

In accordance with Article 88 Item 2 of the Constitution of the Republic of Montenegro I hereby pass the

**ENACTMENT ON PROCLAMATION OF
THE LAW ON TEMPORARY RESIDENCE FEE
("Official Gazette of RoM", no. 11/2004, 13/2004)**

This is a proclamation of the Law on Temporary Residence Fee, adopted by the Parliament of the Republic of Montenegro at the meeting of the first extraordinary session in the year 2004, on 16th February 2004.

Number: 01-235/2
Podgorica, 17th February 2004
President of the Republic of Montenegro
Filip Vujanović, signed

LAW ON TEMPORARY RESIDENCE FEES

Article 1

This Law shall regulate the basic elements for payment of the temporary residence fee.

The municipalities, Capital and Historical Royal Capital (hereinafter: the municipality) shall introduce temporary residence fee by means of their regulations.

Article 2

The temporary residence fee shall be a lump sum amount paid by the person who, outside of their permanent place of residence, uses accommodation services in a facility providing tourist or hospitality industry services (hereinafter: accommodation facilities).

The accommodation facilities, as referred to in paragraph 1 of this Article, shall be considered to imply the following: hotels, motels, boardinghouses, tourist apartments, resorts, camps, mountain lodges, rooms for rent and any other facility where accommodation services are provided.

Foreign citizens shall pay the temporary residence fee under the same conditions as well.

Article 3

The temporary residence fee shall not be paid by:

- 1) children up to 12 years of age;
- 2) persons with serious hearing and physical disabilities (blind persons, deaf persons, dystrophy sufferers and others);
- 3) persons undergoing medical treatments in health resorts and thermal resorts or to specialized rehabilitation as assigned by competent medical commission;
- 4) persons performing work activities on seasonal basis, with registered temporary residence in the given tourist place;
- 5) persons who uninterruptedly reside at the accommodation facility for more than 30 days;
- 6) participants at school excursions, that is pupils and students whose sojourn is organized by schools or faculties within regular curriculum, organization of sport or cultural events;
- 7) foreign citizens who are exempt from paying fees pursuant to international treaties and conventions;
- 8) foreign citizens who come to Montenegro in an organized way, through official humanitarian organizations, for the purpose of providing humanitarian aid.

The persons referred to in paragraph 1 of this Article shall not pay temporary residence fee if they submit the evidence on meeting the criteria stated in the same paragraph (membership card, receipt from the school, doctor, referral slip and other.)

The persons who are between 12 and 18 years of age shall pay temporary residence fee in the amount decreased by 50%.

The municipality may, by means of its regulation, determine other persons to be exempt from paying the temporary residence fee.

Article 4

Collection of the temporary residence fee shall be executed by the legal entity or physical person who provides accommodation services (hereinafter: accommodation provider).

Accommodation provider shall charge the temporary residence fee at the same time when charging accommodation service.

Should accommodation provider not collect the temporary residence fee, it shall be obliged to pay for the amount of non-collected temporary residence fee at its own expense.

Article 5

Accommodation provider shall be obliged to separately record the amount of the temporary residence fee in the invoice issued for the accommodation service provided and in the cases referred to in Article 3 of this Law to indicate the basis for temporary residence fee exemption.

The accommodation provider shall keep records on paid temporary residence fee in a register book, or other corresponding record.

The ministry in charge of tourism activities shall regulate the contents of the records referred to in paragraph 2 of this Article.

The accommodation provider shall be obliged to submit the report on the number of users of accommodation services and the amount of temporary residence fee collected to the competent tax authority, by 15th of the current month, for the previous month.

Article 6

The accommodation provider shall lodge the revenues collected from the temporary residence fee within the period of five days upon the expiry of each 15 days of the month, or the expiry of the month.

Article 7

Temporary residence fee shall be set in the range from 0.10 € to 0.80 €.

The municipality by means of its regulation shall determine the amount of the temporary residence fee.

When setting the amount of the temporary residence fee, the municipality shall particularly take into consideration the following: the type of the accommodation facility and volume of conveniences and services offered to the persons using such accommodation services.

Article 8

The revenues collected from temporary residence fee shall belong to the tourist organization.

The revenues collected from the temporary residence fee shall be used as follows:

- 80% for financing the activities of local tourist organizations;
- 20% for financing the programs of the National Tourist Organization.

Article 9

The competent municipal tax authority shall supervise the collection and payment of temporary residence fee, as well as the keeping of adequate records.

The ministry in charge of finance affairs shall supervise the legality of functioning of the local government authorities regarding the implementation of this Law.

Article 10

The provisions of the law regulating tax procedure shall be applied to the issues which are not specifically regulated by this Law (enforced collection, complaints procedure, interest and other.)

Article 11

A pecuniary fine in the amount of ten-fold to one-hundred-fold of the minimum wage in the Republic of Montenegro shall be imposed on legal entity and entrepreneur providing accommodation services for an offence, if they:

- 1) fail to collect the temporary residence fee concurrently when collected the accommodation service (Article 4, paragraph 2);
- 2) fail to separately indicate the amount of the temporary residence fee or the basis for temporary residence fee exemption in the issued receipt (Article 5, paragraph 1);
- 3) fail to or incorrectly keep the records on the users of accommodation services (Article 5 paragraph 2);
- 4) fail to submit to the competent tax authority the report on the number of accommodation service users and the amount of the collected temporary residence fee, within the prescribed time frame (Article 5, paragraph 4);
- 5) fail to lodge the revenues from collected temporary residence fee within the prescribed time frame (Article 6).

A pecuniary fine in the amount of two-fold to ten-fold of the minimum wage in the Republic shall be imposed on the responsible person in the legal entity for the offence referred to in paragraph 1 of this Article.

Article 12

A pecuniary fine in the amount of two-fold to twenty-fold of the minimum wage in the Republic shall be imposed on the accommodation provider-physical person for an offence, if he:

- 1) fails to collect the temporary residence fee concurrently when collect the accommodation services (Article 4, paragraph 2);
- 2) fails to or incorrectly keeps the records on the users of accommodation services (Article 5 paragraph 2);

- 3) fails to submit to the competent tax authority the report on the number of accommodation service users or fails to indicate the correct data in the report (Article 5, paragraph 4);
- 4) fails to lodge the revenues from collected temporary residence fee within the prescribed time frame (Article 6).

Article 13

As of the day this Law enters into force, the Law on Communal Fees and Charges ("Official Gazette of the Republic of Montenegro", no. 38/92, 30/93, 3/94, 27/94 and 45/98) in the part relating to payment of temporary residence fee shall be rescinded.

Article 14

This Law shall come into force on the eight day after its publication in the "Official Gazette of the Republic of Montenegro".