

**DOM ZA SVE  
2017  
HOME FOR ALL  
2017**



**HOLICOB**



Centar za podršku organizacijama  
Center for Support Organizations/CEISOJ

DOM ZA SVE  
2017  
HOME FOR ALL  
2017

**Impressum**

The booklet is published under the project “Housing and Living Conditions in Bosnia”, which is the part of a joint initiative of the Association of Tenants from Aros-Gävle region in Sweden and Centre for Support Organizations from Tuzla (CENSOR)

**Authors**

Amela Pejđah  
Sanela Džanić  
Edin Osmanbegović  
Esad Nazibegović  
Nedim Aščerić  
Jasminka Tadić-Husanović

**Publisher**

Centre for Support Organizations, Tuzla  
For Publisher  
Jasminka Tadić-Husanović

**Editor and proofreader**

Jasminka Tadić-Husanović

**Title of the Publication**

Home for All 2017

**Printing**

Grafik d.s.o., Tuzla

**Published in**

Tuzla, June 2017

# CENSOR JOINS INTERNATIONAL CAMPAIGN WITH SLOGAN “HOME FOR ALL 2017“

and presents this Publication as a part of the Campaign

## INTRODUCTION

In developed countries multi-decade practice proved that a higher level of housing does not always imply a high percentage of personally owned dwellings.

House leasing is the most predominant type of housing in big cities of Western Europe. Therefore, formal market for house leasing exists only in developed countries.

House leasing has been totally neglected in housing policies of Bosnia and Herzegovina.

So far, in Bosnia and Herzegovina (B&H) the State intervenes only through different form of subsidies for buying an apartment. However, obvious is the need for more intensive State intervention through different other mechanisms – prices control, construction of apartments for lease in public property and lease subsidies.

In B&H towns, investors build apartments for sale and such construction is very profitable, while the intervention of the State is focused only on boosting purchase and not the construction of apartments. Such State's subsidies only influence the increase in prices, making apartments even less reachable.

# PREJUDICES AGAINST RENTAL HOUSING

1. In wealthy countries each tenant is a flat owner
2. Every tenant aspires to become a flat owner
3. The ownership over the flat/dwelling provides a higher living standard

## RENTAL HOUSING IN FEDERATION OF B&H

***Lease agreement is regulated by the Article 567 of the Law of Obligations and Contracts in Federation of B&H.***

Rental housing means any form of housing in which the individual or a family is not an owner of the housing facility, but have to pay the rent

***QUESTION: How to set a price for rental housing?***

***ANSWER: Offer + demand + purchasing power of tenants***

***QUESTION: Who are tenants?***

***ANSWER: Youth and elderly***

Young tenants are most numerous: students, youth, young employees, young married couples etc.

The smallest percentage of tenants is the middle-aged population.

# FROM THE COURT PRACTICE

## STEP 1 – FOR PROPERTY OWNERS AND TENANTS

Property owners and tenants govern their relations by making a standard written lease contract.

THE CONTRACT FORM IS AVAILABLE AT THE CENTRE FOR SUPPORT ORGANIZATIONS WEBSITE AT FOLLOWING LINK:  
<http://www.censorba.org/wp-content/uploads/2016/06/Ugovor-o-zakupu-stana.pdf>

## STEP 2 – FOR TENANTS AND PROPERTY OWNERS

Although the housing lease contract, by the Law on Obligations and Contracts of the Federation of B&H is not subject to mandatory verification by a

relevant institution, it is our recommendation to **VERIFY YOUR LEASE CONTRACT BY A PUBLIC NOTARY.**

## STEP 3 – FOR PROPERTY OWNERS

It is our recommendation for you to take the verified lease contract to the relevant tax administration office in order to properly pay your tax on lease.

*A lease contract between a property owner and a tenant protects both sides, which insures them a right for legal protection at the relevant court, in case one side does not respect provisions of the contract.*



# THE BENEFITS OF REGULATION OF LEASE RELATIONS IS MULTIPLE:

1. Property owner and tenant are protected in case if any of two sides does not comply with contract provisions. Signing of a lease contract means the fulfillment of all formal and legal conditions stipulated by the Law and court practice. Only if there is a signed contract, both sides can seek for their rights at relevant court.
2. Reduces a grey market, and such obligatory relation between a property owner and tenant is put in the frame of positive law regulations.
3. Government agencies provide additional budgetary funds, as property tax revenues are allocated to municipality/city budgets in the percentage of 100% of the total amount.
4. Government agencies obtain statistic data on official number of rented properties.
5. Property managers gain insight into the ownership structure of individual condominium units in building with the aim of most efficient collection of charges for shared maintenance and management of building joint parts and devices.



# TAXATION POLICY IN B&H

The Law on Value Added Tax (VAT) of B&H, stipulates in its article 25 that the VAT is not to be paid on rental contracts, if apartments are to be used for housing purpose. On the other hand, so called small tenants are obliged to pay the value added tax in the amount of 10%, as well as a property tax, and to conclude this issue, the largest number of lease contracts are not validated, i.e. a tenants avoids paying taxes.

## REMINDER FOR PROPERTY OWNER AND A TENANT

Have you signed a lease agreement?

If yes, check if the agreement has been verified by a public notary?

