



Ministry of Finance finished the draft of the Law for fees of public goods' use. The public discussion is opened until 21 March.

The industry predicts the danger of even bigger expenses in this new law proposal.

Companies that do business in the mining sector were against it because base fees for mineral sources use would be determined differently.

"Our mine had 15 million EUR income last year and the budget for this year should be more than 4,5 million EUR on the base of different taxes", Darko Vukobratovic, Director of "Kontango", warned.

"Our liabilities will exceed 50% of incomes with planned fees' increase. We won't be able to handle it. There are only two solutions, tax payment avoidance or the company shutdown. Shutdown means the loss of 430 work places and 4,5 million EUR for budget. The height of fees was already changed last year, from 3 to 5% of income. This can be increased in the short term."

Producers of mineral waters are afraid of future amounts of water use fees. The current fees are too big at the moment.

"We engaged consultant home to do analysis on fees' height in Serbia and we are the second in the region at the moment", Bogdan Komlenac from Company "Knjaz Milos" stressed.

"Our company pays 2 million EUR yearly at the moment. Every further increase can endanger business. Only "Knjaz Milos" among 40 producers pays special local tax to Arandjelovac municipality 500.000 per year."

Milica Bisic, the Counselor of Minister of Finance explains that the idea is to find a real measure in order to use resources rationally and to be competitive at the same time.

"The law won't introduce any new liability for companies or increase the height of existing ones", Milica Bisic emphasized.

"Heights of fees in the draft are not final and they will be discussed more. One of innovations is the right given to companies so they can complain on determined fee amount to the Ministry of Finance.

*Source Ministry of finance/Serbia Energy*