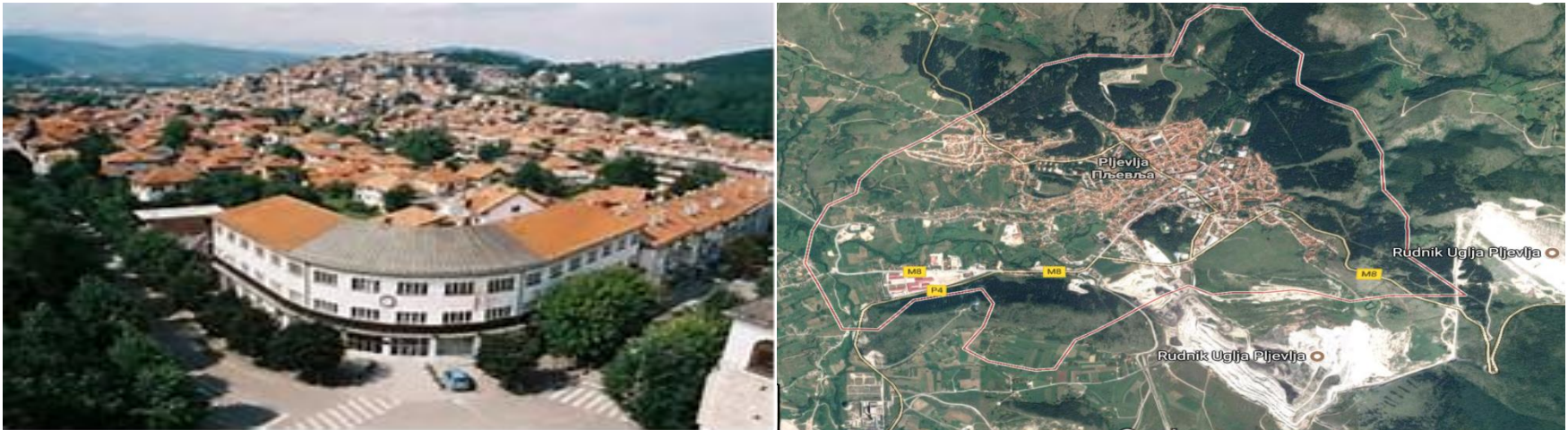




MUNICIPALITY PLJEVLJA

Implementation of the Action Plan – revenue side of the budget, amendments to the legislation on introducing new sources of revenues, challenges and opportunities

