

Bosnia and Herzegovina Dispute Resolution Profile

(Last updated: 20.06.2024)

Green color text highlight – Ministry of finance and treasury BiH

Blue color – Federal Ministry of finance

Turquoise – Ministry of finance of the Republic of Srpska

Yellow color text highlight - Finance Directorate of Brčko District of Bosnia and Herzegovina

General Information

- **Bosnia and Herzegovina's tax treaties are available at:**

<https://mft.gov.ba/Content/Read/sporazumi-u-primjeni>

MAP request should be made to:

The Competent authority for the territory of the Federation of Bosnia and Herzegovina:

Federal Ministry of Finance, Department for Tax Policy, Public Revenues and Games of Chance

Tax Policy Division

Address: Mehmeda Spahe 5, 71000 Sarajevo, Bosnia and Herzegovina

Name: Ms. Medina Dudo

Function: Assistant Ministry for the Department for Tax Policy, Public Revenues and Games of Chance

Tel: +387 33 442 880

Individual email: medina.dudo@fmf.gov.ba

www.fmf.gov.ba

*Competent authority for the territory of the Republic of Srpska: Ministry of Finance of Republic of Srpska,
Trg Republike Srpske br.1, Banjaluka
Tel: +387 51 339 177
Fax: +387 51 339 655*

*Authorized person: Slobodanka Popovic, Assistant Minister, Fiscal System Division, Ministry of Finance of Republic of Srpska
Trg Republike Srpske br.1, Banjaluka
Tel: +387 51 339 177
Fax: +387 51 339 655
E-mail: s.popovic@mf.vladars.rs*

*Competent authority for the territory of the Brčko District: Directorate for the finance Brčko District,
Miroslava Krleža 1, Brčko
Tel: +387 049/216-656*

*Authorized person: Danijel Šolaja, Head of Director's Office
Miroslava Krleža 1, Brčko
Tel: +387 049 220 890
E-mail: daniel.solaja@df.bdcentral.net*

- **APA request should be made to:**

N/A

N/A

N/A

[Jurisdiction] Dispute Resolution Profile – Preventing Disputes

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
A. Preventing Disputes				
1.	Are agreements reached by your competent authority to resolve difficulties or doubts arising as to the interpretation or application of your tax treaties in relation to issues of a general nature which concern, or which may concern, a category of taxpayers published?	<p>No</p> <p>No such agreements made.</p> <p>N/A</p>	<p>So far, no such agreements have been made in the Federation of Bosnia and Herzegovina. The Federation of Bosnia and Herzegovina is currently considering this matter in order to develop MAP regulations aligned with Action 14 BEPS.</p>	<p>N/A</p> <p>No such agreements yet</p>
2.	Are bilateral APA programmes implemented? If yes:	<p>No</p> <p>N/A</p> <p>N/A</p>	<p>In the Federation of Bosnia and Herzegovina APA programme has not been included in regulation as a possibility.</p>	

[Jurisdiction] Dispute Resolution Profile – Preventing Disputes

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
a.	<ul style="list-style-type: none"> Are roll-back of APAs provided for in the bilateral APA programmes? 	N/A N/A N/A		
b.	<ul style="list-style-type: none"> Are there specific timeline for the filing of an APA request? 	N/A N/A N/A		
c.	<ul style="list-style-type: none"> Are rules, guidelines and procedures on how taxpayers can access and use bilateral APAs, including the specific information and documentation that should be submitted in a taxpayer's request for bilateral APA assistance, publicly available? 	N/A N/A N/A		
d.	<ul style="list-style-type: none"> Are there any fees charged to taxpayers for a bilateral APA request? 	N/A N/A N/A		
e.	<ul style="list-style-type: none"> Are statistics relating to bilateral APAs publicly available? 	N/A N/A N/A		
3.	Is training provided to your officials involved in the auditing /examination of taxpayers to ensure that any	No	Formal training is not provided. However, tax inspectors (auditors) can request	

