



## **OTP Bank Group**

Market: Croatia

Date: 21.12.2020.

Category: Tax Changes

### **Decrease of Withholding Tax on Interest and the capital gain tax rate**

**Summary:** Decrease of Withholding Tax on Interest and the capital gain tax rate from 12% to 10% to domestic and foreign individuals

Dear Client,

Following our notification from 15<sup>th</sup> December 2020 on the adoption of the Act on Amendments to the Income Tax Act (NG 138/2020), the amendment envisages a decrease of the capital gain tax rate and Withholding Tax on Interest from 12% to 10% for domestic and foreign natural persons.

Interest on bonds remains tax exempted.

The decrease of the tax rates will take effect on January 1<sup>st</sup>, 2021.

For any additional questions and clarifications, please do not hesitate to contact us at [inv-custody@otpbanka.hr](mailto:inv-custody@otpbanka.hr)

**Impact:** Decrease of Withholding Tax on Interest and the capital gain tax rate from 12% to 10% to domestic and foreign individuals

**Required actions:** -

**Application date:** 01 January 2021.

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**OTP Bank d.d.**

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# Global Securities Services

## NewsFlash



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