**TAX CODE OF THE REPUBLIC OF TAJIKISTAN**

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# This Code defines the organizational, legal and economic bases for the establishment, change, cancellation, calculation and payment of taxes, the fulfillment of tax obligations and is aimed at the formation, development and stimulation of economic activity .

# A COMMON PART

# SECTION I. GENERAL PROVISIONS, PRINCIPLES, SUBJECTS OF TAX RELATIONS, TAXATION SYSTEM, RIGHTS AND OBLIGATIONS OF THE TAXPAYER

# CHAPTER 1. GENERAL PROVISIONS

# Article 1. Tax legislation of the Republic of Tajikistan and its scope

1. The tax legislation of the Republic of Tajikistan (hereinafter referred to as tax legislation) is based on the Constitution of the Republic of Tajikistan and consists of this Code, other regulatory legal acts of the Republic of Tajikistan, as well as international legal acts recognized by Tajikistan that regulate tax relations.

2. Taxation is carried out in accordance with the tax legislation in force at the time of the occurrence of tax liabilities, unless otherwise provided by this article.

3. Concepts and terms of civil, family and other branches of the legislation of the Republic of Tajikistan used in this Code shall be applied in the meaning in which they are used in these branches of legislation, unless otherwise provided by this Code.

4. Relations on payment of customs duties, taxes on goods and vehicles transported across the customs border of the Republic of Tajikistan are regulated by this Code and the customs legislation of the Republic of Tajikistan.

5. Relations on payment of the state duty and other obligatory payments to the budget are regulated by the relevant laws and this Code.

6. Contradictions between the provisions of this Code and other normative legal acts of the same level are resolved in accordance with the provisions of the Law of the Republic of Tajikistan "On normative legal acts".

7. Acts of tax legislation establishing new taxes, worsening the situation of taxpayers and (or) establishing liability for tax offenses, defining new obligations of taxpayers and other participants in relations regulated by tax legislation, do not have retroactive effect.

8. Acts of tax legislation that exclude or mitigate liability and (or) obligation for violation of tax legislation, or provide additional guarantees to protect the rights of taxpayers, tax agents and their representatives, shall be given retroactive effect.

9. In the presence of ambiguity (different interpretation of the norms) and (or) the presence of two or more provisions and (or) contradictions between the provisions of this Code and (or) the absence (insufficiency) of the necessary provisions for regulating tax relations, the tax and (or) judicial authorities shall take decision in the interests (favor) of the taxpayer.

10. It is prohibited to include norms regulating tax relations in other legislative acts, except for the provisions of:

1) on administrative offenses provided for by the legislation on administrative offenses;

2) on crimes in the field of taxes provided for by criminal law;

3) on the priority of tax liabilities provided for by bankruptcy legislation;

4) on taxes provided for by the customs legislation;

5) provided by the legislation on state duty;

6) provided by the legislation on other obligatory payments to the budget;

7) provided by the Law of the Republic of Tajikistan on the State Budget of the Republic of Tajikistan for the relevant financial year ;

8) on taxes provided for by investment, concession and credit ( grant ) agreements, as well as other international legal acts with foreign states or international organizations approved by the Majlisi namoyandagon Majlisi Oli of the Republic of Tajikistan.

11. For foreign states and governments, international organizations, diplomatic and consular missions of foreign states and governments and their diplomatic and consular employees, as well as representative offices of international organizations, their employees and family members of the above persons, exemption from taxes and the use of other tax benefits provided in accordance with this Code, or provided for by international legal acts recognized by Tajikistan, are provided in the manner established by the Government of the Republic of Tajikistan.

12. A resident of a foreign state with which the Republic of Tajikistan has signed an international agreement on the avoidance of double taxation has the right to apply such an agreement only if the main (ultimate) owner of this person is a person or persons - residents of this foreign state for the purposes of the agreement, and also if one of the following conditions is met:

1) the main block of shares or other participation interests of the person is regularly sold on the stock exchange in this foreign country ;

2) both of the following conditions are met:

a) the person is active in that foreign country through his employees and facilities in that country;

b) the person's income from sources in the Republic of Tajikistan, received by him, is related to the person's active operations in this foreign state;

3) the agreement provides for a limitation of benefits or there are other provisions that prevent the abuse of this agreement.

**Article 2. Basic concepts used in this Code**

The following basic concepts are used in this Code :

**1) tax administration** - a set of measures taken by the tax authority in compliance with the requirements of this Code and other regulatory legal acts aimed at ensuring the application of regulatory legal acts regulating tax relations, state duty and mandatory payments to the budget;

**2) special tax regime** - a special   
taxation procedure established for certain groups   
of taxpayers, providing for simplified methods and methods for calculating and paying certain types of taxes, as well as for submitting tax reports;

**3)** **general tax regime** - the procedure for calculating and paying national and local taxes established by this Code, with the exception of special tax regimes;

**4) assets** - resources that are at the disposal or under the control of individuals and legal entities from which economic benefits are expected, having a measure of value. In particular, property (other tangible and intangible assets), monetary funds or property rights that make up the total amount of fixed and current assets (funds) of a person, any value belonging to a person, an accounting category that includes the value of the subject’s own property, as well as funds and stocks intended for payment (repayment) of debts (obligations);

**5) fixed assets** - assets that simultaneously meet the following conditions:

a) their service life is more than one year;

b) are used as means (tools) of labor in the production of goods (performance of work, provision of services) or for managerial needs;

c) the value of each unit of such assets must comply with the limits established by the legislation on accounting;

d) subject to depreciation;

**6) tax debt** - calculated (accrued) amounts of taxes, accrued interest and imposed fines recognized by the taxpayer, but not paid within the established and (or) amended period, to the budget;

**7) winnings** - any types of income, remuneration and benefits in kind and in monetary terms, received by taxpayers at contests, competitions (Olympiads), festivals, lotteries, lotteries, including lotteries on deposits and debt securities;

**8) grant** - funds and (or) other property provided on a gratuitous and irrevocable basis to achieve certain goals, issued from the following sources:

a) foreign states (governments of foreign states), international organizations, individuals and legal entities to the Republic of Tajikistan and the Government of the Republic of Tajikistan;

b) individuals and legal entities, relevant state bodies to eliminate the consequences of natural disasters or solve social problems;

c) international and foreign organizations, foreign non-governmental public organizations and foundations whose activities are of a charitable and (or) international nature and do not contradict the Constitution of the Republic of Tajikistan - the Republic of Tajikistan, the Government of the Republic of Tajikistan, individuals and legal entities of the Republic of Tajikistan;

**9) foreign income** – any income received from sources outside the Republic of Tajikistan;

**10) electronic signature of the taxpayer** - a special cryptographic means of ensuring the authenticity, integrity and authorship of electronic documents;

**11) electronic taxpayer** - a taxpayer interacting with tax authorities in electronic form on the basis of an agreement concluded with them with the use and recognition of a digital signature when exchanging electronic documents through the taxpayer's personal account;

**12) work** - activities, the results of which have a material expression, including construction, installation and repair work, scientific research, development and design development;

**13) dividends** – any distribution of funds or property of a legal entity between its shareholders (participants), including:

a) income received by a shareholder (participant) from the legal entity-issuer in the distribution of annual profit remaining after taxation. If an appropriate decision is made on the intended use of these contributions to the funds in accordance with established norms and its intended use is ensured, this net profit is not subject to taxation;

b) income received by a shareholder (participant) from the distribution of funds or property in the procedure for the repurchase by the legal entity-issuer of its shares (shares) and income received by the shareholder (participant) from the division of property upon liquidation of the legal entity minus (in both cases) the cost property (shares, shares) made by the founder (participant) as a contribution (share) to the authorized capital;

c) income received by a shareholder (participant), disguised as other payments;

d) the value of any asset, service or debt forgiven by a legal entity in favor of a shareholder (member) or a person related to a shareholder (member) is considered as an act of actual distribution of income;

**14) humanitarian aid** - goods (works, services) provided free of charge to the Republic of Tajikistan, sent from foreign countries and international organizations to prevent and eliminate the consequences of emergency situations of a military, environmental, natural, man-made and other nature and improve the living conditions and life of the population;

**15) household plots** - land plots of settlements allocated to individuals in accordance with the norms established by the Land Code of the Republic of Tajikistan;

**16) source of payment of the taxpayer's income** - an organization or individual from which (at whose expense) the taxpayer receives income;

**17) bad debt** - the amount due to the taxpayer, but which the taxpayer is not able to receive in full due to the insolvency or liquidation of the debtor, or the possibility of receiving it from the debtor or a third party is unlikely and in the accounting records of the taxpayer in accordance with International Financial Reporting Standards, it is reflected as written off. In any case, a bad debt is a debt that is considered bad debt in the financial accounts of the taxpayer and for the repayment of which not a single payment has been made. to bank settlement and treasury accounts within three years from the moment when such payment should have been made and or regardless of other circumstances, the taxpayer was liquidated;

**18) location of a separate subdivision of a legal entity** - the place where this legal entity operates through its separate subdivision (the actual location of the separate subdivision);

**19) agricultural products** - the initial result (product) of growing crops, animals and other biological assets, not subjected to further industrial processing;

**20) industrial processing of agricultural products** - technological operations associated with the production of finished products from agricultural raw materials that have undergone primary processing. For single tax payers, industrial processing of agricultural products is not considered:

a) operations for the preparation of agricultural products for sale (sorting and packaging);

b) a combination of different agricultural products, the trademark of which does not change;

c) slaughter and cutting of livestock;

d) cleaning and drying of grain, grain and industrial crops (except cotton), taken in the initial weight;

e) preparation of seeds of agricultural products in natural conditions;

f) drying of vegetable and fruit crops, fumigation with sulfur in natural conditions;

**21) goods** – any tangible property (money, land and (or) products that are transported by means of wires (with the exception of electrical energy), cables, radio receivers, optics or other electromagnetic or similar technical systems are not considered goods for value added tax purposes);

**22) credit financial organization** - a credit institution and an Islamic credit institution, carrying out, on the basis of a license from the National Bank of Tajikistan, activities provided for by the legislation of the Republic of Tajikistan ;

**23) credit organizations** - legal entities (banks, non-bank credit organizations, including microfinance organizations) carrying out all or certain banking operations under the license of the National Bank of Tajikistan, as provided for by the legislation of the Republic of Tajikistan;

**24) commodity nomenclature of foreign economic activity** - a system of commodity classification codes adopted in accordance with the harmonized system for describing and coding goods;

**25) royalties** – fee for:

a) the right to use natural resources in the process of mining and (or) processing of man-made formations;

b) the use of copyrights, software, patents, drawings, models, trademarks or other industrial or intellectual property, or the transfer of the right to use to others;

c) the use of industrial, commercial or research equipment, or the transfer of the right to use it to other persons;

d) application of know-how;

e) the use of films, video films, sound recordings or other recording media, or the transfer of the right of use to other persons;

f) provision of additional and auxiliary technical assistance in connection with the rights provided for in this paragraph;

**26) entertainment expenses** – expenses for the reception and servicing of any persons, including expenses incurred in order to establish or maintain mutual cooperation, as well as participants who arrived at a meeting of the board of directors, the audit commission, a meeting of shareholders. Representation expenses include expenses for holding an official reception for these persons, their buffet (buffet) service during negotiations;

**27) services** - any activity for remuneration, money, as well as gratuitous services, which is not the supply of goods, the performance of work, which includes, among other things:

a) trading activities;

b) financial services;

c) lease of tangible and intangible property;

d) a product transmitted using transmitters, cables, radio receivers, optics or other electromagnetic systems, or similar technical systems;

**28) financial services (for value added tax purposes)** - services of a credit institution, an Islamic credit institution and other organizations according to the list approved by the National Bank of Tajikistan in agreement with the Ministry of Finance of the Republic of Tajikistan and the authorized state body;

**29) electronic document** - a document in the established electronic format, compiled, transmitted, encrypted and certified by an electronic signature, having the force of reporting after its acceptance and confirmation of authenticity;

**30) insurance payment (insurance indemnity, sum insured)** - the amount paid by the insurance company to the insured person under property insurance and liability insurance to cover damage due to insured events;

**31) activities for the production of goods** - entrepreneurial activity, the income from which is received from the production and sale of goods (tangible property) produced by the entrepreneur himself from his own raw materials;

**32) tax debt recognized by the taxpayer** - the unpaid amount of the tax liability, determined (accrued) in the following form:

a) the taxpayer in his tax reporting ;

b) in the decision on granting a deferment for the payment of taxes;

c) in the decision of the tax authority on the act of the tax audit received by the taxpayer, if the tax amount is not disputed;

d) a court decision that has entered into force;

**33) indirect tax** - a tax (value added tax, excise tax and tax on the sale of primary aluminum), the amount of which is collected by the taxpayer from the consumer or the taxpayer has the right to collect for payment to the budget by including this tax in the sale price of goods, works and services ;

**34) supply of goods** – transfer of ownership of goods, including sale, exchange or gift, transfer free of charge or with partial payment, payment of wages and other payments in kind, as well as the transfer to the pledgee of ownership of goods placed in pledge;

**35) offshore (preferential) zones** - states and (or) territories that provide taxpayers (foreign individuals and legal entities) with a preferential taxation regime, do not disclose and provide information on financial and other property transactions;

