Council of the European Union

Brussels, 23 November 2023
(OR. en)

15757/23
ADD 5

LIMITE

FISC 266
ECOFIN 1244

REPORT

From:	General Secretariat of the Council
To:	Delegations
Subject:	Code of Conduct Group (Business Taxation) - Report to the Council

Croatia's Act on Investment Promotion (HR019)

At the Code of Conduct Group meeting on 20 September 2022, Croatia committed to change the legislation for the potentially harmful tax regime HR019 within 18 months (confirmed in writing by letter of 15 July 2022).

The potentially harmful features of HR019 are also contained in the New Act on Investment Promotion described in the Standstill procedure, which entered into force on 4 July 2022 and therefore, before the commitment to amend the first measure was made.

Accordingly, the commitment is still pending and will be extended to the New Act on Investment Promotion (HR020).

Follow-up:

The Group agreed that the roll-back is still pending and that it should be extended to the new Investment Promotion Act (HR020).