



North Macedonia Expense Reimbursement Procedure

This guide outlines the rules for reimbursable expenses in North Macedonia in line with local tax and accounting laws. Due to strict regulations under the law on corporate income tax, expenses are clearly divided into recognised and unrecognised categories for tax purposes.

Eligible expenses

- ◆ **Work-related purchases** – Office supplies, software licenses, laptops, and other tools necessary for daily work
- ◆ **Home office costs** – Internet and electricity (generally not tax-free)
- ◆ **Business travel expenses**
 - Transportation (flights, trains, buses, rental cars)
 - Accommodation (reasonable business standard, typically 3–4 star hotels)
 - Meals and incidentals (per diem)
- ◆ **Personal vehicle use for business** – Partial reimbursement for fuel costs when using a private vehicle for company business

Reimbursement conditions



1. General rules

- All expenses must be necessary and directly related to company business
- Receipts must be official invoices issued in the company's name; personal receipts are not reimbursable
- Out-of-pocket expenses must be submitted promptly with complete documentation
- Compliance with Macedonian tax and accounting laws is mandatory



2. Work-related purchases

- Maximum cash payment per transaction: 6,000 MKD (~€100)
- Purchases above 6,000 MKD must be paid via the company bank account or corporate card



3. Home office costs

- Reimbursements for internet or electricity are generally considered taxable benefits or unrecognised expenses
- Only exception: a formal lease agreement between the company and the employee (subject to 10% personal income tax)



4. Business travel

- Must be supported by an approved travel order stating destination, dates, and business purpose
- Per diem rates:
 - Up to 8 hours → 0%
 - 8–12 hours → 50%
 - Over 12 hours → 100%
- International travel adjustments:
 - Accommodation covered → 50% per diem
 - Accommodation + meals covered → 20% per diem



5. Personal vehicle use

- Reimbursement: 30% of the fuel price per km
- Tax-free limit: 3,500 MKD per month
- Excess reimbursement above limit: subject to 10% personal income tax

Documentation requirements

To ensure compliance with tax authorities and allow the company to process reimbursements, all submitted expenses must include proper documentation:

- **Official company invoices (Фактура/Сметкопотврда):** A standard fiscal receipt (фискална сметка) is often not sufficient on its own. Whenever possible, an official invoice must be issued directly to the company.
- **Mandatory invoice details:** The invoice must clearly display:
 - The company's full registered name
 - Official address
 - Tax Identification Number / VAT Number (ЕДБ – Единствен даночен број)
- **VAT requirements:** For VAT to be reclaimed, the invoice must clearly show:
 - VAT amount
 - VAT is separated from the base price
- **Strict prohibition:** Invoices or receipts issued in a personal name, or missing company details, will not be reimbursed under any circumstances.

Expense justification

Every expense submitted for reimbursement must be accompanied by a clear and valid business justification. Unexplained expenses will be rejected by the accounting department.



For business travel

All travel-related expenses must be supported by an approved Travel Order (Налог за службено патување). This document must clearly state the travel destination, the exact dates and times of departure and return, and the primary business objective of the trip.



For business meetings & entertainment

If you are claiming expenses for a client lunch, dinner, or meeting (Representation), you must provide the context. Along with the receipt, you must document:

- The full names and company affiliations of all attendees.
- The specific business topic discussed or the purpose of the meeting.

This ensures compliance with Macedonian tax law, supporting the legitimacy of the expense for reimbursement and VAT deduction. *Client Representation (Meals/Meetings)*: Must include the date, location, full names/companies of all attendees, and the specific business topic discussed.



General purchases

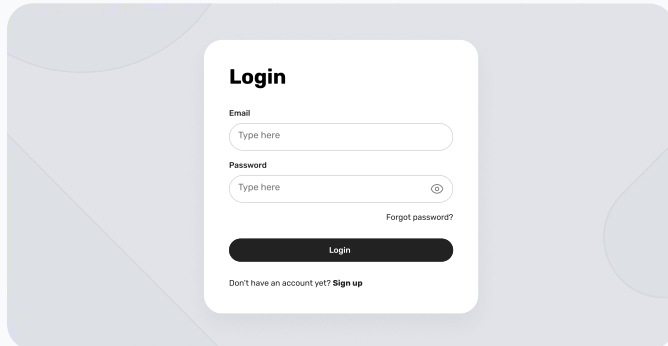
For items like office supplies or software, a brief description of why the item was necessary for your specific role or project, and must be included in the expense report.