**36) electronic database** - a set of secure electronic data used to determine the correct accounting of the turnover of goods and products of taxpayers and sources of taxation. The procedure for its maintenance is determined by the authorized state body;

**37) operation on revaluation of foreign currency, precious metals and stones** - an operation carried out in order to regulate the relevant balance sheet of an organization (enterprise, institution), regardless of its desire, in connection with a change in the exchange rate of the national currency against foreign currency, precious metals and stones and refers to either the income or expenses of the organization, depending on its positive or negative final result (the final difference between income and expenses of the revaluation);

**38) cash registers** - electronic devices with fiscal memory and data transmission devices that record and store in their memory fiscal information on mutual settlements in cash, bank payment cards and other forms of electronic payments when selling goods, performing work and services, record and store in their memory and provide it directly to the tax authorities through operators (online);

**39) virtual cashier** - software or a package that contains information on cash and non-cash settlements with consumers at wholesale trade (service) points, and has the ability to connect to the fiscal module, prepares and maintains fiscal documents, transmits fiscal documents in real time, performs fiscal data for operator, prints fiscal data or transmits them electronically to the tax authority;

**40) tax year** - the period corresponding to the calendar year, lasting from January 1 to December 31;

**4 1) Council for Pre-trial Dispute Resolution** – advisory body for pre-trial consideration of tax disputes between a taxpayer and a tax authority;

**42) tax consultant** - a person who provides consulting services on the calculation and payment of taxes, duties, other payments and the submission of tax reports (declarations), as well as on the protection of the rights and legitimate interests of taxpayers;

**43) tax risk** - the probability of non-fulfillment or incomplete fulfillment of tax obligations by the taxpayer;

**44) interest** - any amount expressed in the form of interest, discounts, bonuses and other funds, as well as remuneration for the use of money, paid simultaneously or periodically, including a penalty for non-payment of taxes on time ;

**45) owner (ultimate beneficiary)** - one or more individuals or legal entities that are directly or indirectly the owners of the property;

**46)** **authorized capital** - a set of financial and monetary resources (shares, shares) of the founders (participants) formed to create a legal entity and ensure its activities;

**47) irresponsible taxpayer** - a taxpayer who does not fulfill his tax obligations in accordance with tax legislation;

**48) responsible taxpayer** - a taxpayer who ensures the fulfillment of his tax obligations in accordance with tax legislation, not included in the list of irresponsible taxpayers;

**49) transfer price** – the price formed between related parties and (or) different from the market price of transactions between independent parties in the course of cross-border transactions;

**50) electronic fiscal receipt (electronic settlement document)** - a form of settlement document for operations in the format of electronic payments, which has the required details of a cash register receipt for goods (work, services), including the digital value of the bar code of the goods and (or) may contain a fast code response;

**51) electronic invoice** - a document issued using any electronic channels without or with an electronic signature, submitted through the means of electronic data interchange. The specified document with an electronic copy of the paper invoice attached is transmitted through the taxpayer's personal account or any electronic network that creates a reliable basis for verification between the invoice and the supply of goods (performance of work and provision of services);

**52) cashback** - a kind of incentive that is returned when paying for the cost of goods, performing work and services by means of a non-cash payment (including means of electronic payments, bank payment cards and electronic wallets) in a certain percentage of the amount paid, or a fixed amount by a credit financial institution and (or) the seller the buyer;

**53) bank account** - accounts of taxpayers, with the exception of deposit (savings) accounts of individuals opened with credit financial institutions for the purposes of this Code;

**54) electronic means of payment** - means and (or) methods, the purpose of which is to transfer funds within the framework of the types of non-cash payments using information and communication technologies, electronic media, including bank payment cards and other technical equipment, with and without opening bank accounts for taxpayers, allowing the taxpayer to develop and confirm a payment order;

**55) disputed (controversial) debt** - tax debt with which the taxpayer does not agree and, in accordance with the procedure established by law, filed a written complaint with a higher tax authority, the Council for Pre-trial Dispute Resolution , a court or other relevant body (before consideration and receipt of a response based on the results of the complaint);

**56) functional currency** - a currency that is different from the national currency.

# Article 3

1. Establishment, release, change and cancellation of the tax is carried out by introducing amendments and additions to this Code and (or) to the legislative acts provided for by paragraph 10 of Article 1 of this Code.

2. Draft regulatory legal acts on amendments and additions to tax legislation, exemption from tax, are submitted in the prescribed manner by the authorized state body in the field of finance.

3. When establishing taxes, the taxpayer, tax incentives and all elements of taxation must be determined.

# Article 4. The procedure for calculating the terms established by tax legislation

1. The terms established by tax legislation are determined by a calendar date, an indication of an action that must be performed or will be performed after the expiration of a period of time, which is calculated in years, quarters, months or days.

2. The beginning of the calculation of the period established by the tax legislation is considered the day following the calendar date or the event that should occur.

3. The term , calculated in years, expires in the corresponding month and day of the last year of the term. At the same time, any period of time consisting of twelve consecutive months other than a calendar year is recognized as a year.

4. The term, calculated in quarters, expires on the corresponding day of the last month of the term. At the same time, a quarter is equal to three calendar months, and the countdown is from the beginning of the calendar year.

5. A term calculated in months expires on the last day of the relevant month.

6. Terms calculated in days shall be calculated in calendar days, unless days are calculated in this Code as working days. A working day is a day that, in accordance with the law, is not recognized as a day off or a non-working day.

7. If the last day of the term falls on a day that is considered a weekend or non-working day, the expiration of the term is considered the working day following this weekend or non-working day.

8. An action for which a deadline is set may be performed before 24:00 of the last day of the deadline.

9. The term is not considered to have expired if the documents (reports) were submitted to the communication organization, and (or) the funds, the relevant payment documents were submitted to credit financial institutions before 24:00 of the last day of the term.

# Article 5. Receipt of taxes and their distribution to the budget

by-laws adopted on its basis .

by-laws adopted on their basis .

3. Funds from national taxes are distributed between the republican budget and local budgets in accordance with the Law of the Republic of Tajikistan on the State Budget of the Republic of Tajikistan for the corresponding financial year . Local tax payments go to the respective local budgets.

4. Administrative procedures for tax revenues, state duties and fees, as well as customs payments, are carried out by the relevant authorized bodies and tax authorities in the prescribed manner.

5. Control over the process of receipt of taxes established in the special part of this Code shall be ensured by tax authorities, unless otherwise provided by this Code.

# Article 6. Application of international treaties of the Republic of Tajikistan on taxation issues

1. The application of international treaties of the Republic of Tajikistan on taxation and general legal international tax norms is carried out in the manner prescribed by this Code.
2. The provisions of international treaties regulating issues of avoidance of double taxation and prevention of tax evasion, one of the parties to which is the Republic of Tajikistan, apply to tax residents of one or both states that have concluded such an agreement. For this purpose, the tax resident is determined in accordance with the treaty.

3. The provisions of part 2 of this article shall not apply to a tax resident of the state with which an international treaty of the Republic of Tajikistan is concluded, if the tax resident uses the provisions of this international treaty in the interests of another person who is not a tax resident of the state with which this international treaty is concluded.

4. A person who has the actual right to income paid by a legal entity is recognized as a person who has the right to independently use and (or) dispose of these incomes, or a person in whose interests another person is authorized to dispose of such income. It does not matter whether this right arose due to direct and (or) indirect participation in this legal entity, or control over it, or due to other circumstances.

5. In the manner prescribed by part 4 of this article, the actual right to income of a person carrying out his activities without forming a legal entity is determined.

6. When determining the person who has the actual right to income, the functions performed by the persons referred to in paragraph 4 of this article, as well as the risks they take, shall be taken into account.

7. A foreign person is not recognized as having the actual right to income from sources in the Republic of Tajikistan, if he has limited powers to dispose of these incomes, performs intermediary functions in relation to these incomes in the interests of another person, and without assuming any financial risks, directly or indirectly pays such income (in whole or in part) to another person.

8. When paying income from sources in the Republic of Tajikistan to a foreign person who does not have the actual right to such income, if the person who has the actual right to such income (part thereof) is known, the taxation of the income paid is carried out in the following order:

1) if the person having the actual right to the paid income (part of it) is a tax resident of the Republic of Tajikistan, the taxation of the paid income (its part) is carried out in accordance with the provisions of this Code in relation to tax residents of the Republic of Tajikistan. At the same time , the payer does not withhold tax at the source of payment in relation to the paid income (part thereof), provided that he notifies the tax authority at the place of registration. The procedure for such notification is determined by the state authorized body;

2) if the person who has the actual right to the paid income (part thereof) is a tax resident of the state (jurisdiction) with which there is a valid international agreement of the Republic of Tajikistan on taxation issues, in this case, the provisions of specified international agreement.

3) if a person who has the actual right to receive income (or part thereof) is a tax resident of a state (jurisdiction) that does not have an international agreement on taxation with the Republic of Tajikistan, taxation of income (or part thereof) received by a non-resident is carried out in accordance with with the provisions of this Code.

9. These rules are applied provided that the place of permanent residence of the person to whom income is paid, and who does not have the actual right to these incomes, is a state (jurisdiction) with which there is a valid international agreement of the Republic of Tajikistan on taxation issues.

10. If the payer does not know the person who has the actual right to income (or part of it), the taxation of such income (or part of it) is carried out in accordance with the provisions of this Code, defined in relation to non-residents.

11. The competent authority of the Republic of Tajikistan, defined in an international agreement, has the right to send a request to the competent authority of a foreign state for assistance in the fulfillment by a taxpayer of a foreign state of a tax obligation that has not been fulfilled in the Republic of Tajikistan.

12. The provisions of paragraphs 4-11 of this article are applied to determine the person who has the actual right to receive income from the source of payment in accordance with an international agreement.

# CHAPTER 2. PRINCIPLES OF TAXATION

# Article 7. Principles of taxation

Taxation is based on the principles of legality, compulsion, validity of taxation and cooperation of tax authorities with the taxpayer, fairness, unity of the tax system and transparency.

# Article 8. Principle of legality

1. The tax is established in accordance with this Code and the norms of tax legislation cannot contradict the principles established by this Code.

2. No one may be obliged to pay a tax that is not provided for by this Code, or established in violation of its norms.

# Article 9. The principle of obligation

All subjects of tax legal relations are obliged to pay the taxes established by this Code and comply with the norms of tax legislation.

# Article 10

1. The validity of taxation means the establishment in the tax legislation of the Republic of Tajikistan of all elements of the tax, taxpayer, tax benefits, procedure, fulfillment and termination of tax obligations.

2. Within the framework of tax relations, the tax authorities are obliged to cooperate with the taxpayer in order to ensure the implementation of the tax legislation of the Republic of Tajikistan. At the same time, the tax authorities are not entitled to create artificial obstacles to the legal activities of the taxpayer, and the taxpayer must assist the tax authorities in the exercise of their powers.

# Article 11. The principle of justice

1. Taxation in the Republic of Tajikistan is universal, and all taxpayers pay taxes in proportion to income and property.

2. It is prohibited to establish differentiated tax rates, tax incentives or other advantages depending on the form of ownership, source of funding, as well as to establish taxes that prevent citizens from exercising their constitutional rights.

# Article 12. The principle of the unity of the tax system

1. The tax system is unified throughout the territory of the Republic of Tajikistan.

2. It is not allowed to establish taxes that violate the single economic space of the Republic of Tajikistan, in particular, directly or indirectly limiting the free movement of goods (services) or financial resources on the territory of the Republic of Tajikistan.

# Article 13. The principle of transparency

1. Regulatory legal acts regulating tax legal relations are subject to mandatory publication.

2. Normative legal acts regulating tax legal relations, which are not officially published, have no legal force.

# CHAPTER 3. SUBJECTS OF TAX RELATIONS AND OTHER CONCEPTS USED IN THIS CODE

# Article 14. Subjects of tax relations

1. The subjects of tax relations are persons directly or indirectly participating in tax relations, having rights and obligations, actions or inaction, which leads to the emergence of tax liabilities.

2. The following are recognized as residents of the Republic of Tajikistan for the purposes of taxation:

1) if an individual has been in the territory of the Republic of Tajikistan for a period or periods in aggregate exceeding 182 days in any 12-month period beginning or ending in the current calendar year, is considered a resident of the Republic of Tajikistan (hereinafter referred to as the resident) for the current calendar year, but considering the following:

a) an individual who is a resident in the current calendar year, but was not a resident of the Republic of Tajikistan during the previous calendar year, is considered as a resident in the current tax period only for the period starting from the first day when the person was physically present in the Republic of Tajikistan;

b) an individual who is a resident of the Republic of Tajikistan in the current calendar year, but is not a resident in a subsequent tax period, is considered a resident for the current tax period only for the period ending on the last day when the person was physically present in the Republic of Tajikistan;

2) a citizen of the Republic of Tajikistan, who was in the civil service of the Republic of Tajikistan outside the Republic of Tajikistan during a calendar year, is considered a resident in the current calendar year, regardless of the duration of such service;

3) individuals who are citizens of the Republic of Tajikistan;

4) individuals who have submitted an application for obtaining citizenship of the Republic of Tajikistan or for a permanent residence permit in the Republic of Tajikistan without obtaining citizenship of the Republic of Tajikistan, regardless of the period of their stay in the Republic of Tajikistan, are recognized as residents if the person does not have a permanent place of residence outside the Republic of Tajikistan .

