head                               | 15     |
| Tax Inspector                                      | 24     |
| Senior Tax Officer                                 | 3      |

A total of nine (9) warnings were issued for this period.

| Reprimands issued |                   |                  |
|-------------------|-------------------|------------------|
| Oral reprimands   | Written reprimand | Total reprimands |
| 5                 | 4                 | 9                |

During this reporting period we have nine (9) decisions from the Disciplinary Committee.

| Disciplinary Committee Decisions                                             | Number   |
|------------------------------------------------------------------------------|----------|
| Disciplinary measure: prohibition of promotion for a period of two (2) years | 1        |
| Suspension from duty for a period of six (6) months                          | 1        |
| 20% salary deduction for a period of two (2) months                          | 3        |
| 20% salary deduction for a period of four (4) months                         | 1        |
| <b>Termination of employment relationship</b>                                | <b>3</b> |
| <b>Total</b>                                                                 | <b>9</b> |

During this reporting period we have 23 decisions from the Appeals Commission.

| Decisions from the Complaints Committee |                            |                                                              |                          |                |
|-----------------------------------------|----------------------------|--------------------------------------------------------------|--------------------------|----------------|
| Unfounded decisions                     | Partially founded decision | Salary deduction decision 20% of salary for three (3) months | Return to work decisions | Founded appeal |
| 13                                      | 1                          | 1                                                            | 5                        | 3              |

During this reporting period, TAK received 45 decisions from the IOBCSK (20 of which were implemented within the legal deadline) as well as 25 requests for responses to complaints from the IOBCSK..

| Decisions from the IOBCSK          |                                 |                                                     |                                                           |                                 |                                                               |                            |                          |
|------------------------------------|---------------------------------|-----------------------------------------------------|-----------------------------------------------------------|---------------------------------|---------------------------------------------------------------|----------------------------|--------------------------|
| Decisions approved as well-founded | Decisions rejected as unfounded | Decision to extend the deadline for decision-making | Decisions on the completion of the administrative process | Decision dismissed as unfounded | Decision on the suspension of the decision-making proceedings | Partially founded decision | Reconsideration decision |
| 8                                  | 14                              | 0                                                   | 12                                                        | 1                               | 0                                                             | 0                          | 10                       |

Table of leaves:

| Types of leaves: | Number    |
|------------------|-----------|
| Unpaid leave     | 13        |
| Maternity leave  | 3         |
| MPMS leave       | 3         |
| <b>Total</b>     | <b>19</b> |

Table of salary changes:

| Type of change:           | Number      |
|---------------------------|-------------|
| Change in salary form     | 269         |
| Agreement                 | 69          |
| Overtime pay              | 534         |
| Deductions                | 12          |
| Email change - experience | 740         |
| <b>Total</b>              | <b>1624</b> |

| Termination of employment relationship                      | Number |
|-------------------------------------------------------------|--------|
| Termination of employment relationship at one's own request | 11     |
| Termination of employment due to reaching retirement age    | 23     |
| Termination of employment relationship-death                | 3      |
| Ex officio suspension with 50% of salary                    | 21     |

Also, during this reporting period, submissions were forwarded to the Regional Tax Departments and the General Directorate regarding staff absences and attendance. The Human Resources Division has also developed the following activities: providing various advice and instructions to the requirements of managers and other TAK staff regarding the process of assessing the performance of work tasks. Issuance of certificates to TAK employees, as proof of the employment relationship in TAK Announcements with internal rules approved by the competent authorities and related to the management of employees in TAK. Providing various professional advice related to the Civil Service in Kosovo; Forwarding various submissions through other forms, mail, email, etc. Keeping regular records of the number of employees in TAK who are on leave (annual leave, maternity leave, unpaid leave, suspended, etc.). Participation of HR Division officials in the drafting of several Regulations in accordance with Law No. 08/L-257 on the Administration of Tax Procedures.

## 9. INFORMATION TECHNOLOGY DEPARTMENT

In addition to routine operational work and current project developments within the IT Department, dedicated teams from IT department divisions and work process officers are engaged in continuous activities in developing work processes and systems for the needs of TAK and other relevant institutions.

To be distinguished are:

Activities within the framework of the Project for Reducing Administrative Burden within the Office for Strategic Planning – OPM;

Participation in the Interoperability project within the framework of Regional Cooperation in coordination with the Prime Minister's Office;

Participation in the Intergovernmental Group within the framework of the Critical Infrastructure Cyber security project in support of USAID;

Participation in workshops for drafting the E-Government Strategy;

Preparatory activities within the framework of the Electronic Identity (eID) project, within the Steering Committee - Ministry of Economy;

Active participation in the project within the FISCALIS program:

FPG/042/001: Solution Architecture Templates for Trans- European Systems and Update of the eGovERA Tax Reference Architecture

FPG/043/001: E- invoicing and digital reporting

Full interconnection for electronic interaction between SRMS and Cadastre;

During this time, we have been continuously engaged in providing information to the Kosovo Agency of Statistics, the Labour Agency, and the Cabinet of the Minister of Finance, etc.

We have been an active part of the creation of bylaws for the Cyber Security Agency within the Ministry of Interior and the Cyber Security Training Center within the Ministry of Defence.

With the support of the DCAF agency, the update of the General IT Security Policy has been initiated.

With the support of the CIDR-USAID project, activities have been developed to assess Cyber security in ATK systems!

Meetings and Demonstrations of the New Version of the Sigtag System by the SOGEMA Company were held, regarding the requests for technological and functional updates of this System according to the requirements and needs of TAK.

The development of APIs for interfacing with SuperPuna and the Employment Agency has been completed.

All legal changes under the New Law on Tax Administration and Procedures have been implemented. Verification Service has been integrated into the eKosova Government platform.

A Standard Operating Procedure – SOP – has been created to standardize the rounding of numbers in Information Systems.

## 9.1 Core Application Maintenance and Support Division

The Core Application Maintenance and Support Division has continued with activities on expanding and improving the basic functions of the SIGTAS application as well as advanced functions. There were activities that have been developed including SIGTAS maintenance and support, problem identification, considerations, reconsiderations, case completions, assistance, number of cases considered, tested and re-tested, closed and open, etc. Within the SIGTAS Core Application maintenance contract by the Company/Vendor CRC Sogema Technologies, no issues have been reported that have been closed during this period.

| 1. Testing, reviews, assessments, support by modules        | Number |
|-------------------------------------------------------------|--------|
| Assessments (PD/CD)                                         | 3356   |
| Payments                                                    | 512    |
| Refunds                                                     | 27     |
| Collection                                                  | 97     |
| Configurations                                              | 137    |
| Open issues with Sogemen                                    | 14     |
| Closed issues with Sogemen                                  | 10     |
| Debit-credit testing (case identification)                  | 78     |
| 2. Reports                                                  | Number |
| Reports for TRUST                                           | 15     |
| Reports on CD/PD duplications                               | 6      |
| Reports on DI/PD accounts                                   | 16     |
| Reports on debts with 0.01€                                 | 15     |
| 3. Procedures / maintenance / analysis                      | Number |
| Procedures for PD/CD duplications                           | 5      |
| Procedures for DI accounts                                  | 3      |
| Procedures for presumptive tax                              | 3      |
| Procedures for transfer of enterprises                      | 4      |
| Procedures for opening tax accounts                         | 3      |
| Procedures for the main enterprise                          | 6      |
| Procedures for installment payments                         | 3      |
| Procedures for installment/no installment account adjusting | 2      |
| License procedure                                           | 3      |
| Procedure document_tax_sub_trans                            | 1      |
| Procedure PD_new accounts                                   | 1      |
| Procedure CD_new accounts                                   | 1      |
| Procedure CD installments                                   | 1      |
| Procedure PD installments                                   | 1      |
| Procedure Individual and main enterprise                    | 6      |
| Procedure installments 2                                    | 3      |
| Procedure fiscal year                                       | 1      |
| Procedure letter no                                         | 6      |
| Refund procedure                                            | 5      |
| Procedure for opening DI accounts                           | 1      |

## 9.2 Systems Administration Division

Within this Division, the following activities have been developed: operationalization of the Infrastructure with equipment supplied during December 2020 and the beginning of 2021.

Operationalization of software for account management and controller domain auditing.

Support in current projects such as the Call Center, SMPFE and the new system, new IT System, according to TAK requirements.

Relevant Systems and Infrastructure have been prepared and implemented /updated.

The following table presents the overall performance (activities and system availability in %):

| 1 | SYSTEMS Administration                     | No.    |
|---|--------------------------------------------|--------|
| 1 | Activities                                 | 258    |
|   | Systems availability %                     | 99.85  |
|   | Fiscal Cash Registers                      | 98.85  |
|   | Mail                                       | 99.99  |
|   | EDI                                        | 99.98  |
|   | Purchases                                  | 99.98  |
|   | Tax Certificate                            | 99.99  |
|   | Webpage                                    | 100.00 |
|   | Atkportal1                                 | 100.00 |
|   | Fiscal receipts                            | 99.98  |
| 2 | NETWORKS Administration                    | No.    |
| 1 | Activities                                 | 72     |
| 2 | Network Availability %                     | 98.68  |
| 3 | DATABASE Administration                    |        |
| 1 | Activities                                 | 2,054  |
| 2 | Database Availability %                    | 99.9   |
|   | Kosprod                                    | 99.89  |
|   | Dw                                         | 99.60  |
|   | Intdb                                      | 99.99  |
|   | Publicdb                                   | 100    |
|   | Dw1mw                                      | 100    |
| 4 | Average availability of the whole system % | 99.45  |

## 9.3 Application Development Division

The following activities have been developed within this division:

| No. | Projects / Systems                            | No. of tasks |
|-----|-----------------------------------------------|--------------|
| 1   | RISK ANALYSIS                                 | 8            |
| 2   | AD-HOC REQUESTS                               | 1            |
| 3   | Linkage with KBRA                             | 6            |
| 4   | Technical Documentation                       | 2            |
| 5   | Dossier                                       | 2            |
| 6   | EDI                                           | 122          |
| 7   | DATA GENERATION                               | 196          |
| 9   | INTERNAL PORTAL                               | 51           |
| 10  | STATISTICAL REPORTS                           | 2            |
| 11  | SIGTAS                                        | 17           |
| 12  | SMPF - FISCAL CASH REGISTERS                  | 3            |
| 13  | SMRM                                          | 19           |
| 14  | Tax Certificates                              | 2            |
| 15  | VKME                                          | 15           |
| 16  | WebApi                                        | 22           |
| 17  | API for AWS                                   | 7            |
| 18  | DATABASE                                      | 41           |
| 19  | Implementation of the new law on minimum wage | 8            |
| 20  | MMCT/MPT/MQT                                  | 5            |
| 21  | MTR -Refunds Treatment Module                 | 18           |
| 22  | Change in WR statement                        | 1            |
| 23  | Call Center                                   | 3            |
| 24  | EDIDB Server Upgrade                          | 10           |

## 9.4 Operations and Support Division

The following activities have been developed within this Division:

| No. | Description of activities                                         | No. of activities |
|-----|-------------------------------------------------------------------|-------------------|
| 1   | Management and Administration of Computers in the Sophos Console  | 881               |
| 2   | Management and Administration of Computers in the Wsus console    | 881               |
| 3   | Management, administration and support of completed requests      | 6287              |
| 4   | Management and Administration of redirection requests             | 929               |
| 5   | Administration, configuration and updating of installed computers | 157               |
| 6   | Management and Administration and servicing of equipment          | 130               |
| 7   | Management and Administration of printer servicing                | 131               |
| 8   | Management and Administration of photocopy servicing              | 294               |
| 9   | Maintenance of network connections and communication lines        | 192               |

## 10. RISK MANAGEMENT AND PLANNING DEPARTMENT

Below we present the work and activities for the reporting period of the three Divisions within the Risk Management and Planning Department.