[Jurisdiction] Dispute Resolution Profile – Preventing Disputes

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
	assessments made by them are in accordance with the provisions of your tax treaties?		interpretation and application of tax treaties on an ad hoc basis from Federal ministry of Finance, which give them guidance.	
4.	Is other information available on preventing tax treaty-related disputes?	<p>No</p> <p>No such information available</p> <p>N/A</p>		

Notes:

1. An APA is an “arrangement that determines, in advance of controlled transactions, an appropriate set of criteria (e.g. method, comparables and appropriate adjustments thereto, critical assumptions as to future events) for the determination of the transfer pricing for those transactions over a fixed period of time”. (see definition of APA in the *OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations* (“Transfer Pricing Guidelines”)).
2. Situations may arise in which the issues resolved through an APA are relevant with respect to previous filed tax years not included within the original scope of the APA. The concept of “roll-back” is further elaborated in paragraph 4.136 of Section F (Advance pricing arrangement) of Chapter IV of the Transfer Pricing Guidelines and in paragraph 69 of Section D.4.2 (Possible retrospective application (“Roll back”)) of the Annex to Chapter IV (Guidelines for Conducting Advance Pricing Arrangements under the Mutual Agreement Procedure (“MAP APAs”)) of the Transfer Pricing Guidelines. Simply put, the “roll-back” of the APA is understood to mean that the outcome of the APA is applied to previous filed tax years not included within the original scope of the APA.

[Jurisdiction] Dispute Resolution Profile – Availability and access to MAP

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
B. Availability and Access to MAP				
5.	Are transfer pricing cases covered within the scope of MAP?	<p>Yes</p> <p>Did not have such cases</p>	<p>Article 25 OECD Model Convention, or its equivalent incorporated in tax treaties the Bosnia and Herzegovina has entered into, covers transfer pricing cases.</p> <p>We are not familiarized with details of MAP</p>	
6.	Are issues relating to the application of treaty anti-abuse provision covered within the scope of MAP?	<p>Yes</p> <p>Did not have such cases</p> <p>N/A</p>	<p>Bosnia and Herzegovina is a signatory to the MLI (Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting), which amended 25 of the 38 tax treaties.</p> <p>We are not familiarized with details of MAP</p>	https://www.mft.gov.ba/Content/Read/sporazu_mi-u-primjeni
7.	Are issues relating to the application of domestic anti-abuse provision covered within the scope of MAP?	<p>N/A</p> <p>No</p>		

[Jurisdiction] Dispute Resolution Profile – Availability and access to MAP

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
			<p>Legislation of the Federation of Bosnia and Herzegovina does not have domestic anti-abuse provision yet.</p> <p>Please note, that there is a treaty override (in general) in FBiH. Agreements on avoidance of double taxation that Bosnia and Herzegovina ratified or acceded to via notification prevail over the provisions of domestic provision.</p> <p><i>Law on Corporate Income Tax (Official Gazette of FBiH, No. 15/16 and 15/20)</i></p> <p><i>Article 35.</i></p> <p><i>“(1) Agreements on avoidance of double taxation that Bosnia and Herzegovina ratified or acceded to via notification, shall apply for the taxation of corporate income or earnings of non-residents, and shall take precedence over the provisions of this Law.</i></p>	

[Jurisdiction] Dispute Resolution Profile – Availability and access to MAP

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
			<p><i>(2) Agreements on avoidance of double taxation may not assign new tax obligations</i></p> <p><i>Law on Personal Income Tax (Official Gazette of FBIH, No. 10/08, 9/10, 44/11, 7/13 and 65/13)</i></p> <p><i>Article 35. (5)</i></p> <p><i>"(5) When assessing income tax in one tax period, and with the purpose of avoiding double taxation, the provisions of ratified international agreements or contracts (conventions) on avoidance of double taxation shall prevail over the provisions of this Law."</i></p> <p>We are not familiarized with detailed of MAP</p>	
8.	Are issues where there is already an audit settlement between the tax authority and the taxpayer covered within the scope of MAP?	No	Legislation of the Federation of Bosnia and Herzegovina does not have an audit settlement provision yet.	

