

### Issue 02/14

To keep you up-to-date with the latest economic and financial developments, this bulletin prepared by our Tax Team provides information that may affect the operation of your business in Albania.

#### Income Tax Law Amendments

On 3 April 2014, the Parliament passed Law no. 32/2014 "On Additions and Amendments to the Law no. 8438, dated 28.12.1998 "On Income Tax" as amended.

The new law is now published in the Official Gazette no. 57 of 24 April 2014.

It introduces a special rule for the banks, branches of foreign banks and non-bank financial institutions licensed by the Bank of Albania allowing the recognition of the write-off of bad debts as an expense for profit tax purposes. This expense may be however recognized by these entities only:

- 365 days after the filling of the request at the bailiff office on the initiation of the compulsory enforcement process in case the loan is secured by movable or immovable properties;
- 365 days after the issuance of the enforcement order by the court, if the loan is not guaranteed by movable or immovable properties.

# BOGA & ASSOCIATES

If you wish to know more on issues highlighted in this edition, you may approach your usual contact at our firm or the following:

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## Boga & Associates

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The firm maintains its commitment to quality through the skills and determination of a team of attorneys and other professionals with a wide range of skills and experience. The extensive foreign language capabilities of the team help to ensure that its international clientele have easy access to the expanding Albanian and Kosovo business environment.

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