



**REPUBLIC OF CROATIA
MINISTRY OF FINANCE**

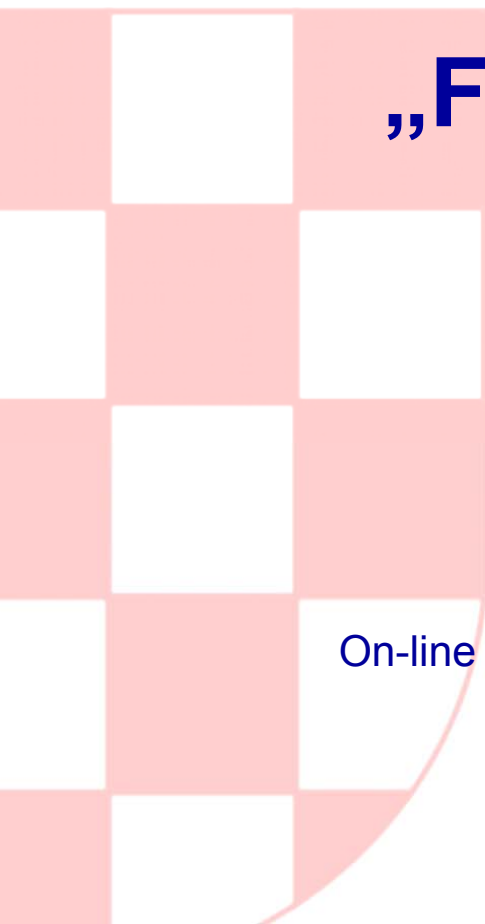
„Fiscalization In Figures“

Boris Lalovac, Minister of Finance

Tax Conference

On-line Registration of Payments – Experience and Expectations

Prague, June 16, 2015



REPUBLIC OF CROATIA IN FIGURES

- Area - 56 594 km²
- Population – 4.3 mil
- 243,000 permanent taxpayers (companies, crafts, independent professions) – December, 31, 2014
- 155,000 taxpayers – registered as VAT taxpayers; VAT – the most important revenue of state budget (EUR 5.3 billion) – December, 31, 2014
- 82% (127,100) taxpayers up to the turnover of EUR 260 thousands; only 6% of VAT
- The majority of taxpayers are engaged in service industry (tourism, retail, service)



STATE OF PLAY - 2012

SELF-EMPLOYED NATURAL PERSONS

amount in EUR

ACTIVITY	FOR 2011			FOR 2012			INDEXES	INDEXES	INDEXES
	AVERAGE ANNUAL INCOME	AVERAGE DAILY INCOME	AVERAGE DAILY RECEIPT	AVERAGE ANNUAL INCOME	AVERAGE DAILY INCOME	AVERAGE DAILY RECEIPT			
1	2	3	4	5	6	7	8(5:2)	9(6:3)	10(7:4)
WHOLESALE AND RETAIL TRADE	3.224	9	100	3.213	9	97	99,63	98,31	97,02
PREPARATION AND SERVING OF FOOD AND BEVERAGES	4.231	12	88	4.104	11	88	97,00	97,50	99,35
HAIRSTYLIST SHOPS AND BEAUTY PARLOURS	2.463	7	31	2.504	7	32	101,67	101,76	103,27

- Average annual net salary in 2012 amounted to EUR 8,712, and single person's annual personal allowance (one-person household) in 2012 amounted to EUR 3,499



CROATIAN MODEL OF FISCALIZATION

TAXPAYERS

- Taxpayers have adjusted the existing solutions for issuing receipts - it requires only the implementation of software and Internet connection (low costs of implementation)
- Most taxpayers could have kept the existing devices
- Market was adapted to the fiscalization very quickly – very affordable fiscalization packages (portable devices plus Internet connection); costs of fiscal certificates are only 40 EUR (8EUR/year)
- 95% of country area is covered with Internet connection (today only 25 taxpayers operate in the area without Internet connection)



CROATIAN MODEL OF FISCALIZATION

Fiscalization has not led to businesses getting closed

OVERVIEW OF THE NUMBER OF SELF-EMPLOYED NATURAL PERSONS

TYPE OF TAXATION ON SELF-EMPLOYED PERSONS	2011	2012	2013	2014
BUSINESS/FINANCIAL RECORDS	110.126	106.401	94.039	86.953
LUMP-SUM TAXATION	3.911	4.422	12.685	16.357
TOTAL	114.037	110.823	106.724	103.310