3. An individual who is not a resident in accordance with this article is considered a non-resident of the Republic of Tajikistan.

4. A citizen of a foreign state is not considered a resident of the Republic of Tajikistan, regardless of the period of his stay in the territory of the Republic of Tajikistan, if he is a person with diplomatic or consular status (or a family member), or an employee of an international organization, or a person in the public service of a foreign state (or a family member of such a person).

5 . The status of a resident and non-resident in relation to an individual is determined for each calendar year.

6. An individual recognized as a non-resident is obliged to submit to the tax agent or tax authority at the place of stay (residence) no later than the date of receipt of income or the date of filing tax returns a document confirming the status of a resident in a foreign state of this person or a stateless person and a notarized translation into state language of the identity document (passport).

7. An individual entrepreneur is an individual who carries out entrepreneurial activities without forming a legal entity on the basis of a patent or certificate.

8. A legal entity may be a resident and a non-resident:

1) a resident legal entity - a legal entity is recognized as a resident if it is established in accordance with the legislation of the Republic of Tajikistan and (or) its main management body (management body, management body) is located on the territory of the Republic of Tajikistan;

2) a legal entity - non-resident - a legal entity established in accordance with foreign legislation, is considered in the Republic of Tajikistan as a legal entity, even if it is not a legal entity in accordance with the legislation of the state in which it is created.

9. Branch and representative office of a legal entity - a separate subdivision of a legal entity, regardless of its inclusion in the constituent documents or other documents of the legal entity as a whole must meet the following conditions:

1) carry out entrepreneurial or non-entrepreneurial activities;

2) have territorial and (or) property isolation from the legal entity;

3) have staff units created for a period of more than one calendar month, and (or) personnel associated with the organization or this unit by relations regulated by the Labor Code of the Republic of Tajikistan.

10. Taxpayer - an individual, an individual entrepreneur, a legal entity, branches and their representative offices engaged in economic activities, regardless of the organizational and legal form, type of activity, subordination and form of ownership, or object of taxation, which are obliged by tax legislation to pay taxes , government fees and charges.

11. State bodies - an integral part of the state apparatus, exercising state power with appropriate organizational and legal forms, in accordance with the competence and structure established by regulatory legal acts:

1) authorized state body in the field of finance - the central body of executive power, which ensures the conduct of a unified state policy and regulatory legal regulation of financial, budgetary, tax and other activities, coordinating the activities of the executive bodies of state power in the implementation and compliance with tax legislation, accounting for the timely receipt of taxes, duties and other obligatory payments from taxpayers to the state budget and state funds and public finance management;

2) authorized state body - the central executive body of state power, ensuring the implementation and compliance with the provisions of tax legislation;

3) authorized bodies - state bodies of the Republic of Tajikistan, with the exception of tax authorities, authorized by the Government of the Republic of Tajikistan to calculate and (or) collect certain taxes and (or) perform other functions related to taxation.

12. Tax agent - an organization or individual entrepreneur, which, in accordance with this Code, is charged with the obligation to calculate, withhold and transfer to the appropriate budget taxes withheld from the taxpayer or at the source of payment.

13. The tax agent is obliged:

1) calculate, withhold and transfer to the budget taxes and other obligatory payments provided for by this Code and tax legislation withheld from the taxpayer or at the source of payments in full and within the established time limits;

2) keep records of income paid to taxpayers and taxes withheld from them (or at the source of payment) and transferred to the relevant budgets, keep separate records for each taxpayer;

3) submit tax reports to the tax authority at the place of its registration in accordance with the procedure established by this Code.

14. Person - any natural or legal person, permanent establishment, branch or other separate subdivision of a non-resident.

15. Organizations - legal entities established in accordance with the legislation of the Republic of Tajikistan (hereinafter referred to as resident organizations), foreign legal entities established in accordance with the legislation of foreign states, including its branches and representative offices established in the territory of the Republic of Tajikistan, international organizations (hereinafter referred to as foreign organizations).

# Article 15. Entrepreneurial and non-entrepreneurial activities

1. Entrepreneurial activity is an independent activity carried out by persons at their own risk, aimed at obtaining income (profit) through the use of property, the sale of goods, the performance of work or the provision of services.

2. Entrepreneurial activity in terms of gross income is divided into the following types:

1) small business activity - the activity of an individual entrepreneur and a legal entity, the total income of which for 12 consecutive (continuous) past calendar months is less than 1,000,000 (one million) somoni ;

2) medium business activity - the activity of a legal entity whose total income for 12 consecutive (continuous) past calendar months is from 1,000,000 (one million) somoni to 25,000,000 (twenty five million) somoni ;

3) large business activity - the activity of a legal entity, the total income of which for 12 consecutive (continuous) past calendar months is more than 25,000,000 (twenty five million) somoni .

3. Charitable activities are understood as activities carried out in accordance with the Law of the Republic of Tajikistan "On Charitable Activities".

4. For tax purposes, the provision of any assistance is not considered charitable activity if one of the following conditions is met:

1) the person receiving assistance assumes an obligation of a property or non-property nature (except for the obligation to use the funds or property received for the intended purpose) to the person providing such assistance;

2) the person receiving such assistance and the person providing such assistance shall be considered related persons.

5. The following activities are not considered as business activities:

1) the activities of state authorities at all levels and self-government bodies of towns and villages, directly related to the implementation of the state powers assigned to them;

2) charitable activities;

3) religious activity;

4) activities of public organizations;

5) activities of the non-profit organization financed by the founders of the non-profit organization;

6) performance by an individual of work for hire.

6. For the purposes of taxation, the implementation of the following types of activities by an individual, an institution financed at the expense of the founder, and (or) a non-profit organization is not recognized as entrepreneurial activity, if such activity is not the main activity of an individual:

1) placement of funds in financial and credit organizations;

2) lease of movable and (or) immovable property;

3) transfer of property to trust management;

4) acquisition (sale) or transfer to another person of a share in the authorized capital of a legal entity or its securities;

5) purchase (sale) or transfer to another person of bonds or any other promissory notes;

6) acquisition (sale) or transfer to another person of a share in an equity investment fund and (or) copyrights and any similar rights belonging to the seller;

7) work for hire, carried out on the basis of the conclusion of contracts of a civil law nature, or without the conclusion of contracts.

7. In the part where the persons carrying out the types of activities specified in Part 5 of this Article conduct entrepreneurial activities, the entrepreneurial activities of such persons are subject to taxation, their assets and activities directly related to the implementation of entrepreneurial activities are subject to a separate (separate from the main activity) ) accounting.

8. The activities of a legal entity that is a state institution, part of the special funds of which are collected in the budget in the amount and in the manner prescribed by law, is not considered entrepreneurial activity.

# Article 16. Employment

1. For the purposes of this Code, the term “employment” means:

1) fulfillment by an individual of obligations within the framework of relations regulated by the civil legislation of the Republic of Tajikistan, the labor legislation of the Republic of Tajikistan or the legislation of the Republic of Tajikistan on civil service;

2) fulfillment by an individual of obligations directly related to service in the ranks of the Armed Forces of the Republic of Tajikistan or in law enforcement and (or) equivalent bodies (institutions);

3) the work of an individual in a managerial position in an enterprise or organization.

2. An individual who has worked, is working or will be employed is referred to as an “employee” within the framework of this Code. The person paying for the services rendered by such an individual is referred to as the "employer", and the payment is referred to as "salary".

3. For the purposes of this Code, the main place of work of an employee is the place of work, where, in accordance with the labor legislation of the Republic of Tajikistan, the employer is obliged to keep the work book of the employee.

**Article 17. Establishment of a permanent establishment of a non-resident**

1. A permanent establishment of a non-resident (a foreign enterprise or a non-resident person) in the Republic of Tajikistan (hereinafter referred to as a permanent establishment), unless otherwise provided by this article, means a permanent place of business through which this foreign person fully or partially carries out entrepreneurial activities, including including activities carried out through an authorized person.

2. A permanent place of business specified in paragraph 1 of this article is considered to be:

1) any place of management, branch, department, bureau, office, office, agency, factory, plant, workshop, workshop, laboratory;

2) the place of production, processing, assembly, packaging and packaging of goods;

3) any place, including a store or warehouse, used as a point of sale;

4) places used for construction, sites for construction work, installation or other places associated with the implementation of supervisory activities;

5) one of the following places where services are provided through employees:

a) a location where more than 90 calendar days of employee-assisted services are provided during the whole of a continuous twelve-month period ending in that reporting period;

b) any places where gambling machines (including set-top boxes), computer networks and communication channels, attractions are installed, operated and used.

6) mines, oil or gas wells, or other places for exploration or extraction of natural resources, a quarry or sites for the development and extraction of natural resources;

7) the place of installation of equipment or structures used for geological study (exploration), development, extraction of natural resources, but only if such equipment or structures are in operation or ready for operation for a period exceeding 182 days;

8) any place of carrying out activities (including control or supervision) related to gas pipelines and other pipelines.

3. A non-resident is also considered to be the owner of a permanent establishment in the Republic of Tajikistan if:

1) collects insurance premiums and (or) carries out insurance or reinsurance of risks in the Republic of Tajikistan through an authorized agent;

2) is a party to an agreement on joint activities (simple partnership) formed in accordance with the legislation of the Republic of Tajikistan and operating on the territory of the Republic of Tajikistan;

3) organizes paid exhibitions in the Republic of Tajikistan and (or) supplies (sales) goods to them;

4) on the basis of contractual relations, empowers a person to represent his interests in the Republic of Tajikistan, act and (or) conclude contracts on his behalf;

5) authorizes a person in the Republic of Tajikistan to store stocks of goods and carry out regular deliveries on his behalf;

6) founders or managing persons of a legal entity - a resident and a non-resident are related persons.

4. A non-resident may operate in the Republic of Tajikistan without establishing a permanent establishment specified in paragraph 1 of this article, through a person authorized to act on his behalf, to perform actions to conclude civil law contracts. In this case, the place of activity of such a non-resident is the place of activity of this authorized person (in cases where this person does not have a permanent place to carry out activities, such a place of activity of a non-resident is the place of permanent residence of his authorized person).

5. A subsidiary of a non-resident legal entity established in accordance with the legislation of the Republic of Tajikistan cannot be considered a permanent establishment of the main non-resident enterprise.

6. A registered representative office and (or) a branch   
of a foreign enterprise is considered a permanent establishment of a non-resident.

7. The activity of a foreign legal entity in the Republic of Tajikistan in accordance with the provisions of this article is considered a permanent establishment from the date of commencement of such activity in the Republic of Tajikistan.

8. For the purposes of applying the provisions of this Code, the date of commencement of the activities of a foreign legal entity in the Republic of Tajikistan shall be the following dates:

1) the date of conclusion of any contract for:

a) provision of services in the Republic of Tajikistan;

b) empowerment to act on his behalf in the Republic of Tajikistan;

c) purchase of goods in the Republic of Tajikistan for use or sale in the territory of the Republic of Tajikistan;

d) procurement of services in the Republic of Tajikistan;

2) the date of signing the initial employment contract for the purpose of carrying out activities in the Republic of Tajikistan;

3) the date of entry of a non-resident individual into the Republic of Tajikistan as an employee or employment of a resident by a foreign legal entity in any other way to fulfill the terms of the contract specified in paragraphs 1) and 2) of this part.

9. If the activity of a foreign legal entity is of a mobile nature (road construction project, mineral prospecting and other mobile activities), the entire project is considered as a permanent establishment, regardless of its nature.

10. If, in accordance with the requirements of this Code, the place of activity of a non-resident in the Republic of Tajikistan is recognized as a permanent establishment of a non-resident, in this case, prior to the commencement of such activity in the Republic of Tajikistan, the non-resident undergoes state registration as a taxpayer and is registered with the tax authority at the place of activity.

11. The activity of a non-resident in accordance with the provisions of this article, regardless of whether it is registered with the tax authorities or not, means the creation of a permanent establishment. A permanent establishment of a non-resident for the purposes of taxation in the Republic of Tajikistan is recognized as a legal entity and calculates and pays taxes to the budget in the manner prescribed by this Code, unless otherwise provided by this Code. If the permanent establishment is not registered with the tax authorities, taxes are withheld at the source of payment by the tax agent in the manner established for non-residents.

12. For the purpose of taxation, in order to establish the presence of a permanent foreign establishment with a resident outside the Republic of Tajikistan, the provisions of parts 1-11 of this article are also applied, while references in these parts to a non-resident mean a resident, and references to the Republic of Tajikistan mean a foreign state.

