

Muja Law brings you the latest issue of the *Tax Update* regarding the measures taken in Albania following the situation created by COVID-19 infection.

In the most recent *Official Journal No.57, dated 02.04.2020*, was published the Normative Act of the Council of Ministers No.12, dated 02.04.2020 “For an addition to the Council of Ministers’ Normative Act No.3, dated 15.3.2020, ‘On special administrative measures during the duration of the infection period caused by COVID-19”, as amended (herein referred to as “*Normative Act No.12*”). The Normative Act No.12 provides a list of subjects that shall benefit from the postponement of their rents’ payment for April and May 2020.

Additionally, in the *same Official Journal* was published the Normative Act of the Council of Ministers No.13, dated 02.04.2020, “On special measures in the field of judicial bailiff service, mediation and administration of bankruptcy proceedings during the duration of the COVID-19 epidemic” (herein referred to as the “*Normative Act No.13*”). The Normative Act No.13 provides the suspension of deadlines for conducting procedural actions of public or private bailiff, mediators and administrators in bankruptcy proceedings.

Some of the most important aspects of the above Normative Acts are as follows:

Normative Act No.12

➤ Subjects

a) *All individual lessees* who have a lease agreement for their residence or any other document proving the lessor-lessee contractual relationship, prior to the declaration of the epidemic state, who have an employment contract but have suspended/terminated it as a result of the COVID-19 situation, *will not pay the rent for two months, April and May 2020.*

b) *All student lessees* who have a lease agreement for their residence or any other document proving the lessor-lessee

contractual relationship, prior to the declaration of the epidemic state, *will not pay the rent for two months, April and May 2020.*

c) *All lessees natural/legal persons with an income of up to ALL 14,000,000 (fourteen million) per year*, who have a notarized lease contract for the purpose of their economic activity, signed prior to the declaration of the epidemic state, and have stopped their activity as a result of the situation caused by COVID-19 *will not pay the rent for two months, April and May 2020.*

➤ Obligations

The arrears of these two months shall be paid by the lessee in a proportionate and agreed method with the lessor after May 2020. For those contracts ending before May 31, 2020, the arrears shall be paid by the lessee within three months after the date May 31, 2020.

➤ Implementation of the Normative Act No.12

All lessees subject to this Normative Act who complain about the lessor because of the latter's non-compliance with the above obligations shall address the General Tax Directorate by electronic communication.

Lessors who fail to comply with the above provisions shall be subjects to a fine five times the respective monthly rent.

The General Tax Directorate is responsible for following and implementing the provisions of this Normative Act and issuing relevant instructions.

➤ Entry into force

The Normative Act No.12 has entered into force immediately.

Normative Act No.13

➤ Purpose

Normative Act No.13 intends to protect the legitimate interests of citizens who may be affected by the activity of public and private judicial bailiffs, mediation or administration in bankruptcy proceedings, during the epidemic caused by the spread of COVID-19. It provides special measures for the conducting of activity of state and private judicial bailiff services, mediating and bankruptcy administering proceedings during the duration of the epidemic.

➤ Special measures in the field of judicial bailiff, mediation and bankruptcy

From the date of entry into force of the Normative Act No.13 until the end of the epidemic situation caused by the spread of COVID-19, the deadlines for performing the procedural actions of state or private judicial bailiff, mediator and administrator in bankruptcy proceedings *shall be suspended*. When the time limits for performing procedural actions as provided for in the legislation in force begin during the period of suspension, they shall be extended until the end of the epidemic.

➤ Exemptions

The above provision does not apply in the following cases:

- a) For the execution of executive titles arising from family matters, with the object of care, obligations and respect for the minors' rights, custody, adoption, parental responsibility, caretaking and alimony;



b) For the execution of executive titles, subject to protection orders and immediate protection orders;

c) On the enforcement of executive titles, with the object of measures of securing a lawsuit on administrative and civil matters, in which the court has given a decision on the securing of a lawsuit or a decision on provisional enforcement, when from the delay in the execution or performing of procedural actions it becomes impossible to execute these executive titles after the end of the epidemic;

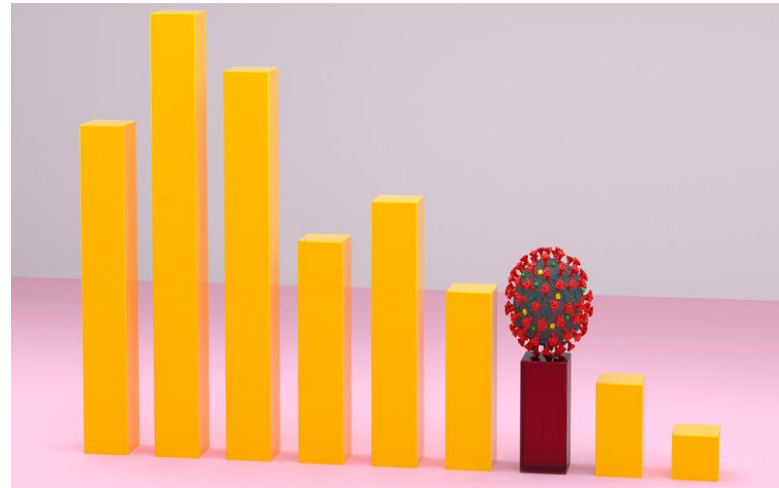
ç) If it is necessary to avoid the damage of bankruptcy measure;

d) For mediation for the resolution of disputes in the criminal field, when deemed necessary during the investigation to protect the minor's interests.

➤ Extra measures to contain the spread of COVID-19

During the duration of the epidemic caused by the spread of COVID-19, in view of the

implementation of the by-laws issued by the responsible state authorities, public and private enforcement bodies, mediators and bankruptcy administrators, in all cases, shall take specific organizational measures to avoid crowding, close contacts between individuals, and the public presence in the premises of the judicial bailiff, mediator and bankruptcy administrator.



➤ Entry into force

The Normative Act No.13 has entered into force immediately.



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Muja Law is a family-run law office where we work hard for the success of our clients and to provide excellence in legal service. Our roots go back to 2001 when our Managing Partner, Krenare Muja (Sheqeraku), opened her law practice office in Tirana, Albania. Krenare’s son Eno joined her in 2014, and the other son Adi entered the practice in 2019. What started in Tirana as a small, family-run law office has grown and flourished in the community for the last 20 years. The office consists of various respected and talented lawyers who possess outstanding educational and community service backgrounds and have a wealth of experience in representing a diverse client base in various areas of the law.

The office is full-service and advises clients on all areas of civil, commercial and administrative law. With significant industry expertise, we strive to provide our clients with practical business driven advice that is clear and straight to the point, constantly up to date, not only with the frequent legislative changes in Albania, but also the developments of international legal practice and domestic case law. The office delivers services to clients in major industries, banks and financial institutions, as well as to companies engaged in insurance, construction, energy and utilities, entertainment and media, mining, oil and gas, professional services, real estate, technology, telecommunications, tourism, transport, infrastructure and consumer goods. In our law office, we also like to help our clients with intermediary services, as an alternative dispute resolution method to their problems.

While we have grown over the past 20 years and become recognized as one of Albania’s leading law offices, we are grounded in the essence of “who” we are and “where” we started. We understand the importance of family, hard-work, and dedication.

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