### 10.1 Risk Management Division

Activities carried out:

| Description of Activities                                                                                                                    | January-December/2024 |
|----------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|
| <i>ACTIVITIES</i>                                                                                                                            |                       |
| Parameter tests                                                                                                                              | 30                    |
| Testing parameter 231 (as a new parameter)                                                                                                   | 1                     |
| Testing the risk analysis module as a whole                                                                                                  | 2257                  |
| Proposing cases for compliance checks                                                                                                        | 762                   |
| Proposing cases for audits                                                                                                                   | 762                   |
| Continuous collaboration with IT regarding the risk analysis module                                                                          | 1                     |
| Report on the parameter testing process                                                                                                      | 1                     |
| Analysis of proposed cases for audits and compliance checks                                                                                  | 1                     |
| Analysis about datasets in Open Data                                                                                                         | 5                     |
| Analyzing data for certain sectors and categories of taxpayers                                                                               | 2                     |
| Automating the generation of reports according to IMF recommendations, through the R tool                                                    | 1                     |
| Use cases within the working group for defining steps/procedures for improving data access and management                                    | 4                     |
| Identification of businesses that have changed their business form or opened new entities with the aim of bypassing inclusion in MTD and LTD | 1                     |
| Analysis about a certain group of quick mails                                                                                                | 1                     |
| Analysis of sales books of certain entities and identification of under-declaring entities in the pharmaceutical industry                    | 1                     |
| Analysis of farmers who have exceeded 30,000 turnover and are not registered                                                                 | 1                     |
| Risk Treatment Plan for 2025                                                                                                                 | 1                     |
| TAK-Customs Joint Action Plan 2025                                                                                                           | 1                     |
| Analysis of employees who are listed as primary in more than 3 employers                                                                     | 1                     |
| Creating a draft report/application through R                                                                                                | 1                     |
| <i>Reporting</i>                                                                                                                             |                       |
| Performance Report for TAK for the period January - December 2023                                                                            | 1                     |
| Quarterly risk treatment report                                                                                                              | 4                     |
| Monthly audit report                                                                                                                         | 11                    |
| Monthly compliance checks report                                                                                                             | 11                    |
| Report on the audit improvement strategy                                                                                                     | 2                     |
| Report on taxpayer behavior after the audit                                                                                                  | 1                     |
| Reporting to: SLEJ (SCIE), SIGMA, IKP, KAS, KCFR, NDP                                                                                        | 10                    |
| Reporting on data for gap assessment by the WB                                                                                               | 1                     |
| Reporting on Public Enterprises                                                                                                              | 2                     |
| Report on the implementation of the NPEI                                                                                                     | 1                     |
| Report to the PKK Department                                                                                                                 | 1                     |
| Reporting in the PAR.IS system                                                                                                               | 1                     |
| Reporting on the achievement of objectives for compliance projects                                                                           | 2                     |
| Reporting to the MFLT regarding social assistance reform                                                                                     | 1                     |
| Reporting to the European Union Mission in Kosovo                                                                                            | 1                     |
| Data related to the European Commission report                                                                                               | 1                     |
| Data on workers as requested by USAID                                                                                                        | 1                     |
| Data on the objectives of the compliance projects                                                                                            | 1                     |
| Handling of requests by the Project Coordination Office                                                                                      | 4                     |
| Turnover by sector for December 2023 and January 2024                                                                                        | 1                     |
| Cases analyzed at the request of the ATK-KC technical group                                                                                  | 10                    |
| Correspondence with ADA regarding information exchange                                                                                       | 1                     |
| Data preparation for NDP                                                                                                                     | 2                     |
| Data on workers upon request for labor market analysis                                                                                       | 1                     |
| Data for the Vulnerable Energy Consumer Protection Program                                                                                   | 1                     |
| Information exchange with ARKEP                                                                                                              | 2                     |
| Execution of payments as an alternative official                                                                                             | 1                     |
| Preparing data for the communications office                                                                                                 | 1                     |
| Individual Work Plan January-December 2024                                                                                                   | 1                     |
| <i>Trainings/Meetings</i>                                                                                                                    |                       |
| Participation in meetings/presentations/workshops/trainings                                                                                  | 16                    |

## 1 0.2 Planning and Reporting Division

### Activities carried out:

| Description of Activities                                                                                                            | January-December/2024 |
|--------------------------------------------------------------------------------------------------------------------------------------|-----------------------|
| Preparation of the Work Plan for 2024, including financial indicators, risks identified for treatment and objectives by department   | 1                     |
| Preparation of the Revenue Plan/forecast for 2024                                                                                    | 1                     |
| Work Objectives for DPR during 2024                                                                                                  | 1                     |
| Work objectives for TAK during 2024                                                                                                  | 1                     |
| Individual Work Plan January-December 2024                                                                                           | 1                     |
| Work Report for December 2023                                                                                                        | 1                     |
| Work Report January - December 2023                                                                                                  | 1                     |
| Performance Report for MFLT for the period January-December 2023                                                                     | 1                     |
| Preparation of the January-December 2023 Report regarding the flow of revenues and activities undertaken                             | 1                     |
| Preparation of the January-December/2023 Report for the MFLT                                                                         | 1                     |
| Regular data on Employment, Turnover & Wages Q1-Q3/2024                                                                              | 3                     |
| Performance Report for MFLT for the period January 2024                                                                              | 1                     |
| Preparation of the January 2024 Report regarding the flow of revenues and activities undertaken during the reporting period          | 1                     |
| Preparation of January 2024 Report for MFLT                                                                                          | 1                     |
| Preparation of Statistical Report 2015-2023                                                                                          | 1                     |
| Annual Work Report 2023 according to: Article 8 Law No.03/L-222 on TAK                                                               | 1                     |
| Turnover by sector for December 2023 and January 2024;                                                                               | 1                     |
| Performance Report for MFLT for the period January-February 2024                                                                     | 1                     |
| Preparation of the January-February 2024 Report regarding the flow of revenues and activities undertaken during the reporting period | 1                     |
| Preparation of the January-February 2024 Report for the MFLT                                                                         | 1                     |
| Performance Report for MFLT for the period January-March 2024                                                                        | 1                     |
| Preparation of the January-March 2024 Report regarding the flow of revenues and activities undertaken during the reporting period    | 1                     |
| Preparation of the January-March 2024 Report for the MFLT                                                                            | 1                     |
| Performance Report for MFLT for the period January-April 2024                                                                        | 1                     |
| Preparation of the January-April 2024 Report regarding the flow of revenues and activities undertaken during the reporting period    | 1                     |
| Preparation of the January-April 2024 Report for the MFLT                                                                            | 1                     |
| Performance Report for MFLT for the period January-May 2024                                                                          | 1                     |
| Preparation of the January-May 2024 Report regarding the flow of revenues and activities undertaken during the reporting period      | 1                     |
| Preparation of the January-May 2024 Report for the MFLT                                                                              | 1                     |
| TAK Performance Report January-March 2024                                                                                            | 1                     |
| TAK Performance Report January-June 2024                                                                                             | 1                     |
| TAK Performance Report 2015-June 2024                                                                                                | 1                     |
| TAK Performance Report January-September 2024                                                                                        | 1                     |
| Performance Report for MFLT for the period January-June 2024                                                                         | 1                     |
| Preparation of the January-June 2024 Report regarding the flow of revenues and activities undertaken                                 | 1                     |
| Preparation of the January-June 2024 Report for MFLT                                                                                 | 1                     |
| Performance Report for MFLT for the period January-July 2024                                                                         | 1                     |
| Preparation of the January-July 2024 Report regarding the flow of revenues and activities undertaken during the reporting period     | 1                     |
| Preparation of the January-July 2024 Report for the MFLT                                                                             | 1                     |
| Performance Report for MFLT for the period January-August 2024                                                                       | 1                     |
| Preparation of the January-August 2024 Report regarding the flow of revenues and activities undertaken during the reporting period   | 1                     |
| Preparation of the January-August 2024 Report for the MFLT                                                                           | 1                     |
| Performance Report for MFLT for the period January-September 2024                                                                    | 1                     |
| Preparation of the January-September 2024 Report regarding the flow of revenues and activities undertaken                            | 1                     |

|                                                                                                                                      |    |
|--------------------------------------------------------------------------------------------------------------------------------------|----|
| Preparation of the January-September 2024 Report for the MFLT                                                                        | 1  |
| Performance Report for MFLT for the period January-October 2024                                                                      | 1  |
| Preparation of the January-October 2024 Report regarding the flow of revenues and activities undertaken during the reporting period  | 1  |
| Preparation of the January-October 2024 Report for the MFLT                                                                          | 1  |
| Performance Report for MFLT for the period January-November 2024                                                                     | 1  |
| Preparation of the January-November 2024 Report regarding the flow of revenues and activities undertaken during the reporting period | 1  |
| Preparation of the January-November 2024 Report for the MFLT                                                                         | 1  |
| Work Report January - March 2024                                                                                                     | 1  |
| Work Report January - June 2024                                                                                                      | 1  |
| Work Report January – September 2024                                                                                                 | 1  |
| Preparation of the Projection for 2024: Plan of revenues, audits, collection, etc.;                                                  | 1  |
| Figures and Facts 2024                                                                                                               | 12 |
| Request from MFLT                                                                                                                    | 11 |
| Request from ERO                                                                                                                     | 1  |
| Request from USAID                                                                                                                   | 1  |
| Request from the German Chamber of Commerce                                                                                          | 1  |
| Request from the EU Office                                                                                                           | 1  |
| Request from the Assembly of Kosovo                                                                                                  | 2  |
| Request from the Competition Authority                                                                                               | 2  |
| Request from BIRN                                                                                                                    | 1  |
| Request from the KIESA                                                                                                               | 2  |
| Request from the EC                                                                                                                  | 1  |
| Request from the IMF                                                                                                                 | 1  |
| Request from M. Prizren-Directorate for Tourism and Economic Development                                                             | 1  |
| Request from the International Cooperation Division                                                                                  | 2  |
| Request from the Media and Public Relations Division                                                                                 | 3  |
| Request from the Compliance Strategy Division                                                                                        | 2  |
| Request from the Project Coordination Division                                                                                       | 1  |
| Request - OECD/SIGMA 2024 Assessment                                                                                                 | 1  |
| Request from the Ministry of Culture, Youth and Sports                                                                               | 1  |
| Other specific requests                                                                                                              | 12 |

## 10.3 Compliance Strategy Division

Activities carried out:

| Description of Activities                                                                                                                                          | January-December/2024 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|
| Sending and re-sending requests for Information to various Departments/Divisions regarding the Action Plan Annual Report: 2022-2024, period: January-December/2023 | 1                     |
| Draft Annual Report of the Action Plan: 2022-2024, period: January-December/2023                                                                                   | 1                     |
| Sending requests for information to various Departments/Divisions regarding the Annual Compliance Report, period: January-December/2023                            | 1                     |
| Draft Annual Compliance Report for the year 2023, period: January-December/2023;                                                                                   | 1                     |
| Annual Report for 2023, regarding the implementation of the Strategy and Action Plan: 2022-2024                                                                    | 1                     |
| Annual Compliance Report for the year 2023, period: January-December/2023;                                                                                         | 1                     |
| Sending requests for information to various Departments/Divisions regarding the Monthly Report on Key Performance Indicators                                       | 1                     |
| Draft Monthly Report on Key Performance Indicators                                                                                                                 | 1                     |
| Sending requests for Information to various Departments/Divisions regarding the Quarterly Compliance Report, period: January-March/2024;                           | 1                     |
| Draft Quarterly Implementation Report for the period: January-March/2024                                                                                           | 1                     |
| Quarterly Compliance Report for the period: January-March/2024                                                                                                     | 1                     |
| Work on the preparation of the regular Key Performance Indicators-KPI Report for the period January-March 2022-2024                                                | 1                     |
| Sending requests for information to various Departments/Divisions regarding the TADAT-2023 Report – Questionnaire                                                  | 1                     |
| Draft Annual Report – Questionnaire TADAT-2023                                                                                                                     | 1                     |
| Comments and responses regarding the Non-Declarants Report                                                                                                         | 1                     |
| Preparation of the regular Key Performance Indicators-KPI Report for the period January-June 2022-2024                                                             | 1                     |
| Sending requests for information to various Departments/Divisions regarding the Six-monthly Compliance Report, period: January-June/2024                           | 1                     |
| Draft Six-monthly Compliance Report, period: January-June/2024                                                                                                     | 1                     |
| Meeting with IT officials regarding data provision for the Compliance Report                                                                                       | 1                     |
| Sending requests for information to various Departments/Divisions regarding the 2022-2024 Action Plan Six-monthly Report                                           | 1                     |
| Semi-Annual Implementation Report, period: January-June/2024                                                                                                       | 1                     |
| Draft-Six-monthly Report of the 2022-2024 Action Plan, period: January-June/2024                                                                                   | 1                     |
| Six-monthly Report of the 2022-2024 Action Plan, period: January-June/2024                                                                                         | 1                     |
| Analyzing the Compliance Report data, comparing IT data with data from previous Reports                                                                            | 1                     |
| Sending data to various Divisions for the Compliance Report, period: January-September/2024                                                                        | 1                     |
| Meeting with IT officials regarding the provision and finalization of data for the Compliance Report                                                               | 1                     |
| Draft-Nine-monthly Compliance Report, period: January-September/2024                                                                                               | 1                     |
| Nine-monthly Compliance Report, period: January-September/2024                                                                                                     | 1                     |
| Sending data to various Divisions for the TADAT Report-Questionnaire, period: January/2022-September/2024                                                          | 1                     |
| Sending COMMENTS regarding the Working Hours Regulation                                                                                                            | 1                     |
| Analysis and monitoring of the TAK Strategic Plan: 2022-2026                                                                                                       | 1                     |
| Analysis of the 2022-2024 Action Plan for the implementation of the 2022-2026 Strategic Plan                                                                       | 1                     |
| Training held, topic: Effective communication skills and communication techniques.                                                                                 | 1                     |

## 1 1. DEPARTMENT FOR TAXPAYER REGISTRATION AND SERVICE

The Department of Taxpayer Registration and Services (DTRS) aims to facilitate tax processes, improve communication and relationships with taxpayers, and help educate taxpayers about their tax obligations and rights. We aim to create an environment where taxpayers feel informed, advised, and treated fairly and equitably.

This department was established with the aim of supporting and assisting in the registration, processing and provision of other services to taxpayers, with the aim of raising the level of taxpayer awareness for complying with tax obligations voluntarily, through:

- Facilitating procedures, providing professional, transparent and efficient services in accordance with tax laws, as well as

- Development of policies and procedures regarding necessary services for taxpayers.

The DTRS considers that the Work Plan for the period January - December/2024 has been successfully implemented, thereby ensuring that taxpayers are provided with Education, Information and facilitation of procedures through the provision of professional and timely services.

Also, the objectives foreseen for this period have been achieved at a satisfactory level, such as: conducting/organizing seminars and trainings, presentations, various organizations on certain tax issues, providing other services, which, in addition to being foreseen in the 2024 Annual Plan, are also defined in the 2022-2026 Compliance Strategy.

Based on the 2024 Work Plan, for the period January - December/2024, various activities have been implemented in a non-violent manner with the aim of Informing and Educating Taxpayers, as well as increasing voluntary compliance by taxpayers.