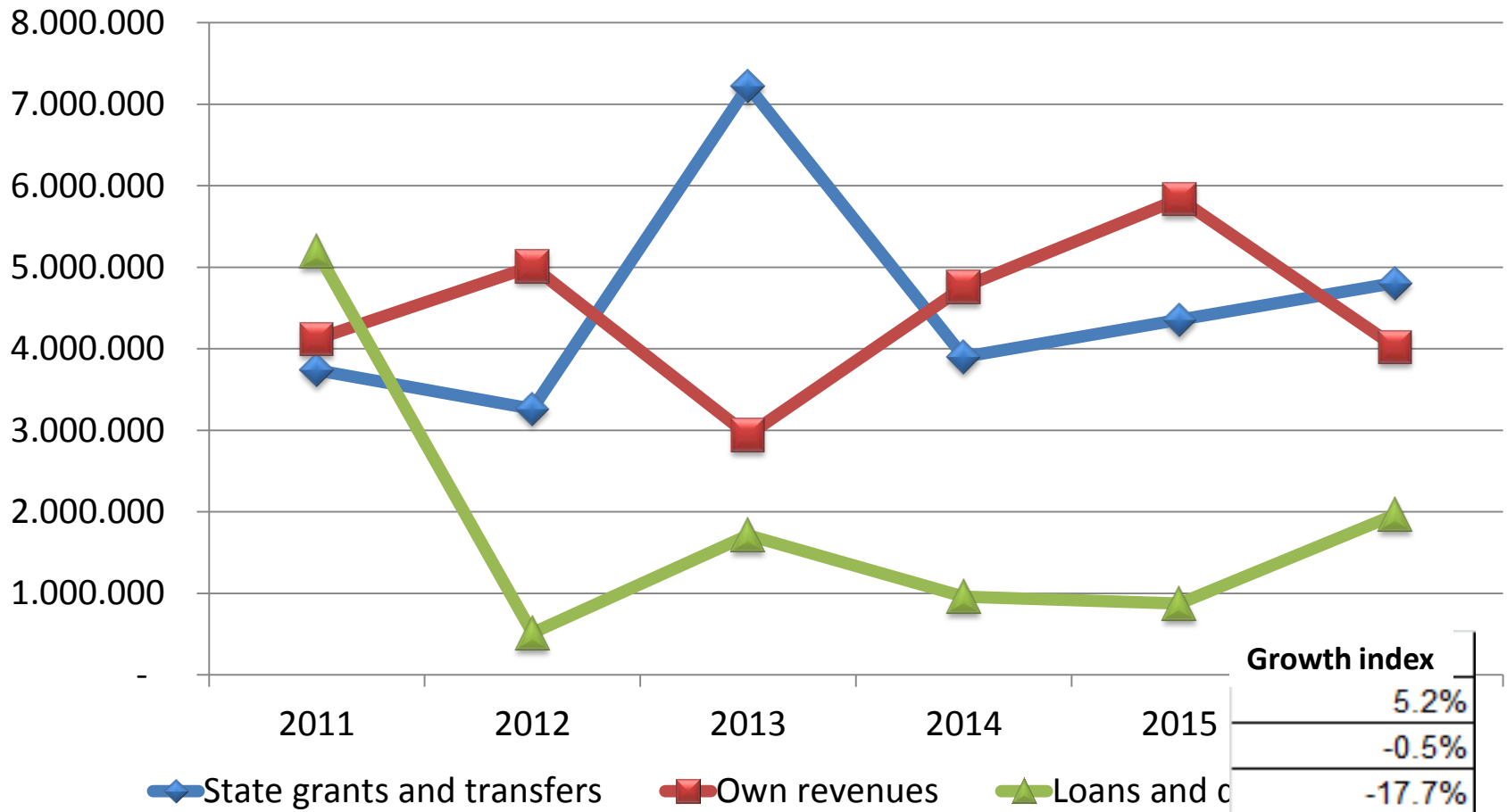
Municipality Pljevlja



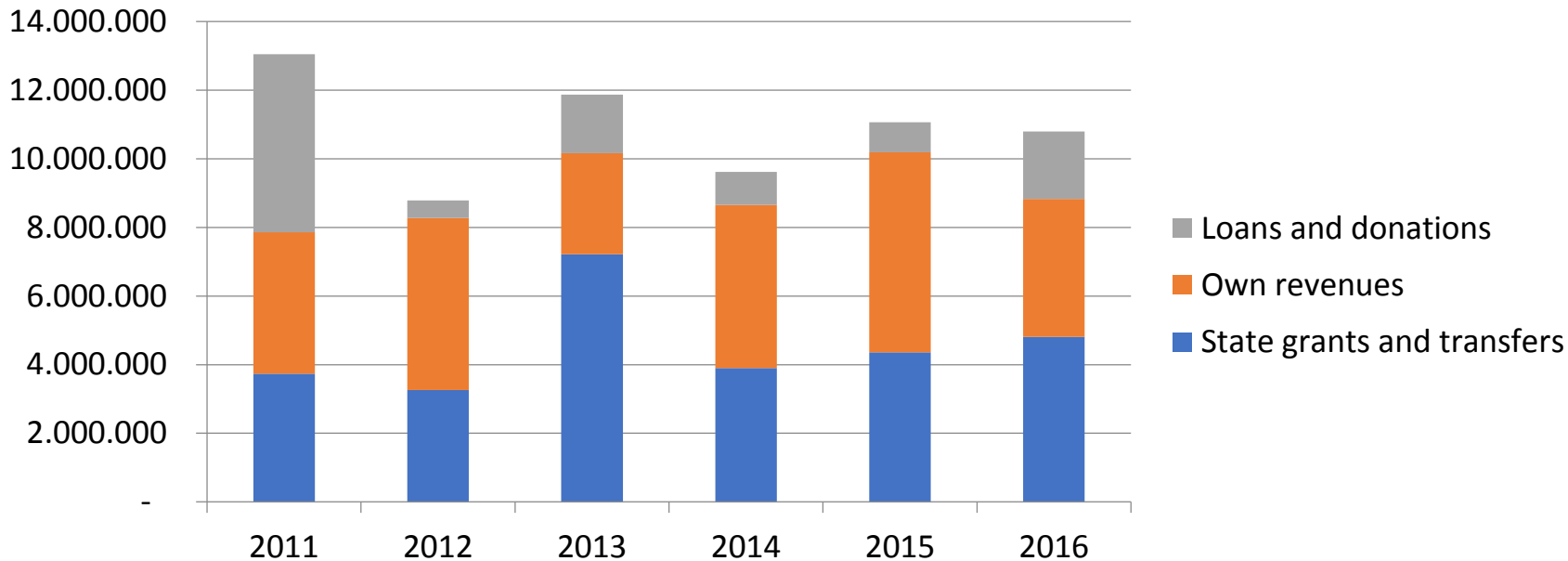
II Demographics/population	2011	2012	2013	2014	2015
State population	620.029	620.601	621.207	621.810	622.218
City/municipality population	30.786	30.416	29.992	29.623	29.216
Annual growth of city/municipality population		-370.00	-424.00	-369.00	-407.00