**Article 18. Financial lease (leasing) and leasing organization**

1. The transfer of depreciable property to another person on the basis of a financial lease (leasing) agreement concluded for a period of more than 12 months in accordance with the legislation on financial lease (leasing) is a financial leasing if such activity meets at least one of the following conditions:

1) the term of the financial lease agreement exceeds 75 percent of the service life (useful use) of the transferred property and (or) the residual value of the financial lease at the end of the lease period will be less than 25 percent of the original cost;

2) after the expiration of the term of the financial lease agreement, the object of financial lease becomes the property of the lessee;

3) after the expiration of the financial lease, the lessee has the right to acquire the leased property at a price established by the terms of the financial lease;

4) the current discounted value of the minimum payment for the weight of the financial leasing term exceeds 90 per cent of the market price of the property transferred under financial leasing;

5) the property transferred to the financial lease under the order of the lessee and at the end of the lease term cannot be used by a person other than the lessee.

2. For the purposes of this Code, leasing is a special type of financial lease, in which one party (the lessor) on behalf of the other party (the lessee) acquires ownership of the property stipulated by the leasing agreement from a third party (the seller) and transfers it to the lessee for a fee into possession and use under a contract that meets the requirements established by part 1 of this article.

3. For the purposes of income tax in accordance with this Code, the lessee who has received the leased property for possession and use under a financial lease (leasing) agreement shall be the buyer of this property. For value added tax purposes, a finance lease is treated as a periodic supply, with each periodic transfer being in part a supply of goods and in part a provision of interest in financial services.

4. For the purposes of this article, the lease term includes the additional period for which the tenant is entitled to renew the lease in accordance with the lease agreement.

**Article 19. Investment projects of the Government of the Republic of Tajikistan**

1. Investment projects of the Government of the Republic of Tajikistan - projects provided on the basis of credit ( grant ) agreements on their financing (implementation) between the Republic of Tajikistan (the Government of the Republic of Tajikistan) and foreign states (governments of foreign states), domestic, foreign and international financial organizations included in the register of investment projects by the state authorized body in the field of investments. This register also includes projects for the construction of social facilities, which are transferred free of charge by individuals and legal entities to the relevant state body. The procedure for maintaining the register of investment projects at the suggestion of the authorized state body in the field of investments in agreement with the authorized state body in the field of finance and the authorized state body in the tax field is approved by the Government of the Republic of Tajikistan.

2. Investment projects of the Government of the Republic of Tajikistan are implemented using the benefits provided for by this Code.

3. Credit ( grant ) agreements on financing (implementation) of investment projects of the Government of the Republic of Tajikistan, providing for the provision of additional tax benefits, are subject to approval by the Majlisi namoyandagon Majlisi Oli of the Republic of Tajikistan. Such agreements cannot contain provisions on exemption from income tax and social tax for citizens of the Republic of Tajikistan.

4. In case of deterioration of taxation conditions for the implementation of investment projects of the Government of the Republic of Tajikistan, until the completion of such projects, the taxation conditions that were in force at the time of signing the relevant agreements are used in relation to them.

**Article 20. Taxpayer's personal account**

1. Personal account of the taxpayer (hereinafter - personal account) - this is an information source posted on the official website of the authorized state body. The procedure for its conduct is established by the authorized state body.

2. The personal account of each taxpayer is formed after the registration of the taxpayer with the tax authorities.

3. The exchange of information between the tax authority and the taxpayer, including a non-resident without and or with the formation of a legal entity, as well as foreign persons providing remote services, is carried out only through a personal account, through which the taxpayer and the tax authority can exercise mutual rights and obligations, with the exception of certain cases provided for by this Code.

4. The entrance to the personal account of the taxpayer is carried out through the integrated information tax system through an electronic digital signature. An electronic digital signature is issued to the taxpayer by a structural subdivision of the authorized state body on the basis of his application.

5. After the activation of the personal account and up to the suspension of its activities, the tax authority sends all documents and information to the taxpayer exclusively through the personal account. In a similar manner, the taxpayer sends documents to the tax authorities.

6. If, when a tax authority sends an electronic document to the taxpayer's personal account, information is received on the suspension of the taxpayer's personal account or the termination of the use of an electronic digital signature key, this document is sent to the taxpayer in paper form within three working days from the date of receipt of the specified information.

7. A taxpayer who, without good reason, does not submit a tax return or other document in electronic form through the taxpayer's personal account is responsible for its written processing.

**Article 21. Market prices**

1. For the purposes of taxation, the actual price indicated (secured by valid documents , including the contract, receipt, invoices) by the parties to the contract shall be taken as the price of goods (work, services), unless otherwise provided by this article. If the indicated price for a good (work, service) differs from the market price in the cases provided for by paragraph 9 of this article, and the taxpayer does not provide justified reasons for the price discrepancy, the market price is used when taxing such transactions.

2. The market price for a good (work, service) is the price formed on the basis of supply and demand on the market of an identical product (work, service) (in its absence - homogeneous) and on the basis of an agreement concluded on the relevant market between persons who are not interdependent. An agreement between related parties is taken into account only if their interdependence does not affect the results of such an agreement.

3. The market price for a good (work, service) is determined on the basis of information on contracts concluded in the relevant market at the time of delivery of this good (work, service), and in the absence of such, on the day closest to the moment of sale, preceding or following the moment of sale of such a good (work, service) for an identical (homogeneous) good (work, service), including information on prices determined by appraisers, fixed prices on international and other exchanges. If the market price is determined with reference to a similar good (work or service), the price is adjusted for differences between the like good (work or service) and the actual good (work or service).

4. When selling goods (works, services), prices (tariffs) for which are regulated in accordance with the legislation of the Republic of Tajikistan, the specified prices (tariffs) are accepted for taxation purposes.

5. The market for goods (works, services) is the sphere of circulation of these goods (works, services), determined for the seller (buyer) in the nearest territory for the seller (buyer) in the Republic of Tajikistan or outside the sale (purchase) of goods (works, services ) based on the ability of the seller (buyer).

6. In the absence of contracts for identical (homogeneous) goods (works, services) on the market of goods (works, services) or supplies of such goods (works, services) to this market, the market price of goods (works, services) is determined by the prices formed on the basis of transactions concluded in respect of identical (homogeneous) goods (works, services) on the day closest to the moment of sale of goods (works, services) or following the moment of sale of such goods (works, services) or the prices of the last transaction, but not more than 30 calendar days days before or after the moment of sale of such goods (works, services).

7. If it is impossible to apply the provisions of parts 2-6 of this article, the market price of goods (works, services) is determined by the method of resale price and the "costs plus" method .

8. When determining the market price for goods (works, services), official sources of information on market prices for goods (works, services), including the database of statistical, banking and exchange data, information provided at the request of the tax authority by taxpayers, appraisers, experts.

9. Tax authorities apply market prices in the following cases, if:

1) the contract is signed between related parties and their interconnectedness affected the results of such an agreement;

2) the obligations of the parties are fulfilled through the exchange of goods (work or services);

3) one of the parties to the foreign trade agreement is a resident of a country with preferential taxation in accordance with Article 223 of this Code;

4) one of the parties to the agreement uses tax benefits;

5) the price used by the parties to the contract differs from the official statistical price formed on the day closest to the moment of sale of goods (works, services) or following it, but not more than 30 calendar days before or after the moment of sale of such goods (works, services) by 30 percent. This provision applies when comparing retail prices with retail prices and wholesale prices with wholesale prices.

10. For the purposes of this article, the following concepts apply:

1) identical goods - different goods that have the same characteristics, in particular physical characteristics, quality, reputation in the market, country of origin and manufacturer;

2) homogeneous goods - various goods that are not identical, but have similar characteristics and consist of similar components, which allows them to perform the same functions and be commercially interchangeable;

3) professional traders - traders, stock traders;

4) price determination period - the period during which the average (high and low) price for the supply of goods (performance of works and provision of services) necessary to determine the market price is established;

5) the date of transfer of ownership to the buyer - the date of completion of the supply of goods (works, services) in accordance with the terms of the contract, in international agreements within the framework of long-term contracts from the moment of delivery of goods (works, services) to the buyer, the date of signing the contract on goods sold for on the basis of long-term contracts, the date of conclusion of a loan agreement for services for the provision of loans, the date of signing an agreement for the performance of other works and the provision of services;

6) exchange of goods - the moment of delivery or replacement of goods (work, services), regulated in accordance with the contract and confirmed in the form of a specific document;

7) sources of information - officially recognized sources of information, data of state authorities, authorized bodies of other states and organizations, data provided by the parties to the agreement, as well as other sources of information;

8) end consumer - an independent party or a party that does not have a special relationship with the parties to the contract and cannot influence the economic results of the contract and does not transfer the purchased goods (works and services) to another entity;

9) method for determining the price of subsequent sale (resale) - means a method for determining the market price, in which the margin received on resale between related parties (controlled contract) is compared with the margin received on resale as a result of an uncontrolled transaction;

10) "cost plus" method - means a method of determining the market price, in which the mark-up on costs incurred directly or indirectly in the supply of goods or services in a controlled transaction is compared with the mark-up on these directly or indirectly incurred costs in the supply of goods or services within comparable uncontrolled actions;

11) wholesale price - the price of goods set by the seller to the buyer for a large consignment (wholesale) for the purpose of further resale or professional use ;

12) retail price - the price at which goods are sold through a retail network to end consumers by the piece or in small lots.

11. The provisions of this Article and Chapter 33 of this Code do not apply to the activities of credit financial institutions, including for loans attracted by them.

12. Taxation of the lease of property, with the exception of objects that are leased by state bodies in accordance with the established procedure, is established at the actual cost of the rent, but not less than the minimum amount, in accordance with the Law of the Republic of Tajikistan on the State Budget of the Republic of Tajikistan for the corresponding financial year, in depending on its location and other characteristics (as amended by the Law of the Republic of Tajikistan dated December 24, 2022 [*No. 1 934*](vfp://rgn=141762) ).

13. This article is not accepted in case of application of the provisions of Chapter 33 of this Code.

14. The procedure for applying the methods specified in this article is approved by the Government of the Republic of Tajikistan.

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# Article 22. Related parties

1. For the purposes of this Code, two parties will be considered related if one of the following conditions is met:

1) in relations between two parties, one of the parties acts in accordance with instructions, requests and proposals of the other party;

2) both parties act in accordance with instructions, requests and proposals of a third party, if such a case is confirmed by substantiated documents.

2. Two parties are not related because one party is an employee or client of the other, or both parties are employees or clients of a third party, whether or not their relationship complies with paragraphs 3 or 5 of this article.

3. In addition to the provisions of paragraph 1 of this Article, the parties shall be deemed to be related if:

1) parties directly at the management level and having family relations have the right to make unilateral decisions;

2) persons are founders (participants) of the same enterprise, if the share of each person is at least 25 percent;

3) one person directly and (or) indirectly participates in another person, and the total share of such participation is more than 25 percent;

4) persons directly or indirectly control a third party, if the voting right of each of them is at least 25 percent;

5) more than half of the board of directors or several members of the board of directors, or several executive directors or executive members of the board of directors of one party are appointed by the other party;

6) more than half of the board of directors or members of the board of directors, or several executive directors or executive members of the board of directors of both parties, are appointed by the same third party;

7) one of the parties is a permanent establishment of the other party.

4. For the purposes of paragraphs 2) - 4) of paragraph 3 of this article, a party shall be deemed to be the owner of a share in the regulated capital or voting rights in another party related to the first party, in accordance with the provisions of this article.

5. For the purposes of this Code, all commercial and financial transactions carried out with a resident of a country with low taxation, as defined in Article 223 of this Code, will be treated as transactions with related parties. At the same time, the provisions of this part do not apply to taxpayers who provide tax authorities with information about the identity of the shareholders of the other party and prove that they are not related to each other.

6. For the purposes of this article, relatives of an individual are:

1) spouse (s) of an individual;

2) parents, children, brother, sister, uncle, aunt, nephew, niece, stepfather, stepmother, adopted child of spouses;

3) the spouse (a) of any relative of the natural person referred to in paragraph 2) of this paragraph;

4) the guardian of a natural person.

**CHAPTER 4. TAX SYSTEM OF THE REPUBLIC OF TAJIKISTAN**

**Article 23. Taxes**

A tax is a mandatory payment to the budget established by this Code, made in a certain amount, which is mandatory, non-refundable and free of charge (with the exception of social tax). Taxes are calculated in monetary terms and paid in national currency, unless otherwise provided by this Code.

**Article 24. Types of taxes**

1. National and local taxes are established in the Republic of Tajikistan. In appropriate cases and in the manner prescribed by this Code, taxpayers use special tax regimes.

2. National taxes include:

1) income tax;

2) value added tax;

3) excise tax;

4) taxes on natural resources;

5) social tax;

6) sales tax (primary aluminum).

3. Local taxes established by this Code and put into effect by regulatory legal acts of local government bodies in cities and regions include property tax .

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# Article 25. Special system of taxation

1. The special tax regime includes the regimes of special and simplified taxation.

2. The regime of special taxation includes:

- regime of taxation of the activities of free economic zones;

- the regime of taxation of subjects of the securities market;

- the regime of taxation of individuals engaged in entrepreneurial activities on the basis of a patent or certificate.

3. The simplified tax regime includes:

- Simplified regime of taxation of small businesses;

- simplified regime of taxation of producers of agricultural products (single agricultural tax);

- simplified regime of taxation of gambling business entities;

- a simplified regime for taxation of activities in poultry farming, fish farming and the production of combined feed for birds and animals;

- simplified regime of taxation of innovation and technological activities;

**Article 26. Tax elements**

1. A tax is considered established only if the taxpayer, benefits and all elements of the tax are determined by this Code and by-laws adopted on its basis .