In terms of informing and service to taxpayers, the following are continuously foreseen: the development of policies and procedures regarding services for taxpayers at the general (Central) and Regional levels, as well as the coordination of joint activities.

The requests submitted by taxpayers, which were received in physical and electronic form, have been continuously and with special dedication handled, in which case taxpayers have been provided with concrete answers and a considerable number of Individual Explanations/Professional Advice have been issued, in accordance with Tax Legislation and within legal deadline.

In order for taxpayers to be informed at every step about the procedures required by tax legislation, innovations and other changes, - Notifications for taxpayers, through the TAK website, Facebook, through taxpayers' email addresses, Press releases, Interviews for print and electronic media have been prepared/provided.

Also, all activities related to Taxpayer Registration and Data Processing have been successfully implemented, in terms of information processing, through the efficient implementation of all tax procedures.

### 11.1 Taxpayer Service Division

The Taxpayer Service Division - Central Office, during the period January-December/2024, carried out the following activities:

| DESCRIPTION OF ACTIVITIES             | Number of activities |
|---------------------------------------|----------------------|
| Response in hard copy                 | 18                   |
| Response in electronic form           | 2,107                |
| Response in electronic form - Regions | 58                   |
| Response via the TAK website          | 357                  |
| Response for journalist               | 8                    |
| Total Responses                       | 2,548                |
| Taxpayer notifications                | 26                   |
| Informational materials               | 2                    |
| Participation in working groups       | 44                   |
| Activities carried out                | 98                   |
| Cooperation with other Departments    | 69                   |
| Seminars/Trainings for Taxpayers      | 14                   |
| Attending Trainings and Courses       | 5                    |
| Training for TAK Staff                | -                    |
| Meetings with taxpayers               | 279                  |
| Phone calls from taxpayers            | 4,903                |
| Total activities                      | 5,440                |
| Total activities                      | 7,988                |

Table 22: Activities carried out by the Taxpayers Service - Central Office of Taxpayer Registration

Source: Taxpayer Service Report

### Activities carried out in Numerical Form by TSD - Regional Offices

| Type of service                  | LTD   | SD (QSHET)-P | Gjilan | Ferizaj | Prizren | Peja  | Gjakova | Mitrovica | Central Office | Total   |
|----------------------------------|-------|--------------|--------|---------|---------|-------|---------|-----------|----------------|---------|
| Request                          | 3,552 | 31,658       | 8,882  | 10,946  | 19,701  | 3,774 | 6,715   | 6,071     | 6,915          | 98,214  |
| Announcements                    | 249   | 1,925        | 933    | 82      | 76      | 19    | 179     | 179       | -              | 3,642   |
| Protocols / Submissions          | 21    | 5,841        | 1,973  | 951     | 1,169   | 1,200 | 2,186   | 785       | 35             | 14,161  |
| Pension Contributions            | -     | -            | 5,189  | 5,452   | 7,895   | 2,708 | 3,498   | 4,371     | -              | 29,113  |
| Other tasks                      | 284   | 698          | 3,854  | 541     | 1,277   | 1     | 259     | 267       | 702            | 7,883   |
| Legal Advice                     | 50    | 1            | 386    | 1,622   | 10      | 48    | 4       | 1,795     | 550            | 4,466   |
| Certificates created             | 22    | 2,276        | 377    | 578     | 949     | 106   | 21      | 500       | 260            | 5,089   |
| Approval of email address change | 1     | 867          | 197    | 249     | 392     | 46    | 116     | 229       | -              | 2,097   |
| Total:                           | 4,179 | 43,266       | 21,791 | 20,421  | 31,469  | 7,902 | 12,978  | 14,197    | 8,462          | 164,665 |

Table 23: Activities carried out by the Taxpayer Service - Regional Offices

Source: Taxpayer Service Report

## 11.2 Registration Division

The Taxpayer Registration Division, Central Office, during the period January-December/2024, carried out the following activities:

| DESCRIPTION OF ACTIVITIES                                                                                               | Number of activities |
|-------------------------------------------------------------------------------------------------------------------------|----------------------|
| Creating Fiscal Numbers for existing individual businesses                                                              | 330                  |
| Creating Fiscal Numbers for existing legal businesses                                                                   | -                    |
| Creating Fiscal Numbers for Existing Partnerships                                                                       | 22                   |
| Fiscal Number Requests/Applications for Fiscal Representatives                                                          | 19                   |
| Issuance of Fiscal Number/Certificate for Fiscal Representative                                                         | 19                   |
| Cancellation of Request/Application for Fiscal Representative                                                           | -                    |
| Change of person as Fiscal representative                                                                               | -                    |
| Application for registration of shareholders or partners                                                                | -                    |
| Request for adjustment of tax account                                                                                   | 835                  |
| Answer in electronic form Regions                                                                                       | 244                  |
| Answer in electronic form                                                                                               | 203                  |
| Meetings with taxpayers                                                                                                 | 168                  |
| Regulating the balance of businesses with character at the end                                                          | 333                  |
| Error requests from ARBK (KBRA), system crash, etc.                                                                     | 1                    |
| UIN's connection to existing business                                                                                   | 3,356                |
| Participation in Working Groups                                                                                         | -                    |
| Change of business form – type from B.I to SH.P.K, O.P to B.I., B.I to O.P. , O.P. to SH.P.K                            | 44                   |
| Change of business ownership                                                                                            | 3                    |
| Registration of New Individual Businesses in KOSPROD                                                                    | 33                   |
| Registration of New Legal businesses in KOSPROD                                                                         | 13                   |
| Registration of new businesses Partnerships in KOSPROD                                                                  | 11                   |
| Problems delegated by the Regions                                                                                       | 807                  |
| Phone calls from the regions                                                                                            | 1,601                |
| Regulated businesses N.SH. for M.D.-AKP                                                                                 | 31                   |
| Adjustment of the list with duplicate NRF – list with 283 cases                                                         | -                    |
| Change of Tax Center                                                                                                    | 31                   |
| Verification of Lists with other status, changes in business forms and ownership, as well as with character:            | 2,739                |
| Total registration activities                                                                                           | 10,843               |
| Answer via the address edi@atk-ks.org                                                                                   | 3,325                |
| Phone call from taxpayer                                                                                                | 1,637                |
| Adjustment, Closing (Cleaning) of tax/contribution accounts                                                             | -                    |
| Regulations regarding the processing of declarations and payments                                                       | 211                  |
| Analysis of lists of Taxpayers who have active (open) VAT accounts, while their VAT Certificate is destroyed/cancelled) | -                    |
| Analysis of lists of Taxpayers who have closed VAT accounts, while their VAT Certificate is active.                     | -                    |
| Verifications of Regional Directorates' Requests for Tax Account Adjustment                                             | -                    |
| Sending unprocessed T/P payments for IT Processing                                                                      | -                    |
| Other activities                                                                                                        | -                    |
| Total activities for declarants/non-declarants:                                                                         | 5,173                |
| Total activities:                                                                                                       | 16,016               |

Table 24: Taxpayer Registration Activities

Source: Taxpayer Registration and Service Department

## New businesses registered in One -Stop-Shop

| Type of Business                           | Number of activities |
|--------------------------------------------|----------------------|
| New businesses registered at One-Stop-Shop |                      |
| Individual businesses - BI                 | 5,657                |
| General Partnership                        | 1                    |
| Limited Partnership                        | -                    |
| Limited Liability Company - LLC (SH.P.K)   | 15,577               |
| Joint Stock Company-JSC (SH.A.)            | 20                   |
| Branch in Kosovo - D.K.                    | 111                  |
| Agricultural Cooperative - K.B.            | 8                    |
| Representative Office in Kosovo – Z.P.K    | 5                    |
| Total                                      | 21,379               |
| Businesses that have had changes:          |                      |
| Individual businesses - B.I.               | 4,444                |
| General Partnership - O.P.                 | 78                   |
| Limited Liability Company - -SH.P.K        | 10,170               |
| Joint Stock Company - SH.A.                | 148                  |
| Branch in Kosovo – D.K.                    | 88                   |
| Limited Partnerships – O.K.                | 5                    |
| Agricultural Cooperative –K.B.             | 8                    |
| Socially-Owned Enterprise – N. Sh.         | 1.00                 |
| N.J. AKM                                   |                      |
| Representative Office in Kosovo – Z.P.K.   | 4                    |
| Total                                      | 14,946               |
| Deregistered businesses:                   |                      |
| Individual businesses - B.I.               | 2,465                |
| General Partnership - O.P.                 | 24                   |
| Limited Liability Company - -SH.P.K        | 445                  |
| Joint Stock Company - SH.A.                | -                    |
| Branch in Kosovo – D.K.                    | 20                   |
| Limited Partnerships – O.K.                | -                    |
| Agricultural Cooperative –K.B.             | -                    |
| Socially-Owned Enterprise – N. Sh.         | -                    |
| N.J.AKM                                    | -                    |
| Representative Office in Kosovo – Z.P.K    | -                    |
| Total                                      | 2,954                |

## EDI Electronic Services Report for the period 01.01.2024 – 31.12.2024

### Issuance of electronic tax certificates according to types of requests

| No.   | Type of Tax Certificate                    | TAK    | Online Persons | Online EDI | Total  | Structure by type |
|-------|--------------------------------------------|--------|----------------|------------|--------|-------------------|
| 1     | 2                                          | 3      | 4              | 5=2+3+4    | 6      | %                 |
| 1     | Other                                      | 7,116  | 9,378          | -          | 16,494 | 20.19%            |
| 2     | Tender Application                         | 1,691  | -              | 12,153     | 13,844 | 16.94%            |
| 3     | Loan application                           | 1291   | -              | 10,112     | 11,403 | 13.96%            |
| 4     | Grant application                          | 1205   | -              | 7,930      | 9,135  | 11.18%            |
| 5     | Subsidy application                        | 608    | -              | 5,600      | 6,208  | 7.60%             |
| 6     | Visa Application                           | 1029   | 2,008          | 2,883      | 5,920  | 7.25%             |
| 7     | Acquisition of citizenship                 | 3,665  | 1,541          | 169        | 5,375  | 6.58%             |
| 8     | License application                        | 257    | -              | 3,130      | 3,387  | 4.15%             |
| 9     | Business deregistration                    | 1,849  | -              | -          | 1,849  | 2.26%             |
| 10    | Donation application                       | 32     | -              | 1,636      | 1,668  | 2.04%             |
| 11    | Release from citizenship                   | 431    | 776            | 105        | 1,312  | 1.61%             |
| 12    | Application for license extension          | 39     | -              | 1,060      | 1099   | 1.35%             |
| 13    | Deregistration of the Fiscal Cash Register | 981    | -              | -          | 981    | 1.20%             |
| 14    | Application for change of surname          | 634    | -              | 170        | 804    | 0.98%             |
| 15    | Application for customs warehouse          | 28     | -              | 600        | 628    | 0.77%             |
| 16    | Application for continuation of lines      | 36     | -              | 549        | 585    | 0.72%             |
| 17    | Extension of residence permit in Kosovo    | 81     | 101            | 307        | 489    | 0.60%             |
| 18    | Change of business form                    | 290    | -              | -          | 290    | 0.35%             |
| 19    | Maternity leave                            | 2      | 72             | 127        | 201    | 0.25%             |
| 20    | Annual turnover                            | 32     | -              | -          | 32     | 0.04%             |
| 21    | Change of business ownership               | 2      | -              | -          | 2      | 0.00%             |
| Total |                                            | 21,299 | 13,876         | 46,531     | 81,706 | 100.00%           |

## Registration in the EDI System

Taxpayers registered in the EDI System until 31.12.2024 are 171,225 taxpayers.

## Electronic Declarations

| MO NTH | T/P     | DECLARATIONS | VAT     | WM        | CM        | IS      | CI      | QS     | DP     | CD     | WR      | IR    | DO  |
|--------|---------|--------------|---------|-----------|-----------|---------|---------|--------|--------|--------|---------|-------|-----|
| 1      | 715,366 | 345,258      | 42,480  | 90,069    | 90,013    | 31,128  | 40,693  | 11,572 | 593    | 1,391  | 35,811  | 1,232 | 14  |
| 2      | 62,211  | 261,385      | 39,188  | 82,276    | 82,260    | 6,190   | 6,876   | 3,111  | 1,775  | 4,156  | 34,968  | 321   | 41  |
| 3      | 63,647  | 289,932      | 44,361  | 84,558    | 84,499    | 6,957   | 7,705   | 3,111  | 6,615  | 15,197 | 35,594  | 425   | 249 |
| 4      | 73,065  | 348,445      | 39,953  | 90,160    | 90,105    | 29,774  | 40,149  | 10,963 | 2,220  | 6,978  | 36,783  | 969   | 110 |
| 5      | 64,170  | 269,563      | 38,305  | 86,351    | 86,260    | 6,893   | 8,335   | 4,007  | 512    | 1,365  | 37,034  | 370   | 32  |
| 6      | 62,951  | 247,222      | 37,633  | 79,408    | 79,253    | 5,005   | 6,229   | 2,766  | 324    | 764    | 35,495  | 231   | 14  |
| 7      | 76,788  | 360,860      | 40,146  | 97,737    | 97,422    | 30,598  | 40,621  | 12,396 | 353    | 889    | 39,588  | 1,006 | 13  |
| 8      | 64,222  | 241,951      | 36,813  | 78,893    | 78,664    | 4,620   | 5,345   | 2,361  | 423    | 538    | 34,058  | 122   | 43  |
| 9      | 68,492  | 276,980      | 38,334  | 90,252    | 90,215    | 6,748   | 8,071   | 3,316  | 220    | 476    | 38,913  | 331   | 31  |
| 10     | 77,650  | 358,330      | 40,856  | 95,112    | 94,872    | 30,975  | 41,160  | 13,403 | 285    | 528    | 39,789  | 1,226 | 27  |
| 11     | 68,255  | 266,938      | 40,537  | 86,377    | 86,185    | 5,381   | 6,328   | 3,709  | 256    | 400    | 37,331  | 338   | 12  |
| 12     | 68,722  | 272,277      | 39,789  | 88,384    | 88,123    | 5,851   | 7,115   | 3,112  | 297    | 380    | 38,753  | 367   | 9   |
| Total  |         | 3,539,141    | 478,395 | 1,049,577 | 1,047,871 | 170,120 | 218,627 | 73,827 | 13,873 | 33,062 | 444,117 | 6,938 | 595 |