## REMINDER FOR PROPERTY OWNER

Did you pay the rent tax?

If not, follow the instructions:

The Law on Property Tax, Inheritance and Gift of Tuzla Canton (Official Gazette TK No. 14/9, art.5) The Law stipulates that the property tax is paid on an annual basis, in the lump sum for a leased apartment in the amount of 1 KM per 1 m<sup>2</sup>.

You complete the property tax payment by filling out the PR 1 form, available at following link: <http://www.pufbih.ba/v1/obrasci>, and then you make a personal application with Cantonal Tax Administration, Tuzla Tax Office, at the following address: Rudarska street, no 72.



**PROPERTY OWNER CAN CALCULATE THE ANNUAL AMOUNT FOR PAYING THE LEASE TAX FOR AN APARTMENT, AS FOLLOWS:**

**54 m/2 x 1 KM = total 54 KM for 12 months, or**

**if the apartment is rented only for three months: 54 KM/12 months = 4,5 KM for 1 month x 3 months = total 13,5 KM for 3 months**

The Law on Property Tax of Sarajevo Canton, Article 6 stipulates that the property tax is paid on annual lump sum amount for a rented apartment, as for example for the apartment of the size up to 150 m/2, in the amount of 3 KM per 1 m/2 of floor area.

In order to fill in the Property tax PR 1 form, follow the link: <http://www.pufbih.ba/v1/obrasci>, and then personally by filling in at Cantonal Administration, Tax Office Sarajevo (for example

Novi Grad Municipality, at the address).

**PROPERTY OWNER CAN CALCULATE THE ANNUAL AMOUNT FOR PAYING THE TAX FOR AN APARTMENT OF THE SIZE OF 54 m/2 IN FOLLOWING WAY:**

**54 m/2 x 3 KM = total 162 KM for 12 months, or**

**if the apartment is rented for 5 months, for example: 162 KM/12 months = 13,5 KM for 1 month x 5 months = total 67,50 KM for five months**

The obligation related to payment of rental taxes and total lack of the interest of the Government for issues related to both property owners and tenants resulted in avoiding rental tax payments.



## NEGOTIATE THE RENTAL PRICE!

In Sweden, 90% of all rental prices are results of negotiations between property owners (both private and public) and associations of tenants.

Within the project **HOLICOB** (Housing and Living Conditions in Bosnia), with financial support of the Swedish Agency for Development and Cooperation, and Olof Palme International Centre, following the practice and experiences of **HOLICOB** partners from Sweden, Association of Tenants of Aros-Gävle region, provided is free legal assistance in making agreements, contracts and solving other issues related to the leasing of apartments.

**FREE OF CHARGE LEGAL COUNSELING IS AVAILABLE AT AMELA PEJDAH & SANELA DŽANIĆ LAW OFFICE IN TUZLA, OR BY THEIR E-MAIL: adv.pejdah.dzanic@gmail.com**

It is important to keep raising the awareness and to work on prevention of discrimination based on gender inequality, and based on discrimination against certain groups of tenants such as for example disabled persons, Roma population, LGBT persons, single mothers etc.

**RENTAL  
IN EUROPE**  
%





**IN ORDER TO CREATE PRECONDITIONS FOR THE IMPLEMENTATION OF OUR RECOMMENDATION** for the adoption of the Law on Social Housing at the level of Bosnia and Herzegovina and to develop mechanisms of housing policy in B&H cities, **CENTRE FOR SUPPORT ORGANIZATONS (CENSOR)** shall, under the **HOLICOB** project keep on striving towards the achievement of following goals:

1. to contribute to long term strategic work for housing and living conditions for people in Tuzla and Sarajevo;
2. to provide new perspectives on the subjects by using the competence of CSOs;
3. to give strong input to the debate on housing and living and
4. to involve young people to be active in the process of providing better housing and living conditions.

In partnership with the **ASSOCIATION OF TENANTS OF AROS-GÄVLE REGION**, our Swedish partner within the **HOLICOB** project, we strive:

- to gather deeper understanding of inter-cultural, social and financial knowledge from housing;
- for expert parallel work;
- to exchange knowledge between young people;
- to create Internet Advisory board and
- to produce housing long term strategies

## Partners

The Association of Tenants from  
Aros-Gävle Region, Sweden  
The Association of  
Condominium Owners Tuzla

## Head Office

Centre for Support Organizations  
Turalibegova 22/105, 75 000  
Tuzla  
T+387 35 257 187  
e-mail: [cursor@bih.net.ba](mailto:cursor@bih.net.ba)  
[www.cursorba.org](http://www.cursorba.org)

This publication is produced with financial support of the Swedish international organizations – International Agency for Development and Cooperation (SIDA) and the Olof Palme International Centre (OPC). SIDA and OPC have not contributed to the formulation of the publication and do not have a position towards expressed ideas, responsibility of its content is solely on the Centre for Support Organizations.



Radijski partner:





**DOM ZA SVE  
2017  
HOME FOR ALL  
2017**

Center for Support Organisations (CENSOR) is association registered in Tuzla in March 2014. During long-year cooperation and partnership with the CENSOR founders and the Association of Tenants in Swedish region of Aros-Gävle, the Swedish partner initiated CENSOR foundation, in order to contribute to housing and living quality in Bosnia and Herzegovina.