CENTRAL EASTERN EUROPEAN TAX BROCHURE 2014

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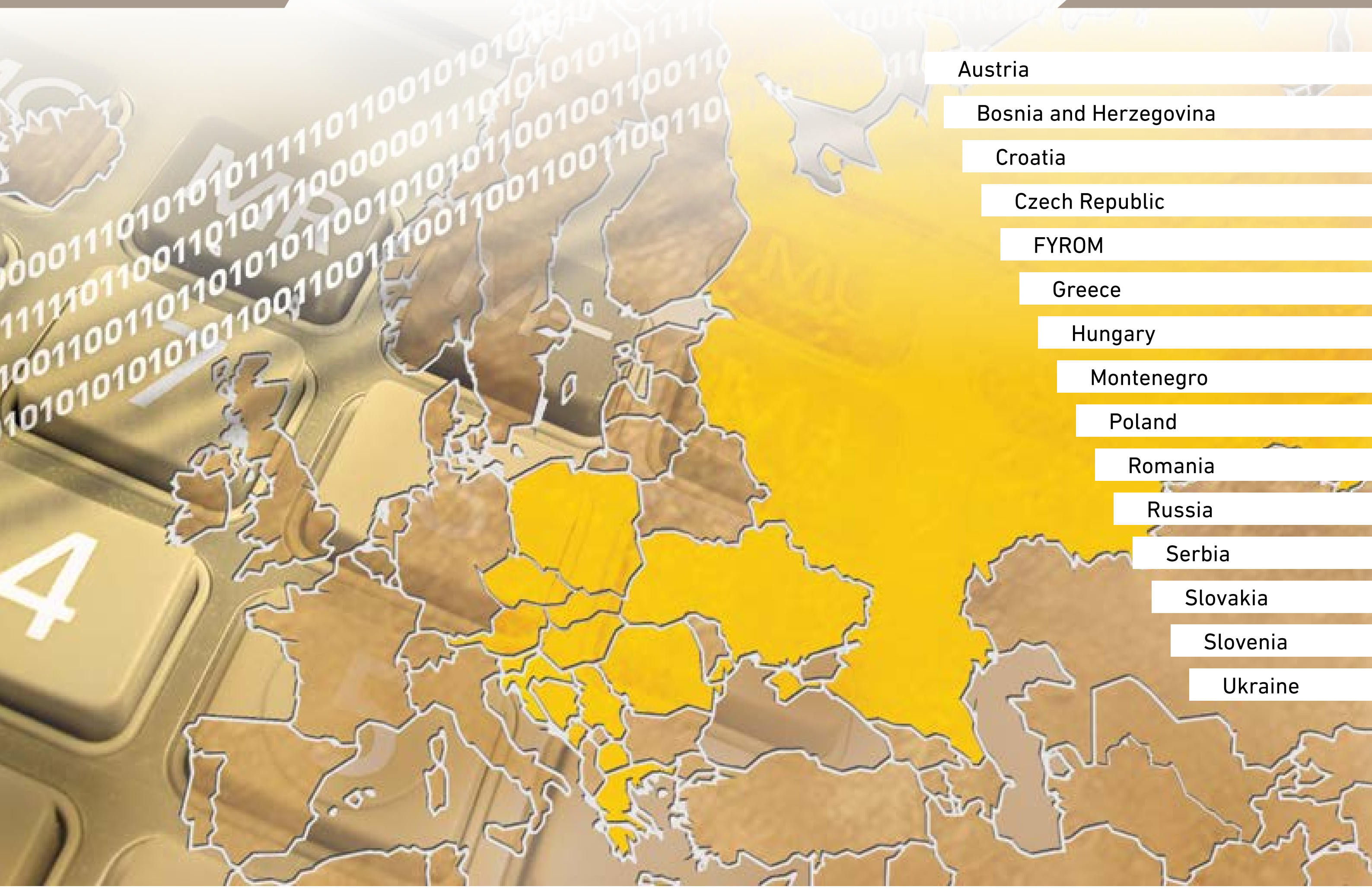

MAZARS


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Foreword

Many things became confused in the course of the economic crisis. Efficiency and improving competitiveness used to characterize East Central European countries; in a parallel way, a tax competition emerged both within the region, as well as between the region and the other EU member states. These tendencies have slackened by now, and several countries in the region were forced to increase taxes. In addition, the various countries in the region started to pursue different tax policies: some increased their consumption taxes, while others introduced income tax hikes, and we can also witness solutions not seen earlier, such as the appearance of sectorial crisis taxes, or the introduction of direct price regulation schemes and of new taxes, which placed additional burdens on economic actors.

Some of the measures taken do not appear as new taxes, but in an indirect way they clearly result in a curtailment of earnings. Thus, the region as a whole moved away from the earlier measurable and comparable, market-conform solutions in the direction of establishing complicated and less transparent systems of taxation, and as a result, international businesses find it increasingly hard to compare these tax regimes.

The summary on the region's systems of taxation published already for the second time by the Mazars offices is designed to help with just that. We find it important to emphasize that it is worth preparing a more detailed analysis before making strategic business decisions. To facilitate that, we also included the contact information for our offices and experts, who are pleased to be at your service to discuss strategic issues. I hope and trust that our readers will find this summary useful and inspiring.

Sándor Szmicsek,
Partner,
Tax and legal services,
Mazars in Hungary

AUSTRIA

Corporate tax and other direct taxes

The Austrian corporate income tax is flat with a rate of 25%. *The Austrian Corporation Tax Act* defines the tax framework for corporations, setting an annual minimum tax of EUR 3,500 for public companies (AG) and a minimum tax per year of EUR 1,750 (limited to EUR 500 for the period 1 July 2013 to 31 March 2014) for limited liability companies (GmbH). These minimums are to be considered as a tax in advance, and as such, the amounts can be set off against any future corporate tax obligation. The company's profits are computed by summing up the income generated by business activities performed, the passive income and the capital gains. In principle, all expenses linked to the conduct of the business are deductible. Losses can be carried forward indefinitely (only 75% of one year's profit can be offset), but carry back is not permitted. Incentives concerning R&D are provided in the form of a 10% premium in cash for certain types of expenditure. Since 1 January 2013 an expert report from the FFG is compulsory to request this tax incentive.

Thin capitalization is not subject to any specific regulations. However, in order to avoid insolvency, guidelines exist concerning the reorganization law. These guidelines are to be followed as personal responsibility can be evoked otherwise. The standard tax rate on capital gains is 25%. Dividends from resident companies towards the resident shareholder in Austria are exempt regardless of the participation percentage. Several important exemptions exist, such as an international participation exemption for dividends from non-resident companies. These dividends are tax free if a minimum of 10% direct or indirect shareholding has existed for at least one year: (applicable also for less than 10% shareholding if extensive mutual assistance exists with such countries). Royalties and licenses are also subject to exemptions in accordance with tax treaties and EU directives; otherwise the standard tax rate is 20%. Austria, with 90 tax treaties, offers double taxation conventions with a large number of countries.

Consolidation in Austria requires the parent company to control at least 20% of the affiliate. A group taxation regime exists in Austria where profits and losses of the group members are attributed to the group holder and the aggregated balance is subject to taxation. Losses from nonresident companies can be used in the case of group taxation (if extensive mutual assistance exists). Losses in foreign countries from non resident companies can be subject to a recapture in cases of liquidation or if they are used abroad.

VAT and other indirect taxes

The general rate is 20% for the sale of goods and services. A reduced rate of 10% is used for agricultural products, entertainment, tourism and rentals with a residential purpose. Exemptions are in place for banking transactions, and no VAT is levied on exports. Entrepreneurs with annual sales below EUR 30,000 are exempted from VAT obligations. Non-residents trading in Austria are also subject to registration. Monthly returns are electronically recorded, and annual returns are to be completed by 30 June of the following year. Companies represented by a tax advisor can have the deadline substantially extended.

Options	Applicable / limits	Remarks
Distance selling	**EUR 35,000/year**	
Call-off stock	✓	if conditions are met
VAT group registration	✓	VAT group under certain circumstances
Cash accounting	**EUR 700,000/year**	N/A for capital companies
Import VAT deferment	✓	if conditions are met
Local reverse charge	✓	gas, electricity, heating, emission quotas, mobile phones, construction services, compulsory auction of immovable property
Option for taxation - letting of real estate	✓	a fixed rating of 10% is applicable for residential letting 20% otherwise
Option for taxation - supply of used real estate	✓	general rate of 20% applies to supply of real estate for non-residential purpose
VAT registration threshold	**EUR 30,000/year**	

Personal income tax / Social security system

The Austrian income tax rate is progressive, reaching at its highest 50%. The personal income tax progression adds up as follows:

- annual income up to EUR 11,000 is not taxed,
- from the 11,001st to the 25,000th Euro earned, the marginal tax rate is 36.50%,
- from the 25,001st to the 60,000th Euro earned, the marginal tax rate is 43.21%,
- from the 60,001st Euro earned, the marginal tax rate is 50%.

Concerning capital gains, a 25% tax rate is applied to all capital income from both Austrian and foreign sources.

The employer's social security contribution amounts up to 21.83% of the salary. For employees, social contributions amount up to 18.07%, which have to be automatically deducted and paid directly to the relevant social insurance and tax authorities by the employer. Nevertheless, differences between blue- and white-collar employees have to be taken into account. The maximum contribution for social security contributions amounts to (in 2014) EUR 4,530 per month. Salaries are paid over a period of 14 months for one year; the example below takes this factor into account for the tax computation of the total wage cost down to the net salary.

Just for the sake of understanding: 13th and 14th salary are not taxed according to the progressive scheme shown before but at a flat rate of 6%. Employees do not get fourteen equal installments, only 12 plus two which are much higher. The higher the monthly gross salary the higher those 13th and 14th month salaries are, because of the increasing gap between the flat rate of 6% and the progressive rate. Minimum wages depend on the sector's collective agreement. Therefore, as no standard minimum wage exists, an example has been chosen.

2014 in Austria	Minimum wage*		Average wage in private sector	
Example:	in EUR		in EUR	
	1.391**		2.267**	
TOTAL WAGE COST	2129	**131,19%**	3470	**131,19%**
Employer's SS and other contributions***	506	31,19%	825	31,19%
GROSS SALARY******	1623	**100,00%**	2645	**100,00%**
Personal income tax	60	3,72%	325	12,27%
Employees' contributions*****	275	16,93%	474	17,93%
NET SALARY	1288	**79,35%**	1846	**69,80%**

* Payroll accountant in Vienna, 1yr experience
** Monthly gross salary (on 14 month basis - including 2 special payments)
*** In addition to SSC contribution to family equalization fund, surcharge, severance pay and community tax is also payable
**** Monthly gross salary (12 month)
***** Actual rate depends on the salary level, the maximum level of employees' social contributions is 18.07%

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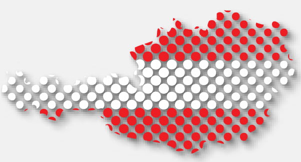

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BOSNIA AND HERZEGOVINA

Corporate tax and other direct taxes

First of all, it is important to note that Bosnia and Herzegovina (BiH) is divided into three tax jurisdictions: the Federation of BiH (FBiH), the Republika Srpska (RS) and Brčko District (BD). Brčko District is just a small part of BiH, and for the sake of simplicity we will focus on the RS and FBiH.