## 1 1.3 Division of Processing

Data Processing Division - Central Office, during the period January-December /2024, carried out the following activities:

| Category              | Sub Category                                    | No. $\Sigma$ : 2024 |
|-----------------------|-------------------------------------------------|---------------------|
| Archiving             | Acceptance of declarations for processing       | 2,318               |
| Processing            | Payment verification                            | 8,218               |
| Transfer of records   | Transfer of installment payments to PD/CD       | 118                 |
| Contacts              | With tax inspector                              | 292                 |
| Contacts              | Collection officer                              | 44                  |
| Processing            | Processing of declarations                      | 2,292               |
| Processing            | Refunds                                         | 215                 |
| Processing            | Debit-credit form                               | 12,346              |
| Processing            | Return of declarations to the Region            | 26                  |
| Processing            | Committee Decision                              | 75                  |
| Processing            | Appeals Decision                                | 67                  |
| Processing            | Cancellation of uncollectible debt of SOEs      | 777                 |
| Processing            | Article 62 Paragraph 1 of Law 03/L-222          | 0                   |
| Processing            | Article 110, paragraph 3 of Law No. 08/L-257    | 9,621               |
| Processing            | Article 110, paragraph 4 of Law No. 08/L-257    | 6,734               |
| Processing            | Judgment No. 2126/17                            | 12                  |
| Processing            | Law 03/L-222, Part 3, paragraph 4               | 40                  |
| Processing            | Decision No. 04/60                              | 6                   |
| Processing            | Interest deduction                              | 5                   |
| Processing            | Reduction of penalties to 2%                    | 1,855               |
| Archiving             | Archiving forgiveness                           | 1,064               |
| Archiving             | VAT certificate requests                        | 117                 |
| Processing            | Payment processing                              | 8,218               |
| Adjusting the balance | Analysis                                        | 37                  |
| Adjusting the balance | Credit balance carry over                       | 4                   |
| Adjusting the balance | Opening tax accounts                            | 152                 |
| Revenue Officer       | Registration of income in SIGTAS in fee balance | 953,166,576         |
| Revenue Officer       | Revenue specification                           | 953,166,579         |
| Revenue Officer       | Revenue reporting                               | 953,166,576         |

## 1 2. TAX PROCEDURES AND CONTROL DEPARTMENT

During the reporting period January - December/2024, the Department of Procedures and Quality Control (DPQC), within the commitments, objectives and responsibilities provided by the Senior Management of the Kosovo Tax Administration, has developed various activities towards meeting the objectives that are in line with its Operational Plan.

The Department of Procedures and Quality Control (DPQC) has continued its work in carrying out work, developing procedures and measuring the quality of cases, where special attention in this period has been paid to strategies, plans, objectives, legal changes, reports and implementation of various recommendations from Senior Management, various institutions and the IMF mission as well as requests from TAK Departments.

This report reflects the activities carried out by the Department of Procedures and Quality Control for the period January - December /2024, according to this order for the two Divisions:

Control Procedures Division and

Quality Control Division

The Department of Procedures and Quality Control (DPQC) in this reporting period has participated in senior management discussions, worked on drafting and updating Audit Forms according to new legal changes, held trainings/information meetings for all RTD/LTD/MTD, participated in trainings, meetings and working groups organized by various institutions, provided professional advice and opinions on certain questions and topics, meetings on various topics of interest to TAK, etc.

The DPQC has been engaged in working groups, in drafting new documents and forms in line with legal changes and commenting on documents forwarded by Senior Management, then issuing documents and developing procedures as well as issuing reports and monitoring reports, also engaging in the 2022-2026 Strategy Action Plan.

Also during this period, various meetings were organized and other documents were prepared as requested by Senior Management.

During the reporting period January-December/2024, documents were drafted, including finalized and draft documents:

| No. |                                                                                                                                        | Approved | Draft |
|-----|----------------------------------------------------------------------------------------------------------------------------------------|----------|-------|
| 1   | Explanatory Guidelines on the manner of Implementation of Certain Articles of Law No. 08-L-257 on the Administration of Tax Procedures | Yes      | /     |
| 2   | Audit Forms according to Law No. 08/L-257 on the Administration of Tax Procedures                                                      | Yes      | /     |
| 3   | Reimbursement Regulation 02/2024                                                                                                       | Yes      | /     |
| 4   | Refund Criteria by Categories Automatically                                                                                            | Yes      | /     |
| 5   | Refund Decision Form in the refund module                                                                                              | Yes      | /     |
| 6   | Document describing the Control Procedures                                                                                             | Yes      | /     |
| 7   | Request for implementation of legal changes according to Law No. 08/L-142, in the SIGTAS System and the EDI Electronic System          | Yes      | /     |
| 8   | Clarifying document for the implementation of legal changes under Law No. 08/L-142 in the SIGTAS system and the EDI system;            | Yes      | /     |
| 9   | Document on Audit procedures for SIGTAS                                                                                                | Yes      | /     |
| 10  | Document for receiving cases in Audit Quality for operational activities (Au005)                                                       | Yes      | /     |
| 11  | Guidelines for Audit Procedures and Techniques - Shortages in stocks and Goods without documentation                                   | /        | draft |
| 12  | Draft document regarding the application for Registration of a worker with tax control                                                 | /        | draft |
| 13  | Guidelines for Audit Procedures and Techniques for Manufacturers                                                                       | /        | draft |

The Department of Procedures and Quality Control (DPQC) has provided important support to other departments by preparing various documents and materials. In cooperation with DTRS and Information Technology (IT), DPQC has prepared and tested the Purchase and Sales Books, as well as conducted tests for debit/credit formats. Another important aspect has been the preparation and testing of the form for new employees. DPQC staff has also contributed to the IT system in professional advice on legal changes.

DPQC officials have been engaged in a number of working groups, both within and outside of TAK, including cooperation with institutions such as the Kosovo Business Registration Agency (KBRA), the Ministry of Finance, Labor and Transfers (MFLT), and have participated in meetings on the Strategy for Combating the Informal Economy (SCIE), then on the Action Plan for the Strategy 2022 - 2026. They have also contributed to public hearings on the Draft Law on the Register of Beneficial Owners.

The DPQC has also engaged in meetings with international organizations such as TAEIX, IMF, GIZ, EC, WB and EU, participating in discussions regarding technical assistance, reports and questionnaires, with the aim of advancing staff and improving processes within TAK. The department has also provided support to RTD, LTD and MTD in providing professional advice and resolving questions raised, whether through direct meetings, written or telephone communication, continuing to be a collaborative partner for all TAK departments and other relevant institutions.

Below we present some of the activities of the Divisions of the Department of Procedures and Quality Control:

| DESCRIPTION OF ACTIVITIES                                                                     |      |
|-----------------------------------------------------------------------------------------------|------|
| AUDIT PROCEDURES DIVISION                                                                     |      |
| Written Professional Advice for RTD/LTD/MTD                                                   | 18   |
| Response in the form of consultations with RTD/LTD/MTD (meeting, phone, e-mail, etc.)         | 138  |
| Response for other departments                                                                | 21   |
| Participation in Working Groups/Workshops                                                     | 56   |
| Participation in Trainings / Organizer/Participant                                            | 79   |
| Activities                                                                                    | 284  |
| Commission for exemptions from divisional officer                                             | 227  |
| AUDIT QUALITY DIVISION                                                                        |      |
| Quality Analysis and Measurement - Audits                                                     | 51   |
| Quality Analysis and Measurement - Visits                                                     | 190  |
| Quality Analysis and Measurement - Refunds                                                    | -    |
| Quality Analysis and Measurement - Audits (special cases from DTII)                           | 3    |
| Compiling the report for LTD/MTD/RTD/DTII (findings, quality, recommendations)                | 16   |
| Report compilation - Quality Trend for Senior Management                                      | 3    |
| Compilation of quality reports for specific cases                                             | 2    |
| Case discussions upon request from (ZSP)                                                      | 5    |
| Discussions of quality cases with officials from LTD/MTD/RTD/DTII                             | 53   |
| Collaboration with other Departments and Divisions (Service, Legal Office, IT, Risk Analysis) | 12   |
| Communication with officials from RTD/LTD/MTD                                                 | 38   |
| Discussions of issues with other offices (legal office, T/P service)                          | 16   |
| Participation in various workshops and meetings                                               | 41   |
| Distribution of documents (Customs decisions) for LTD/MTD/RTD/DTII                            | 174  |
| Total                                                                                         | 1427 |

Table 25: Activities developed and implemented by TCD

Source: Tax Control Department

|                                                        |                       |
|--------------------------------------------------------|-----------------------|
| Participation in Working Groups                        | No. in working groups |
| Participation in Working Groups inside and outside TAK | 93                    |

Participation in training with TIWB experts, Case of control by LTD for Transfer Pricing. While training on legal changes for the Administration of Tax Procedures was held for TAK staff;

#### Training for RTD/LTD/MTD

| No. | Description                                                      | Participants | Training days |
|-----|------------------------------------------------------------------|--------------|---------------|
| 1   | Legal Changes for the Administration of Tax Procedures           | 245          | 12            |
| 2   | Training for the Wealthy Individuals Audit Techniques Guidelines | 31           | 1             |
| 3   | Training on Debit and Credit Notes                               | 22           | 1             |
| 4   | Training on Returns of Goods and Sales Discounts                 | 22           | 1             |
| 5   | Training on Partnerships                                         | 35           | 1             |
| 6   | Training on Indirect Audit Methods                               | 35           | 1             |

#### Other trainings based on TNA 2024

| No. | Course                                                                               | Participants | Training days |
|-----|--------------------------------------------------------------------------------------|--------------|---------------|
| 1   | Advanced Issues – Accounting for Construction Contracts and Other Tax-Related Issues | 21           | 1             |
| 2   | Corporate Income Tax                                                                 | 20           | 2             |
| 3   | Personal Income Tax                                                                  | 24           | 2             |
| 4   | Advanced Audit Techniques                                                            | 10           | 2             |
| 5   | Advanced VAT training                                                                | 15           | 5             |

#### Participation in training

| No. | Course                                                                                                                                                            | Participants | Training days |
|-----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|---------------|
| 1   | Participation in Transfer Pricing training                                                                                                                        | 4            | 4             |
| 2   | Training on Financial Statements held by SCAAK                                                                                                                    | 3            | 10            |
| 3   | Participation in training organized by GLZ, "Assessment of leadership styles for mental health, stress management and prevention of physical energy expenditure"; | 1<br>2       | 2<br>2        |
| 4   | Participation in training/workshop on Digital Commerce                                                                                                            | 2            | 2             |

## 13. DEPARTMENT OF PRICE TRANSFER AND DIGITAL ECONOMY

Below you will find the Cumulative Work Report for the period January - December 2024 of the Department for Price Transfer and Digital Economy.

| Description of activities                                                                                    | Number of activities |
|--------------------------------------------------------------------------------------------------------------|----------------------|
|                                                                                                              | January -            |
| <b>Division - Digital Economy</b>                                                                            |                      |
| Preparation of monthly reports 2024                                                                          | 16                   |
| Preparation of the 2024 Work Objectives                                                                      | 3                    |
| Preparation of individual work plans 2024                                                                    | 2                    |
| Meetings held between TAK Departments                                                                        | 6                    |
| Attendance at trainings organized by TAK and KIPA (3 + 1 + 4 working days)                                   | 8                    |
| Trainings -Webinar by OECD / IMF                                                                             | 12                   |
| Analysis-Research on the Internet about innovations in the Digital Economy, etc.                             | 70                   |
| Phone calls from taxpayers                                                                                   | 1                    |
| Local inter-institutional cooperation; TAK-USAID, for the preparation of the TAK brochure on Digital Economy | 1                    |
| Brochures, Announcements, Comments                                                                           | 12                   |
| Other (working meetings with other TAK Departments, providing various comments on legislation, etc.)         | 25                   |
| Conducting VAT training in the capacity of a trainer (working day), preparing training materials, etc.       | 7                    |
| Holding workshops for the needs of the Digital Economy Division, etc.                                        | 2                    |
| <b>Transfer Pricing Division</b>                                                                             |                      |
| Meetings with TAK officials                                                                                  | 3                    |
| Office meeting with taxpayers                                                                                | 4                    |
| Reports                                                                                                      | 16                   |
| Preparation of the 2024 Work Objectives                                                                      | 2                    |
| Preparation of individual work plans 2024                                                                    | 1                    |
| Written questions from taxpayers                                                                             | 1                    |
| Questions from taxpayers - phone                                                                             | 5                    |
| Written questions from the regions                                                                           | 5                    |
| Questions from the regions by phone                                                                          | 1                    |
| Webinar                                                                                                      | 1                    |
| Case review                                                                                                  | 3                    |
| Analysis                                                                                                     | 20                   |
| Meeting with stakeholders                                                                                    | 3                    |
| Verification of cases                                                                                        | 2                    |
| Official documents                                                                                           | 1                    |
| Training                                                                                                     | 2                    |
| Engagement with experts                                                                                      | 41                   |
| Translation                                                                                                  | 1                    |
| Working group                                                                                                | 1                    |

## 1 4. DEPARTMENT FOR ENFORCEMENT COLLECTION PROCEDURES AND QUALITY

The Department for Enforcement Collection Procedures and Quality is responsible for coordinating, directing, supervising, advising and assisting with the implementation of tax laws and administrative instructions for enforcement collection procedures.