2. Tax elements include:

* + object of taxation;
  + the tax base;
  + tax rate;
  + taxable period;
  + the procedure for calculating the tax;
  + procedure for filing tax returns;
  + tax payment procedure.

3. When establishing a tax, tax benefits and grounds for their application may also be provided.

**Article 27. Object of taxation**

1. The object of taxation is property, action, result of action or other circumstance having a value, quantitative or physical characteristic, with the presence of which, in accordance with tax legislation, a tax liability arises for a taxpayer.

2. Each tax has an independent object of taxation, which is determined in accordance with the special part of this Code.

**Article 28. Tax base**

The tax base is a cost, physical or other assessment of the object of taxation. For each tax, this Code establishes the tax base and the procedure for its determination.

**Article 29. Tax rate**

1. The tax rate is the amount of tax charges per unit of measurement of the tax base, expressed as a percentage or an absolute amount.

2. Tax rates are established by this Code, unless otherwise provided by part 3 of this article.

3. Rates of excise tax, taxes on natural resources, land tax, single tax for agricultural producers, a fixed amount for individual entrepreneurs operating on the basis of a certificate with special conditions and the cost of a patent for individual entrepreneurs are approved by the Government of the Republic of Tajikistan for certain types of activities with taking into account the regional nature in the manner prescribed by this Code.

**Article 30. Tax period**

1. The tax period is a calendar year or other period of time after which the tax base is determined and the amount of tax payable is calculated.
2. A tax period may consist of several reporting periods.
3. With regard to taxes for which the tax period is a calendar year, the provisions of this article shall apply subject to the specifics provided for in parts 4-7 of this article.
4. If a legal entity was liquidated (reorganized) before the end of a calendar year, the last tax period for it is calculated from the beginning of this year until the date of completion of the liquidation (reorganization) procedure.
5. If a legal entity is created and liquidated (reorganized) during a calendar year, the tax period for it is calculated from the date of its creation to the date of completion of the liquidation (reorganization) procedure.
6. If a foreign legal entity, whose activities did not lead to the formation of a permanent establishment in the Republic of Tajikistan, submits an application for registration as a tax resident of the Republic of Tajikistan, the determination of the first tax period for income tax for it is carried out in the following order:
   * if a foreign legal entity has submitted an application for registration as a tax resident of the Republic of Tajikistan since January 1 of a calendar year, the first tax period for it is the calendar year in which the specified application is submitted;
   * if a foreign legal entity has submitted an application for registration as a tax resident of the Republic of Tajikistan, then the first tax period for it is the period from the date of submission of the said application to the tax authority until the end of the calendar year in which it is submitted. If an application of a foreign legal entity to register itself as a tax resident of the Republic of Tajikistan is submitted in the period from December 1 to December 31, the first tax period for it is the period from the date of submission of this application to the tax authority until the end of the calendar year following the year in which it submitted to the tax authority.
7. The provisions provided for by part 6 of this article shall not apply to legal entities from which one or more legal entities have been separated or merged.

**Article 31. Procedure for calculation and payment of taxes**

1. The procedure for calculating tax determines the rules for calculating the amount of tax for a tax period based on the tax base, tax rate and tax benefits, if any.
2. A taxpayer and a tax agent independently calculate and pay taxes, unless otherwise provided by this Code.
3. In the cases provided for by this Code, the obligation to calculate taxes may be assigned to a tax authority or a tax agent.
4. The tax is paid in full, unless otherwise provided in this Code.
5. If the tax period consists of several reporting periods, current payments are made based on the results of each of them. For certain types of taxes, current payments established by this Code may also be provided. The obligation to make current payments is equated to the obligation to pay tax.
6. Legal entities and individual entrepreneurs pay accrued taxes, fines and interest in non-cash form.

Note: The procedure for calculating and terms for paying taxes are determined by the special part of this Code.

**Article 32. Tax incentives**

1. Tax incentives are recognized as the advantages provided by certain categories of taxpayers provided for by tax legislation in comparison with other taxpayers, including the opportunity not to pay tax or pay them in a smaller amount.
2. Postponement (installment plan) of payment of taxes is not a tax benefit.
3. Tax incentives are provided by this Code, unless otherwise provided by part 5 of this article.
4. Tax incentives cannot be individual.
5. Additional tax benefits in priority sectors in accordance with the regulatory legal acts listed in paragraphs 7) and 8) of part 10 of Article 1 of this Code are provided in the form of a reduction in the tax rate established by this Code by 50 percent and for a period not exceeding 5 years.
6. The list of priority sectors for which tax benefits are provided in accordance with this Code, and additional benefits in accordance with the relevant regulatory legal acts, is approved by the Government of the Republic of Tajikistan. With the exception of newly defined priority industries, the exclusion and/or re-approval of the list of priority industries with benefits is carried out on the basis of an analysis of the effectiveness of the proposed benefits for the development of the national and regional economy.
7. Unless otherwise provided by this Code, taxpayers have the right to use tax benefits from the moment the relevant legal grounds arise during the entire period of their validity or refuse to use tax benefits, with the exception of the sale (export) of goods (works, services) exempt from value added tax . If the taxpayer refuses to use tax benefits, he must notify the tax authority in writing at the beginning of the year (until January 20) and comply with it until the end of the year.
8. Tax incentives may be granted subject to the allocation of funds exempted from taxation for certain purposes. In case of misuse of such funds, they are subject to collection in the budget with the accrual of penalties in the established manner. The amount of funds released in connection with the provision of tax benefits and unused during the period of validity of these benefits may be directed to the purposes specified when granting benefits within a year after the expiration of the granted benefits. At the same time, funds not used within the specified period are subject to transfer to the budget.
9. Value added tax benefits, including when imported into the territory of the Republic of Tajikistan, cannot be provided, provided that the funds exempted from taxation will be allocated for specific purposes.
10. In the event of natural disasters (earthquakes, floods) and emergencies ( epidemics and pandemics), the Government of the Republic of Tajikistan may grant tax holidays to all taxpayers or a group of taxpayers.
11. The procedure for granting, assessing the effectiveness and feasibility of tax incentives is approved by the Government of the Republic of Tajikistan on the proposal of the authorized state body in the field of finance in agreement with the authorized state body and other relevant state bodies.

**CHAPTER 5. RIGHTS AND OBLIGATIONS OF THE TAXPAYER . IRRESPONSIBLE TAX PAYERS**

**Article 33. Rights of a taxpayer**

1. The taxpayer has the right:

1. receive free advice and information from tax authorities and other state bodies involved in tax legal relations related to the application of tax legislation, in particular on the rules, procedures, regulations and instructions developed by the authorized state body;
2. represent and defend their interests on tax matters in person or through their authorized representative;
3. apply to the tax authorities, industry-specific business support bodies and the Pre-trial Dispute Resolution Council to protect their rights and legitimate interests against the actions or inaction of a tax authority employee;
4. within the time limits established by this Code, receive the results of tax control and the audit carried out by the tax authority;
5. refuse to conduct a tax audit if a notification is not submitted within the time limits established by this Code;
6. participate in tax control and audits;
7. receive in electronic form in the tax authority forms of tax applications and reporting forms in the prescribed manner to submit tax reports;
8. submit explanations to the tax authorities based on the results of tax control and audit;
9. receive from the tax authority in electronic form a confirmed act of reconciliation of the calculation and payment of taxes;
10. receive from the tax authority in electronic form certificates on the presence or absence of tax debts, on the amounts of income received by a non-resident from sources in the Republic of Tajikistan and withheld (paid) taxes;
11. in order to fulfill the tax obligation, receive from the tax authority relevant information on the details of tax payment (settlement account, purpose of payment, type of tax, distribution to the relevant budget, and so on) necessary to fill out the relevant document, as well as information on the method of payment;
12. demand from the employee of the tax authority strict compliance with tax legislation in tax relations;
13. appeal against acts of tax control, decisions, notifications, orders, instructions, orders, regulatory legal acts, as well as actions and inaction of an official of a tax authority in accordance with the provisions of this Code and other legislative acts of the Republic of Tajikistan;
14. require compliance with the secrecy of commercial transactions by the tax authorities;
15. request an extension of the deadlines for paying taxes (deferred or installment plan) in the manner and on the terms established by this Code;
16. demand timely offset or refund of amounts overpaid or overcharged taxes;
17. in accordance with the established procedure, demand compensation from the tax authority for damages caused as a result of illegal decisions and actions (inaction) of its officials;
18. not to comply with the requirements of the responsible persons of the authorized bodies of tax legal relations that are not provided for by this Code and or other regulatory legal acts;
19. independently correct mistakes made in the calculation and payment of taxes;
20. in the manner prescribed by law and in compliance with the procedure for pre-trial resolution of disputes, appeal to the court the results of tax audits, tax control, actions (inaction) of officials of tax authorities;
21. the taxpayer also has other rights provided for by this Code and other regulatory legal acts .

2. Taxpayers are guaranteed judicial protection of their rights and legitimate interests.

3. Failure to fulfill or improper fulfillment of obligations to ensure the rights of taxpayers entails the responsibility of officials of state bodies participating in tax legal relations.

**Article 34. Obligations of a taxpayer**

1. The taxpayer is obliged:

1) register with the tax authorities as a taxpayer in the manner prescribed by the legislation of the Republic of Tajikistan;

2) register as a payer of value added tax in accordance with the procedure established by this Code;

3) keep records of their income and expenses, objects of taxation in accordance with tax legislation;

4) fulfill their tax obligations within the time limits established by this Code;

5) eliminate revealed violations of tax legislation and not interfere with the legitimate activities of employees of the tax authority;

6) allow, on the basis of instructions from officials of tax authorities, to inspect property that is the object of taxation;

7) submit tax reports and documents established by this Code to the relevant tax authorities;

8) ensure the use of cash registers and other devices of outlets;

9) store documents (information) of accounting and tax accounting, in electronic and (or) paper form, within the period established by this Code;

10) prepare the relevant documents for the audit before the deadline specified in the notice on the appointment of a tax audit;

11) conduct an inventory of their property in accordance with the legislation on accounting;

12) within 5 working days, submit to the tax authority at the place of its registration the following information :

a) on the formation or termination of the activities of its separate subdivisions;

b) on making a decision on reorganization, liquidation (termination of activities) or bankruptcy;

c) on changes in the applicable tax regime, accounting procedure, place of business (place of residence), contact details.

13) when performing any actions leading to the emergence of tax liabilities, require the counterparty to have a document confirming state registration with the tax authority as a taxpayer;

14) the taxpayer performs other obligations established by this Code.

2. The taxpayer is obliged to draw up reconciliation acts in written or electronic form together with the tax authority within the following terms:

1) dekhkan farms without forming a legal entity - once according to the results of the reporting year;

2) taxpayers operating under the simplified tax regime, with the exception of taxpayers operating on the basis of a patent - once per reporting half-year;

3) taxpayers operating on the basis of a patent - once according to the results of the reporting year;

4) taxpayers operating under the general taxation regime - each reporting quarter.

3. Responsibility for non-payment or incomplete payment of the amount of taxes as a result of non-inclusion of taxable income from the operation in the tax base rests with the taxpayer.

4. The list of irresponsible taxpayers is compiled by the authorized state body on the basis of an official decision and posted on its website. After correcting the committed violations of the law and (or) providing substantiated evidence, the name of the irresponsible taxpayer is excluded from this list.

5. A taxpayer is recognized as irresponsible in the following cases, if:

a) for more than 3 consecutive months does not ensure the submission of tax reports and (or) payment of the amount of tax (taxes) and (or) payment of recognized tax debts;

b) a value-added tax invoice has been submitted in the event that the taxable transaction was not actually carried out;

c) other actions (inaction) have been carried out, the list of which is established by the authorized state body in agreement with the authorized body in the field of entrepreneurship support.

# CHAPTER 6. REGULATION OF TAX AVOIDANCE AND PREVENTION OF TAX EVOIDANCE

# Article 35 \_

1. The commission on tax avoidance is created by the authorized state body. The Commission is a consultative, independent body and does not make decisions, and its powers include the provision of advisory opinions to the tax authorities on issues of tax avoidance in accordance with the requirements of Article 36 of this Code.

2. The commission is created with at least 5 members. Each committee member must have significant experience in tax and/or business matters. Members of the commission may not be civil servants and persons convicted of crimes. Commission members are appointed for a period of one year and may be reappointed. The chairman of the commission is elected from among the members of the commission. The chairman of the commission determines the procedure for the activities of the commission.

3. Tax authorities submit materials to the commission in accordance with the established procedure for obtaining an advisory opinion in accordance with part 2 of Article 36 of this Code. The commission makes an advisory decision by a majority of votes and if one of the members of the commission has a dissenting opinion, it is reflected in the conclusion as a dissenting opinion. The advisory opinion of the commission must be submitted to the tax authorities within 28 calendar days.

4. Tax authorities, in accordance with paragraph 4 of Article 36 of this Code, make a final decision on the basis of the conclusion of the commission on tax avoidance issues .

5. The regulation on the commission on tax avoidance issues is determined by the authorized state body in agreement with the authorized state body in the field of finance.