Pljevlja is located in the northwestern part of Montenegro. It is third largest by surface area after Podgorica and Nikšić. It has an area of 1.346km². According to the 2011 census, the municipality has 30. 786 inhabitants, which is 5% of the total population in Montenegro.

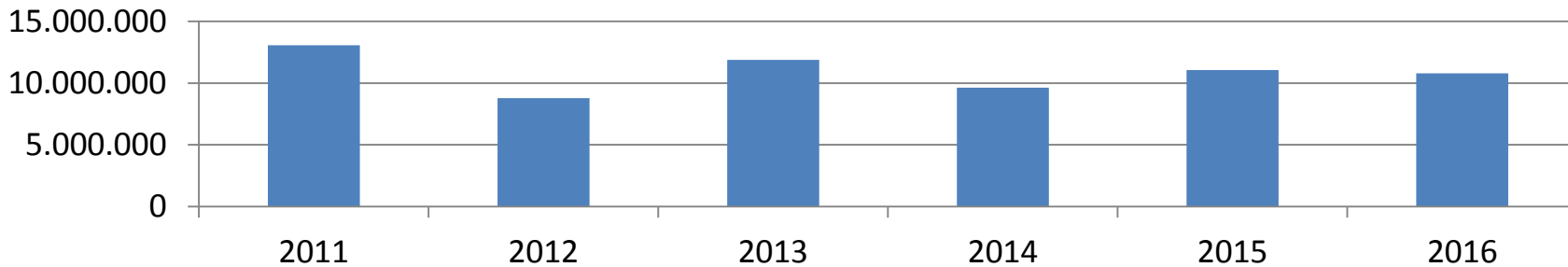
Main sources of revenue of the Municipality (trend and growth index)



Municipality revenue structure (2011-2016)