The general corporate income tax rate is flat and amounts to 10%. The tax base is the pre-tax profit modified by several increasing and decreasing items. In BiH (both FBiH and RS) losses can be carried forward for up to 5 years. Loss carry back is not permitted. There are no special limitations in case of M&A transactions. BiH does not apply a thin capitalization rule. All cost related to R&D can be recognized as expenditure. Generally in BiH dividends are non-taxable, but capital gains are taxable at the rate of 10%. In the FBiH companies whose export exceeds 30% of the total income and companies who invest over 20 million BAM (around EUR 10 million) in production over a period of 5 years are exempt from corporate tax.

The general withholding tax rate is 10%, however tax rate for dividends amounts to 5% in FBiH unless a reduced rate or exemption applies under international tax treaties (currently, there are around 30 active double tax treaties). In the RS, dividends are not subject to withholding tax. Interests, royalties and technical fees paid by a BiH (in both FBiH and RS) company to a foreign company are subject to withholdings at the rate of 10%. The difference between the prices determined by applying the "arm's length" principle and transfer price is taxable, but in BiH transfer prices are still not in the focus of the tax administration. The group taxation concept is allowed in BiH for a group of resident companies with a minimum of 90% (FBiH) or 80% (RS) direct or indirect ownership.

In case of acquiring real estate in the FBiH, the transfer is taxable at cantonal level. In the RS, there is no transfer tax, but the owner of the real estate has to pay property tax between 0.05% and 0.5% of the market value. In BiH there is no surtax.

VAT and other indirect taxes

The general rate is 17%, and it is established at state level (common for the RS, the FBiH and the BD). There are no reduced rates beside the 0% rate (mainly for the export of goods). VAT-exempt services are mainly banking services, insurance, the rental of real estate, public services, as well as certain types of health and medical services. Export exemption as well as exemption for deliveries to free zones applies. Certain thresholds are as follows:

Exchange rate BAM/ EUR 1,96

Options	Applicable / limits	Remarks
Distance selling	-	-
Call-off stock	**No**	if conditions are met
VAT group registration	✓	for foreign entities special approval is needed by indirect tax authority and no actual practice currently exists
Cash accounting	**No**	
Import VAT deferment	**No**	
Local reverse charge	✓	construction work
Option for taxation - letting of real estate	**No**	
Option for taxation - supply of used real estate	**No**	
VAT registration threshold	**EUR 25,510/year**	voluntary registration is possible

Other indirect tax types in BiH are custom duties and excise duties on goods imported into BiH.

Personal income tax / Social security system

Personal income tax is taxed at a flat rate amounting to 10%, and it is generally applicable on the active (e.g. employment, assignment fee) and passive income (interest, real estate rental, etc.). Dividends are not taxable in BiH. In the RS, the employee contributes 33% of the gross salary. In the FBiH, the employer contributes 10.5%, and employee contributes 31% of the gross salary.

The examples below show the cost of employer and the employee in case of the average wage. In case of the minimum wage the applicable PIT and contribution rates are the same, i.e. the net/gross ratio equals the rates given in the calculation for average salary level. The minimum wage is BAM 343 (EUR 175) in FBiH; and BAM 614 (EUR 314) in RS.

2014 in BiH	Average wage in FBiH		Average wage in the RS	
Exchange rate BAM/ EUR 1.96	in EUR	in BAM	in EUR	in BAM
	652	**1 276**	**689**	**1 351**
TOTAL WAGE COST	721	**110,50%**	689	**100,00%**
Employer's SS and other contributions	69	10,50%	-	0,00%
GROSS SALARY	652	**100,00%**	689	**100,00%**
Employees' contributions	202	31,00%	227	33,00%
Personal income tax*	45	10,00%	46	10,00%
NET SALARY	405	**62,10%**	415	**60,30%**

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BOSNIA AND HERZEGOVINA

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CROATIA

Corporate tax and other direct taxes

The general corporate income tax rate is 20%. The tax base is the pre-tax (accounting) profit modified by several increasing and decreasing items. Losses can be carried forward within 5 years but special limitations are applicable in case of M&A transactions. Capital gains are included in the annual corporate profits tax return. Croatia uses thin capitalization (4:1), but thin capitalization does not apply if shareholders are financial institutions, corporate income tax payers in Croatia or income tax payers in Croatia. There is a range of tax allowances for new investments and R&D (up to 150% of qualified costs), the education of employees, as well as investment incentives (reduced or abolished tax liability up to the amount of the initial investment). As of 2013, the tax base can be decreased in the amount of the net profit of the year used to increase registered share capital.

A withholding tax of 15% is applied on dividend, interest, royalty and business consultancy services paid by a Croatian company to a foreign company. However, under the active international treaty network with more than 50 double tax treaties, the withholding tax can be avoided. A withholding tax of 20% is applied on all payments to offshore companies. Furthermore, after Croatia's accession to the EU, special exemption to dividends, royalties and interest can be applied if certain conditions under EU directives are met.

Transfer pricing is becoming hot topic with an increasing numbers of tax audits currently in process. It is expected that transfer pricing will become a key topic in the following years and it will become obligatory to provide supporting documentation to annual corporate profits tax returns. There is no group taxation concept in Croatia. Real estate transfer tax (RETT) is applied on the transfer of immovable property at the rate of 5%. The tax base is the selling price of the transferred property and the taxable person is the buyer.

Other fees include company tax (ranging from HRK 500 to 800), contribution to the Croatian Commercial Chamber (fixed monthly fee + annual percentage of revenues), forestry tax (annual percentage) and tourist tax (for certain activities).

VAT and other indirect taxes

The general tax rate is 25%; a reduced rate of 13% applies to tourist accommodation services, restaurant and coffee bar services and newspapers, while a reduced rate of 5% applies on milk, books, etc. VAT-exempt services are mainly banking services, insurance, investment-related services, educational services (under certain conditions), games of luck, certain services provided by medical doctors and dentists, and certain other activities which are tax exempt with regard to their public interest or their special character. Export exemption as well as exemption for deliveries to free zones applies.

The VAT Act is harmonized with the EU directives, based on which certain thresholds are as follows:

Exchange rate HRK/ EUR 7,5

Options	Applicable / limits	Remarks
Distance selling	**EUR 36,000/year**	
Call-off stock	✓	
VAT group registration	**No**	
Cash accounting	**No**	
Import VAT deferment	**No**	
Local reverse charge	✓	construction works and supply of staff in relation to construction works, supply of immovable property, transfer of greenhouse gas emission allowances
Option for taxation - letting of real estate	**No**	
Option for taxation - supply of used real estate	**No**	Will enter into force from 2015 - announcement required
VAT registration threshold	**EUR 31,000/year**	voluntary registration is possible

Other indirect tax types in Croatia are excise duty and insurance tax.

Personal Income Tax / Social Security contributions

Personal income tax rates are progressive from 12% to 40%, and apply on income from several sources (employment and similar, business income, sale of real estate, income from insurance (certain types only), dividend income and other income. Active incomes (employment and similar, business income, other income) fall under the scope of the SSC system: individual pension social contributions equal altogether 20% (employee contribution) and health and unemployment contribution of 15.2% represent employer contribution. Passive incomes are generally subject only to taxes. The examples below show the cost of the employer and the employee in case of minimum wage level and the average wage in the private sector. Basic personal allowance amounts to HRK 2,200 (around EUR 290) and surtax applies on taxes on income from employment, business income, dividends, etc.

2014 in Croatia	Minimum wage		Average wage in private sector	
Exchange rate HRK/ EUR 7,6	in EUR	in HRK	in EUR	in HRK
	397	**3 018**	**1 055**	**8 015**
TOTAL WAGE COST	**457**	**115,20%**	**1 215**	**115,20%**
Employer's contribution	60	15,20%	160	15,20%
GROSS SALARY	**397**	**100,00%**	**1 055**	**100,00%**
Employees' contributions	79	20,00%	211	20,00%
Tax and surtax*	4	12,00%	119	12,00%
NET SALARY	**314**	**79,10%**	**725**	**69,01%**

*Tax base differs from the gross salary, deductions apply.

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CZECH REPUBLIC

Corporate tax and other direct taxes

The Czech Republic has a flat corporate income tax rate of 19% applied on a general tax base. Basically, the tax base is represented by an accounting profit or loss modified by certain increasing and decreasing items. The tax base may be deducted by tax losses to be carried forward within five subsequent taxable periods. The Czech Republic applies thin capitalization rules to loans provided by related parties (generally 4:1).

The Czech Republic provides tax exemption for holding structures: dividends and capital gains are tax exempted, provided certain conditions are fulfilled. Moreover, under certain specific conditions, an exemption may also be granted to royalties or interest from credit and loans. A withholding tax of 15% applies to dividends, royalties, interest and generally to income reached in the Czech Republic, if the conditions for tax exemptions are not fulfilled and a relevant double tax treaty states otherwise. The Czech Republic has a wide international treaty network with more than 80 double tax treaties concluded. If the payments are realized to the third countries without a double tax treaty, the withholding tax amounts to 35%.

Transfer pricing is increasingly in the focus of attention. Czech businesses are obliged to document the arm's length character of intra-group transactions. There are no specific penalties for not having transfer pricing documentation (general penalties and interest on late payments may be applied).

Road motor vehicles used in connection with business, as well as trucks with a maximum gross weight exceeding 3.5 tonnes regardless of their use are subject to a road tax, if registered in the Czech Republic. A real estate tax is to be applied in relation to land and buildings, with tax rates generally depending on the type of the property, while the final amount of tax may also be influenced by local ratios (as applied by local authorities). A real estate transfer tax is to be applied at a rate of 4%. Inheritance tax and gift tax are incorporated into the income tax since 2014. Standard income tax rates are applied (15% for individuals, 19% for legal persons). Gratuitous income from inheritance is fully exempt. Gratuitous income from giving is exempt in the similar extent as before (e.g. gifts within family).

Since 2014 the new Civil Code and the Act on Business Corporations are applied. These include new provisions relating to incorporation deeds, contractual law, real estates, etc.