The Department for Enforcement Collection Procedures and Quality provides professional advice and clarifications on enforcement collection procedures, coordinates work with the DDCMon issues related to enforcement collection procedures, conducts mandatory collection activities through relevant organizational units within the Kosovo Tax Administration, supervises the work of relevant organizational units related to mandatory collection, supervises the implementation of instructions and procedures in relevant organizational units of mandatory collection, and provides advice to mandatory collection staff in the Department for Debt Collection Management.

The Department is organized into two divisions: the Enforcement Collection Procedures Division and the Enforcement Collection Quality Division.

### 14.1 Enforcement Collection Procedures Division

The following table presents the activities of the Enforcement Collection Procedures Division.

| Description of activities                                                                                                                               | January-December/2024 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|
| Drafts of Internal Guidelines related to the procedures of the MC as well as the modified Drafts of the Collection Manual according to Law No. 08/L-257 | 21                    |
| Design and creation of forms for implementing procedures according to legislation                                                                       | 81                    |
| Participation in working groups                                                                                                                         | 15                    |
| Request for clarification regarding collection procedures                                                                                               | 62                    |
| Answers regarding collection procedures                                                                                                                 | 62                    |
| Meetings regarding the implementation of collection procedures                                                                                          | 17                    |
| Identification of training needs                                                                                                                        | 5                     |
| Materials prepared for training and presentations                                                                                                       | 7                     |
| Trainings and presentations held                                                                                                                        | 7                     |
| Participation in Sales Committees related to Auctions organized by DDCM                                                                                 | 7                     |
| Chairman of the Committee                                                                                                                               | 7                     |
| Member of the Committee                                                                                                                                 | 7                     |
| Other interactive visits regarding the collection procedures at the DDCM                                                                                | 2                     |
| Preparation of various reports regarding activity reports, committee reports, and reports upon request                                                  | 23                    |
| Total activities:                                                                                                                                       | 323                   |

*Table 26: Activities developed by the ECPD.*

Source: Department for Enforcement Collection Procedures and Quality

## 1 4.2 Enforcement Collection Quality Division

Enforcement Collection Quality Division during the period January - December 2024, has conducted the following activities:

| Description of activities                                                                                                                  | January-December/2024 |
|--------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|
| Final report of collection cases that are open and with zero debts in Divisions 2                                                          | 3                     |
| Final report of collection cases that are open and with zero debts in Divisions 3                                                          | 474                   |
| Final report of collection cases that are open and with zero debts in Divisions 4                                                          | 3                     |
| Final report of collection cases, Pending cases for Opening in Division 2                                                                  | 104                   |
| Final report of collection cases, Pending cases for Opening in Division 3                                                                  | 141                   |
| Final report of collection cases with zero debts in SMRM, while according to the debt status they have debts over six years, in Division 2 | 40                    |
| Final report of collection cases with zero debts in SMRM, and which according to the debt status have debts over six years, in Division 3  | 62                    |
| Final report on cases of agreements concluded from 01.01.2023 to 31.12.2023 for debts over €100,000 take                                   | 18                    |
| Final report of cases READY FOR OPENING in Division 1 at DDCM                                                                              | 15                    |
| Report on the implementation of the debt collection plan and canceled debts                                                                | 12                    |
| SMRM Report                                                                                                                                | 12                    |
| Mandatory Collection Quality Report of the N.N-B.I. Collection case as requested by the PSD                                                | 1                     |
| Final report on cases of agreements concluded from 01.01.2023 to 31.12.2023 for debts over €100,000 take                                   | 32                    |
| Final report on cases of debts over six years in Division 3 at DDCM                                                                        | 27                    |
| Final report of cases READY FOR OPENING in Division 1 at DDCM                                                                              | 32                    |
| Participation in various working groups and meetings                                                                                       | 32                    |
| Mandatory Collection Quality Report for the 50,000-100,000 Debt Collection case                                                            | 16                    |
| Collection Case Quality Report as requested by PSD                                                                                         | 1                     |
| Collection Case Quality Report as requested by PSD                                                                                         | 11                    |
| Total activities:                                                                                                                          | 1,036                 |

*Table 27: Activities developed by the Enforcement Collection Quality Division*

Source: Department for Enforcement Collection Procedures and Quality

### Active Debts period January – December/2024

The tables below include the status of active debts as of 31.12.2024 and a comparison of the status of debts as of 29.12.2023. This data was taken from: 30. Debts, 30.1. Analysis of ACTIVE Debts in SharePoint as of 31.12.2024.

| Region       | Tax                | Penalty            | Interest           | Total              |
|--------------|--------------------|--------------------|--------------------|--------------------|
| LTD          | 20,694,242         | 5,788,190          | 5,371,373          | 31,853,805         |
| MTD          | 29,120,347         | 11,149,154         | 9,614,299          | 49,883,801         |
| PRISHTINA 1  | 50,529,185         | 20,713,183         | 35,830,802         | 107,073,170        |
| PRISHTINA 2  | 27,096,661         | 11,392,578         | 14,631,817         | 53,121,055         |
| PRISHTINA 3  | 30,139,499         | 12,541,578         | 18,628,467         | 61,309,545         |
| MITROVICA    | 17,759,272         | 8,543,859          | 11,110,951         | 37,414,082         |
| PEJA         | 14,449,852         | 7,416,516          | 12,249,552         | 34,115,920         |
| PRIZREN 1    | 14,014,999         | 5,507,359          | 7,077,073          | 26,599,431         |
| PRIZREN 2    | 10,665,862         | 5,253,180          | 9,084,685          | 25,003,727         |
| FERIZAJ      | 23,451,402         | 10,139,693         | 16,262,636         | 49,853,731         |
| GJILAN       | 16,320,016         | 7,663,863          | 12,964,425         | 36,948,304         |
| GJAKOVA      | 7,480,341          | 2,246,477          | 5,469,914          | 15,196,732         |
| C. OFFICE    | 10,511,078         | 1,053              | 765                | 10,512,896         |
| <b>TOTAL</b> | <b>272,232,758</b> | <b>108,356,682</b> | <b>158,296,758</b> | <b>538,886,198</b> |

Table 28: Table of Active Debts as of 29.12.2023

Source : Enforcement Collection Quality Division

| Region       | Tax                | Penalty            | Interest           | Total              |
|--------------|--------------------|--------------------|--------------------|--------------------|
| LTD          | 31,075,162         | 6,553,052          | 7,849,740          | 45,477,954         |
| MTD          | 34,117,944         | 9,923,240          | 8,565,848          | 52,607,032         |
| PRISHTINA 1  | 59,909,983         | 22,678,185         | 38,779,071         | 121,367,239        |
| PRISHTINA 2  | 29,957,007         | 11,375,443         | 15,984,272         | 57,316,721         |
| PRISHTINA 3  | 33,342,555         | 12,943,244         | 20,068,432         | 66,354,231         |
| MITROVICA    | 20,149,799         | 8,858,621          | 12,288,143         | 41,296,563         |
| PEJA         | 15,979,194         | 7,790,840          | 13,045,645         | 36,815,679         |
| PRIZREN 1    | 16,355,182         | 5,780,376          | 7,859,608          | 29,995,166         |
| PRIZREN 2    | 12,446,912         | 5,646,347          | 9,614,934          | 27,708,192         |
| FERIZAJ      | 26,971,522         | 10,672,138         | 17,411,325         | 55,054,985         |
| GJILAN       | 18,659,583         | 8,330,393          | 14,139,954         | 41,129,930         |
| GJAKOVA      | 8,381,109          | 2,287,802          | 5,739,221          | 16,408,132         |
| C. OFFICE    | 6,700,982          | 1,341              | 2,010              | 6,704,333          |
| <b>TOTAL</b> | <b>314,046,934</b> | <b>112,841,022</b> | <b>171,348,202</b> | <b>598,236,158</b> |

Table 29: Debt Table as of 31.12.2024

Source: Enforcement Collection Quality Division

## Debts collected and plan implementation trend for the period January – December/2024

From 01.01.2024-31.12.2024, collected taxes, penalties and pension contribution interests from delayed payments are in the amount of €174,998,434.32 and the coverage of tax debts, penalties and pension contribution interests from refunds is €8,264,975.23 and in total €183,263,409.55. The Pension Contribution Base collected from delayed payments is €36,782,050.87 and the coverage of pension contribution base debts from refunds is €1,299,346.11, where in total we have €38,081,396.98. These data are taken from SharePoint, 28. Debt Analysis-28.5. Collection of debts and 28.8 Collection of debts from the refund transfer dated 08.01.2025.

The total debt coverage (taxes + pension contributions) from delayed payments and refunds is €221,344,806.53.

Tax debts collected with pension contributions compared to the plan

This year we have achieved 85.53% of the plan or less than €35,826,667. These revenues are from delayed payments made by taxpayers and from the handling of debts by the DDCM.

| Plan and Plan Implementation for Taxes and Pension Contributions from 01.01.2024-31.12.2024 |             |             |             |                          |
|---------------------------------------------------------------------------------------------|-------------|-------------|-------------|--------------------------|
|                                                                                             | Collected   | Plan        | Difference  | % of Plan Implementation |
|                                                                                             | 1           | 2           | 3=1-2       | 4                        |
| DDCM                                                                                        | 211,780,485 | 247,607,152 | -35,826,667 | 85.53%                   |

Tax debts collected compared to the plan

Total delayed payments of taxes, penalties and pension contribution interests by taxpayers and from the treatment of debts by the DDCM were realized compared to the plan by 85.97% or less by €28,547,497.

| Plan and Plan Implementation for taxes from 01.01.2024-31.12.2024 |             |             |             |                          |
|-------------------------------------------------------------------|-------------|-------------|-------------|--------------------------|
|                                                                   | Collected   | Plan        | Difference  | % of Plan Implementation |
|                                                                   | 1           | 2           | 3=1-2       | 4                        |
| DDCM                                                              | 174,998,434 | 203,545,931 | -28,547,497 | 85.97%                   |

Pension Contribution Debts Collected Compared to the Plan

In total, delayed payments only of the pension contribution base from taxpayers and from the treatment of debts by the DDCM were realized compared to the plan by 83.48% or less than €7,279,171.

| Plan and Plan Implementation for Pension Contribution from 01.01.2024-31.12.2024 |            |            |            |                          |
|----------------------------------------------------------------------------------|------------|------------|------------|--------------------------|
|                                                                                  | Collected  | Plan       | Difference | % of Plan Implementation |
|                                                                                  | 1          | 2          | 3=1-2      | 4                        |
| DDCM                                                                             | 36,782,050 | 44,061,221 | -7,279,171 | 83.48%                   |

Forgiveness/removal of taxes, penalties, interest, according to decisions and procedures

The following table presents a summary of all types of canceled-forgiven debts (included in the tables below) from 01.01.2024 to 31.12.2024, by tax type and by LTD/MTD/Regional Operational Directorates. The total canceled debts is €7,201,979.35. These data are as of 03.01.2025. Data source SharePoint, 28. Debt Analysis, 28.15. Debt Cancellation.

| Tax / Region | LTD       | MTD       | PRISHTINA 1 | PRISHTINA 2 | PRISHTINA 3 | MITROVICA | PEJA    | PRIZREN 1 | PRIZREN 2 | FERIZAJ | GJILAN  | GJAKOVA | Total     |
|--------------|-----------|-----------|-------------|-------------|-------------|-----------|---------|-----------|-----------|---------|---------|---------|-----------|
| [CD]         | 957,453   | 578,083   | 140,934     | 24,502      | 60,532      | 33,940    | 60,155  | 37,507    | 20,923    | 48,892  | 57,275  | 22,080  | 2,042,277 |
| [CI]         | 403       | 1,765     | 17,521      | 3,529       | 5,915       | 8,351     | 19,125  | 5,201     | 8,339     | 16,824  | 8,671   | 1,474   | 97,120    |
| [CM]         | 33,238    | 78,937    | 76,437      | 7,918       | 17,995      | 6,893     | 10,133  | 44,784    | 4,284     | 7,032   | 18,340  | 63,087  | 369,077   |
| [HR]         | -         | -         | -           | -           | -           | -         | -       | -         | -         | -       | -       | -       | -         |
| [DI]         | 1,651     | -         | 17,578      | 671         | -           | -         | -       | -         | 927       | 0       | 341     | -       | 21,168    |
| [IS]         | -         | -         | 6,278       | 4,793       | 8,703       | 3,906     | 2,809   | 3,474     | 1,086     | 2,014   | 3,811   | 1,781   | 38,654    |
| [PD]         | 60,257    | 262,749   | 82,188      | 19,649      | 37,086      | 28,127    | 64,061  | 20,133    | 21,065    | 70,726  | 120,667 | 6,344   | 793,052   |
| [TP]         | -         | -         | -           | -           | -           | -         | -       | -         | -         | -       | -       | 383     | 383       |
| [PT]         | -         | -         | -           | -           | -           | -         | -       | -         | -         | -       | -       | -       | -         |
| [PQ]         | -         | -         | -           | -           | -           | -         | -       | -         | -         | -       | -       | -       | -         |
| [IR]         | -         | -         | 7,132       | -           | 2,138       | -         | -       | -         | -         | 1,263   | 461     | 35      | 11,028    |
| [QS]         | -         | 91        | 2,679       | 949         | 676         | 225       | 3,415   | 3,577     | 223       | 698     | 1,350   | 515     | 14,399    |
| [VAT]        | 759,660   | 907,491   | 400,394     | 64,350      | 207,237     | 24,959    | 100,754 | 162,108   | 118,812   | 184,560 | 173,165 | 187,514 | 3,291,004 |
| [WM]         | 25,452    | 68,213    | 34,938      | 5,448       | 13,603      | 4,984     | 9,250   | 34,321    | 3,077     | 3,702   | 11,956  | 15,553  | 230,498   |
| [WR]         | 15,934    | 14,322    | 20,612      | 8,693       | 11,711      | 2,206     | 6,842   | 5,356     | 5,142     | 1,495   | 6,509   | 2,921   | 101,745   |
| Fines        | 25,033    | 33,997    | 17,931      | 30,113      | 28,725      | 1,750     | 3,012   | 1,875     | 24,550    | 17,576  | 3,889   | 3,125   | 191,575   |
| Total        | 1,879,081 | 1,945,648 | 824,623     | 170,614     | 394,322     | 115,342   | 279,556 | 318,337   | 208,426   | 354,783 | 406,433 | 304,813 | 7,201,979 |

The largest share of canceled-forgiven debts is by: LTD with €1,879,080.71 or 26.09%, Prishtina 1 with €824,622.58 or 11.45%, MTD with €1,945,648.24 or 27.01%. Regarding the types of taxes, the largest share includes: VAT with €3,291,004.28 or 45.69%, CD with €2,042,276.83 or 28.36%, PD with €793,051.86 or 11.02%.