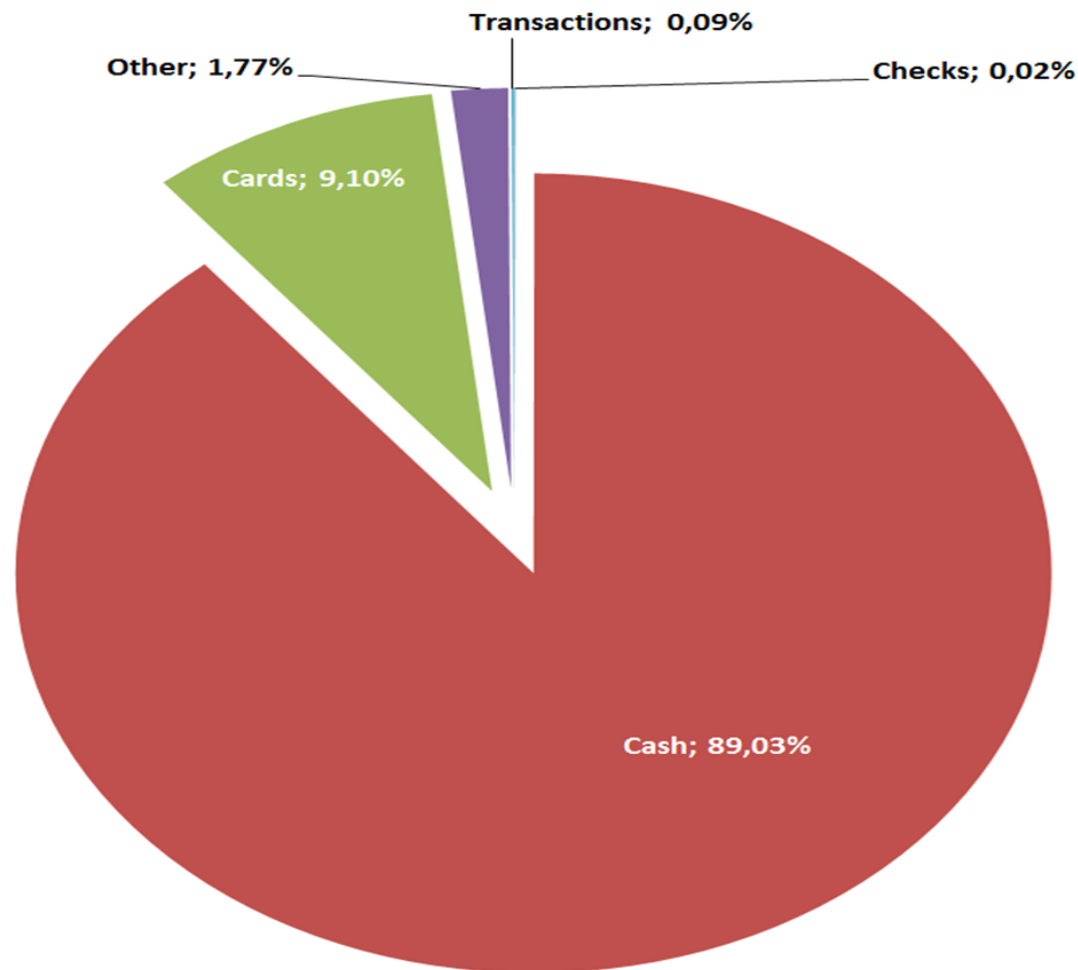
FISCALIZATION IN FIGURES

- 87,894 fiscalization subjects; 15,127 with special process of fiscalization only for taxpayers who pay lump-sum tax
- Only 25 subjects operate in the area without stable Internet connection
- More than 6 million receipts are received per day (the Peak is on Friday)
- until the end of 2013, over 2.2 billion cash receipts (more than 50% were recorded in trade)
- Fiscalization didn't prolong the time needed for issuing a receipt
- The system didn't record any interruption of its function