VAT and other indirect taxes

For 2014, the standard VAT rate is 21%, while the reduced rate is 15% (applicable, for example, on groceries, medical/sanitary goods, and books). VAT-exempt services include financial and insurance services, the transfer of buildings/flats/non-residential premises (after 5 years since building approval); medical and social care services. A reverse charge mechanism was introduced in 2011 and concerns, for example, the supply of construction/assembly works, as well as certain types of waste. As a part of provisions for preventing VAT fraud a guarantee for unpaid VAT was significantly extended since January 2014.

The following options/limits based on the EU Directive are presented within VAT legislation:

Exchange rate CZK/ EUR	27	
Options	**Applicable / limits**	**Remarks**
Distance selling	**approx. EUR 42,200/year**	Threshold is CZK 1,140,000.
Call-off stock	✓	control of goods by customer is not required
VAT group registration	✓	related parties, only for Czech legal entities
Cash accounting	✓	as of 2013
Import VAT deferment	✓	obligatory
Local reverse charge	✓	construction works, waste, gold, emission permits
Option for taxation - letting of real estate	✓	
Option for taxation - supply of used real estate	✓	up to 5 years taxable
VAT registration threshold	**approx. EUR 37,000/year**	VAT registration threshold applies for Czech based entities. Threshold is CZK 1,000,000.

Other indirect taxes include excise duties (for example, mineral oils, spirits, beer, wine and tobacco) and an energy tax (for example, gas, electricity or solid fuels). A "contribution" from electricity produced via solar facilities applies to such electricity producers.

Personal income tax / Social security system

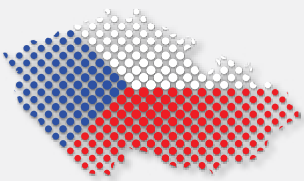
Personal income tax is applied at a flat rate of 15% on active (employment, self-employment) and passive income (e.g. capital gains, dividends, interests). The employees' tax base is increased by health insurance/social security contributions paid by the employer, thus the real tax rate amounts to approximately 20%. Since 2013, a "solidarity" increase of tax at the rate of 7% has been introduced for the part of the gross income from an employment/tax base from self-employment exceeding 48 times the amount of the average wage (for 2014 it is CZK 1,245,216). Income from employment and self-employment is subject to social security and health insurance contributions. In case of employment, the employee's contribution amounts to 6.5% (social security) and 4.5% (health insurance). For the employer, these amount to 25% and 9% respectively. The social security contributions are not paid on the income exceeding the maximum assessment base (CZK 1,245,216). The maximum assessment base for the health insurance contributions has been cancelled as of 2013. The example below shows the employer's and the employee's costs in case of minimum wage and average wage in the private sector.

2014 in the Czech Republic	Minimum wage		Average wage in private sector	
Exchange rate CZK / EUR 27	in EUR	in CZK	in EUR	in CZK
	315	**8 500**	**926**	**25 000**
GROSS SALARY	**315**	**100,00%**	**926**	**100,00%**
Social security contribution - employer	79	25,00%	232	25,00%
Health insurance - employer	28	9,00%	83	9,00%
"SUPER" GROSS SALARY FOR TAX ASSESSMENT	**422**	**134,00%**	**1 241**	**134,00%**
Calculated personal income tax without standard tax deduction*	63	15,00%	186	15,00%
Personal income tax after standard tax deduction*	-		109	
Employees' contributions	35	11,00%	102	11,00%
NET SALARY	**280**	**88,89%**	**715**	**77,21%**

*Each individual is entitled to deduct a lump sum of CZK 24,840 (app. EUR 920) per year from his tax liability (called "standard tax deduction")

CONTACTS

MAZARS IN CZECH REPUBLIC



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FORMER YUGOSLAV REPUBLIC OF MACEDONIA

Corporate tax and other direct taxes

The general corporate income tax rate for all taxpayers in Former Yugoslav Republic of Macedonia is flat and amounts to 10%. Exceptionally, micro and small companies have the option to pay base up to 1% of all incomes. The tax base is the pre-tax profit modified by several increasing and decreasing items. In FYROM, the losses can be carried forward within a limited period of 5 years. Loss carry back is not permitted. Special limitations are applicable in case of M&A transactions. FYROM applies thin capitalization (3:1). There is a wide range of tax allowances for new investments. Generally, capital gains are exempt from tax until they are distributed. After distribution, they are taxed at 10%. Also, dividends are exempt from tax until they are distributed to either a foreign legal entity or to resident or non-resident individuals. Incomes from dividends realized by participation in the equity of other taxpayers are not included in the tax base, provided that they are taxed at the taxpayer who pays the dividends.

In Former Yugoslav Republic of Macedonia, there is a withholding tax at the rate of 10% on dividends, interests and royalties paid by a FYROM company to a foreign company. FYROM has a wide international treaty (DTT) network with around 40 double tax treaties, and the withholding tax rate can be reduced or abolished under the active DTT. Transfer prices are regulated by law, but they are not yet in the focus of the tax administration.

The tax rate on sales and other transfers of real estate and rights to real estate is 2 to 4% of the market value of the property. There is also a property tax (rate is 0.1-0.2%) paid annually by owners of immovable properties. The transfer tax on gifts and inheritance is 0% for first-degree relatives (heritage), 2-3% for second degree relatives and 4-5% for all others.

VAT and other indirect taxes

The general rate is 18%; a reduced rate of 5% applies on food products for human consumption, drinking water from public water supply systems, books, brochures and newspapers, certain materials and fixed assets for agriculture, drugs and medicine, etc. VAT-exempt services are mainly banking services, insurance, the rental of real estate, certain services provided by medical doctors and dentists, certain types of education and training and some other activities which are tax exempt with regard to their public interest or their special character. Thresholds are as follows:

Exchange rate MKD/ EUR	61,55	
Options	**Applicable / limits**	**Remarks**
Distance selling	No	
Call-off stock	No	
VAT group registration	✓	related parties
Cash accounting	No	
Import VAT deferment	No	
Local reverse charge	No	
Option for taxation - letting of real estate	No	
Option for taxation - supply of used real estate	No	
VAT registration threshold	EUR 32,494/year	voluntary registration is possible

Personal income tax / Social security system

There is a flat PIT rate of 10%, and it is generally applicable on the active (e.g. employment, assignment fee) and passive income (e.g. capital gains, dividend and interest). Social security contributions payable by employees altogether amount to 27% of the gross salary: pension contribution is 18%; health care insurance 7.30%; unemployment insurance 1.2%; and health care at work insurance is 0.5%. The examples below show the cost of the employer and the employee in case of minimum wage level and the average wage.

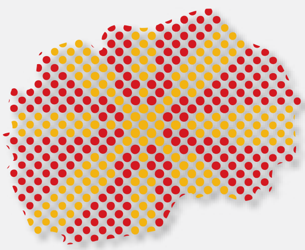
2014 in Macedonia	Average wage in MAC		Average wage in MAC	
Exchange rate MKD/EUR 61,67	in EUR	in MKD	in EUR	in MKD
	249	**15 342**	**501**	**30 902**
TOTAL WAGE COST	**194**	**100,00%**	**194**	**100,00%**
Employer's contribution	-	0,00%	-	0,00%
GROSS SALARY	**249**	**100,00%**	**501**	**100,00%**
Employees' contributions	67	27,00%	135	27,00%
Personal income tax*	18	10,00%	37	10,00%
NET SALARY	**163**	**65,70%**	**329**	**65,70%**

* Personal income tax base differs from gross salary, deductions apply.

The minimum base for social security contributions equals 50% of the average monthly salary for the current month in FYROM. The ceiling amount for social security contributions equals six times the average monthly salary for the current month in Former Yugoslavian Republic of Macedonia.

CONTACTS

FYROM



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GREECE

Corporate tax and other direct taxes

The corporate income tax is proportional in Greece. The tax base, i.e. is the pre-tax profit modified by several increasing as well as decreasing items, is taxed at the rate of 26%. Additionally, a withholding tax of 10% is imposed on the after-tax dividends paid (for individual shareholders, this withholding tax exhausts the tax liability for the specific income). In Greece, losses can be carried forward within a period of five fiscal years. Losses may also be used for deducting taxation on capital gains arising from a once in a four-year period immovable assets revaluation (2% for land assets, 8% for buildings), but to this portion they cannot be carried forward. Special limitations are applicable in case of M&A transactions. Greece applies thin capitalization (based on surplus interest expenses) and CFC rules. There is a wide range of tax allowances for new investments, R&D and shipping. Apart from dividends, there is also a withholding tax on interest earned, capital gains, royalties as well as consulting, technical and administrative services provided to a Greek company by a foreign company in Greece. In case of companies that are not established in Greece (non-resident companies), the aforementioned withholding tax on the income emerged from the provision of consulting, technical and administrative services exhausts the tax liability. Furthermore, Greece has a wide international treaty network with more than 50 double tax treaties, which can be implemented for declining the withholding tax rates applicable to income of all the above kinds, earned by non-resident companies. Transfer pricing rules are part of the income tax law regulations. Since 2009, there is a stringent documentation requirement with a high rate of penalties linked to that. For fiscal years starting from 1 January 2014, an entity established in Greece can, under certain conditions, pre-obtain an approval for the method it will use for the documentation of its intra-group transactions. There is no group taxation concept in Greece; therefore, domestic transactions are also subject to TP rules.

Regarding real estate taxation there are three other taxes in addition to the one mentioned above (on capital gains arising from a once in a four-year period asset revaluation).

- Firstly, there is a 15% tax imposed on the vendor for the capital gains (accretion) derived from the transfer of real estate or property rights that takes place after 1 January 2014.
- Secondly, there is a principal and a supplementary annual capital tax imposed on real estate assets. For buildings, the principal tax may vary basically from EUR 2.00 to 13.00 per square meter. The supplementary tax is imposed on the total fair value of the real estate owned, at a rate of 5%0 (this rate decreases to 2.5%0 for real estate owned by organizations of non-profit charitable status).
- Finally, there is an annual special tax of 15% on the nominal tax value of real estate assets located in Greece for legal entities that do not wish to declare their individual shareholders (however, a wide list of exemptions is provided, including shipping companies with an establishment in Greece, firms with capital share structured on nominal shares, firms with other business revenue in Greece greater than real estate revenue in Greece, firms owned or controlled by Greek public sector).

VAT and other indirect taxes

The general rate is 23% and the reduced rates are 13% (e.g. food, electricity, water supply) and 6.5% (e.g. books, medicines, hotel accommodation services). VAT-exempt services are mainly banking services, insurance, investment-related services, the sale real estate (the rental of real estate may either be subject to VAT 23% or exempted, according to the common will of the two related parties), certain services provided by medical doctors and dentists, certain types of education and training, and certain other activities which are tax exempt with regard to their public interest or their special character. The options/limits based on the EU Directive:

Options	Applicable / limits	Remarks
Distance selling	**EUR 35,000/year**	
Call-off stock	✓	if conditions are met
VAT group registration	**No**	
Cash accounting	**No**	
Import VAT deferment	✓	if conditions are met
Local reverse charge	✓	sale of waste
Option for taxation - letting of real estate	✓	
Option for taxation - supply of used real estate	✓	
VAT registration threshold	**EUR 5,000/year**	

Other indirect tax types in Greece are stamp duty, excise duty (on energy, tobacco and alcohol products), financial transactional tax, tariffs, sale taxes (on video lottery terminal games), local business tax (restaurant and related services, advertising expenses).

