

Issue 1 | March 2015 |

Dear Sir or Madam, we are pleased to present you the first issue of electronic newsletter of Center for Research and Studies GEA. Here you can find information on our latest activities, analyses and press releases on current subjects.

Introduction of differential VAT rate – a move in a wrong direction?

“As it is already known, the Government of the Republic of Srpska has recently started an initiative for introducing differential VAT rate – standard 22% rate and lower rate of 10% that would be applied for basic nutrition products. In 2014, almost twice the last year’s pace. It has been stated that the main goal of the initiative is to improve the position of socially disadvantaged residential categories through decrease of prices of basic supplies.

[read more>>](#)

Is low transparency in public institutions more intentional than we think? Example of the City of Banja Luka

“Almost in every business we do for someone else there is the rule that the less information that person has the more liberty we feel for doing as we are pleased. This rule applies to the work of public institutions and we know it very well. Therefore, in public sector there are strict principles of transparency and legal obligations of publishing information on all activities.

[read more>>](#)

A decrease of social contribution rate by 1.4 percentage points announced – is it enough?

“Recommended social contribution rate decrease by 1.4 p.p., despite being welcome, does not represent a significant change in the area of labor taxation in the Republic of Srpska. It only removes one portion of the additional tax burden introduced in February 2011, when tax-free income portion of 250 BAM was abolished and when income tax increased from 8% to 10%, as well as the total social contribution rate that increased from 30.6% to 33% of the gross wage. In a way, this measure is a sign of a continued going round in circles within the framework set by previous domestic policies in the area of labor taxation.

[read more>>](#)

Other news

Results of the Student Entrepreneurship project:

GEA – Center for Research and Studies uses this opportunity to [present](#) key results and achievements of the [Student Entrepreneurship project](#) started in 2012 thanks to financial support from USAID, with the basic goal to encourage youth activism and leadership and to promote entrepreneurship among student population in B&H.

City of Banja Luka Draft Budget for 2015: Once again the budget is even more administrative and less developmental

During last several years there has been a significant decrease in revenues of the city of Banja Luka, but, unfortunately, adequate adaptation of budgetary spending has not occurred. We [wrote](#) about this issue in 2013 during then public discussion and we wish to use this occasion as well to point out [basic problems](#).

Publications:

Study: How to achieve lower income taxes without harming public funds?

This [study](#) is concerned with one of key measures necessary for more successful functioning of the labor market in RS and FB&H – decreasing the income taxes and contributions burden.

Analysis of the budgetary policy and budget of the city of Banjaluka

The results of an [analysis](#) of the budgetary policy and budget of the city of Banjaluka for 2012 demonstrate the lack of sincere dedication of the city authorities to provide any significant support to the participation of citizens in the processes of planning and preparing the budget.