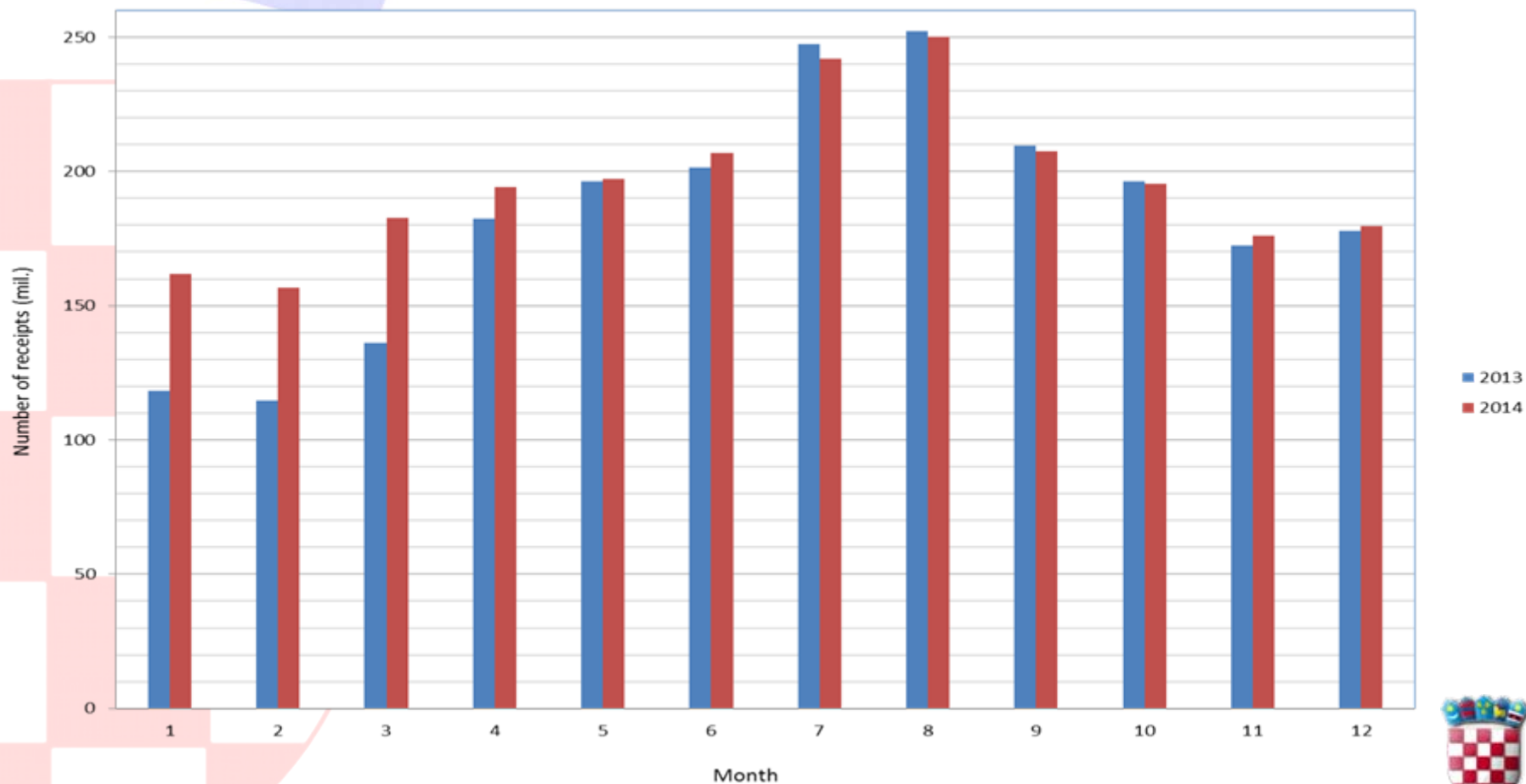
FISCALIZATION IN FIGURES

Number of receipts in 2014, share by payment methods



FISCALIZATION IN FIGURES

Comparison of the number of receipts 2013/2014



AMOUNT OF RECEIPTS AND AMOUNT OF VAT BASE

HRK

Month	TOTAL		INDEX (2014/ 2013)	VAT base		INDEX (2014/ 2013)
	2013.	2014.		2013.	2014.	
1	7.602.477.031	9.751.965.906	128,27	6.053.278.932	8.031.990.406	132,69
2	7.328.249.859	9.386.216.526	128,08	5.854.339.260	7.744.953.760	132,29
3	9.173.600.184	11.137.441.266	121,41	7.302.263.671	9.618.393.943	131,72
4	12.238.920.031	12.596.599.979	102,92	9.750.926.430	10.583.876.242	108,54
5	13.515.495.232	12.835.652.567	94,97	10.907.849.960	10.836.927.247	99,35
6	14.055.398.769	14.239.973.798	101,31	11.578.738.710	12.243.343.514	105,74
7	16.979.789.829	18.441.424.828	108,61	14.831.374.898	15.924.838.791	107,37
8	18.017.672.001	20.075.833.326	111,42	15.628.199.345	17.549.751.811	112,30
9	14.201.504.272	15.486.363.049	109,05	11.795.289.297	12.992.432.834	110,15
10	12.625.398.791	12.950.964.165	102,58	10.504.939.017	10.863.038.702	103,41
11	11.022.031.923	11.061.285.096	100,36	9.119.374.266	9.142.571.709	100,25
12	12.165.173.248	12.239.171.107	100,61	10.093.771.250	10.123.147.341	100,29
UKUPNO	148.925.711.170	160.202.891.614	107,57	123.420.345.035	135.655.266.300	109,91



FISCALIZATION IN FIGURES

Situation after the introduction of the fiscalization, in figures
- self-employed natural persons

ACTIVITY	FOR 2012			FOR 2013			INDEKS	INDEKS	INDEKS
	AVERAGE ANNUAL INCOME	AVERAGE DAILY INCOME	AVERAGE DAILY RECEIPT	AVERAGE ANNUAL INCOME	AVERAGE DAILY INCOME	AVERAGE DAILY RECEIPT			
1	2	3	4	5	6	7	8(5:2)	9(6:3)	10(7:4)
WHOLESALE AND RETAIL TRADE	3.213	9	97	3.833	10	105	119,32	119,75	108,24
PREPARATION AND SERVING OF FOOD AND BEVERAGES	4.104	11	88	9.265	25	145	225,75	225,49	165,21
HAIRSTYLIST SHOPS AND BEAUTY PARLOURS	2.504	7	32	3.168	9	44	126,54	125,39	140,72