[Jurisdiction] Dispute Resolution Profile – Availability and access to MAP

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
		Did not have such cases N/A	We are not familiarized with details of MAP	
9.	Are double taxation cases resulting from bona fide taxpayer initiated foreign adjustments covered within the scope of MAP?	Yes Did not have such cases N/A	If the result from such cases is in accordance with the tax treaty. The issue is not regulated in the domestic legislation of the Federation of Bosnia and Herzegovina. We are not familiarized with details of MAP	
10.	Are there any other treaty related issues not covered under s/n 5 to 9 which are not within the scope of MAP?	No Did not have such cases N/A	We are not familiarized with details of MAP	
11.	Are taxpayers allowed to request MAP assistance in cases where the taxpayer has sought to resolve the issue under dispute via the judicial and administrative	No Did not have such cases	We are not familiarized with details of MAP	

[Jurisdiction] Dispute Resolution Profile – Availability and access to MAP

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
	remedies provided by the domestic law of your jurisdiction?	N/A		
12.	Are taxpayers allowed to request for MAP assistance in cases where the issue under dispute has already been decided via the judicial and administrative remedies provided by the domestic law of your jurisdiction?	No Did not have such cases N/A	<p>It should be pointed out that in FBiH court legal decisions are binding and enforceable for the Tax administration.</p> <p>We are not familiarized with details of MAP</p>	
13.	Are rules, guidelines and procedures on how taxpayers can access and use MAP, including the specific information and documentation that should be submitted in a taxpayer's request for MAP assistance, publicly available?	See detailed explanation Did not have such cases N/A	<p>No, it's currently not publicly available, but the taxpayer can contact the Federal Ministry of Finance and will be guided on submitting a request for MAP assistance. There are no format requirements. We are currently working on the development of a Guideline on MAP that will be publicly available.</p> <p>We are not familiarized with details of MAP</p>	Information and guidance can be given by contacting the Federal Ministry of Finance.

[Jurisdiction] Dispute Resolution Profile – Availability and access to MAP

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
14.	Are there specific timeline for the filing of a MAP request?	N/A Did not have such cases N/A	This issue is not regulated in the legislation and procedures of the Federation of Bosnia and Herzegovina. We are not familiarized with details of MAP	
15.	Are guidance on multilateral MAPs publicly available?	No No N/A	There is no guidance on multilateral MAPs in the Federation of Bosnia and Herzegovina.	
16.	Are tax collection procedures suspended during the period a MAP case is pending?	No Did not have such cases N/A	There are no such procedures in the Federation of Bosnia and Herzegovina. We are not familiarized with details of MAP	

[Jurisdiction] Dispute Resolution Profile – Availability and access to MAP

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
17.	Are there any fees charged to taxpayers for a MAP request?	<p>No</p> <p>Did not have such cases</p> <p>N/A</p>	<p>There is no such procedure in the Federation of Bosnia and Herzegovina.</p> <p>We not familiarized with details of MAP</p>	
18.	Is there any other information available on availability and access to MAP?	<p>No</p> <p>Did not have such cases</p> <p>N/A</p>	<p>Are not familiarized with details of MAP</p>	

[Jurisdiction] Dispute Resolution Profile – Resolution of MAP cases

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
C. Resolution of MAP Cases				
19.	Are there any model timeframes for the steps taken by your competent authority from the receipt of a MAP case to the resolution of the case provided to taxpayers?	<p>No</p> <p>Did not have such cases</p> <p style="color: cyan;">N/A</p>	<p>The identification of the legislation that must be amended in order for the MAP to be applied in the the Federation of Bosnia and Herzegovina is planned in 2024-2026.</p> <p>Are not familiarized with details of MAP</p>	
20.	Are statistics relating to the time taken to resolve MAP cases publicly available?	<p>No</p> <p>Did not have such cases</p> <p style="color: cyan;">N/A</p>	<p>Not have MAP cases to date.</p> <p>Are not familiarized with details of MAP</p>	
21.	Is interest or penalties resulting from adjustments made pursuant to a MAP agreement waived or dealt with as part of the MAP procedure?	<p>No</p> <p>Did not have such cases</p> <p style="color: cyan;">N/A</p>	<p>Not have a domestic legislation.</p> <p>Are not familiarized with details of MAP</p>	