Old debt - period January - December 2024

The tables below include the status of old debts that have passed the six-year or ten-year period of debt creation as of 29.12.2023 (according to laws 03/L-222 and 08/L-257) and a comparison of the status of debts as of 31.12.2024. These data are taken from the table: 30. Debts-30.1. Analysis of ACTIVE Debts in SharePoint as of 31.12.2024.

#### Uncollectible debt on 29.12.2023

| REGION      | No.    | Tax        | Penalty    | Interest   | Total       |
|-------------|--------|------------|------------|------------|-------------|
| LTD         | 3      | -          | 300        | 6,769      | 7,069       |
| MTD         | 27     | 1,092,154  | 446,762    | 1,902,656  | 3,441,572   |
| PRISHTINA 1 | 2108   | 12,019,439 | 6,803,504  | 14,930,082 | 33,753,025  |
| PRISHTINA 2 | 1161   | 6,660,874  | 3,248,515  | 6,707,073  | 16,616,462  |
| PRISHTINA 3 | 1451   | 8,590,359  | 4,821,374  | 10,416,860 | 23,828,593  |
| MITROVICA   | 970    | 3,171,046  | 1,740,238  | 2,922,132  | 7,833,415   |
| PEJA        | 1110   | 3,059,037  | 1,883,043  | 4,044,244  | 8,986,324   |
| PRIZREN 1   | 975    | 3,296,070  | 1,393,741  | 3,345,724  | 8,035,534   |
| PRIZREN 2   | 780    | 2,406,623  | 1,376,312  | 2,646,322  | 6,429,257   |
| FERIZAJ     | 1625   | 4,809,286  | 2,485,482  | 5,613,675  | 12,908,443  |
| GJILAN      | 1159   | 4,005,519  | 2,484,616  | 4,570,159  | 11,060,294  |
| GJAKOVA     | 461    | 1,541,050  | 615,260    | 1,406,695  | 3,563,005   |
| TOTAL       | 11,830 | 50,651,456 | 27,299,148 | 58,512,391 | 136,462,995 |

Table 30Uncollectible Debts on 29.12.2023

Source: Enforcement Collection Quality Division

#### Uncollectible debt on 31.12.2024

| REGION      | No.   | Tax        | Penalty    | Interest   | Total       |
|-------------|-------|------------|------------|------------|-------------|
| LTD         | 4     | 0          | 325,577    | 1,195,011  | 1,520,588   |
| MTD         | 15    | 954,973    | 173,583    | 1,018,072  | 2,146,628   |
| PRISHTINA 1 | 2,086 | 12,086,681 | 6,834,115  | 15,287,374 | 34,208,170  |
| PRISHTINA 2 | 1,135 | 6,733,222  | 3,269,880  | 6,999,341  | 17,002,444  |
| PRISHTINA 3 | 1,409 | 8,616,919  | 4,837,311  | 10,663,379 | 24,117,609  |
| MITROVICA   | 946   | 3,080,641  | 1,687,318  | 2,980,756  | 7,748,715   |
| PEJA        | 1073  | 3,071,894  | 1,850,556  | 4,084,896  | 9,007,346   |
| PRIZREN 1   | 950   | 3,293,295  | 1,392,818  | 3,448,974  | 8,135,088   |
| PRIZREN 2   | 755   | 2,404,716  | 1,374,165  | 2,741,789  | 6,520,670   |
| FERIZAJ     | 1,563 | 4,936,149  | 2,544,243  | 5,808,692  | 13,289,083  |
| GJILAN      | 1148  | 3,948,569  | 2,500,193  | 4,680,017  | 11,128,780  |
| GJAKOVA     | 434   | 1,470,719  | 588,876    | 1,419,623  | 3,479,219   |
| TOTAL       | 11518 | 50,597,780 | 27,378,636 | 60,327,925 | 138,304,341 |

Table 31Uncollectible Debts 31.12.2024

Source: Enforcement Collection Quality Division

From the tables above, it can be seen that the state of uncollectible debts as of 31.12.2024 compared to the state of debts as of 29.12.2023 is higher by €1,841,345.49. After adjusting the state of debts in the IT, we now have the exact value of uncollectible debts that have passed the six-year collection

period until 28.01.2024. We still do not have debts that have passed the ten-year collection period according to Law 08/L-257. The value of uncollectible debts also includes debts that are in court proceedings, since the adjustment has not yet been made in the IT.

#### Aged debt cancellation plan

During the period 01.01.2024 to 31.12.2024, debts were canceled based on Article 39.3 of Law 08/L-257 of €2,458.74 and the plan is €68,201.48. Data source SharePoint, 28. Debt Analysis, 28.15. Debt Cancellation dated 03.01.2025.

| Plan for Cancellation of Obsolete Debts, according to Article 39.3 of Law 08/L-257, 01.01.2024-31.12.2024 |           |            |             |                          |
|-----------------------------------------------------------------------------------------------------------|-----------|------------|-------------|--------------------------|
|                                                                                                           | Cancelled | Plan       | Difference  | % of Plan Implementation |
|                                                                                                           | 1         | 2          | 3=1-2       | 4                        |
| DDCM                                                                                                      | 2,459     | 68,201,480 | -68,199,021 | 0.004%                   |

So, as can be seen from the table, in this period we have a canceled debt of €2,458.74 that has exceeded the six-year or ten-year collection period (according to Law 03/L-222 and Law 08/L-257).

## 15. DEPARTMENT OF FISCAL CASH REGISTERS, PENSIONS AND INSURANCE

### 15.1 Fiscal Cash Registers Division

Activities related to Business Fiscalization, Installation of FEDs, approvals/cancellations of FDMS requests and other activities for the period January - December 2024

| Processes and activities                                        |                                                                   |                                            | Total   |
|-----------------------------------------------------------------|-------------------------------------------------------------------|--------------------------------------------|---------|
| FISCALISATION                                                   |                                                                   |                                            |         |
|                                                                 | Total number of new fiscalized businesses                         |                                            | 3,776   |
|                                                                 | Total number of installed EFDs                                    |                                            | 6,227   |
|                                                                 | Number of Businesses Fiscalized with Fiscal Systems - derivatives |                                            | 25      |
|                                                                 | Number of Fiscal Systems - derivatives Installed                  |                                            | 89      |
|                                                                 | Number of Businesses Fiscalized with Fiscal Systems for TAXI      |                                            | 8       |
|                                                                 | Number of Fiscal Systems for TAXI installed                       |                                            | 28      |
| REQUESTS FOR CHANGE/DEREGISTRATION OF EFD – SMPF, SMPEF (a+b+c) |                                                                   |                                            | 4,172   |
| a.                                                              | Request for change of Fiscal Module (a.1+a.2+...+a.5)             |                                            | 2,632   |
|                                                                 | a.1                                                               | FISCAL MEMORY DAMAGE                       | 157     |
|                                                                 | a.2                                                               | FISCAL MEMORY CAPACITY FULL                | 1,799   |
|                                                                 | a.3                                                               | BUSINESS REGISTRATION IN VAT               | 523     |
|                                                                 | a.4                                                               | CHANGE OF DATA IN THE FISCAL COUPON HEADER | 151     |
|                                                                 | a.5                                                               | EXIT FROM VAT                              | 2       |
| b.                                                              | Request for change of information in EFD (b.1+...+b.4)            |                                            | 250     |
|                                                                 | b.1                                                               | ADDRESS OF THE EFD LOCATION                | 125     |
|                                                                 | b.2                                                               | LOGO OR FORM OF BUSINESS NAME              | 123     |
|                                                                 | b.3                                                               | CHANGE OF VAT NO. FROM 7 TO 9 DIGITS       | -       |
|                                                                 | b.4                                                               | PHONE NUMBER                               | 2       |
| c.                                                              | Deregistration of EFD (c.1+...+c.6)                               |                                            | 1,290   |
|                                                                 | c.1                                                               | PHYSICAL DAMAGE                            | 2       |
|                                                                 | c.2                                                               | MALADJUSTMENT                              | 891     |
|                                                                 | c.3                                                               | CHANGE OF OWNERSHIP                        | 166     |
|                                                                 | c.4                                                               | THEFT                                      | 24      |
|                                                                 | c.5                                                               | BUSINESS/UNIT CLOSURE                      | 204     |
|                                                                 | c.6                                                               | NATURAL DISASTER                           | 3       |
|                                                                 | Approval of requests in SMPF - by TAK                             |                                            | 3,078   |
|                                                                 | Cancellation of requests in SMPF - by TAK                         |                                            | 529     |
| Receiving notifications of errors in fiscal receipts            |                                                                   |                                            | 1,781   |
| Number of businesses that have stamped Tax Receipts             |                                                                   |                                            | 513     |
| Visit for EFD- Operations                                       |                                                                   |                                            | 972     |
| Fines issued - Operations                                       |                                                                   |                                            | 878     |
| Amount of Fines                                                 |                                                                   |                                            | 226,750 |
| Visits to functionalise EFD - DFCR                              |                                                                   |                                            | 17      |
| Sending notifications for missing reports from EFD              |                                                                   |                                            | 3,311   |
| Response via email arkatfiskale@atk-ks.org                      |                                                                   |                                            | 13      |
| Response in electronic form – Taxpayers                         |                                                                   |                                            | 101     |
| Response in electronic form – Regions                           |                                                                   |                                            | 30      |
| Regular Meetings with Operators and Working Groups              |                                                                   |                                            | 39      |
| Personal contacts with Taxpayers                                |                                                                   |                                            | 87      |
| Calls from Taxpayers                                            |                                                                   |                                            | 1,067   |
| Other communications via e-mail/OE                              |                                                                   |                                            | 788     |
| Number of EFDs that have moved from NF to NUI                   |                                                                   |                                            | 1,467   |
| No. of EFDs registered in the base-SMPF, for Re-fiscalization   |                                                                   |                                            | 143     |
| Number of requests for change of Crypto Cards                   |                                                                   |                                            | 118     |
| Generation of EFD, FM and CC serial numbers                     |                                                                   |                                            | 4,609   |

## Turnover from all types of FED that have sent data to TAK during the period January - December 2024

| Processes and activities                      | Total         |
|-----------------------------------------------|---------------|
| Number of businesses that have submitted data | 28,600        |
| Number of EFDs that have submitted data       | 40,519        |
| Number of Z-Reports generated by EFD          | 9,181,401     |
| Number of fiscal receipts printed by EFD      | 486,136,388   |
| TURNOVER BY EFD ACCORDING TO: (A+B+C+D+E)     | 6,618,495,973 |
| A = Excluded                                  | 403,216,401   |
| C = 0%                                        | 206,244,086   |
| D = 8%                                        | 450,194,231   |
| E = 18%                                       | 5,558,841,255 |
| TOTAL VAT ACCORDING TO: (B+D+E)               | 881,063,835   |
| D = 8%                                        | 33,412,416    |
| E = 18%                                       | 847,651,419   |

## Data transmission from Electronic Fiscal Devices to the TAK server according to the last 5 years

|                                                          | January - December 2020 | January - December 2021 | January - December 2022 | January - December 2023 | January - December 2024 |
|----------------------------------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Number of businesses that have submitted data            | 21,800                  | 23,932                  | 26,143                  | 27,230                  | 28,600                  |
| Number of EFDs that have submitted data                  | 31,020                  | 33,948                  | 36,543                  | 38,523                  | 40,519                  |
| Number of Z-Reports generated by EFD and sent to TAK     | 6,337,761               | 7,485,574               | 8,264,876               | 8,706,312               | 9,181,401               |
| Number of fiscal receipts printed by EFD and sent to TAK | 294,959,640             | 385,172,015             | 430,429,940             | 461,440,331             | 486,136,388             |

Table 32: Data transmission from FED to the TAK server

Source: Fiscal Registers Department

Information regarding the number of businesses, FEDs and missing reports (January - December 2024). FEDs that have not reported any reports during a given month are recorded as missing in the last column.