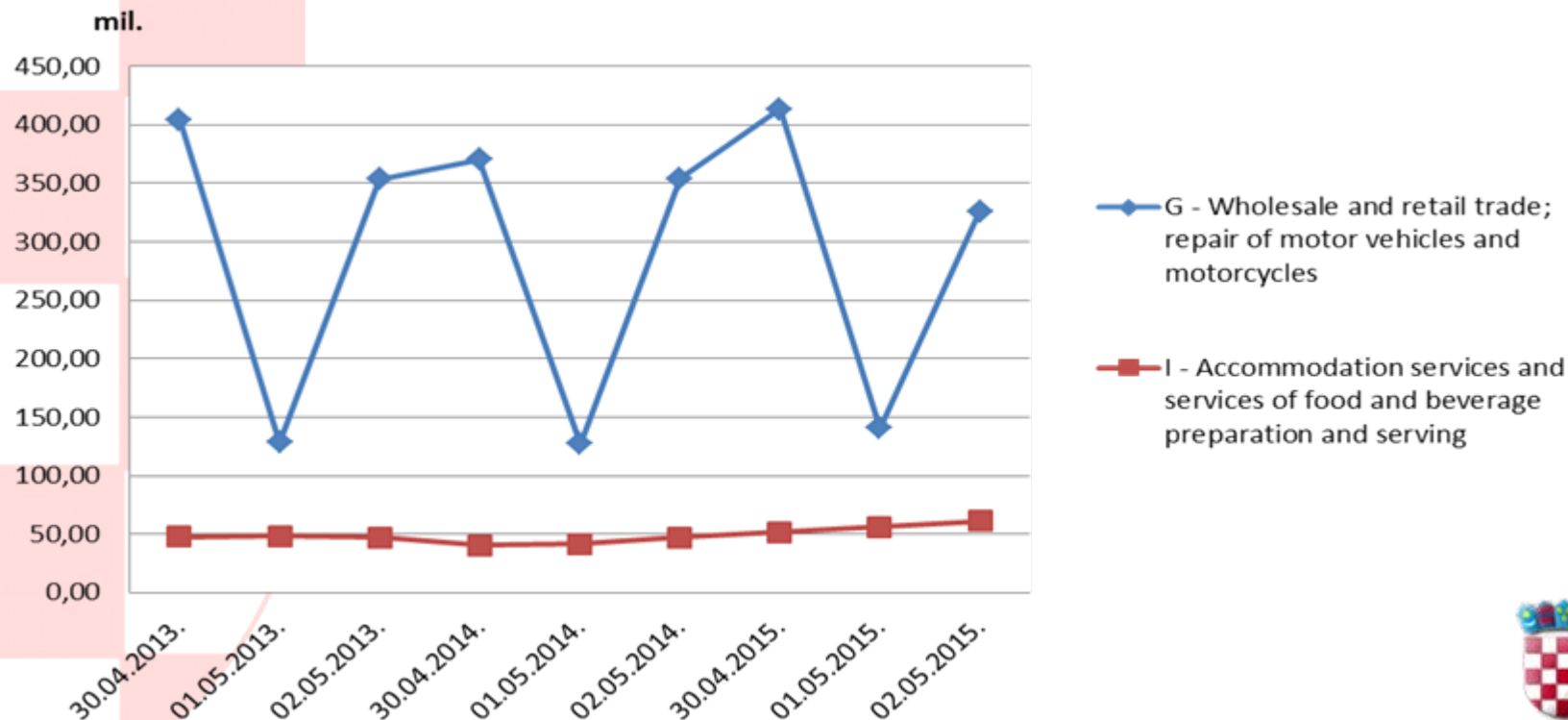


THE EFFECT OF FISCALIZATION ON SPECIFIC EVENTS

Monitoring trends

Example 1: Labour Day

- on the day before holiday, the increase in turnover is visible (leaps on April 30, 2013/2014/2015)
- while on the holiday itself (May 1) weak turnover as expected because shops and some catering establishments were closed



TRENDS IN NUMBER OF ISSUED RECEIPTS - CATERING

MONTH	2013	2014	2015	2015/2014	2015/2013
January	21.556.996	24.288.265	24.483.564	100,80	113,58
February	20.892.347	23.273.958	23.176.978	99,58	110,94
March	25.168.056	27.045.887	27.314.002	100,99	108,53
April	27.717.467	27.909.137	28.817.041	103,25	103,97
May	31.464.791	31.275.594	33.046.304	105,66	105,03



EFFECTS – TURNOVER, INCOME

- **2010 - 2013 – FIGURES SHOW THE SUCCESS OF THE FISCALIZATION PROJECT**
- Data on the selected sample of individuals who submitted the income tax return for provided services

CATERING	
AVERAGE DAILY TURNOVER	Increase 82%
AVERAGE DAILY INCOME	Increase 110,23%
TRADE SERVICES	
AVERAGE DAILY TURNOVER	Increase 12,67%
AVERAGE DAILY INCOME	Increase 12,69%

- on June 3, 2014, according to the submitted income tax returns for 2013 , an average declared realized personal income, at the state level, from independent activities, crafts and self-employed activities, in relation to 2012, was increased by 35%



EFFECTS – VAT forms

INCREASE OF TAXABLE DELIVERIES 2013./2012.