Personal income tax / Social security system

The PIT is progressive in Greece. There is a different income tax rate per source of income (employees – pensioners, sole proprietorships – freelancers, real estate and securities income), and no free tax amounts are provided. The tax rate applicable to employee pensioners consists of three income brackets (EUR 0 to 25,000: 22%; EUR 25,001 to 42,000: 32%; income above EUR 42,000: 42% tax rate applies) and the ones applicable on income derived from business activities and freelancers, of two income brackets (EUR 0 to 50,000: 26%; income above 50,000: 33%). PIT reduction for the first three years is provided only for sole proprietorships and freelancers that are registered after 1 January 2013 (namely, a 50% reduction of the 26% tax rate of the first bracket of the respective tax rate for income of up to EUR 10,000). Employment incomes fall under the scope of the SSC system: individual social contributions equal altogether 16.5%; employer's contribution is altogether 27.46%. Benefits in kind are also considered as employment income and taxed accordingly. SSC are also applicable. The examples below show the cost of the employer and the employee in case of minimum wage level and the average wage in the private sector.

2014 in Greece	Minimum wage		Average wage in private sector	
	in EUR		in EUR	
TOTAL WAGE COST	**747**	**127,50%**	**994**	**127,50%**
Employer's social security contribution	161	27,46%	214	27,46%
GROSS SALARY	**586**	**100,00%**	**780**	**100,00%**
Personal income tax	N/A*	0,00%	N/A*	0,00%
Employees' contributions	97	16,50%	129	16,50%
NET SALARY	**489**	**83,50%**	**651**	**83,50%**

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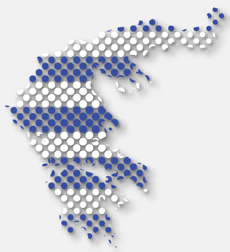

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HUNGARY

Corporate tax and other direct taxes

The general corporate income tax rate is progressive in Hungary. The tax base up to HUF 500 million is taxed at 10%, above this amount the rate is 19%. The tax base is the pre-tax profit modified by several increasing and decreasing items. In Hungary, the losses can be carried forward without a time limit. However, the losses may be used for reducing the tax base up to 50% of the tax base calculated without the loss carry forward. Loss carry back is possible in the agricultural sector. Special limitations are applicable in case of M&A transactions.

Hungary applies thin capitalization (3:1) and CFC rules. There is a wide range of tax allowances for new investments and R&D. Furthermore, Hungary provides tax exemption on holding structures: capital gains on shares and intellectual property under certain conditions are tax free, and a 50% tax allowance is applicable on royalty incomes. There is no withholding tax on dividends, interest and royalty paid by a Hungarian company to a foreign company. Hungary has a wide international treaty network with more than 80 double tax treaties.

Transfer pricing is a hot topic: there is a stringent documentation requirement since 2003 with a high rate of penalties (EUR 7,000 / missing documentation / transaction) in addition to the tax penalty of 50% falling on the tax base adjustment assessed by the tax authority (if any) plus late payment interest. There is no group taxation concept in Hungary; therefore, domestic transactions are also subject to TP rules.

The local business tax is 2%; paid on gross margin (sales revenue deducted by COGS, mediated services, material costs and R&D costs). A special surtax applies to the energy sector (31% in addition to the corporate income tax) and the bank sector (the tax amount is based on the total assets). Small companies may benefit from a special cash-based taxation system introduced from 2013 ("Kiva"). The general transfer tax rate is 4%. In case of acquiring real estate or real estate holding companies, 4% applies up to a real estate value of HUF 1 billion; above the threshold the rate is 2%, but maximized at HUF 200 million/real estate. The transfer tax is 18% on gifts and inheritance, 9% in case of flats; however, gifts and inheritance within family is tax exempt. Hungary introduced very strict price regulation in the utility sector from 2013: the individual customer's prices are cut down continuously step by step.

VAT and other indirect taxes

The general rate is 27%, the reduced rates are 18% (e.g. bread, milk, accommodation services) and 5% (e.g. journals, books, medicines and central heating). VAT-exempt services are mainly banking services, insurance, investment-related services, sale and rental of real estate, certain services provided by medical doctors and dentists, certain types of education and training and certain other activities which are tax exempt with regard to their public interest or their special character. From 2013, domestic sales reports are also required; moreover, Hungary introduced the online control of cash registers in 2013. The options/limits based on the EU Directive are presented within VAT legislation:

Exchange rate HUF / EUR: 300

Options	Applicable / limits	Remarks
Distance selling	**EUR 35,000/year**	
Call-off stock	✓	if conditions are met
VAT group registration	✓	related parties
Cash accounting	**EUR 417,000/year**	as of 2013
Import VAT deferment	✓	if conditions are met
Local reverse charge	✓	sale of waste, agricultural products, emission quotas, pawn, construction services
Option for taxation - letting of real estate	✓	announcement required
Option for taxation - supply of used real estate	✓	announcement required
VAT registration threshold	**No**	"Special VAT exemption for small businesses up to EUR 20,000/year"

Other indirect tax types in Hungary include excise duty, environmental protection charge, financial transactional tax, insurance tax and 'chips tax' (taxes on unhealthy foods and drinks).

Personal income tax / Social security system

There is a flat rate of PIT since 2013, which is 16%, and it is generally applicable to active (e.g. employment, assignment fee) and passive income (e.g. capital gains, dividend and interest). From 2014, the family tax allowance may be deducted from the social security contributions payable by the employee (up to 17% of the gross salary) if the payable PIT does not cover the maximum amount of family allowance, which is HUF 10 thousand (appr. EUR 33) / month / child up to 2 children; and HUF thousand 33 (EUR 110) / month / child from 3 children). Active incomes fall under the scope of the SSC system: individual social contributions equal altogether 18.5%; employer's contribution is altogether 28.5%. Passive incomes are subject to different rates of health care tax depending on the income type: 14% (in case of, for example, dividends, capital gain, real estate rental with a threshold); 6% (e.g. interest) or 27% (e.g. income on selling rights); or they are exempt from health care tax (e.g. capital gain on shares of stock exchange). Benefits in kind are taxed at two rates: PIT plus SSC altogether 35.7% and 51.17% and payable only by the employer. The examples below show the cost of the employer and employee in case of minimum wage level and the average wage in the private sector.

2014 in Hungary	**Minimum wage**		**Average wage in private sector**	
Exchange rate HUF / EUR 300	in EUR	in HUF	in EUR	in HUF
	338	**101 500**	**807**	**242 200**
TOTAL WAGE COST	**435**	**128,50%**	**1 037**	**128,50%**
Vocational training contributon	5	1,50%	12	1,50%
Social contribution tax	91	27,00%	218	27,00%
GROSS SALARY	**338**	**100,00%**	**807**	**100,00%**
Personal income tax	54	16,00%	129	16,00%
Employee's contributions	63	18,50%	149	18,50%
NET SALARY	**222**	**65,50%**	**529**	**65,50%**

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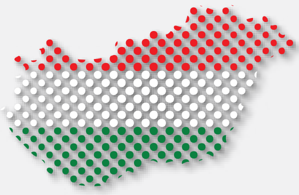

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MONTENEGRO

Corporate tax and other direct taxes

The general corporate income tax rate is a flat rate amounting to 9% and it applies to both resident and non-resident companies. Resident companies are taxed on their worldwide income, while non-residents are taxed only on income generated in Montenegro. The tax base is the pre-tax profit modified by several increasing and decreasing items. Capital gains are included in the annual corporate profits tax return and are subject to a 9% tax. In Montenegro, losses can be carried forward for 5 years while the carry back of losses is not permitted. A tax incentive (profit tax rate for the first eight years is 0%) is applied for newly founded legal entities in economically underdeveloped municipalities which engage in manufacturing operations. The total amount of the tax exemption may not exceed 200.000 € for a period of eight years. Montenegro applies thin capitalization, but there are no specific thin capitalization rules, except that interests paid to a non-resident must be on arm's length terms.

Withholding tax at the rate of 9% is applicable on dividends, interests, capital gains, royalties and other intellectual property rights, fees for the lease of movable and immovable property, consulting services, market research and audit services which are paid to a non-resident legal entity. Montenegro has a wide international treaty network with 42 double tax treaties.

Transfer pricing is not a heavily regulated area. Transactions between related parties must be at arm's length. The comparable uncontrolled price method may be used, but in the absence of any direct comparables, the taxpayer may use the cost-plus or the resale price method. There is no direct documentation requirement; however, the preparation of TP documentation is advisable.

A transfer tax of 3% is levied on the transfer of immovable property. There is no surtax or alternative minimum taxes.

VAT and other indirect taxes

The general rate is 19%, the reduced rates is 7% (e.g. bread, milk, accommodation services, medications), and there is VAT-exemption for exports and banking services. Taxpayers with revenue in excess of EUR 18,000 must register for VAT purposes. The options/limits based on the VAT Act in Montenegro:

Options	Applicable / limits	Remarks
Distance selling	**No**	
Call-off stock	**No**	
VAT group registration	**No**	
Cash accounting	**No**	although regulations in the Accounting Act exists, the same does not apply to VAT
Import VAT deferment	**No**	
Local reverse charge	**No**	
Option for taxation - letting of real estate	**No**	
Option for taxation - supply of used real estate	**No**	
VAT registration threshold	**EUR 18,000/year**	

Personal income tax / Social security system

In Montenegro, resident individuals are taxed based on their worldwide income, and non-residents are taxed only on income provided in Montenegro. There is a flat rate of 9%, and it is generally applicable on the active (e.g. employment, assignment fee) and passive income (e.g. capital gains, dividend and interest). Salary exceeding a gross amount of EUR 720,00 is taxed at rate of 15%. It is important to state that non-resident income on interest is taxed by 5%. Active incomes fall under the scope of the SSC system: individual's social contributions equal altogether 24%. These include contributions for pensions (15%), health (8.5%) and unemployment (0.5%). The employer's contribution is at the rate of 9.8% of the employee's salary. It includes pensions (5.5%), health (3.8%) and unemployment (0.5%).

The examples below show the cost of the employer and the employee in case of minimum wage level and the average wage in the private sector.