# Article 36 \_

1. Avoidance of taxation are actions that are not tax evasion, but allow the taxpayer to reduce tax liabilities within the framework of tax legislation.

avoidance countermeasures if:

- the taxpayer received a tax benefit as a result of the implementation of actions to avoid taxation;

- taking into account the essence of the implementation of the tax avoidance scheme or part of it, it can be reasonably concluded that the taxpayer or one of the taxpayers used such a scheme mainly for the purpose of obtaining a tax benefit.

3. If the tax authority considers the actions of the taxpayer to be tax avoidance actions , the tax authority must send materials to the tax avoidance commission for an advisory opinion. The commission shall submit a written advisory opinion to the tax authority within the period established by paragraph 3 of Article 35 of this Code. The tax authority is obliged to provide the taxpayer with a copy of the commission's advisory opinion within 3 business days.

4. If the commission recognizes the measures taken by the taxpayer as actions to avoid taxation, the tax authority shall take the following measures:

- determines the tax liability of the taxpayer anew, without taking actions to avoid taxation or in a way that reduces the tax benefit established by this Code;

- in order to avoid double taxation, makes compensatory adjustments to the tax liabilities of other taxpayers who have suffered losses due to tax avoidance actions .

5. The authorized state body applies to the taxpayer the alternative methods of taxation specified in the first paragraph of part 4 of this article.

6. The tax authority is obliged to apply the provisions of part 4 of this article in relation to taxpayers and other taxpayers who have suffered losses from tax avoidance actions , based on the conclusion of the commission, within 5 years from the last day of the tax year in which the tax avoidance action was committed .

7. In this article:

1) "actions to avoid taxation" means an agreement, transaction, promise, obligation, operation or action actually performed or planned (including unilateral action), with (without) enforcement or voluntary execution;

2) "tax benefit" means:

a) a reduction in the obligation to tax;

b) deferment of the fulfillment of the obligation to pay tax and or any other avoidance of the fulfillment of tax obligations.

8. If the measures taken by the taxpayer are not recognized by the commission as actions to avoid taxation, in accordance with the provisions of this Code, the taxpayer is subject to taxation.

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# Article 37. Tax evasion

1. Tax evasion - illegal and intentional non-fulfillment of tax obligations by individuals and legal entities.

2. The following acts are considered tax evasion if the taxpayer:

- does not keep accounting (tax) records and (or) does not meet its requirements;

- destroyed the accounting documents necessary to determine the tax liability;

- did not submit tax reports for the period of three reporting months;

- underestimated the paid tax funds in tax reports (taking into account the corrective declaration);

- failed to provide the tax authorities with the information and documents necessary for determining tax liabilities within the time limits established by this Code;

- submitted a value added tax invoice without actually carrying out the transaction.

3. In case of tax evasion by a taxpayer, the tax authority determines the amount of his tax liability for a period of up to 10 years from the last day of the tax year in which the tax evasion action was committed.

4. With regard to a taxpayer who has committed tax evasion, the tax liability determined by part 3 of this article for an act of tax evasion shall be applied in a double amount .

5. If in the course of a tax audit it is revealed that there are no records of objects of taxation or the taxpayer does not provide information about them, the tax authority, on the basis of the information it has, may, for the purposes of Part 3 of this article, calculate the estimated amount of tax, using, in appropriate cases, an estimate of the cost of selling goods (works) , services), the value of property, the average level of wages and the level of profitability of 10 percent.

6. Depending on the nature of the activity, the tax authority may determine the tax amount also based on the results of chronometric surveys, comparable economic indicators of the activities of other taxpayers engaged in similar activities.

7. Received ( th ) income (profit) is subject to taxation in accordance with this Code, regardless of the grounds on which he (she) received (a). If, in accordance with the procedure established by the legislation of the Republic of Tajikistan, it is determined that any income or part of it was obtained illegally and is subject to conversion into state ownership, in this case, the amount of taxes previously withheld (paid) to the state budget from this illegal income is taken into account.

8. In order to apply additional measures to combat tax evasion, the procedure for applying alternative methods of taxation is approved by the Government of the Republic of Tajikistan.

# Article 38. Advantage of content over form

The use of legal contracts to formalize transactions (transactions) intended to conceal real transactions (transactions) and change the procedure for collecting taxes will not be taken into account, since the real intention will prevail andpurpose of the parties to the contract.

# Article 39. Choice of counterparties

1. In tax relations, taxpayers are responsible for the choice of counterparties.
2. The tax authorities provide taxpayers with access to information on the registration of counterparties with the tax authorities as taxpayers, as well as to other information in the manner determined by the authorized state body, and taxpayers using this procedure are recognized as taxpayers who have shown due diligence when concluding an agreement.

**SECTION II. TAX ADMINISTRATION PROCEDURE**

**CHAPTER 7. CONTROL OF THE PAYMENT OF TAXES**

**Article 40. Administrative provisions**

The administrative provisions established in the general part of this Code shall apply to the taxpayer and to all types of taxes, customs payments, state duty and other obligatory payments to the budget, unless otherwise provided by the legislation of the Republic of Tajikistan.

**Article 41. Tax control**

1. Tax control is a form of state control and is carried out exclusively by tax authorities. With the exception of the provisions of part 2 of this article, it is prohibited to conduct tax control by other regulatory and law enforcement agencies.

2. Customs authorities exercise tax control within their powers in accordance with this Code and customs legislation.

3. Tax control is carried out by tax authorities in the following forms:

1) cameral control;

2) timing examination;

3) additional control of excisable goods and other activities;

4) control of the system of electronic marking of goods;

3) field tax audit;

4) raid check

5) tax monitoring;

6) transfer and market pricing.

4. Control over compliance with tax legislation, with the exception of field tax audits, is carried out on a regular basis.

**Article 42**

1. Desk control is a form of tax control carried out by a tax authority without visiting the taxpayer's place of business, based on the study and analysis of the report of the taxpayer (tax agent) and information obtained on the basis of the provisions of this Code, without requiring additional documents and information from the taxpayer. Desk control is an integral part of the risk management system, is carried out in order to prevent violations of tax laws and allows the taxpayer to independently correct existing discrepancies.

2. Cameral control may be carried out automatically using electronic programs in accordance with the provisions of this Code.

3. It is prohibited to exercise in-house control during an on-site tax audit and tax monitoring, as well as for the periods of these types of tax control.

4. In the event of a discrepancy in tax reporting, the tax authority sends a notice to the taxpayer in writing or electronically with a request to correct the identified discrepancies within 10 calendar days.

5. The taxpayer is obliged, within 10 calendar days from the date of receipt of the notification, to ensure its execution or has the right to provide appropriate explanations with supporting documents. If there are valid reasons, such as the illness of the responsible person or his children, close relatives, business trip, the presence of the responsible person outside the Republic of Tajikistan and other similar cases, the notice period is extended by 10 calendar days.

6. In order to protect his rights and interests in relation to the materials of in-house audit, the taxpayer may appoint a consultant or other person as a representative on the basis of a power of attorney in the manner prescribed by law.

7. If, as a result of consideration of the submitted documents and explanations, there has been a change in the tax liability of the taxpayer, the tax authority that conducted the in-house audit sends a certificate and notification to the taxpayer. If the taxpayer fails to fulfill his tax obligation within 5 working days after receiving the second notification, such taxpayer is included in the risk criteria, on the basis of which an on-site tax audit is scheduled for that subject of in-house audit.

8. Taking into account the requirements of paragraphs 1-6 of this article, if it is revealed during an in-house audit that a taxpayer has made a mistake, sanctions, including fines and interest, are not applied to such a taxpayer, and the results of the control are not reflected in the taxpayer's personal account.

9. When conducting an in-house audit, compliance with the following conditions is mandatory:

1) in-house control of tax reporting submitted to the tax authorities, which was not previously subjected to in-house control, is carried out in relation to the taxpayer no more than once every six consecutive months and its repeated conduct is prohibited.

2) in-house control of tax reporting of dekhkan farms without forming a legal entity, which was not previously subjected to in-house control, is carried out once a year.

10. In-house control on the return (reimbursement) of the amount of value added tax associated with the export of goods (services) is carried out in the manner established by the authorized state body within 30 days from the date of submission of the application by the taxpayer.

**Article 43**

1. Chronometric examination is a form of tax control carried out in order to establish the actual income and expenses of the taxpayer for the period subject to examination.

2. A chronometric examination is carried out no more than once a year for up to 3 working days.

3. The objects of the chronometric examination are:

- correspondence of information in the fiscal memory of cash registers to the balance of funds on the day of the survey;

- accounting of financial and monetary transactions;

- maintaining a book of accounting for income and expenses (when carrying out activities under a simplified regime);

- the number of employees.

4. A chronometric inspection is carried out by order of the tax authorities in the manner prescribed by this Code for conducting an on-site inspection.

5. The use of the results of a chronometric survey for the previous tax period is prohibited, except for the cases provided for by Part 6 of Article 37 of this Code.

**Article 44. Additional control of excisable goods and other activities**

1. Additional control of excisable goods and other activities is carried out in the following order:

1. by marking excisable goods;
2. by organizing tax posts on the territory (location) of the taxpayer or points of customs clearance;
3. through an electronic labeling system or quick response codes (QR codes).

2. Tax posts are organized in the following cases, if:

- the manufacturer of excisable goods does not have an electronic system for marking goods;

- the taxpayer systematically submits zero reporting;

- the downward trend in the financial economic indicators of the taxpayer covers 3 consecutive months;

- the period of non-payment of tax debt is more than 6 months;

- a discrepancy between tax reporting and the official statistical report of users of natural resources was revealed.

3. Producers and importers of excisable goods are responsible for their labeling.

4. The procedure for establishing tax posts is determined by the Government of the Republic of Tajikistan.

5. Control of labeling of excisable goods imported into the Republic of Tajikistan under the customs regime of release for free circulation, and or sold in the Republic of Tajikistan in accordance with other customs regimes, is carried out by the customs authorities of the Republic of Tajikistan.

**Article 45. Control of the system of electronic marking of goods**

1. The control of the system of electronic marking of goods, including excisable goods, is carried out in order to account for goods imported into the territory of the Republic of Tajikistan and excisable goods produced in the Republic of Tajikistan, as well as to track their further turnover.

2. The manufacturer is responsible for labeling goods produced in the Republic of Tajikistan, the supplier is responsible for ensuring the labeling requirements for imported goods and the distributor is responsible for their sale.

3. Compliance with the rules for labeling goods is monitored by tax and customs authorities.

4. The procedure for electronic marking, the activities of operators to track the turnover and the procedure for their control are established by the Government of the Republic of Tajikistan.

**Article 46. Tax audit**

1. Tax audits are carried out in order to control compliance with tax legislation, payment of state duty and other mandatory fees. A tax audit is carried out in the form of an on-site tax audit and a raid audit.

2. The basis for conducting a tax audit is the order of the authorized state body.

3. On the basis of one prescription, only one tax audit may be carried out, with the exception of a field audit.

4. A tax audit must not suspend a taxpayer's activities.

5. A tax audit is carried out only on business days and during business hours of the taxpayer.

6. Tax audit of the activities of economic entities, which is of a seasonal nature, is not carried out in the following periods:

- in farms producing agricultural products - during the sowing period, including from April 1 to June 1 and during the harvest period from August 1 to November 1 of the calendar year;

- at enterprises for the processing of agricultural products - from June 20 to October 20 of the calendar year.

7. A raid audit is carried out by tax authorities on compliance with the following requirements of tax legislation:

1) registration with the tax authorities as a taxpayer, the accuracy of information about the location of the taxpayer;

2) involvement by the employer of employees in the performance of work (services);

3) availability and use of cash registers or an integrated three-component system;

4) availability of equipment (devices) intended for payment using plastic cards or other forms of electronic payments;

5) the presence of a consignment note and the correspondence of the name, quantity (volume) of goods to the information specified in the consignment note;

6) availability and accuracy of electronic marking for accounting of goods imported into the territory of the Republic of Tajikistan and produced in the Republic of Tajikistan, including excisable goods;

7) compliance with the rules of bottling (packaging), marking with excise stamps, storage, sale of excisable products and the implementation of certain types of excisable activities.

8. Field checks are carried out by tax authorities at the place of business of entrepreneurs no more than once every six months.

9. With the introduction of labeling of goods, the validity of paragraphs 6) and 7) of part 7 of this article shall be terminated.

10. A field audit is carried out on the basis of an order of the head of the tax authority, which is presented to the taxpayer during the audit and recorded in the audit register.

11. An official of a tax authority conducting a field audit shall not be entitled to request from a taxpayer information that is not related to the subject of the audit.

**Article** **47**

1. An on-site tax audit is carried out only to determine the correctness of the calculation of taxes and mandatory payments for a certain period of time at the place of activity of the taxpayer and on the basis of a risk management system, except for cases where the place of activity of the taxpayer is the place of his residence. In such an exceptional case, and in the event that the taxpayer's registration address does not correspond to the actual address of the place of business, an on-site tax audit is carried out at the tax authority.

2. An on-site tax audit is carried out on a high level of risk, determined by the risk management system based on the relevant order of the authorized body. The order shall indicate the name and identification number of the taxpayer, last name, first name, patronymic and position of the inspector, the timing and purpose of the inspection.