ACTIVITIES	CRAFTS	MICRO COMPANY	TOTAL INCREASE
CATERING	54,82%	30,17%	40,52%
(billion HRK)	1,2	1,3	2,5
TRADE	27,66%	11,50%	13,89%
(billion HRK)	1,1	3,8	4,9
LAWYERS			9,73%
(million HRK)			15,5
TOTAL	30%	12%	17%
(billion HRK)	2,3	5,1	7,4



EFFECTS – CONSUMPTION TAX

HRK

YEAR	CONSUMPTION TAX	INDEX
2010	84.596.551	-
2011	88.183.522	104,24
2012	95.319.985	108,09
2013	141.047.866	147,97
2014	143.364.416	101,64

- consumption tax collection at the state level, in the period 2010 – 2012, was increased by 48%



EFFECTS - BUDGET REVENUES

- The year 2013 was the year of the introduction of fiscalization, but, at the same time, it was also the year of other changes in tax legislation (tax rate, threshold for VAT) = therefore, it is not possible to compare the amount of collected tax
- Increase in deliveries through the fiscalization resulted in the increase in other tax revenue:
 - **Profit Tax** - increase of 11% in tax obligations imposed on fiscalization subjects in corporate income tax returns for 2013 in relation to the number of the same type of tax returns in 2012
 - **Personal Income Tax** – increase of 70% in tax obligations imposed on fiscalization subjects in self-employment income tax returns in 2013 in relation to the number of the same type of tax returns in 2012
 - **Other public levies** - increase of 16% in tax obligations imposed on fiscalization subjects in tourist fee, monument annuity and other public levies returns



INSPECTION ACTIVITIES

- January 1, 2013 – the launch of the fiscalization in the Republic of Croatia
- January 7, 2013 – first inspections; the goal: the control of “entries” to the fiscalization process
- Non-implementing the fiscalization process – forced closing of establishments for 3 days, that is, until the fiscalization is set up
- the system proved that the fiscalization can be set up within 3 days

YEAR	NUMBER OF INSPECTIONS	RESULTS (irregularities)	GOAL	FINES
2013.	36	17%	Control of entries to the fiscalization	HRK 12.6 mil
2014.	18	23%	Targeted inspection of fiscalization implementation	HRK 14.6 mil



INSPECTION ACTIVITIES (example)

RED BULL AIR RACE - ROVINJ - MAY 30 and 31, 2015 (COMPARISON WITH THE PREVIOUS WEEKEND)

Town of Rovinj-Rovigno		Number of receipts	Amount of receipts - total	Amount of VAT base	Receipt amount growth index	VAT base growth index
All activities						
SATURDAY	23.05.2015.	22.159,00	2.001.655,40	2.495.812,07		
SUNDAY	24.05.2015.	23.890,00	1.839.528,59	2.591.819,61		
SATURDAY	30.05.2015.	44.553,00	6.283.659,46	6.684.061,20	313,92	267,81
SUNDAY	31.05.2015.	45.863,00	5.234.027,38	5.658.798,49	284,53	218,33
TOTAL	05/2015.	742.461,00	85.392.628,61	88.419.393,10		

Note: If we compare the turnover in all activities in the Town of Rovinj during the Red Bull Air Race on the last weekend in relation to the one before, the increase in the amount of receipts is visible on Saturday, 313.92%, and on Sunday, 284.53%, while the increase in the VAT base was 267.81% on Saturday and 218.33% on Sunday.



INSPECTION ACTIVITIES IN 2015

- Public notification of the Fiscalization Supervision Action – via the system, the comparison of the behaviour of fiscalization subjects and the number of receipts before, during, and after the Action = targeted supervisions at the fiscalization subjects with changes in the behaviour
- Supervisions from the Office; field supervisions only when necessary
 - On the basis of the analysis of collected data through the fiscalization process
 - The analysis of data on the fiscalization subjects – irregularities, lack of clarity
 - Comparison of data with similar fiscalization subjects – monitoring the occurrences and discrepancies/deviations
- New supervision “method” – applicable to 40% of all permanent taxpayers = savings in the supervision resources, increase in the efficiency of the inspector’s performance



Reverse of invoices by the end of working hours

DJELATNOST NKD2007 (GLAVNA) ZA RAZDOBLJE 01.05.2015. - 31.05.2015.

Djelatnost/važi od - do: G - 4690 Nespecijalizirana trgovina na veliko/16.03.2010. -

OBVEZA PDV-A ZA RAZDOBLJE 01.05.2015. - 31.05.2015.

Vrsta obveze/važi od - do: 09 Mjesečni/01.10.2013. -

Datum ulaska u fiskalizaciju: 29.06.2013.

PODACI IZ REGISTRA RAČUNA ZA 2015. GODINU

Broj računa: 2

Promet po računima: 1.243.565,45

[Kriteriji pretrage](#)

Vrsta greške: NEGATIVNI RAČUNI

Mjesec primitka: 05.2015. - 05.2015.