2014 in Montenegro	Minimum wage		Average wage in private sector	
Currency EUR	in EUR		in EUR	
TOTAL WAGE COST	**306**	**109,80%**	**738**	**109,80%**
Employer's contribution	27	9,80%	58	9,80%
GROSS SALARY	**279**	**100,00%**	**738**	**100,00%**
Employees' contributions	67	24,00%	177	24,00%
Personal income tax	19	9,00%	51	9,15%
NET SALARY	**193**	**69,61%**	**510**	**69,16%**

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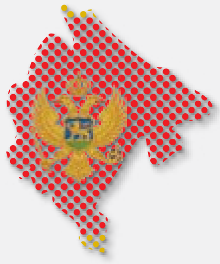

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POLAND

Corporate tax and other direct taxes

Subject to taxation are limited liability and joint stock companies, as well as limited joint-stock partnership (since 2014) that are Polish residents. Other partnerships are neither CIT nor PIT payers, and income generated by partnerships is directly attributed to shareholders (in proportion to their shares) and depending on their status (companies or natural persons) subject to CIT or PIT. CIT in Poland is payable on the income, i.e. on revenues decreased by tax-deductible costs. CIT is collected at the flat rate of 19%. Tax-deductible costs exceeding the revenues in the given financial year constitute a loss, which may be carried forward for five years, but the deduction in a given year may not exceed 50% of the loss incurred in the previous five years. Therefore, a loss can be fully offset within 2 years at the earliest. Expenses incurred for acquiring technological knowledge may reduce the taxable base in certain cases. A one-time depreciation write-off up to EUR 50,000 also may be available for small and start-up taxpayers. Thin capitalization rules apply to certain related-party debts and provide for a debt-to-equity ratio of 3:1. Any interest exceeding this amount is non-deductible.

There is a withholding tax on dividends, interests and royalties paid by a Polish company to a foreign company. The general withholding tax (WHT) on dividends is 19%; on interest and royalties paid to non-residents it is 20% and 10%, respectively. However, the WHT rate can be reduced by double tax treaties. (Poland has a wide international treaty network with approximately 90 double tax treaties.) In accordance with the EU interest and royalties directive, starting from 1 July 2013 interest and royalties paid by Polish corporate residents to associated EU companies may by subject to full exemption of WHT (on certain conditions).

For related party transactions exceeding certain materiality thresholds, a statutory transfer pricing documentation must be prepared and presented within 7 calendar days from the time it is requested by the tax authorities. The tax authorities are authorized to make necessary adjustments if they find that transactions between related parties do not comply with the arm's length principle. If TP documentation is not presented, the difference between the income declared by the taxpayer and calculated by tax authorities is subject to taxation at a tax rate of 50%. In case of failure to file tax returns or not disclosing the tax base, board members are subject to a fine of up to 720 daily rates (at a maximum amount of the daily rate at PLN 22,400 in 2014) and/or imprisonment of up to two years.

The transfer tax is imposed at a rate of 1-2% on certain types of transactions which are generally not covered by VAT (e.g. sales, exchanges of rights, loans). Real property tax and transport tax are charged as local taxes in Poland. Real property tax is paid by owners of real estate.

VAT and other indirect taxes

The standard VAT rate is 23%. Preferential rates of 8% and 5% apply to certain goods and services. Other goods and services (e.g. exports, intra-Community supplies of goods, international transport services) may be zero-rated or exempt. The options/limits based on the EU Directive and Polish VAT regulations:

Exchange rate PLN/EUR 4,13

Options	Applicable / limits	Remarks
Distance selling	**EUR 35,760/year**	
Call-off stock	✓	if conditions are met
VAT group registration	**No**	
Cash accounting	**EUR 5,000/year**	as of 2013
Import VAT deferment	✓	if conditions are met
Local reverse charge	✓	supplies of used materials, scap, waste
Option for taxation - letting of real estate	**No**	
Option for taxation - supply of used real estate	✓	announcement required
VAT registration threshold	**EUR 37,500/year**	

Other indirect tax types in Poland are excise duty and gambling tax. Some civil acts such as contracts of sale, loan agreements, foundation deeds of partnership or company, if not subject to VAT, may be subject to civil law activity tax (CLAT), the rates of which are from 0.1% to 2%. Transaction related to filling a power of attorney and public administrative actions (submitting application forms, issuing certificates, granting permissions, etc.) are subject to stamp duty.

Personal income tax / Social security system

PIT is generally calculated on the income (i.e. on revenues reduced by tax deductible costs). However, the income calculation differs depending on the source from which the income is earned (for example, employment contract, sole traders' activity, personally performed activities, etc.). PIT is calculated according to the progressive tax scale at the rates 18% to 32%. A specific rate applies to individuals pursuing business activities as sole proprietorships or partners in partnerships, who may opt for a flat 19% PIT rate. Due to the above flat rate, as well as other rules applicable to this type of income, the taxation of sole traders is based on similar provisions as described in the previous chapter on corporate income tax (CIT).

Active incomes fall under the scope of the SSC system: individual social contributions (capped) and other insurances equal altogether 13.71%; employer's contributions equal altogether approximately 21%. Additionally, the individual is obligated to pay a 9% contribution to health insurance, out of which 7.75% is deductible from the tax and 1.25% from the net income. The examples below show the cost of the employer and of the employee in case of minimum wage level and the average wage in the private sector.

2014 in Poland	Minimum wage		Average wage in private sector	
Exchange rate PLN / EUR 4	in EUR	in PLN	in EUR	in PLN
	420	**1 680**	**951**	**3 805**
TOTAL WAGE COST	**508**	**121,00%**	**1 151**	**121,00%**
Employer's social security *	68	16,26%	155	16,26%
Other insurance (approx.)	20	4,74%	45	4,74%
GROSS SALARY	**420**	**100,00%**	**951**	**100,00%**
Employees' contributions	58	13,71%	130	13,71%
Healthcare insurance	33	7,75%	74	7,75%
Personal income tax**	21	18,00%	68	18,00%
NET SALARY	**309**	**73,64%**	**679**	**71,45%**

* capped at income of PLN 112 380 - over this amount only other insurance and healthcare insurance is charged

** taxable base = gross salary – employee's contributions – statutory tax deductible costs – health insurance (tax deductible part)

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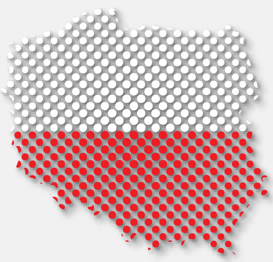

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ROMANIA

Corporate tax and other direct taxes

The general corporate income tax is a flat rate of 16% in Romania. In order to compute the taxable profit, the accounting profit is adjusted upwards (with non-deductible expenses) or downwards (with non-taxable revenues). A maximum 50% additional deduction can be applied for certain R&D expenses. The loss recorded by a company can be carried forward for a period of 5 years if the loss is recorded before 2009, or 7 years if the loss is recorded after 2009. Starting with 1 January 2013, the loss can be carried forward as well by companies resulting from an M&A or spin-off operation.

Thin capitalization rules are applicable when considering interest and foreign exchange differences. Capital gains arising from the sale of the participations held in a State with whom Romania has concluded a DTT are non-taxable (certain conditions apply). No CFC rules are applicable in Romania. Romania has an international treaty network consisting of 85 double tax treaties. Capital gains are subject to a 16% tax, except for gains resulting from holding or performing transactions with government bonds. Dividends and interest paid by a Romanian company to companies located in other EU member states are not taxable, given that certain conditions are fulfilled. In all other relations for withholding tax the general tax rate and the relevant double tax treaty is applicable. Transfer pricing requirements are consistent with the relevant OECD guidelines. Non-compliance with these rules will result in an adjustment of the tax basis for profit tax purposes, as well as late payment penalties and fines. Domestic transactions are also subject to transfer pricing rules, although they are rare.

Starting with 1 February 2013, the following surtaxes apply in addition to relevant corporate taxes:

- A special surtax of 0.5% of the revenue obtained from the exploitation of natural resources (wood, ferrous and non-ferrous metals, oil, etc.) except for the exploitation of gas resources.
- A special surtax of 60% is also applicable to companies operating in activities of both extraction and sale of gas in Romania. The tax applies in this later case to the revenues resulting from the liberalization of gas prices on the Romanian market, calculated according to a special formula.
- A special surtax is also applied to companies operating in the energy and gas transport sector. The tax depends on the transported quantity and the status of the recipient.

A compulsory small company scheme is applicable for companies obtaining revenues lower than EUR 65,000, with a 3% tax rate applied on their annual revenues; however, companies engaged in certain types of activities (e.g. banking, insurance, consultancy, etc.) are excluded from this scheme.

Starting with 1 January 2014, a new tax on constructions (pipes, roads, and special constructions) was introduced. The constructions that were subject to tax on buildings are exempted. The amount of this tax is calculated by applying the 1.5% rate to the carrying value of the respective construction, as recorded in the account books on 31 December of the previous year.

VAT and other indirect taxes

The general rate is 24%. Reduced rates are 9% (e.g. journals, books, medicines, bread, flour, etc.) and 5% (applied to residential sales under certain conditions). VAT-exempted activities consist of hospital and medical services, financial and banking services, insurance and reinsurance, sale and rental of real estate, certain types of educational and training activities, and other activities of public interest. The VAT cash accounting system is optional starting from 1 January 2014 for companies having an annual adjusted turnover of less than RON 2,250,000 (appr. EUR 500,000). The following options/limits based on the EU Directive are presented in the Romanian VAT legislation:

Exchange rate RON/EUR 4,5

Options	Applicable / limits	Remarks
Distance selling	**26,220 EUR/year**	35,000 EUR, exchange rate as at accession date (3.3817 RON/EUR)
Call-off stock	✓	Certain conditions apply (reciprocity)
VAT group registration	✓	Certain conditions apply
Cash accounting	**EUR 500,000/year**	Optional for SME. For taxable persons that have a turnover higher than 500,000 EUR, this mechanism is not applicable
Import VAT deferment	✓	Certain conditions apply
Local reverse charge	✓	Sale of certain types of waste, certain types of cereal, wood, greenhouse gas emission certificates, electricity, green certificates
Option for taxation - letting of real estate	**No**	Announcement required
Option for taxation - supply of used real estate	✓	Announcement required
VAT registration threshold	**No**	No threshold but certain conditions apply. Special VAT exemption for small businesses up to EUR 48,890/year

Other indirect taxes applicable in Romania include excise tax, environmental tax.

Personal income tax / Social security system

Romania applies a 16% flat tax rate to revenues obtained from dependent activities (e.g. employment or activities assimilated to employment), independent activities (e.g. freelancers) and other types of revenue (e.g. dividends, interest). Dependent activities are subject to SSC at both the employee (16.5%) and the employer level (most common around 28% but subject to changes for special working conditions). Freelancers pay SSC at 36.8%. Certain contributions are capped. No SSC are applied to revenues obtained from dividends or interest, provided that certain conditions are met.