Approval and record-keeping

- **Approval:** Expenses must be reviewed and approved by the designated manager or finance team to confirm legal validity and compliance before reimbursement. Out-of-pocket purchases must be accounted for via an official expense report with attached documentation.
- **Record-keeping:** All supporting documents (invoices, receipts, expense justifications) must be stored securely for the legally required retention period, typically ten years under Macedonian accounting and tax regulations, to support audits and VAT claims.

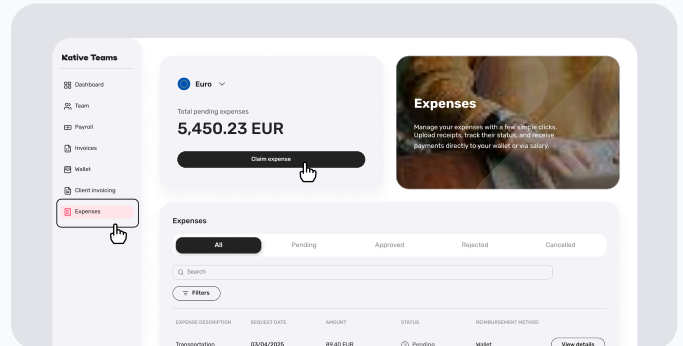
Expense Submission Process

Submitting via **Native Teams** Platform



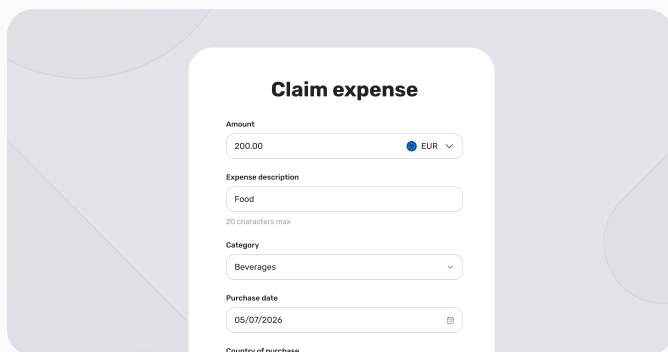
STEP 1

Log in to your Native Teams account.



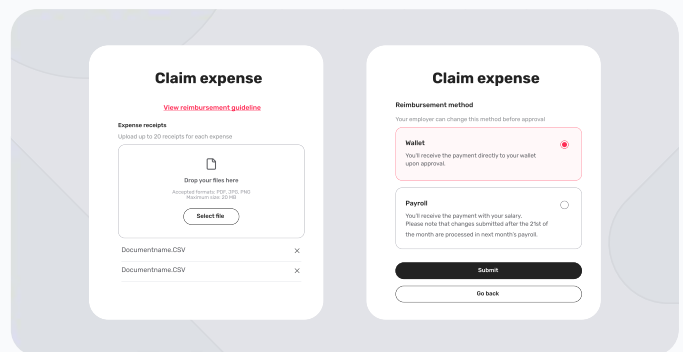
STEP 2

Click on the **Expenses** section on the left side menu and then on the **Claim expense** button.



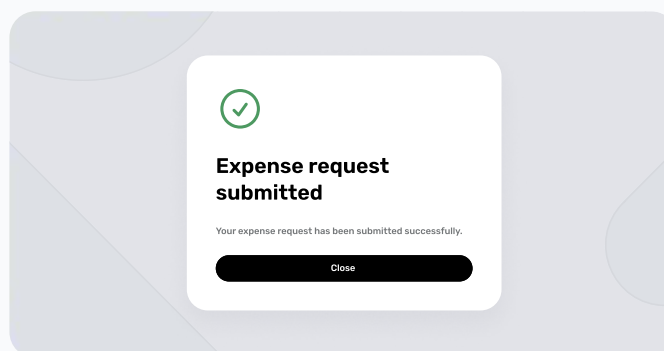
STEP 3

Fill in the required fields for the amount, expense description, category, purchase date, and country of purchase.



STEP 4

Attach a proof and select your reimbursement method: wallet or payroll.



STEP 5

Submit the claim and wait for your employer's approval of the reimbursement.

⚠ Submission deadlines

- All expense claims must be submitted by the **10th of each month** to be included in that month's payroll.
- Claims submitted after the 10th will be processed in the next month's payroll.
- If the 10th falls on a weekend or public holiday, the deadline extends to the next working day.



Native Teams legal entity – North Macedonia

◆ **Entity name:** Pelagonian Technologies DOOEL Skopje

◆ **Entity registration number:** 7760116

◆ **Address:** Bul. Sv. Kliment Ohridski, br. 48, Skopje

Native Teams

For any questions regarding expense reimbursements, please contact
customersuccess@nteam.com