| Regions     | No. of Businesses | No. of Fiscal Devices | No. of Missing Reports |
|-------------|-------------------|-----------------------|------------------------|
| LTD         | 259               | 2,129                 | 13,779                 |
| MTD         | 581               | 1,242                 | 10,031                 |
| Prishtina 1 | 3,878             | 4,526                 | 48,755                 |
| Prishtina 2 | 2,504             | 2,940                 | 31,185                 |
| Prishtina 3 | 2,378             | 2,779                 | 28,562                 |
| Mitrovica   | 1,656             | 1,834                 | 18,832                 |
| Peja        | 2,525             | 2,780                 | 26,873                 |
| Prizren 1   | 1,792             | 2,043                 | 19,965                 |
| Prizren 2   | 1,425             | 1,572                 | 15,324                 |
| Ferizaj     | 2,070             | 2,278                 | 23,547                 |
| Gjilan      | 2,168             | 2,391                 | 24,125                 |
| Gjakova     | 967               | 1,068                 | 10,639                 |
| Total       | 22,203            | 27,582                | 271,617                |

Table 33: Number of businesses, FEDs and missing reports January – December 2024

Source: Fiscal Registers Department

## Information regarding the number of FEDs that were in service during the period January - December 2024

| Activities               | Number of EFD |
|--------------------------|---------------|
| Subscription             | 14,441        |
| Regular periodic check   | 11,147        |
| Other servicing/checking | 7,030         |
| Total                    | 32,618        |

### Review of Economic Operators' requests

Two (2) requests for authorization of Economic Operator have been received;

Two (2) requests for re-authorization of the Economic Operator have been received;

Four (4) requests for Authorized Technicians have been received;

Two (2) requests for the presentation of models of Electronic Fiscal Devices have been received;

Two (2) reports have been received from the Technical Laboratory for certification of two (2) FED/FS models;

Four (4) decisions have been prepared for the authorization/re-authorization of technicians for FED/FS;

Two (2) decisions have been prepared for the certification of two FED/FS models;

Two (2) decisions for re-authorization of EO have been prepared;

Two (2) decisions for Economic Operator's Authorization have been prepared;

One (1) decision for re-certification of the FED has been prepared;

One (1) decision has been prepared for the transfer of responsibility for the maintenance of the FED of the EO;

## 15.2 Pension and Insurance Division

### Pension Contribution Income by Payment Date in Euro (€)

| Regions        | Realized value in EUR of PC |
|----------------|-----------------------------|
| LTD            | 78,574,054                  |
| MTD            | 52,754,794                  |
| PRISHTINA 1    | 29,457,289                  |
| PRISHTINA 2    | 12,665,896                  |
| PRISHTINA 3    | 17,982,036                  |
| MITROVICA      | 6,721,760                   |
| PEJA           | 8,789,273                   |
| PRIZREN 1      | 9,608,439                   |
| PRIZREN 2      | 5,456,549                   |
| FERIZAJ        | 9,480,198                   |
| GJILAN         | 6,790,177                   |
| GJAKOVA        | 4,211,739                   |
| CENTRAL OFFICE | 75,755,642                  |
| Total          | 318,247,848                 |

Table 34 Pension Contribution Payments by Regions

Pension Contributions Division

### Monthly report of activities of Pension Contributions officers processed in VKME

| No. | Type of Activity by Regional Officials                             | Total  |
|-----|--------------------------------------------------------------------|--------|
| 1   | Verbal advice                                                      | 1,860  |
| 2   | Request for Refund of Pension Contributions (PC)                   | 22     |
| 3   | Request for individual data for the Beneficiary                    | -      |
| 4   | Written advice                                                     | 3      |
| 5   | Correction of quarterly & monthly PC statements                    | 1,151  |
| 6   | Correction of quarterly contribution statements (IS, IL AND CI)    | -      |
| 7   | Correction of monthly statements of Pension Contributions.         | 2      |
| 8   | Filling out Pension Applications                                   | 4,868  |
| 9   | Receiving 3-monthly Pension Contribution reports.                  | 7      |
| 10  | Receiving the Trust's form for individual data for the Beneficiary | 31     |
| 11  | Issuing the Trust Form - Individual Account Balance                | 21,547 |
| 12  | Issuing the Trust Form - Employer Account Balance                  | 502    |
| 13  | Processing of quarterly & monthly PC Reports                       | 1      |
| 14  | Archiving quarterly Pension Contribution reports                   | 1      |
|     |                                                                    | 29,995 |

Table 35 Pension Contributions Division  
Pension Contributions Division

## 16. DEPARTMENT OF GENERAL SERVICES

The Department's role for Support of Programs and Procedures is to adhere to all laws and all sub-legal acts under the scope of TAK in order to ensure the creation of a more professional work environment for the Tax Administration staff, by providing professional support, logistical and financial support, as well as support for professional development and the development of operational and functional activities towards achieving the strategic objectives of TAK.

This pillar includes:

- Coordination Division
- Training Division
- Budget Division
- Procurement Division

### 16.1 Coordination Division

The Coordination Division is responsible for accommodating all TAK employees, both at the central and regional offices. This division is responsible of assisting all Tax Administration managers with their needs for the best possible management of equipment and assets within all regional offices and the central office. Another major activity is assisting regional offices in providing the best possible service to taxpayers..

This Division has developed activities based on the needs and requirements of its field of activity, including:

Fulfillment of accommodation needs for all TAK staff as well as staff who are transferred across departments, Divisions, units, etc.

Asset monitoring by TAK ;

Acceptance and protocol of documents that enter and leave TAK;

Administration of all goods entering and leaving the TAK Central Warehouse;

Monitoring the use of official vehicles according to the requirements of TAK staff ;

Vehicle maintenance, servicing and registration;

Maintenance of the TAK building and other facilities in the Prishtina region, provision of various technical services for all TAK staff, in the central office and the Prishtina region.

- Expenses by category can be found below:

(1) The value of expenses for servicing and services for vehicles (cars) in 2024 in the amount of €62,334 or for 36.7% less compared to 2023, (2) Value of expenses for fuels (diesel / gasoline) in 2024 of €197,784 for 9.1% more compared to 2023 and (3) Value of expenses for annual registrations in 2024 in the amount of €52,229 or 18.4% more than in 2023. Leased vehicles for 2024 in the amount of €112,452 and compared to 2023 are 9.7% less compared to 2023.

The total value for the year 2024 is in the amount of €424,798.45 or 5.3% less compared to 2023.

| No. Expenses by category                     | Q4/2023    | Q4/2024    | In (%) Rep.<br>2024/2023 |
|----------------------------------------------|------------|------------|--------------------------|
| 1 Value of servicing and services expenses   | 98,530     | 62,334     | 63.3%                    |
| 2 Value of fuel expenses (diesel/gasoline)   | 181,340    | 197,784    | 109.1%                   |
| 3 Value of expenses for annual registrations | 44,124     | 52,229     | 118.4%                   |
| 4 Value of invoices for leased vehicles      | 124,507    | 112,452    | 90.3%                    |
| Total expenses                               | 448,502.37 | 424,798.45 | 94.71%                   |

Table 36: Vehicle maintenance expenses

Source: Coordination Division

## 16.2 Training and Development Division

In order to identify training needs for 2024, the Training Division, in accordance with the recommendations set out in the training regulation and other accompanying acts of this Regulation, has applied the electronic form Training Needs Assessment (TNA). The form has been distributed to all staff, with the appropriate instructions for completion. A total of 127 officials have filled out the electronic form, and from this number of officials, 297 requests for training have been identified, mainly in the fields of: Control, Education, Collection, Information Technology, general, reflecting a wide range of interests and development needs.

General Topics, reflecting a wide range of interests and developmental needs.

Internal and External Trainings: During the period January-December 2024, a total of 38 trainings were conducted for TAK staff: 14 internal trainings conducted by TAK, 16 external trainings within the country and 8 trainings/workshops abroad, provided by local and international institutions and organizations such as: SCAAK, GIZ, OSCE, Council of Europe, KIPA, Public Procurement Regulatory Commission, Kosovo Financial Intelligence Unit, Embassy of Great Britain and HMRC, European Union, OECD and CEF. These training activities have provided valuable knowledge and have contributed to the professional development of TAK staff.

### Training activities presented in tabular form:

| Name                                  | Number of trainings | Number of participants | Training day |
|---------------------------------------|---------------------|------------------------|--------------|
| Internal trainings                    | 14                  | 197                    | 27           |
| External trainings within the country | 16                  | 78                     | 44           |
| External trainings                    | 8                   | 17                     | 21           |
| Total                                 | 38                  | 292                    | 92           |

### Recapitulation of conferences, events abroad in tabular form.

| Institution/Organization                       | country           | Participants |
|------------------------------------------------|-------------------|--------------|
| Institute of Internal Audit of North Macedonia | Struga, Macedonia | 2            |
| CEF                                            | Zagreb, Croatia   | 1            |

### Recapitulation of reimbursements from professional training in tabular form.

| Institution/Organization      | No. of requests | Amount     |
|-------------------------------|-----------------|------------|
| WMWARE                        | 1               | 200 USD    |
| The Linux Foundation Training | 1               | 296.25 USD |
| IKAF                          | 3               | 1,430 €    |
| SCAAK                         | 1               | 460 €      |

| Number of interns who have done internship | Place of internship                  |
|--------------------------------------------|--------------------------------------|
| 9                                          | Prizren, Ferizaj, Gjakova, Prishtina |

Table 37: Number of trainings/courses and participants within the country

Source: Training Division Report

## 16.3 Budget and Finance Division

The final budget for all economic categories in 2024 was in the amount of EUR 12.9 million, of which EUR 12.0 million were spent for the period January-December, of which EUR 7.8 million or 64.8% of total expenses were spent on wages and salaries, EUR 2.6 million or 22.0% were spent on goods and services, EUR 162,907 or 1.4% were spent on municipal expenses, EUR 1,500 or 11.8% were spent on subsidies and transfers, and EUR 1.4 million or 11.8% were spent on capital expenses. Compared to last year, expenses this year are lower by 0.2%.

| Expense categories      | 2022       | 2023       | 2024       | Budget 2024 | Structure | Comparison |        |
|-------------------------|------------|------------|------------|-------------|-----------|------------|--------|
| 1                       | 2          | 3          | 4          | 5           | 6=4/Σ     | 7=4/5      | 8=4/3  |
| Wages and salaries      | 7,716,938  | 8,148,595  | 7,774,939  | 7,776,680   | 64.8%     | 100.0%     | 95.4%  |
| Goods and services      | 2,747,180  | 3,395,999  | 2,645,202  | 2,919,616   | 22.0%     | 90.6%      | 77.9%  |
| Utilities               | 144,555    | 150,142    | 162,907    | 197,696     | 1.4%      | 82.4%      | 108.5% |
| Subsidies and transfers | 17,139     | 3,328      | 1,500      | 6,500       | 0.0%      | 23.1%      | 45.1%  |
| Capital expenditures    | 316,987    | 327,675    | 1,412,722  | 2,048,393   | 11.8%     | 69.0%      | 431.1% |
| Total                   | 10,942,799 | 12,025,739 | 11,997,270 | 12,948,885  | 100.0%    | 92.7%      | 99.8%  |

Table 38: 2024 budget expenses, comparison with 2023 and 2022

Source: Budget Division

## 1 6.4 Procurement Division

Within the Procurement Division for the period January - December 2024, the following activities were carried out and developed according to the requests submitted to the Procurement Division:

The final procurement planning for 2024 has been submitted to the Central Public Procurement Agency. The planning has been submitted through the e-procurement platform. The procurement planning for 2024 has also been published on the TAK website.

Preliminary announcements for procurement activities for 2024 have been prepared through the e-procurement platform.

The annual report on public contracts signed by the Kosovo Tax Administration for 2024 has been prepared and submitted to the Public Procurement Regulatory Commission.

For 2023, we had an audit by the auditors of the National Audit Office and the audit for 2024 has begun.

For 2023, there was an audit of the procurement division by internal auditors.

For the period January - December 2024, 19 procurement activities were carried out through the e-procurement platform, of which:

- 5 activities with open procedure, of medium value (5 activities are services).
- 1 activity with price quotation procedure of small value (1 activity is a supply).
- 12 activities with minimum value price quotation procedure (6 activities are services; 5 activities are supplies; and one activity is work).

Signed agreement: "Maintaining public order and peace as well as physical security of TAK facilities by the Kosovo Police"

The activity for the supply of new vehicles has been managed, where the supply of 55 new vehicles has been made and we are in the process of supplying another 24 new vehicles, where the activity has been managed by TAK, while the procedure has been carried out by the CPA.

The exercise of procurement activities was carried out through the public procurement platform.

The Central Public Procurement Agency has utilized, applied and managed the contracts signed on behalf of the CA (supply of vehicles; supply of fuel; official material; drinking water; supply of tires for official vehicles; long-term use of vehicles - for rent; photocopying services, printers - for rent; supply of inventory, and requests as presented between the CPA and the CA).

The Tax System Modernization Project has been terminated and the project has been closed after the recommendation for termination of the contract, where the project is currently undergoing legal review following the termination of the contract between the contracting parties.

For this period, purchase orders have been prepared in relation to the submitted invoices, which purchase orders have been completed with accompanying documentation and have been submitted for further processing for payment to the budget division.

The receipt, registration, completion of invoices and their submission for payment for meeting the obligations to suppliers have been completed.

Requests have been made for the commitment of funds according to the requests and needs that have been presented.

Supervision of the implementation of contracts for 2024 for contracts that have started to be implemented this year, contracts that have been carried over from previous years, supervision of contracts is being carried out continuously by project managers, direct supervisors of project managers, approval committees, with decisions determined according to public procurement rules.