3. The tax authorities shall send the taxpayer a notice of an on-site tax audit at least 10 working days prior to the start of an on-site tax audit. The notification is delivered to the taxpayer (tax agent) at the location specified in the registration data or sent to the taxpayer's personal account, or by registered mail.

4. The notice shall indicate the grounds for conducting an on-site tax audit, including the subject of the audit, the tax period and the term of its conduct.

5. An on-site tax audit in the event of voluntary liquidation of the taxpayer's activities is carried out from the moment of the last audit, but no more than the limitation period .

6. A taxpayer is prohibited from making changes and additions to tax reporting for the audited reporting period during an on-site tax audit.

7. If the taxpayer fails to keep accounting records in accordance with the requirements of the legislation, which makes it impossible to conduct audits, the tax authorities apply alternative methods of taxation to determine tax liabilities.

8. It is prohibited to conduct more than one field tax audit for one type of tax and for the same period, except for the provisions provided for in Article 49 of this Code.

9. In the event of termination of the activities of a separate subdivision of a resident legal entity, an on-site tax audit shall not be conducted, except in cases when the taxpayer submits an application for such an audit.

10. Instructions for conducting tax audits are approved by the authorized state body in agreement with the authorized state body in the field of finance.

**Article 48**

1. An on-site tax audit is carried out within the following terms, unless otherwise provided by parts 3 and 4 of this article:

1. for small entrepreneurs - up to 7 working days;
2. for medium-sized entrepreneurs - up to 20 working days;
3. for large entrepreneurs, including:

a) for legal entities with separate subdivisions and non-residents operating through permanent representative offices - up to 30 business days;

b) for legal entities with more than one location in the Republic of Tajikistan, and for taxpayers registered with the structural unit of the authorized state body for large taxpayers - up to 60 working days.

2. The term of the raid check cannot exceed 15 working days. A raid check of an individual taxpayer should not exceed four working hours.

3. Extension of the tax audit period is prohibited for small and medium-sized businesses.

4. Extension of the tax audit period for large entrepreneurs cannot exceed 30 business days.

5. The deadline for a tax audit is suspended in the following cases, if:

1) the taxpayer has not submitted in full the documents related to the subject of the audit;

2) there was a need to obtain information from a competent (authorized) foreign state body in the framework of international treaties of the Republic of Tajikistan;

3) there was a need for an industry expertise;

4) translation of documents submitted in a foreign language requires additional time for translation.

6. On the basis of the relevant order of the authorized state body, the extension of the tax audit period is allowed no more than once, and the suspension of the tax audit period - no more than two times.

**Article** **49**

1. Conducting repeated audits for the audited tax period is prohibited, except for the following cases:

- on the basis of a written application of the taxpayer;

- on the basis of an official request from law enforcement agencies for the taxpayer in respect of which there are materials or a criminal case on the grounds of crimes related to taxation;

- for internal control of the activities of the tax authority that conducted the on-site tax audit.

2. Re-audits carried out in accordance with paragraph 1 of this article must be carried out only in respect of the period including the last on-site tax audit.

**Article 50**

1. Entry of an official of tax authorities to the place of activity of the taxpayer ( with the exception of residential premises) is allowed only upon presentation by this official of the order of the authorized state body and service certificate.

2. If a taxpayer obstructs the access of an official of the tax authority to the place of his activity (with the exception of residential premises), the official of the tax authority draws up a report on this and applies to the relevant law enforcement agencies. In this case, the access of the official of the tax authority is ensured in cooperation with law enforcement agencies.

3. A taxpayer has the right not to allow officials of a tax authority to enter their place of business to conduct a tax audit if:

- the requirements of Articles 47 and 48 of this Code are not met;

- the inspection period specified in the order has not come or has expired;

- officials of the tax authorities do not have with them the appropriate permits for admission to a place with a special regime of secrecy.

# Article 51

1. An official of a tax authority conducting a tax audit shall have the right to demand from the taxpayer the documents related to the audit.

2. The demand of an official of a tax authority to submit documents shall be handed over to the taxpayer by his legal or authorized representative in person against receipt. If it is impossible to transfer the request for submission of documents by the specified method, it shall be sent in the manner prescribed by this Code.

3. The requested documents are submitted to the tax authorities in electronic form through the telecommunications network or the taxpayer's personal account, by registered mail, as well as in person or through a representative.

4. When submitting copies of documents requested by the tax authority in paper form, such copies must be certified by the taxpayer. It is not allowed to require notarization of copies of documents submitted to a tax authority (official), unless otherwise provided by the legislation of the Republic of Tajikistan.

5. When compiling accounting documentation in electronic form, the taxpayer is obliged during a tax audit, at the request of officials of tax authorities, to submit copies of such documentation on paper, with the exception of invoices registered in the information system of electronic invoices.

6. If necessary, the tax authority has the right to get acquainted with the original documents.

7. Documents requested in the course of a tax audit shall be submitted in compliance with the requirements of this article within 1 business day from the date of receipt of the relevant request. If the taxpayer is unable to submit the required documents within the specified period, he shall notify the official of the tax authority in writing.

8. A taxpayer must send a notice of the impossibility of submitting documents within the established time limits, indicating the reasons why such documents cannot be submitted, within the day following the day of receipt of the request to submit documents. The notice must indicate the timeframe during which the taxpayer can submit the necessary documents.

9. Within two days from the date of receipt of the notice from the taxpayer, the tax authority has the right, on the basis of this notice, to extend the terms for submitting documents or refuse to do so.

10. The taxpayer's refusal to submit the requested documents is recorded in an act drawn up by an official of the tax authority. The act is signed by an official of the tax authority and the taxpayer. If the taxpayer refuses to sign the act, an appropriate entry is made. Refusal or non-submission by the taxpayer of the said documents within the established time limits is the basis for their seizure in the manner prescribed by Article 53 of this Code.

11. In the course of a tax audit and other tax control measures, tax authorities are not entitled to demand documents from a taxpayer in the form of originals previously submitted to the tax authorities during in-house audits, on-site tax audits or during tax monitoring of the taxpayer. Documents may be reclaimed from the taxpayer if they were previously submitted to the tax authority in the form of originals returned to the taxpayer later, as well as in cases where the documents submitted to the tax authority were lost due to force majeure circumstances.

**Article 52. Demand for documents and information from third parties**

1. An official of a tax authority conducting a tax audit shall have the right to demand from the counterparty or other persons documents and information (hereinafter referred to as information ) relating to the activities of the taxpayer being audited.

2. The request for information relating to the activities of the audited taxpayer, when considering the materials of a tax audit, may also be carried out on the basis of a decision of the tax authority on the appointment of additional tax control measures.

3. The tax authority carrying out tax audits or other tax control measures shall send an order to request information relating to the activities of the taxpayer being audited to the tax authority at the place of registration of the person from whom the specified information should be requested.

4. Within 3 days from the date of receipt of the order, the tax authority at the place of registration of the person from whom the information is requested sends this person a request to provide information.

5. A copy of the order to request information is attached to the request.

6. A person who has received a request to provide information shall comply with it within 5 days from the date of receipt or, within the same period, report that they do not have the necessary information. If the taxpayer is unable to provide the required information within the specified period, the tax authority has the right to extend the period for submitting this information.

7. The requested documents are submitted subject to the provisions of parts 3, 5 and 11 of Article 51 of this Code.

8. The procedure for requesting information provided for in this article shall also apply when requesting information relating to members of a group of companies.

9. When exercising tax control, tax authorities have the right to demand from each person within 10 days by sending a written request:

- provide information on the income and expenses of the taxpayer for the specified tax period and on the expenses incurred in connection with the relationship with the taxpayer specified in the request, with the exception of information contained in electronic form, in the programs of tax authorities;

- appear at the place and within the time specified in the request to clarify the information available to the tax authorities, or to provide documents or other information related to the taxation of this and other taxpayers.

10. An authorized employee of a tax authority, when conducting a tax audit for the purpose of collecting information, has the right, in the manner prescribed by the legislation of the Republic of Tajikistan:

- make copies of accounting and other documents related to taxation;

- receive, on the basis of the act of receipt, accounting documents or other documents related to this tax audit;

- seal accounting and other documents, prohibit their use for a period not exceeding half the period of this inspection.

11. If an authorized employee of a tax authority receives accounting or other documents on the basis of the authority specified in paragraph 2 of this article, tax authorities must make copies of accounting or other documents and return the originals no later than 10 days after receipt.

12. When requesting documents relating to tax agents, the procedure for requesting documents provided for in this article shall be applied.

13. A person who has received a request to provide information has the right to refuse to provide information if the request is contrary to the provisions of this article.

14. If the taxpayer fails to comply with the requirements of this article, an authorized employee of the tax authority has the right to access the premises and property of the taxpayer, in accordance with the provisions of Article 50 of this Code.

**Article 53. Seizure of documents and objects**

1. Seizure of documents and items shall be carried out on the basis of an order of the tax authority conducting the tax audit.

2. Seizure of documents and items is not allowed outside the work schedule.

3. Seizure of documents and objects is carried out in the presence of witnesses and persons from whom documents and objects are seized. In necessary cases, a specialist is invited to participate in the extraction.

4. Prior to the commencement of the procedure for the seizure of documents and objects, an official of the tax authority shall present a resolution on the seizure and explain to the persons present their rights and obligations.

5. An official of a tax authority proposes to the person from whom the seizure of documents and items is made to voluntarily issue them, and in case of refusal, the official of the tax authority makes a seizure in the manner prescribed by the legislation of the Republic of Tajikistan. In addition, the taxpayer must:

- provide access to information stored on a storage device or electronic data storage (similar to Internet storage), including entering a code or other basis to confirm access to a device or means;

- provide access to the decryption information required to encrypt the data requested in accordance with this article.

6. If the person who is being seized refuses to open the premises or other places where the documents and objects subject to seizure are located, in order to ensure access of officials of tax authorities to such territories and premises, the tax authority shall apply to law enforcement agencies or to the court.

7. Documents and items that are not related to the subject of a tax audit are not subject to seizure.

8. An act is drawn up on the production of seizure of documents and objects in compliance with the requirements provided for in Article 59 of this Code and this Article.

9. The seized documents and items are listed and described in the act of seizure or in the descriptions attached to it with the exact indication of the name, quantity, special features and, if possible, the value of the items.

10. If there are not enough copies of the taxpayer's documents to carry out tax control measures and the tax authorities have sufficient grounds to believe that the original documents can be destroyed, hidden, corrected or replaced, an official of the tax authority has the right to seize the original documents in the manner prescribed by this article.

11. If it is impossible to remove or transfer the removed copies simultaneously with the seizure of documents, the tax authority shall transfer copies to the person from whom the documents were seized within 5 days after the seizure.

12. All seized documents and objects are presented to attesting witnesses and other participants and, if necessary, packed at the place of seizure of documents and objects.

13. Seized documents must be numbered, laced and affixed with the seal or signature of the person from whom they were seized. If this person refuses to affix the seized documents with a seal or signature, a special note is made about this in the act on the seizure of documents.

14. A copy of the act on the seizure of documents and objects is handed over against receipt or sent to the person from whom they were seized.

**Section 54. Participation of a Witness**

1. Any adult natural person who may be aware of any circumstances that are important for the implementation of tax control may be called as a witness. Explanations of the witness are recorded in the act.

2. Explanations of a witness may be obtained at the place of his stay, if due to illness, old age or disability he is unable to appear at the tax authority.

3. For employees summoned to the tax authority as witnesses, wages are retained at the place of their main job, during their absence from work in this regard.

**Article 55. Expertise**

1. In necessary cases, an expert may be involved in carrying out specific actions to carry out a tax audit.

2. The engagement of a person as an expert is carried out on a contractual basis between the tax authority and the expert.

3. Expertise is appointed if special knowledge in the fields of science, technology, art or crafts is required to clarify the issues that arise. The presence of special knowledge of an official of the tax authority does not exempt from the involvement of a qualified expert.

4. The questions posed to the expert and his conclusion cannot go beyond the limits of the expert's special knowledge.

5. The decision to appoint an expert examination shall be adopted by the tax authority on the basis of a petition from the official conducting the tax audit.

6. The decision shall indicate the grounds for appointing an expert examination, the name of the organization that should conduct the expert examination, or the surname, first name (patronymic) of the expert, questions and materials provided to the expert. The expert has the right to get acquainted with the materials of the audit related to the subject of the examination, to file petitions for the submission of additional materials to him.

7. The expert gives an opinion in writing. In conclusion, the conducted research, conclusions and substantiated answers to the questions posed are presented.

8. An expert has the right to refuse to give an opinion if the materials presented to him are insufficient for giving a reasoned opinion.

9. An official of a tax authority conducting a tax audit shall acquaint the taxpayer with the decision to appoint an expert examination, explain his rights established by part 10 of this article, and draw up a protocol.

10. When appointing and conducting an examination, the taxpayer has the right to:

- answer the arguments of the expert;

- request the appointment of an expert from among the indicated persons;

- ask additional questions to obtain an expert opinion on them;

- be present with the permission of an official of the tax authority during the examination and give explanations to the expert;

- get acquainted with the expert's opinion;

- provide a reasoned opinion on the conclusion of the examination.