2014 in Romania	Minimum wage		Average wage in private sector	
Exchange rate RON/ EUR 4.5	in EUR	in RON	in EUR	in RON
	189	**850***	**511**	**2 298**
TOTAL WAGE COST	**242**	**127,80%**	**653**	**127,80%**
Employer's social contribution	53	27,82%	142	27,80%
GROSS SALARY	**189**	**100,00%**	**511**	**100,00%**
EMPLOYEES' CONTRIBUTIONS	**31**	**16,50%**	**84**	**16,50%**
Personal Deduction **	56		20	
Personal income tax***	16	16,00%	65	16,00%
NET SALARY	**141**	**74,84%**	**362**	**70,75%**

* As of 01.07.2014, the minimum salary will be increased to 900 RON (200 EUR).

** 1 family member is assumed

*** Personal income tax base is gross salary - employee's contribution - personal deduction

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RUSSIA

Corporate tax and other direct taxes

The corporate income tax rate is flat and equals 20%. The tax base is calculated as incomes minus expenses, which should be economically justified and duly documented. Certain expenses may be deducted for tax purposes within specific limits (e.g. interest on debt liability, advertising expenses, etc.). In Russia, losses can be carried forward within 10 years following the year in which a loss occurred, without limitation of amount.

Russia applies thin capitalization rules. No CFC rules are applied; however, legislation on CFC is currently in the process of being made. Russian tax legislation provides different tax benefits for companies engaged in R&D; in particular, the Skolkovo innovative center has been created whose members may apply a special tax regime (0% corporate income tax, 0% VAT, decreased social contributions rate under certain conditions). There are special economic zones created for the development of industry, port zones, tourist and recreation activities, in which attractive tax regimes also exists (members of these zones enjoy decreased corporate income tax rates, accelerated depreciation, etc. Tax incentives for investors into the Far East of Russia have been introduced from 1 January 2014. For participants of the "Regional Investment Project" (projects on manufacturing of goods in the territory of the Far East) special profit tax rates are set (0% - Federal Budget, 10% - Regional budget).

As of 1 January 2015, the rules for the recognition of interest on debt obligations for tax purposes will be fundamentally changed. Russia has concluded double tax treaties with more than 70 countries. The treaty with the United Arab Emirates takes effect from 1 January 2014. In the DTT with Luxemburg the maximum withholding tax rate on dividends is reduced from 10% to 5%, there is a 20% withholding tax for some incomes, and new limitation of benefits has been introduced.

In Russia, withholding tax rates are as follows:

Type of income	General rate	Decreased rates under DTT*
Dividends	**15%**	**15/12/10/5%**
Interest	**20%**	**15/10/7,5/ 7/5/0%**
Royalty	20%	18/15/13,5/10/ 7,5/7/5/4,5/0%

* From 2014, DTT with Luxemburg

From 2012, a new law on transfer pricing regulations entered into effect. Basically, the new rules were elaborated in line with the OECD Transfer Pricing Guidelines; however, they have some peculiarities. Earlier safe harbor in 20% is eliminated in respect of transactions with foreign affiliated companies, as now all transactions with them are considered as controlled for TP purposes. From 2014 the annual limit for the recognition of transactions between two Russian related companies as controlled is reduced to 1 billion rubles (approximately EUR 25 million) (3 billion in 2012, 2 billion in 2013). The transactions with a member of a Special Economic Zone with Profit Tax exemptions or with a member of the Regional Investment Projects are considered as controlled for TP purposes if the amount of its income exceeds 60 million rubles (approximately EUR 1.3 million) per calendar year.

The list of controlled transactions in respect of which it is necessary to submit to the tax authorities a Notification and elaborate a Transfer Pricing Documentation is extended in 2014. A new law on consolidated groups of taxpayers entered into effect from 2012. Only the largest taxpayers can create consolidated groups.

VAT and other indirect taxes

The general rate is 18%, reduced rates are 10% (certain food products, goods for children, medicine, etc.) and 0% (generally, the export of goods and domestic sales of some goods, works/services). VAT-exempt services are mainly banking services, insurance, investment-related services, medical treatment, services on carriage of passengers, services rendered in the sphere of art, sale of intellectual property rights, R&D works under certain conditions. The sale of goods in the Russian territory are considered as subject to VAT in Russia. Works/services are taxable in Russia in case the provider of such works/services performs its business activity in Russia; however, some exceptions are possible (e.g. in respect of immaterial services, such as consulting, information services). From 2014 some specific requirements about a Registration Certificate to apply VAT exemption for the companies selling medical goods are introduced. The other indirect tax is excise duty.

Personal income tax / Social security system

The personal income tax rate depends on the individual's tax residency and the income received. An individual is considered as a Russian tax resident if he/she spent 183 or more days in Russia within a 12-month rolling period; final assessment for the year is made as of 31 December. Employment income of an individual having a special work permit of a highly qualified specialist (HQS: a foreigner whose annual gross income under the Russian employment agreement amounts to at least MRUR 2 million, i.e. approximately EUR 50,000) is taxed at the rate of 13% regardless of his/her tax residency status. Below is a chart indicating different types of income and the corresponding tax rates:

Income type	Tax resident	Tax non-resident
Employment income	13%	30% 13% for HQS
Rentals	13%	30%
Interest on loans	13%	30%
Capital gains	13%	30%
Dividends	9%	15%
Interest on deposits	35%	30%

The remuneration paid to HQS is exempt from social contributions. Social contributions are payable at the employers' expense. The examples below show the cost of the employer and the employee in case of minimum wage level and the average wage in the private sector.

In 2014 the rate of social contributions is 30% on annual cumulative employee's remuneration until it exceeds RUR 624,000 (approximately EUR 13,900); the exceeding part is taxed at the rate of 10%. For companies operating in mass media, the discounted rate for social contributions has been increased. Thus mass media companies pay contributions only from employees' wages within the taxable base of 624 KRUR. Payments exceeding the limit are not subject to contributions. Additional contributions to the Pension Fund for the work performed under harmful and dangerous conditions have been increased. From 2014 conditions for reduced social contributions rates for IT companies were changed. The reduced rates for 2014 are 14%. Social contributions are payable at the employers' expense. The examples below show the cost of the employer and the employee in case of minimum wage level and the average wage in the private sector.

2014 in Russia	**Minimum wage**		**Average wage in private sector**	
Exchange rate RUR / EUR 45	in EUR	in RUR	in EUR	in RUR
	123	**5 554**	**1 500**	**67 500**
TOTAL WAGE COST	**160**	**130.00 %**	**1,950**	**130.00 %**
Employer's social contribution	37	30.00 %	450	30.00 %
GROSS SALARY	**123**	**100.00 %**	**1,500**	**100.00 %**
Personal income tax (for tax resident)	16	13.00%	195	13.00 %
NET SALARY	**107**	**87.00 %**	**1,305**	**87.00 %**

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SERBIA

Corporate tax and other direct taxes

The general corporate income tax rate is flat and amounts to 15%. Tax is applied to both resident and non-resident companies. Resident companies are taxed on their worldwide income, and non-residents are taxed only on income generated in Serbia. The tax base is the pre-tax profit modified by several increasing and decreasing items. Also, capital gains are included in the annual corporate profits tax return. Losses can be carried forward for 5 years while the carry back of losses is not permitted. There are several tax deductions available on investments in relation to the number of employed persons and investment funds. Serbia applies thin capitalization ratios 4:1 (10:1 for banks). Also, there is a requirement that interests paid to a non-resident must be on arm's length terms.

A withholding tax at the rate of 20% is applicable on dividends, interests, capital gains, royalties and other intellectual property rights. Also, there is tax rate of 25% applicable to revenues realized by non-resident legal persons from jurisdictions with a preferential tax system. Serbia has a wide international treaty network with more than 50 double tax treaties.

Transfer pricing is a new topic in Serbia: Transactions between related parties must be at arm's length. The comparable uncontrolled price method may be used, but in the absence of this method, the taxpayer may use the cost-plus, the resale price method, the profit sharing method or the net profit method. There is an obligation to enclose transfer pricing documentation with the annual tax returns.
The transfer tax of 2.5% is applied on transfers listed in the Property Tax Act. There is no surtax or alternative minimum taxes.

VAT and other indirect taxes

The general rate is 20%, reduced rates are 10% (e.g. bread, milk, accommodation services, medications, fertilizer, etc.) and VAT-exemption for exports, transport and other services which are associated with the importation of goods. Taxpayers with revenue in excess of approximately EUR 69,000 must register for VAT purposes.

The options/limits based on the Serbian VAT Act are as follows:

Exchange rate RSD/EUR 115,8

Options	Applicable / limits	Remarks
Distance selling	No	
Call-off stock	✓	if conditions are met
VAT group registration	No	
Cash accounting	EUR 432,000/year	
Import VAT deferment	No	
Local reverse charge	No	
Option for taxation - letting of real estate	No	
Option for taxation - supply of used real estate	No	
VAT registration threshold	EUR 69,000/year	stay registered for the next 5 years

Personal income tax / Social security system

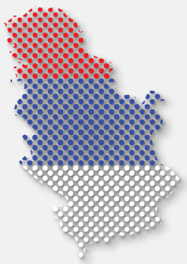
In Serbia, resident individuals are taxed based on their worldwide income, while non-residents are taxed only on income in Serbia. There is a flat rate of 10% for gross salaries. Capital gains are taxed at 15%. Furthermore, the tax rate on income from agriculture and forestry is 10%. Income from the letting of real estate is taxable at 20%, but before that, the gross basis is reduced by standardized costs equalling 20%. The tax rate on income from royalties and other intellectual property amounts to 20%. Active incomes fall under the scope of the SSC system: individual social contributions are the same as the contribution of employers. These include contributions for pension and disability insurance (11%), health insurance (6.15%) and unemployment insurance (0.75%). Altogether, it is 35.8% on gross salary.

The examples below show the cost of the employer and the employee in case of minimum wage level and the average wage in the private sector.

2014 in Serbia	Minimum wage		Average wage in private sector	
Exchange rate RSD / EUR 112	in EUR	in RSD	in EUR	in RSD
	258	**30 016**	**603**	**70 071**
TOTAL WAGE COST	**304**	**117,90%**	**710**	**117,90%**
Employer's contribution	46	17,90%	108	17,90%
GROSS SALARY	**258**	**100,00%**	**603**	**100,00%**
Personal income tax-	26	10,00%	60	10,00%
Employees' contributions	42	17,90%	97	17,90%
NET SALARY	**191**	**73,89%**	**445**	**73,89%**

CONTACTS

SERBIA



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SLOVAKIA

Corporate tax and other direct taxes

The corporate income tax rate is flat in Slovakia. The rate was decreased from 23% to 22% effective as of 1 January 2014. The tax base is determined by an accounting profit or loss modified by certain increasing and decreasing items. The possibility of deducting tax losses from the tax base has been restricted in 2014 from seven to four years. The tax losses will have to be deducted evenly, i.e. a maximum of one quarter from the total amount annually. Special limitations are applicable in case of M&A transactions. Tax incentives may be provided in cases of starting new production or modernizing existing production, doing research or development, etc. Slovakia does not apply thin capitalization rules. As of 1 January 2014 the tax licenses ranging from EUR 480 EUR to EUR 2,880 for legal entities, which represents the minimum current tax, have been approved in Slovakia. This will have an impact on taxpayers generating tax losses and taxpayers with a tax liability depending on whether the turnover of EUR 500,000 has been reached and whether the taxpayer is a VAT payer.