Communication of various documents with economic operators, the Central Public Procurement Agency, the Public Procurement Regulatory Commission, the Public Procurement Review Body, and other interested parties regarding issues related to procurement.

| Procedure / Value of the procedure                                  | Large value | Medium value | Low values | Minimal value | Total |
|---------------------------------------------------------------------|-------------|--------------|------------|---------------|-------|
| Open procedure                                                      | -           | 4            | 1          | -             | 5     |
| Restricted procedure                                                | -           | -            | -          | -             | -     |
| Design competition                                                  | -           | -            | -          | -             | -     |
| Negotiated procedure after publication of a contract notice         | -           | -            | -          | -             | -     |
| Negotiated procedure without prior publication of a contract notice | -           | -            | -          | -             | -     |
| Price quotation procedure                                           | -           | -            | 1          | -             | 1     |
| Minimal value procedure                                             | -           | -            | -          | 12            | 12    |
| Total                                                               | -           | 4            | 2          | 12            | 18    |

*Table 39: Number of activities by procedures*

Source: Procurement Division

## 17. DEPARTMENT FOR PROJECT DEVELOPMENT AND COORDINATION

Activities carried out during the reporting period:

| Description of activities                                                                                                                                                                                                                                                                                                              | January - December 2024 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|
| Organizing and leading meetings of the Team Responsible for expanding and accelerating access to the use of third-party data, referring to Decision with protocol no. ZQ-09-06-3341, dated 23.08.2022.                                                                                                                                 | 17                      |
| Participation in meetings of the Oversight Council for Tax Compliance Management (OCTCM), referring to Decision prot. No. ZQ-09.06.79, dated 11.01.2023.                                                                                                                                                                               | 1                       |
| Participation in the meetings of the Steering Council for Reform, referring to Decision prot. No. ZQ-09.06.1106, date 16.03.2023.                                                                                                                                                                                                      | 1                       |
| Participation and chairing of a three (3) day workshop, aimed at reviewing some of the work processes related to the implementation of Compliance Projects, held in Prishtina, from 07 to 09.02.2024.                                                                                                                                  | 1                       |
| Review and finalization of Action Plans and Objectives for 2024, for all Compliance Projects that are under implementation.                                                                                                                                                                                                            | 16                      |
| Engagement in the implementation of compliance projects, as follows:<br>Construction; Informal Employment; Accommodation and Food Service; Shortages in Stocks & Goods without Origin; Non-Declarants; VAT Crediting; Wealthy Individuals and Non-Declaration of Income in PIT.                                                        | 8                       |
| Compilation of the annual summary report on Compliance Projects (CP) for the period January-December 2023 as well as annual analytical reports for all CP for 2023. Monthly synthetic and quarterly analytical reports for the year 2024 for CP. Monthly reports for all CP according to the request and format addressed by the MFLT. | 34                      |
| Participation in the workshop co-organized by the Ministry of Internal Affairs and OECD/SIGMA on the Assessment of Public Administration Principles 2024, in the field of Public Financial Management, dated 06.02.2024.                                                                                                               | 1                       |
| Engagement in completing the OECD/SIGMA questionnaire, as a mechanism of the European Commission for Public Administration Reforms in our country, by providing answers to the questions posed to the TAK institution, through the PAR.IS electronic system.                                                                           | 1                       |
| Participation in working group meetings for the FISCALIS project/supported by the European Commission.                                                                                                                                                                                                                                 | 2                       |
| Participation in the Working Group "Delegation of Authorizations Instrument" as a member of the group that reviewed the changes to authorizations as a result of the new Law on the Administration of Tax Procedures, dated March 22, 2024.                                                                                            | 1                       |
| Participation in the workshop Green Transition within Domestic Revenue Mobilization (DRM – MHV) in Ljubljana, Slovenia (March 12-14, 2024).                                                                                                                                                                                            | 1                       |
| In order to exchange information with other institutions, as well as coordinate further cooperation, a joint meeting was held with representatives from: CBK, ADA, RAEKP, ARC, PPRC, Property Tax Department/MFLT.                                                                                                                     | 10                      |
| Semi-automating reports for fulfillment projects, through Excel format and placing them in a common file for all projects, for use by all project managers.                                                                                                                                                                            | 1                       |
| Holding of training/workshop by DPKK on the "Guidelines on Audit Techniques for Wealthy Persons" for the Compliance Project "Wealthy Persons" and "Non-Declaration of Income in PIT", dated 22.04.2024.                                                                                                                                | 1                       |
| Participation in the three (3) day workshop organized by KAS, with the aim of reviewing the Memorandum of Cooperation between KAS and TAK.                                                                                                                                                                                             | 1                       |
| Compiling regular and on-demand reports for:<br>· NDP (MFLT);<br>· Action Plan 2022-2024, for the Implementation of the Strategy 2022-2026;<br>· Monitoring the Audit Improvement Strategy 2023 -2025;<br>· Self-assessment on the implementation of recommendations from IMF reports.                                                 | 4                       |
| Joint meeting with the Media Communication Division, the International Cooperation Division and GIZ, on the production of a video spot for non-declarants, as part of the "Non-declarants" Compliance Project, dated 09.09.2024.                                                                                                       | 1                       |
| Compliance Projects / Compliance Audit (Check) cases (visits) / Compliance Improvement Project "VAT Crediting" / visit to RTD: PR1, PR2, PR3, Prizren 1, Prizren 2 and Peja.                                                                                                                                                           | 6                       |
| Participation in the five (5) day workshop organized by TAK, with the aim of drafting the "Action Plan 2025-2026 in implementation of the TAK Strategy 2022-2026".                                                                                                                                                                     | 1                       |

## 1 8. PROFESSIONAL STANDARDS

During the reporting period, Professional Standards carried out activities related to investigations such as:

|                                                                           |    |
|---------------------------------------------------------------------------|----|
| Report on cases submitted to the PSD                                      |    |
| No. of Cases submitted to the PSD                                         | 11 |
| No. of Cases Completed by DSP                                             | 10 |
| No. of Cases addressed to Kosovo Police, Prosecutor's Office, PAK         | 1  |
| No. of Cases under review                                                 | 0  |
| No. of Cases without basis for investigation                              | 1  |
| No. of completed cases from previous years                                | 0  |
| No. of recommendations issued for the imposition of disciplinary measures | 3  |

|                                                                                    |    |
|------------------------------------------------------------------------------------|----|
| No. of information submitted as PVI (Preliminary Verification) during 2024         | 16 |
| No. of information processed in connection with the Preliminary Verification of Ir | 14 |

Table 40: Cases presented and investigated

Source: Professional Standards Office Report

At the request of the Directorate for Economic Crimes and Corruption in the Kosovo Police, or the State Prosecutor's office, we have prepared documents and responses regarding cases where TAK officials are suspected of being involved in legal violations;

Five (5) cases based on the grounded suspicion that a false official document "Tax Certificate" was forged or created have been sent for investigation to the Directorate for Economic Crimes and Corruption at the Kosovo Police.

Activities to prevent corruption and misconduct:

The Code of Ethics and Conduct for Tax Administration Officials of Kosovo has been prepared and approved by the Director General, and activities have been carried out in relation to this code.

The Tax Administration Integrity Plan for 2024-2026 has been prepared according to the methodology approved by the Anti-Corruption Agency, and activities related to this plan have been carried out;

As regulated by the law on the declaration, origin and control of assets of senior public officials, together with the Anti-Corruption Agency (ACA), we have completed the process for the regular annual declaration of assets for officials, TAK officials;

In order to implement the Law on Prevention of Conflict of Interest, as well as the Internal Regulation on Prevention of Conflict of Interest in TAK, the following activities have been developed to prevent Conflict of Interest in TAK:

Internal Regulation no. 04/2024 on Establishing the Rules and Procedures for the Prevention of Conflict of Interest has been prepared and approved.

Secondary work verifications have been conducted for all TAK staff and we have reviewed ten (10) applications for secondary work and nine (9) decisions on secondary work authorizations have been issued, while one (1) application has been rejected by decision;

We have prepared and submitted to the Anti-Corruption Agency the report on the prevention of conflict of interest in TAK for 2023;

We have collaborated with the Anti-Corruption Agency (ACA) to handle cases with the aim of preventing Conflict of Interest;

Measures have been proposed to prevent conflicts of interest for officials who have been identified as being in violation of applicable legislation;

We have conducted field activities to monitor the rules of the code of ethics and conduct for TAK officials. In order to ensure that staff at management levels are not members of political parties and are not members of the central and municipal governing bodies of a political party, verifications were carried out at the CEC;

The Internal Regulation for the Management of Complaints in TAK has been prepared and approved by the Director General;

Trainings have been conducted for TAK staff on the topic "Integrity and Anti-Corruption"

The Internal Regulation on Procedures in Restricting Information and Access to Public Documents of the Kosovo Tax Administration has been prepared and approved;

Other activities related to the responsibilities and functions of the Professional Standards Division have been developed, and we have participated in the Working Group for the drafting of the National Anti-Corruption Strategy and the 2024 Action Plan;

The Standards Division staff during 2024 won three Recognition Awards;

Regarding complaints, 2,486 pieces of information were handled through these sources:

- Complaints Platform;
- Online Line 0800-80-800;
- Comment and Suggestion Boxes;
- Physical Appearance;
- Email and application to denounce the employer.

Table regarding information received for the period January-December 2024

| Regions              | No. of reports | No. of activities | Number of fines issued | Amount of fines | Amount of additional turnover | VAT     | Declared workers |
|----------------------|----------------|-------------------|------------------------|-----------------|-------------------------------|---------|------------------|
| LTD                  | 81             | 48                | 3                      | 8,000           | -                             | -       | 6                |
| MTD                  | 107            | 101               | 31                     | 88,150          | 28,764                        | 3,187   | 33               |
| Prishtina 1          | 345            | 284               | 135                    | 132,687         | 650,979                       | 21,483  | 19               |
| Prishtina 2          | 186            | 152               | 170                    | 59,878          | 67,876                        | 9,733   | 32               |
| Prishtina 3          | 253            | 260               | 228                    | 101,613         | 12,722                        | 7,143   | 43               |
| Mitrovica            | 120            | 113               | 79                     | 35,200          | -                             | -       | -                |
| Peja                 | 106            | 121               | 69                     | 41,810          | 152,684                       | 18,017  | 31               |
| Prizren 1            | 152            | 143               | 112                    | 74,578          | 94,844                        | 10,095  | 14               |
| Prizren2             | 116            | 121               | 121                    | 48,069          | 258,927                       | 45,294  | 17               |
| Ferizaj              | 348            | 414               | 190                    | 103,484         | 336,611                       | 49,416  | 37               |
| Gjilan               | 166            | 152               | 85                     | 29,053          | 28,490                        | 2,205   | 19               |
| Gjakova              | 74             | 88                | 38                     | 12,325          | 242,315                       | 16,095  | 3                |
| Ttotal               | 2054           | 1997              | 1261                   | 734,847         | 1,874,212                     | 182,669 | 254              |
| Investigations       | 80             | 29                | -                      |                 |                               |         |                  |
| Mandatory Collection | 303            | 231               | -                      |                 |                               |         |                  |
| PSD                  | 49             | 48                | -                      |                 |                               |         |                  |
| Grand Total          | 2486           | 2305              | -                      |                 |                               |         |                  |

Table 41: Information received from management of reporting lines

Source: Professional Standards Office Report

## Total results from complaints

| Results from information received on tax irregularities for 2024 | Amount in euros |
|------------------------------------------------------------------|-----------------|
| Total number of information received                             | 2,054           |
| Total number of fines from denunciations                         | 1,261           |
| Total amount of fines in euros                                   | 734,847         |

## 19. INTERNAL AUDIT

The Internal Audit Unit is committed to carrying out independent activities in accordance with the work plan to provide objective assurance and advice with the aim of adding value and improving TAK's operations, by providing assistance in meeting objectives and promoting a systematic and disciplined approach to assessing and improving the effectiveness of risk management, controls and governance processes, through the performance of activities and audits in specific areas and units. During the period January-December /2024, the Internal Audit Unit has planned ten (10) audits according to the annual plan, while for this reporting period January-December /2024, 13 audits have been completed .

Number of audits conducted, findings, recommendations given and their implementation:

| Number of Audits Conducted | Findings | Recommendations given | Management Comments |          |            | Implementation of Recommendations |            |                 |
|----------------------------|----------|-----------------------|---------------------|----------|------------|-----------------------------------|------------|-----------------|
|                            |          |                       | Number of comments  | Approved | Unapproved | Implemented                       | In process | Not Implemented |
| 13                         | 64       | 64                    | 47                  | 47       | 0          | 13                                | 45         | 6               |

Table 42: Number of audits performed, findings, recommendations given and their implementation

Source: Internal Audit Unit

## 20. GOALS AND FUTURE ACTIONS

- Implementation of TAK Strategy 2022-2026 ;
- Fulfillment of the objectives foreseen by the Annual Work Plan;
- Fulfillment of objectives within the SAA;
- Implementation of the Strategy for the Prevention and Fight Against the Informal Economy;
- Modernization of TAK through the replacement of the Information Technology system;
- Capacity building in the field of risk management;
- Launch of the electronic VAT invoice,, “E-Invoicing”;
- Further improvement of the quality of services for citizens/taxpayers;
- Further increase of transparency and communication with the public;
- Optimization of processes for a more efficient administration of TAK;
- Supporting joint reforms between the two main revenue collection agencies;
- Management of conflict of interest;
- Increasing citizens' confidence in TAK.