Kategorija greške: 1 - CRVENE

Greška: 503 - Preko 90% negativnih računa u poslovnom prostoru zadnja dva sata u danu

Ukupno pronađeno: 49

Stranica: 1/1

Rb	Oznaka posl. prostora	Datum greške	Ukupno neg. računa	Ukupni broj računa	Udio neg. računa %	Ukupno iznos neg. računa	Ukupno iznos računa	
1.	M1	05.05.2015.	19	21	90,48	-22.044,90	-16.268,90	Ispis računa ^
2.	M1	12.05.2015.	20	22	90,91	-25.236,70	-19.930,70	Ispis računa
3.	M1	13.05.2015.	16	16	100,00	-21.142,20	-21.142,20	Ispis računa
4.	M1	23.05.2015.	27	29	93,10	-55.458,15	-49.788,15	Ispis računa
5.	M1	25.05.2015.	23	24	95,83	-62.130,00	-61.374,00	Ispis računa
6.	M1	30.05.2015.	19	21	90,48	-43.210,00	-37.960,50	Ispis računa
7.	M2	01.05.2015.	43	43	100,00	-28.738,10	-28.738,10	Ispis računa
8.	M2	02.05.2015.	39	40	97,50	-24.914,10	-24.330,10	Ispis računa
9.	M2	04.05.2015.	28	31	90,32	-12.109,55	-9.642,80	Ispis računa
10.	M2	05.05.2015.	11	11	100,00	-9.891,50	-9.891,50	Ispis računa
11.	M2	06.05.2015.	11	11	100,00	-5.402,00	-5.402,00	Ispis računa v

Podaci na ovoj stranici pripremljeni su: 07.06.2015. u 16:45:38 i ne odražavaju trenutno stanje.

[Povratak](#)

[Novi upit](#)

[Ispis podataka](#)

[Ispis csv](#)



Reverse of invoices in catering industry

DJELATNOST NKD2007 (GLAVNA) ZA RAZDOBLJE 01.03.2015. - 31.03.2015.

Djelatnost/važi od - do: I - 5610 Djel.restorana i ost.za prip. i usluživ.hrane/17.09.2008. -

OBVEZA PDV-A ZA RAZDOBLJE 01.03.2015. - 31.03.2015.

Vrsta obveze/važi od - do: 09 Mjesečni/30.01.2007. -

Datum ulaska u fiskalizaciju: 28.12.2012.

PODACI IZ REGISTRA RAČUNA ZA 2015. GODINU

Broj računa: 2

Promet po računima: 64.517.867,91

[Kriteriji pretrage](#)

Vrsta greške: NEGATIVNI RAČUNI

Mjesec primitka: 03.2015. - 03.2015.

Kategorija greške: 1 - CRVENE

Greška: 503 - Preko 90% negativnih računa u poslovnom prostoru zadnja dva sata u danu

Ukupno pronađeno: 21

Stranica: 1/1

Rb	Oznaka posl. prostora	Datum greške	Ukupno neg. računa	Ukupni broj računa	Udio neg. računa %	Ukupno iznos neg. računa	Ukupno iznos računa	
1.	M01	06.03.2015.	1	1	100,00	-368,60	-368,60	Ispis računa
2.	M01	08.03.2015.	1	1	100,00	-366,66	-366,66	Ispis računa
3.	M01	14.03.2015.	2	2	100,00	-1.324,34	-1.324,34	Ispis računa
4.	M01	20.03.2015.	1	1	100,00	-367,87	-367,87	Ispis računa
5.	M01	27.03.2015.	4	4	100,00	-1.912,96	-1.912,96	Ispis računa
6.	M02	01.03.2015.	1	1	100,00	-228,90	-228,90	Ispis računa
7.	M02	02.03.2015.	2	2	100,00	-381,50	-381,50	Ispis računa
8.	M02	03.03.2015.	3	3	100,00	-305,00	-305,00	Ispis računa
9.	M02	06.03.2015.	1	1	100,00	-228,00	-228,00	Ispis računa
10.	M02	09.03.2015.	1	1	100,00	-1.512,00	-1.512,00	Ispis računa
11.	M02	13.03.2015.	1	1	100,00	-378,75	-378,75	Ispis računa



Delays in the delivery of issued receipts

STANJE PODATAKA IZ RPO-A

OIB:

Naziv:

Adresa:

DJELATNOST NKD2007 (GLAVNA) ZA RAZDOBLJE 01.05.2015. - 31.05.2015.

Djelatnost/važi od - do: C - 1413 Proizvodnja ostale vanjske odjeće/03.01.2007. -

OBVEZA PDV-A ZA RAZDOBLJE 01.05.2015. - 31.05.2015.

Vrsta obveze/važi od - do: 09 Mjesečni/01.01.1998. -

Datum ulaska u fiskalizaciju: 01.04.2013.

PODACI IZ REGISTRA RAČUNA ZA 2015. GODINU

Broj računa:

4

Promet po računima:

5.814.107,98

102 - 'Datum i vrijeme izdavanja' računa je za više od 78 sati manje od 'Datum i vrijeme obrade'.