A withholding tax of 19% is applicable to interest, winnings and other income from passbook deposits, income of authors for their articles for newspapers, magazines, radio, or television, etc. A new 35% withholding tax rate has been introduced for payments to taxpayers from non-contracting states which do not have either a double tax treaty or a treaty on information exchange with Slovakia. Income subject to withholding taxation is excluded from the tax base. Generally, dividends received/paid by a Slovak company are not subject to taxation. Interests and royalties paid by Slovak tax residents to closely related EU entities under specific rules are exempted from taxation. Slovakia has a wide international treaty network with more than 60 double tax treaties. In Slovakia, taxpayers are obliged to prepare and keep transfer pricing documentation since 1 January 2009, for each tax period separately. The Slovak transfer pricing rules apply only to foreign related parties. The transfer pricing rules laid down in the Income Tax Act generally conform to the OECD guidelines. There is no group taxation concept in Slovakia. The deadline for the submission of the transfer pricing documentation by the taxpayer has been reduced from 60 to 15 days. With effect from 1 September 2014, approvals of the pricing method by the tax administrator (APA process) will be subject to additional charges according to the type of approval (unilateral/multilateral).

With effect from 1 September 2012 a temporary special contribution on business activities in regulated industries applies. Taxable persons are businesses operating in the following industries: energy, insurance and reinsurance, public health insurance, electronic communications, pharmaceuticals, postal services, rail traffic, public water and sewer systems, air transport and health care services under special legislation. The obligation to pay the contribution arises if the expected annual accounting profit is at least EUR 3 million, the tax base is the profit generated from the taxable activity, and the annual tax rate is 4.356%. The contribution will apply until 31 December 2016.

VAT and other indirect taxes

The general VAT rate is 20%, while the reduced rate is 10% (e.g. pharmaceutical products, books, music, spectacle and contact lenses, appliances for blind and disabled persons). VAT-exempt services are mainly postal services, health care, social assistance services, cultural services, fund raising, services of public television and radio bodies, insurance services, supply and leasing of immovable property, financial services, and other activities which are tax exempt with regard to their special character. From 1 October 2012, Slovakia introduced new provisions on collaterals for VAT arrears and guarantees for VAT payment by the customer under specific conditions. With effect from 1 January 2014, the obligation to file a new VAT report (Recapitulative List) electronically was implemented in Slovakia. The options/limits based on the EU Directive:

Options	Applicable / limits	Remarks
Distance selling	**EUR 35,000/year**	
Call-off stock	✓	if conditions are met
VAT group registration	✓	domestic related parties
Cash accounting	**No**	
Import VAT deferment	**No**	
Local reverse charge	**No**	sale of waste, emission quotas; and sale of agricultural products, specific metal products, specific electronic devices if the tax base on the invoice exceeds 5 000 EUR
Option for taxation - letting of real estate	✓	if conditions are met
Option for taxation - supply of used real estate	✓	if conditions are met
VAT registration threshold	**EUR 49,790**	12 consecutive months. Under this threshold, there is no obligation to register for VAT purposes.

Other indirect tax types in Slovakia are excise taxes on wine, beer, tobacco, spirits, mineral oils, electricity, coal and natural gas.

Personal income tax / Social security system

As of 1 January 2013, a progressive rate in PIT was introduced based on the amount of income. The income tax rate of 19% is applicable on the tax base below 176.8 times the amount of valid subsistence minimum (for year 2014, that amount is 35,022.31 EUR/year) and 25% for that part of the tax base, which exceeds 176.8 times the valid subsistence minimum.

Both employers and employees are subject to social security and health contributions on the employee's gross monthly wage. The rates are 35.2% for employers (social security 25.2% and health insurance 10%) and 13.4% for employees (social security 9.4% and health insurance 4%). However, contributions are capped by a maximum assessment base of 4,025.00 EUR.

The examples below show the cost of employers and employees in case of minimum wage level and the average wage in private sector.

2014 in Slovakia	Minimum wage		Average wage in private sector	
	in EUR		in EUR	
TOTAL WAGE COST	**476**	**135,20%**	**1 088**	**135,20%**
Vocational training contributon	-	-	-	-
Social contribution tax	124	35,20%	283	35,20%
GROSS SALARY	**352**	**100,00%**	**805**	**100,00%**
Personal income tax*	-	19,00%	72	19,00%
Employee's contributions	47	13,40%	108	13,40%
NET SALARY	**305**	**86,69%**	**625**	**77,67%**

* The gross salary is decreased by the total amount of a general allowance (316,94 EUR/monthly) and by social contribution tax

Benefits in kind are included in the tax base. Incomes subject to withholding tax (e.g. bank interests, monetary prizes from lotteries) are taxed at the rate of 19%.

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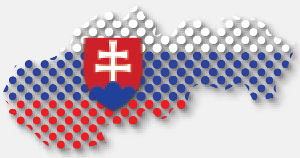

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SLOVENIA

Corporate tax and other direct taxes

The general corporate income tax rate is 17%. A special rate of 0% applies to investment funds, pension funds and insurance undertakings for pension plans, under certain conditions, as well as to venture capital companies which were set up by the Venture Capital Companies Act and prepare a separate tax statement just for that part of their activity. The tax base is the pre-tax (accounting) profit modified by several increasing, decreasing items. Losses can be carried forward without limitations, but special rules apply in case of M&A transactions. Slovenia uses thin capitalization (4:1) but thin capitalization does not apply if shareholders are financial institutions and if the taxpayer provides evidence that they could have received the loan surplus from a lender that is a non-associated enterprise. There is a range of tax allowances for new investments and R&D, the education of employees, as well as investment incentives.

A withholding tax of 15% is applied on dividend, interest, royalty and business consultancy services paid for by a Slovenian company to a foreign company. However, if conditions are met, an exemption is applicable to payments to EU residents (under parent subsidiary directive & interest and royalty directive) and under international double taxation treaties (currently over 50 treaties).

Transfer pricing is a constant topic; domestic transactions are also subject to TP rules if one of the group members is in a tax loss position or is paying tax at a decreased rate. According to the Tax Procedure Act, fines of up to EUR 30,000 are imposed if the transfer pricing documentation is not submitted in the prescribed manner.

Real estate transfer tax (RETT) is applied on the transfer of immovable property at the rate of 2%. The tax base is the selling price of the transferred property and the taxable person is the seller.

VAT and other indirect taxes

The general tax rate is 22%; a reduced rate of 9.5% applies to foodstuff (except alcohol), water service, passengers transport, etc. VAT-exempt services are mainly services of public interest, as well as banking services, insurance, investment-related services, gambling, certain services provided by medical doctors and dentists, etc. Domestic sale reports (EC Sales lists) are obligatory in Slovenia and should be submitted by the 20th day of the month following the taxable period. Certain thresholds are as follows:

Options	Applicable / limits	Remarks
Distance selling	EUR 35,000/ year	
Call-off stock	✓	if conditions are met
VAT group registration	No	
Cash accounting	EUR 400,000/year	
Import VAT deferment	Yes	
Local reverse charge	✓	construction works and supply of staff in relation to construction works, supply of immovable property, transfer of greenhouse gas emission allowances
Option for taxation - letting of real estate	No	
Option for taxation - supply of used real estate	✓	
VAT registration threshold	EUR 50,000/year	special rules for agricultural activites

Other indirect tax types in Slovenia are excise duty, insurance tax, motor vehicle tax, customs, etc.

Personal income tax / Social security system

Personal income tax rates are progressive from 16% to 50%, and apply on active income sources (employment, business income, agriculture and forestry, rentals and royalties and other income). It is important to state that an amount of tax bases has been changed recreantly in order to reduce the tax burden on citizens with lower income. Passive income – income from capital is taxed at flat rate (dividends at 25%, interest 25%, capital gains from 0% to 25% in dependence on holding period). Social security contributions apply on income from employment and are 16.10% for the employer and 22.10% for the employee. Self-employed individuals (business income) pay their own social security contributions depending on the circumstances of the case. The examples below show the cost of the employer and the employee in case of minimum wage level and the average wage in the private sector. There are a number of personal allowances that apply individually depending on the personal status of the individual.

2014 in Slovenia	Minimum wage		Average wage in private sector	
	in EUR		in EUR	
TOTAL WAGE COST	**1 185**	**116,10%**	**1 746**	**116,10%**
Employer's contribution	164	16,10%	242	16,10%
GROSS SALARY	**1 021**	**100,00%**	**1 504**	**100,00%**
Employees' contributions	226	22,10%	332	22,10%
Tax and surtax	11	1,09%	179	11,88%
NET SALARY (Approx.)	**784**	**76,50%**	**993**	**66,04%**

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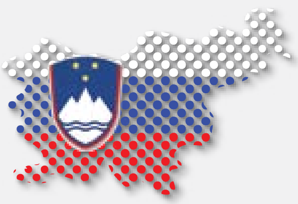
SLOVENIA



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UKRAINE

Corporate tax and other direct taxes

The general corporate income tax rate is flat in Ukraine. The tax base is taxed at 18% in 2014. The tax base is the pretax profit modified by several increasing and decreasing items. In Ukraine, the losses can be carried forward without a time limit (however, certain limitations are put in force from time to time). Loss carry back is not possible. Ukraine applies neither thin capitalization nor CFC rules. There are tax advantages for new investments and R&D. Furthermore, Ukraine provides CPT exemption on holding structures: capital gains are tax-free; the sale of securities in certain cases is taxed at a 10% rate.

Ukrainian law stipulates withholding tax (15%) on dividend, interest, royalty, etc., paid to a foreign company; however, in most cases a lower rate or exemption may be applied under a double tax treaty. Ukraine has a wide international treaty network with more than 70 double tax treaties. There is an increasing interest in intercompany transactions and transfer pricing. Since 2013, pricing methods similar to those in the OECD Guidelines have been put into effect, but their further application and approximation towards international standards is expected to start from 2014. There is no group taxation concept in Ukraine; domestic transactions are also subject to transfer pricing rules.