[Jurisdiction] Dispute Resolution Profile – Resolution of MAP cases

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
22.	Are the roles and responsibility of the MAP office publicly available, for example, is the mission statement of the MAP office available in the <i>annual</i> report of the organisation?	No No N/A	Not have a domestic legislation. Are not familiarized with details of MAP	
23.	Is MAP arbitration a mechanism currently available for the resolution of tax treaty related disputes in any of your tax treaties? If not:	Only one	Arbitration is foreseen in the contract with Austria	
a.	• Are there any legal limitations in your domestic law (for example in your constitution) to include MAP arbitration in your tax treaties?	No N/A		
b.	• Does your treaty policy allow you to include MAP arbitration in your tax treaties?	N/A	Our position on this matter would be decided on a treaty-by-treaty basis.	

[Jurisdiction] Dispute Resolution Profile – Resolution of MAP cases

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
24.	<p>Is the explanation of the relationship between the MAP and domestic law administrative and judicial remedies publicly available?</p> <p>If yes:</p>	<p>No</p> <p>Did not have such cases</p> <p>N/A</p>	<p>Not have a regulation in the Federation of Bosnia and Herzegovina.</p> <p>However, the legal system of the Federation of Bosnia and Herzegovina grants priority to international agreements over domestic laws.</p> <p>Are not familiarized with details of MAP</p>	
a.	<ul style="list-style-type: none"> Does the guidance specifically address whether the competent authority considers that it is legally bound to follow a domestic court decision in the MAP or will not deviate from a domestic court decision as a matter of administrative policy or practice? 	<p>N/A</p> <p>Did not have such cases</p> <p>N/A</p>	<p>Are not familiarized with details of MAP</p>	
25.	<p>Are taxpayers allowed to request for multi-year resolution through the MAP of recurring issues with respect to filed tax years?</p>	<p>No</p>	<p>Not have a regulation in the Federation of Bosnia and Herzegovina.</p>	

[Jurisdiction] Dispute Resolution Profile – Resolution of MAP cases

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
		Did not have such cases N/A	Are not familiarized with details of MAP	
26.	Do all your jurisdiction's tax treaties contain a provision which would oblige your jurisdiction to make corresponding adjustments or to grant access to the MAP with respect to the economic double taxation that may otherwise result from a primary transfer pricing adjustment (i.e. is paragraph 2 of Article 9 of the OECD Model Tax Convention or the UN Model Double Taxation Convention included in all of your jurisdiction's tax treaties)?	N/A		
27.	Is there any other information available on resolution of MAP cases?	No Did not have such cases N/A	Are not familiarized with details of MAP	

[Jurisdiction] Dispute Resolution Profile – Implementation of MAP Agreements

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
D. Implementation of MAP Agreements				
28.	Where the agreement reached by your competent authority through the MAP process leads to additional tax to be paid by your taxpayer, is there publicly available information on the timeframe the taxpayer could expect its tax position to be amended to reflect the agreement reached by the competent authority and/or for the additional tax to be paid?	No Did not have such cases N/A	Not have a regulation in the Federation of Bosnia and Herzegovina. To date, there are no cases/agreements reached. Are not familiarized with details of MAP	
29.	Where the agreement reached by your competent authority through the MAP process leads to a refund of the tax due or paid by your taxpayer, are there publicly available information on the timeframe the taxpayer could expect its tax position to be amended to reflect the agreement reached by the competent authority and/or for a refund of the tax paid?	No Did not have such cases N/A	Not have a regulation in the Federation of Bosnia and Herzegovina. Are not familiarized with details of MAP	
30.	Are all mutual agreements reached through MAP implemented notwithstanding any time limits in your domestic law?	No	Not have a regulation in the Federation of Bosnia and Herzegovina.	

[Jurisdiction] Dispute Resolution Profile – Implementation of MAP Agreements

		Did not have such cases N/A	Are not familiarized with details of MAP	
31.	Is there any other information available on the implementation of MAP agreements?	No Did not have such cases N/A	Are not familiarized with details of MAP	