Datum i vrijeme izdavanja: 09.10.2013. 16:43:52

U sustavu PDV:

DA

Brojčana oznaka računa:

3467

Oznaka poslovnog prostora:

29

Oznaka naplatnog uređaja:

1

Oznaka slijednosti:

P (poslovni prostor)

Zaštitni kod:

JIR:

Naknadna dostava:

DA

Broj paragon računa:

OIB operatera:

Ukupni iznos:

0,00

Način plaćanja:

G (gotovina)

Iznos oslobođenja od PDV-a:

Iznos pos. postupak opor. marže:

0,00

Iznos ne podliježe oporezivanju:

Specifična namjena:

Datum i vrijeme slanja:

01.05.2015. 09:58:37

Datum i vrijeme obrade:

01.05.2015. 09:58:36

Povratak

Ispis podataka



Active fiscalization subject – a caterer does not implement fiscalization

REPUBLIKA HRVATSKA
MINISTARSTVO FINANCIJA
POREZNA UPRAVA

PURH

PURH | Evidencija PBZO | OIB | Fiskalizacija | elsprave

Knjiga računa | Provjera računa | Poslovnice | Usporedba PDV i Fisk | Signalizacija grešaka

▼ Pregled poslovnica
Po OIB-u

Korisničko ime: Organizacijska jedinica: Porezna uprava, Središnji ured
Verzija: 1.1.10-SNAPSHOT

OIB:
Ime i prezime, ime roditelja:
Adresa:
Ispostava:
Djelatnost: 5630 Djelatnosti pripreme i usluživanja pića

POSLOVNI PROSTOR

Oznaka poslovnog prostora: POSL3
Adresa poslovnog prostora:
Radno vrijeme: Svaki dan 06-22h
Datum i vrijeme slanja: 31.07.2014. 16:45:07
Datum i vrijeme zaprimanja: 31.07.2014. 16:45:39
Datum i vrijeme prve prijave: 03.08.2013. 17:26:54
Datum početka primjene: 31.07.2014.

OIB proizvođača softvera:
Ime i prezime/Naziv:
Adresa:

Nema evidentiranih podataka o stanju blagajne.

Stanje blagajne na dan : 05.06.2015. [Pregledaj](#)