The Ukrainian tax system stipulates certain temporary CPT exemptions (e.g. publishing, biofuel technologies, oil and gas industry, hotels, light industry, renewable energy, ship/aircraft building industry, manufacturing of agricultural machinery, etc.). Special tax rules are stipulated for agricultural business.

VAT and other indirect taxes

The general rate is 20% in 2014. In general, Ukrainian VAT rules are based on Council Directive No. 2006/112/EC of 28 November 2006, but subsequent changes were not implemented. There is no conception of B2B and B2B services in Ukraine, and in general rule the place of supply of services is the place where the supplier is registered (which is contrary to the Directive's general rule). In respect to services provided by a non-resident the reverse-charging mechanism is applicable. Some goods/ services are VAT exempted (banking services, insurance, securities, royalty, education, administrative services, etc.). There are special temporary exemptions for alternative types of fuel, cereals and industrial crops, software, publishing, Ukrainian cinematograph, etc. Special tax rules are stipulated for some activities, such as agricultural business, tourist business, etc.

To get VAT credit a taxpayer should receive from the seller/supplier a special document called a VAT-voucher, which is registered in an electronic register. VAT refund in cash is possible but there are some legal and administrative restrictions. Entities are obliged to use cash registers for sales of goods (services) in fields of trade, catering and services in cash and by credit cards, checks, etc., and to submit information to tax authorities via wire/wireless communication.

The options/limits based on the Tax Code of Ukraine:

Exchange rate UAH / EUR 11

Options	Applicable / limits	Remarks
Distance selling	No	
Call-off stock	No	
VAT group registration	No	
Cash accounting	No	
Import VAT deferment	No	
Local reverse charge	No	
Option for taxation - letting of real estate	✓	operative lease is subject to VAT; financial lease commissions are not (and transaction is considered as used real estate sale that is VAT exempt)
Option for taxation - supply of used real estate	No	
VAT registration threshold	**EUR 18.507 /12 month**	in case taxable supplies reach the limit, mandatory registration is required. Voluntary registration is allowed without any limitations

Other indirect tax types in Ukraine are: excise tax, including special "excise" tax on sales of securities and deals with derivatives, customs duties, etc.

Personal income tax / Social security system

PIT rates for both residents and non-residents are: 15% (on monthly income less than 10 months' minimum wages (EUR 750 as of May, 2014) / 17% (on the excess amount), and it is generally applicable on the active income (e.g. employment, benefits in kind, assignment fee). Passive income (e.g. royalties, interests) is taxed by 5% rate till July 2014 (dividends are 5 % taxed till 2015). Starting from July 2014 (January 2015 - for dividends) for passive income (e.g. dividends, interests, royalties and investment income) progressive scale of tax rates is applicable:

Annual Tax Base for Passive Income, EUR	Tax Rate, %
1 – 15 530	15%
15 531 – 30 145	20%
≥ 30 146	25%

Winnings and prizes are taxed at 30%. Most active incomes fall under the scope of SSC system (max. chargeable amount/per month is 17 months' minimum wages, approximately EUR 1,277 as of May, 2014: social contributions equal altogether 3.6% on employment income / 2.6% on fee for civil agreement; employer's contribution depends on type of activities: from 36.76% to 49.7%, sole traders pay 34.7%.

Also physical persons (both residents and non-residents) pay tax on real estate other than land plot; tax rates are: 1% / 2.7% of minimum wage per 1 residential square meter (starting from 1 April 2014 – per square meter of gross area). The examples below show the cost of the employer and the employee in case of minimum wage level and the average wage in the private sector.

2014 in Ukraine	Minimum wage		Average wage in private sector	
Exchange rate UAH / EUR 11	in EUR	in UAH	in EUR	in UAH
	110	**1 218**	**727**	**8 000**
TOTAL WAGE COST	**150**	**136,76%**	**995**	**136,76%**
Vocational training contribution	-	0,00%	-	0,00%
Social contribution tax	41	36,76%	267	36,76%
GROSS SALARY	**110**	**100,00%**	**727**	**100,00%**
Personal income tax*	16	15,00%	105	15,00%
Employees' contributions	4	3,60%	26	3,60%
NET SALARY	**90**	**81,94%**	**596**	**81,98%**

* Personal income tax base is gross salary - employee's contribution.

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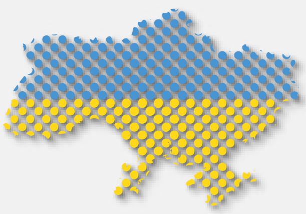

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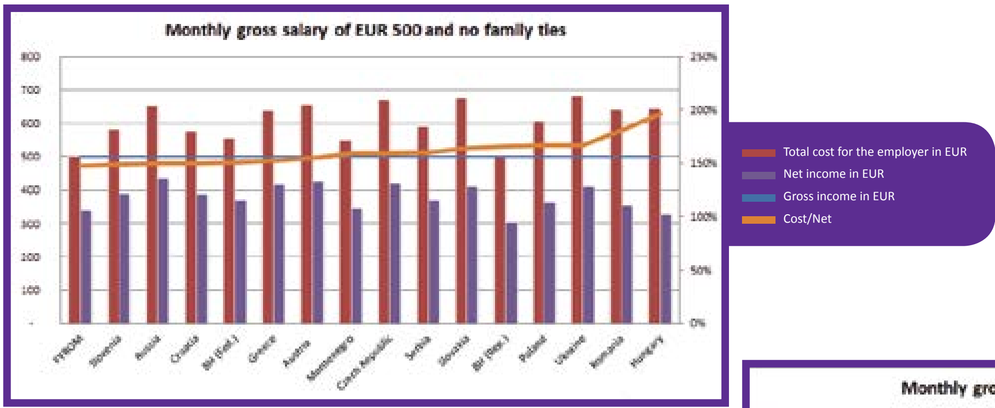
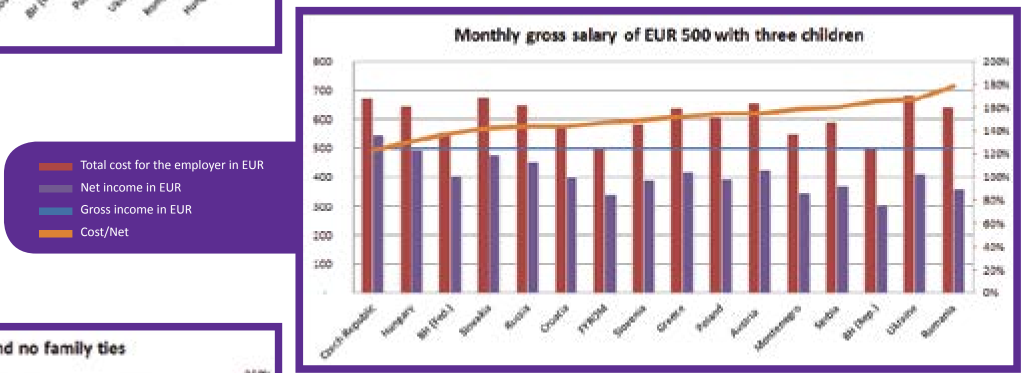
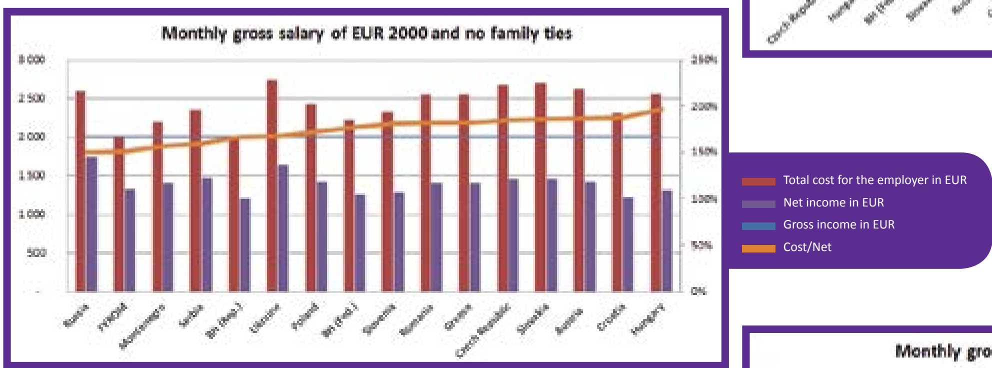
Labour-related tax burdens in the CEE region

The charts below show the wage-related tax and contribution burdens in each country, for two different monthly gross income level: EUR 500 and EUR 2,000 and for two different options for each income category: for an individual having no family ties and for someone who has three children. The ratio of the total related costs of the employer and the employee's net income is particularly suitable for comparison, as it shows how much does it cost for the employer to provide the same level of net income to the employee in the different tax jurisdiction. Please note, that the chart compares different income levels and family status, which categories might be subject to tax allowances and tax credits in many countries. In case of countries that use tax brackets and differentiated allowances, the proportions can be significantly different in higher income categories.







Tax rates in the countries of the CEE region

Although tax rates themselves are not the sole factor in comparing tax burdens across the surveyed countries, with the composition of the tax base being - at least - as important, the following table still offers solid basis for comparison as far as the corporate income tax, VAT, as well as the personal income tax and social security contribution rates payable by the employer are concerned.

2014	VAT	CIT	TP doc	PIT	SSC
	Value added tax rates	Corporate income tax rate(s)	Transfer pricing documentation liability	Personal income tax rate(s)	Social security contribution payable by the employer
Austria	20% / 10%	25%	✓	0% - 50%	21.83%
Bosnia and Herzegovina	17%	10%	No	10%	10.5%* / No**
Croatia	**25% / 13% / 5%**	**20%**	✓	**12% / 25% / 40%**	**15.2%**
Czech Republic	**21% / 15%**	**19%**	✓	**15%**	**34%**
Greece	23% / 13% / 6.5%	26%	✓	22% / 32% / 42%	27.46%
Hungary	27% / 18% / 5%	10% / 19%	✓	16%	27%
FYROM	**18% / 5%**	**10%**	**No**	**10%**	**No**
Montenegro	**19% / 7%**	**9%**	**No**	**9%**	**9.8%**
Poland	23% / 8% / 5% / 0%	19%	✓	18% / 32%	21%
Romania	24% / 9% / 5%	16%	✓	16%	28%
Russia	**18% / 10% / 0%**	**20%**	✓	**13%* / 30%****	**30% / 10%**
Serbia	**20% / 10%**	**15%**	✓	**10% / 15% / 20%**	**17.9%**
Slovakia	20% / 10%	22%	✓	19% / 25%	35.2%
Slovenia	22% / 9.5%	17% / 15%	✓	16% / 27% / 41% / 50%	16%
Ukraine	**20% / 7% / 0%**	**18% / 0%**	✓	**15% / 17%**	**36.76% - 49.70%**

RUSSIA * for residents
** for non-residents

BOSNIA AND HERZEGOVINA *In Federation;
** In Republika Srpska

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