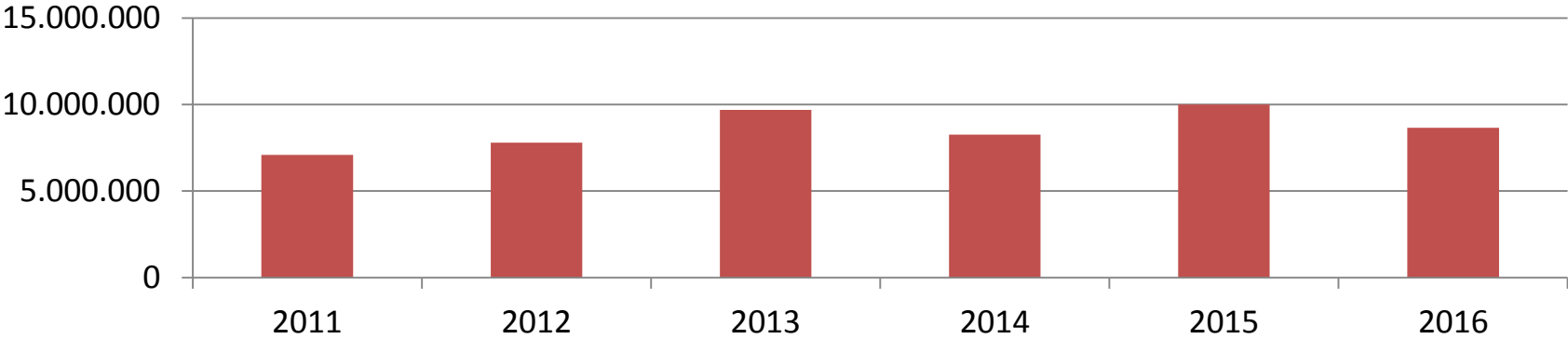


TOTAL REVENUES

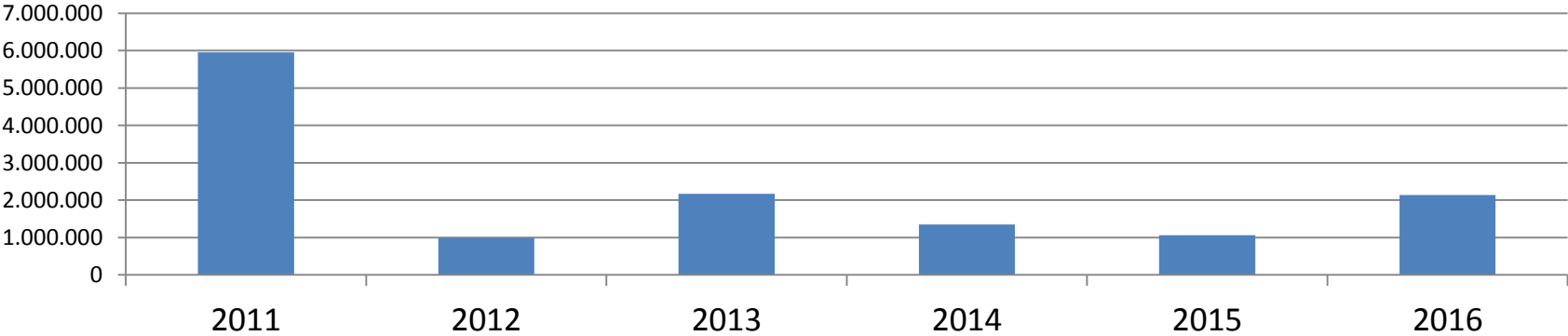


Current and capital revenues 2011-2016 (mil. €)

TOTAL CURRENT/REGULAR REVENUES



TOTAL CAPITAL AND ONE TIME REVENUES



Problems with collection of property tax

Year	2011	2012	2013	2014	2015	2016
Property tax – natural persons (collection rate)	26%	39%	40%	38%	58%	24%
Property tax – legal entities (collection rate)	97%	79%	80%	85%	89%	38%

Centralization or decentralization?

- Problems with planning, records and collection of concession fees (priority for forests) – the state relieves large taxpayers to the detriment of the municipality
- Environment protection fee and fields of influence
- New regulations for improving the revenue sides of municipal budgets
 - *Improved records and collection of all local revenues – new tax accounting software*
 - *Training of personnel from local tax authorities*