Natrag | Novi upit | Ispis podataka | Povijest pos. prostora



Complete overview of a taxpayer

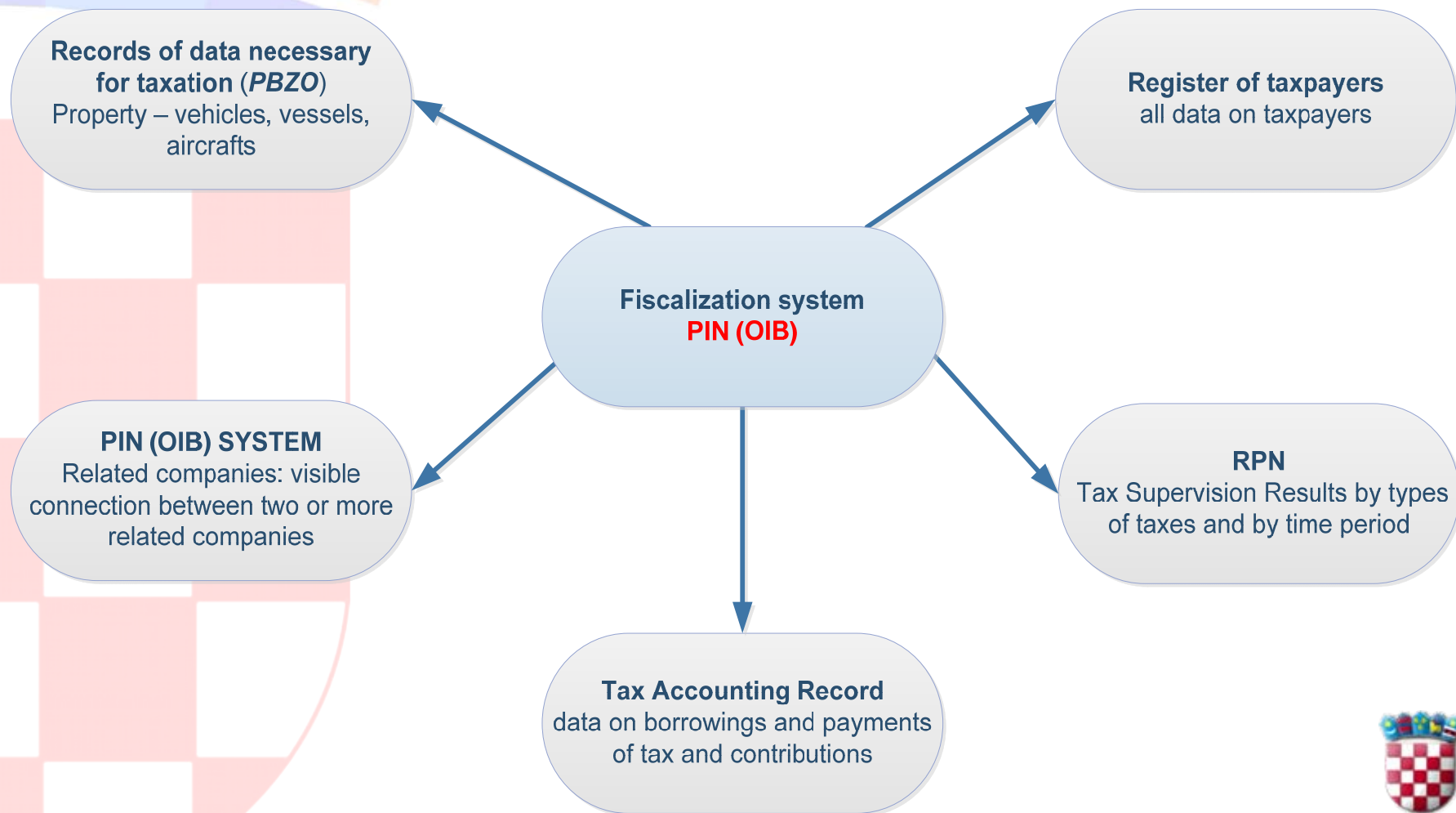
HRK

Measure	VAT Forms			Supervision		Fiscalization						
	Amount of VAT base	VAT amount	Amount not subject to taxation and exemption amount	No. of fiscalization supervisions	No. of supervision s -other	No. of issued receipts	Total amount of receipts	Amount of VAT base	VAT amount	Amount not subject to taxation	Exemption amount	Amount not subject to taxation and exemption amount
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13) = (11 + 12)
01	5.008,50	677,73	0,00	0	0	707	10.610,25	9.318,81	1.262,64	0,00	0,00	0,00
02	5.217,93	684,89	0,00	0	0	575	15.742,29	14.301,42	1.403,47	0,00	0,00	0,00
03	0,00	0,00	0,00	0	0	646	10.557,86	9.269,45	1.240,59	0,00	0,00	0,00
04	0,00	0,00	0,00	0	0	700	16.603,63	14.770,68	1.751,81	0,00	0,00	0,00
05	0,00	0,00	0,00	0	0	888	15.298,98	13.377,82	1.841,38	0,00	0,00	0,00
06	0,00	0,00	0,00	0	0	1452	30.997,71	27.411,54	3.470,94	0,00	0,00	0,00
07	0,00	0,00	0,00	1	0	5400	119.648,21	106.217,41	12.945,84	0,00	0,00	0,00
08	137.876,64	17.618,37	572,69	1	2	11659	241.544,70	212.260,61	28.709,25	0,00	0,00	0,00
09	69.398,38	6.587,23	0,00	0	0	3663	80.704,43	72.435,94	8.174,16	0,00	0,00	0,00
10	0,00	0,00	0,00	0	0	1206	17.446,00	15.359,22	2.049,23	0,00	0,00	0,00
11	0,00	0,00	0,00	0	0	591	15.488,90	14.093,91	1.365,19	0,00	0,00	0,00
12	0,00	0,00	0,00	0	0	593	18.209,85	16.681,04	1.489,89	0,00	0,00	0,00
TOT.	217.501,45	25.568,22	572,69	2	2	28.080	592.852,81	525.497,85	65.704,39	0,00	0,00	0,00



FISCALIZATION IN THE BROADER CONTEXT

- Fiscalization system „communicates” with other sub-systems within the IT system of the Tax Administration



True or False?

- Approx. one third of self-employed entrepreneurs (49,000) closed their business in Croatia as a result of fiscalization – **F**
- Fiscalization was designed as a tool to intimidate and eliminate small businesses. Many businesses were closed by the Tax Administration for minor misdemeanours (e.g. 7 kuna excess cash in the cash register) – **F**
- Collection of other taxes decreased as a result of fiscalization (income taxes, social security etc.) – **F**
- Former minister Slavko Linic had to resign due to unsatisfactory results of the fiscalization project - **F**



INSTEAD OF A CONCLUSION – CROATIAN MEDIA ON THE FISCALIZATION ISSUE

- August 8, 2013 - BEFORE FISCALIZATION, the caterer earned HRK 5000 per month, AND NOW:

<http://dnevnik.hr/vijesti/hrvatska/zagrebacki-ugostitelj-zaradzuje-8-5-puta-vise-otkad-ima-fiskalnu-blagajnu---297749.html> ✓

- August 10, 2013, FISCALIZATION WONDERS

The turnover realized by a caterer from Hvar leaped by 2729 percent!:

<http://m.tportal.hr/279409/Hvarskom-ugostitelju-promet-skocio-za-2729-posto.html> ✓

- 24sata, July 13, 2015, 80 percent of Croats support the fiscalization, but grade given to Linić is 2.9:

<http://www.24sata.hr/politika/za-vecinu-linic-uvodi-red-80-hrvata-podrzava-fiskalizaciju-323580> ✓

- August 12, 2013, Linić: They had HRK 120,000 of surplus. Carpe Diem: Our tablet computer went off, Carpe Diem on island Hvar and Hacienda in Vodice caught in tax misdemeanours and are waiting to be closed, reports RTL ✓