11. An expert engaged by the tax authority must ensure the confidentiality of information related to the examination, on a par with an employee of the tax authority.

**Article 56**

1. In necessary cases, a specialist is involved by the tax authority to participate in the actions for the application of tax control.

2. The specialist must have special knowledge and skills and not be interested in the outcome of the case.

3. The engagement of a person as a specialist is carried out on a contractual basis between the tax authority and the specialist.

4. Participation of a person as a specialist does not exclude the possibility of his interrogation on the same circumstances as a witness.

5. A specialist engaged by the tax authority must ensure the confidentiality of information related to the audit, on an equal footing with an employee of the tax authority.

**Article 57. Participation of an interpreter**

1. In necessary cases, an interpreter may be engaged to participate in tax control activities.

2. An interpreter may be a person who is not interested in the outcome of the case and who knows the language required for translation, or who understands the signs of a natural person with hearing or speech problems.

3. The engagement of a person as an interpreter is carried out on a contractual basis between the tax authority and the interpreter.

4. The interpreter is obliged to appear when summoned by an official of the tax authority and accurately perform the translation entrusted to him.

5. An interpreter engaged by the tax authority must ensure the confidentiality of information about the audit, on a par with an employee of the tax authority.

**Article 58**

1. Where necessary, witnesses shall be involved in order to participate in tax control activities in accordance with the provisions provided for by this Code.

2. Witnesses are involved in the amount of at least two people.

3. Any adult individuals who are not interested in the outcome of the case may be involved as witnesses.

4. It is not allowed to participate as witnesses of officials of tax authorities.

5. Witnesses are obliged to certify in the act the fact, content and results of actions committed in their presence.

6. Witnesses have the right to make comments about the actions taken, which are subject to inclusion in the act.

7. If necessary, attesting witnesses may be interrogated in connection with the revealed circumstances.

8. Witnesses involved in the conduct of a tax audit must ensure the confidentiality of information related to the audit, on an equal basis with an official of the tax authority.

**Article   
59**

1. When carrying out tax control measures, an act is drawn up, which indicates the following information:

* grounds, type and frequency of the inspection;
* the place and date of the specific action;
* start and end time of the action;
* position, surname, name (patronymic) of the person who drew up the act;
* surname, name (patronymic) of each person who participated in the event, or was present at its conduct, and, if necessary, his address;
* the content of actions, the sequence of their implementation;
* facts and circumstances revealed during the performance of the action necessary for the act.

2. The act is read out to all persons who were involved or represented in this process. These persons have the right to make comments to be included in the act, or attached to the materials.

3. The act is signed by the official of the tax authority who drew it up, as well as by all persons who participated or were present during its implementation. Photographs, video recordings and other materials taken during tax control measures are attached to the act.

**Article** **60**

1. Based on the results of any on-site tax audit, the authorized officials of the tax authority who conducted this audit must draw up a tax audit report.

2. The following information shall be indicated in the act of an on-site tax audit:

1) the date of drawing up the act of the tax audit, that is, the date of signing the act by the persons who conducted this audit;

2) full and abbreviated name or last name, first name, patronymic of the person being checked. If a legal entity is checked at the location of its separate subdivision, in addition to the name of the legal entity, the full and abbreviated name of the inspected separate subdivision and its location are indicated;

3) last names, first names, patronymics of the persons who conducted the on-site tax audit, their positions, indicating the name of the tax authority they represent;

4) the date and number of the order of the tax authority to conduct an on-site tax audit;

5) a list of documents submitted by the taxpayer in the course of an on-site tax audit;

6) the period for which the on-site tax audit was carried out;

7) the name of the tax in respect of which the on-site tax audit was carried out;

8) date of commencement and completion of the on-site tax audit;

9) the address of the location of the taxpayer;

10) information on tax control measures taken during the on-site tax audit;

11) a detailed description of the tax violation (if any) with a reference to the relevant provision of tax legislation;

12) conclusions and proposals based on the results of an on-site tax audit.

3. If no violations of tax legislation have been established based on the results of the on-site tax audit, an appropriate entry shall be made in the act.

4. Documents confirming the facts of violations of tax legislation are attached to the act.

5. The form and requirements for drawing up an act of an on-site tax audit are established by the authorized state body.

6. The act is drawn up in at least three copies.

7. All copies of the act are signed by the officials of the tax authority who conducted the on-site tax audit. One copy of the act within three days after its preparation is handed over to the taxpayer. The taxpayer is obliged to sign all copies of the act indicating the date of receipt. Copies of the act remaining in the tax authority shall be attached to the audit materials.

8. The signature of the taxpayer in the act does not mean his agreement with the results of the audit.

9. If a taxpayer (his representative) evades receiving an act, an official of the tax authority shall make an appropriate entry to this effect in the inspection act. In this case, one copy of the act is sent to the taxpayer by registered mail at the place of its location.

10. The results of an on-site tax audit are based on information about the taxpayer received from the tax authorities, a third party, and collected in the course of monitoring, audit and accounting.

**Article 61**

1. The act of an on-site tax audit, during which violations of tax legislation were revealed, must be considered by the tax authority that conducted the audit no later than 15 days from the date of drawing up the report of this tax audit. A decision on the results of an on-site tax audit must be made no later than 20 days after consideration of the audit materials.

2. If the taxpayer (his representative) submitted written objections to the act within the period provided for by the first sentence of part 1 of this article, these objections are also subject to consideration.

3. The tax authority notifies the taxpayer of the date, time and place of consideration of the audit materials no less than 2 business days prior to consideration.

4. If the taxpayer has notified the tax authority of the impossibility of presenting the materials of the on-site tax audit for valid reasons, the tax authority shall postpone the consideration of the materials of the audit for a period not exceeding 5 days, of which it shall notify the taxpayer.

5. The taxpayer, in respect of which an on-site tax audit was carried out, has the right to participate in the process of consideration of its materials personally and (or) through its legal representative.

6. Absence of a taxpayer in respect of whom an on-site tax audit was conducted (his representative), duly notified of the time and place of consideration of the audit materials, is not an obstacle to the consideration of the audit materials, except in cases where the participation of this person is recognized by the tax authority as mandatory for consideration of these materials.

7. Before considering audit materials, the tax authority must:

* determine the authorized person considering the case and the materials to be considered;
* ensure the attendance of persons invited to participate in the consideration. Taking into account the circumstances of the non-appearance of these persons, the tax authority decides to consider the audit materials in their absence or to postpone the said review;
* verify the authorization of the participation of the person in respect of which the on-site tax audit was carried out;

- define and explain to the persons participating in the review procedure their rights and obligations.

8. When considering the materials of an on-site tax audit, the act of the tax audit may be announced, and, if necessary, other materials of the on-site tax audit, as well as written objections of the person in respect of whom the audit was carried out.

9. The absence of written objections does not deprive this person (his representative) of the right to give his explanations at the stage of consideration of the materials of the field tax audit.

10. When considering the materials of an on-site tax audit, the submitted evidence is examined, including documents previously requested from the person in respect of whom the audit was carried out, documents submitted to the tax authorities during the tax audit of this person, and other documents available to the tax authority.

11. It is not allowed to use evidence obtained in violation of the provisions of this Code.

12. Additional documents (information) on the activities of the taxpayer may be considered even if they are submitted to the tax authority in violation of the deadlines established by this Code.

13. When considering the materials of an on-site tax audit, if necessary, a decision may be made to involve a witness, expert or specialist in this consideration.

14. When considering the materials of an on-site tax audit, a protocol is drawn up.

15. In the course of consideration of the act of an on-site tax audit, the tax authority shall establish:

* whether the person in respect of whom the act of inspection was drawn up committed a violation of tax legislation;
* whether the identified violations constitute a tax offense;
* whether there are grounds for holding a person liable for committing a tax offense;
* validity of the taxpayer's objections.

16. If there are corpus delicti of a tax offense, the head (deputy head) of the tax authority shall identify circumstances excluding the guilt of a person in committing a tax offense, or circumstances mitigating or aggravating responsibility for committing a tax offense.

17. Regardless of the provisions of part 1 of this article, if it is necessary to obtain additional evidence to confirm the fact of violations of tax legislation or the absence of such violations, the head (deputy head) of the tax authority has the right to make a decision to carry out additional tax control measures within a period not exceeding 1 month.

18. The decision on appointment of additional measures of tax control shall set out the circumstances that necessitated the implementation of such additional measures, indicate the period and specific form of their implementation.

19. As additional measures of tax control, the tax authority may demand documents (information) in accordance with Articles 51 and 52 of this Code, interrogate witnesses and conduct an expert examination.

20. Beginning and completion of additional tax control measures, information on additional tax control measures taken, as well as additional evidence obtained to confirm the fact of violations of tax laws or the absence of such, conclusions and proposals of auditors to eliminate the identified violations and references to articles of this Code in case , if this Code provides for liability for violations of tax legislation, are recorded in an addendum to the act of an on-site tax audit.

21. An addendum to the act of an on-site tax audit must be drawn up and signed by officials of the tax authority who carried out additional tax control measures within 10 days from the date of completion of such measures.

22. An addendum to the act of an on-site tax audit with the attachment of materials obtained as a result of additional tax control measures, within 3 days from the date of preparation of this addendum, must be handed over to the person in respect of whom the audit was carried out (his representative), against receipt or transferred in another way indicating the date it was received.

23. If the person in respect of whom the audit was carried out (his representative) evades receiving an addendum to the on-site tax audit report, this fact shall be reflected in the addendum to the on-site tax audit report. In this case, an addition to the act of exit tax audit is sent by registered mail to the location of the organization (separate subdivision) or the place of residence of an individual and is considered received on the 5th day from the date of sending the registered letter.

24. The person in respect of whom an on-site tax audit was conducted (his representative), within 10 days from the date of receipt of the addendum to the audit report, has the right to submit written objections to the tax authority on such an addendum to the audit report as a whole or on its individual provisions.

**Article 62**

1. Based on the results of consideration of the materials of an on-site tax audit in the manner prescribed by Article 61 of this Code, the head (deputy head) of the tax authority makes a decision (hereinafter referred to as the decision based on the results of a tax audit), which provides for the following measures:

* additional assessment of taxes and penalties or refusal to do so based on the materials of a tax audit;
* holding a taxpayer liable for committing a tax offense or refusing to hold liable.

2. If there are signs of an administrative offense in relation to the taxpayer, a protocol on an administrative offense is drawn up. The case on administrative offenses and the adoption of a decision on an administrative offense are considered in the manner prescribed by the administrative legislation.

3. In the decision providing for the waiver of bringing to responsibility for tax offenses, the circumstances that served as the basis for such a waiver are indicated.

4. The decision based on the results of a tax audit shall indicate the period during which a person has the right to appeal this decision and the procedure for applying to higher tax authorities.

5. If in the course of a tax audit an amount of tax was revealed that was excessively refunded by the decision of the tax authority, in the decision on additional tax assessment this amount is recognized as a tax debt for this tax. If this tax amount is returned to the taxpayer, it is recognized as a tax debt from the date of actual receipt of the tax amount, and if the tax amount is accepted for offset, then from the day the tax amount is accepted for offset.

6. After a decision has been made based on the results of a tax audit, the head (deputy head) of the tax authority has the right, in the manner and under the conditions provided for in Article 121 of this Code, to take measures to implement this decision.

7. Upon completion of the raid tax audit, in case of detection of offenses, the tax authority implements proceedings on cases of tax offenses, carried out in the manner prescribed by Chapter 20 of this Code.

**Article 63**

1. The decision based on the results of an on-site tax audit, adopted in the manner prescribed by Article 62 of this Code, shall enter into force from the date of its delivery to the person (representative of the person) in respect of whom it was taken.
2. The decision based on the results of an on-site tax audit within 2 days from the date of its adoption is handed over to the person in respect of whom it was taken (his representative), against receipt or transferred in another way, indicating the date of receipt.
3. If the decision cannot be handed over or transferred in any other way, indicating the date of its receipt, it is sent by registered mail to the location of the legal entity (separate subdivision) or the place of residence of the individual. When the decision is sent by registered mail, the date of its delivery shall be the fifth day from the date of sending the registered letter.
4. In the event of filing a complaint against the decision of the tax authority, the said decision shall enter into force in accordance with the procedure established by Article 65 of this Code.

**Article 64**

1. For violations identified by the tax authority, for which individuals or officials of legal entities are subject to administrative liability, the authorized official of the tax authority who conducted the tax audit draws up a protocol on an administrative offense within the limits of his authority.

2. The consideration of cases of such offenses and the application of administrative penalties against individuals and officials of legal entities guilty of their commission are carried out in accordance with the legislation on administrative offenses.

3. If the tax authority, after making a decision to hold a natural person and or officials of legal entities liable for a tax offense, sent materials to the prosecutor's office, the tax authority shall be obliged to suspend the execution of the decision to hold this natural person liable for committing a tax offense.

4. When sending materials to the prosecutor's office, the execution of the decision on the recovery of an administrative fine from the persons specified in parts 2 and 3 of this article is suspended. Such a suspension is made by the decision of the head (deputy head) of the tax authority no later than the day following the day the materials are sent to the prosecution authorities. At the same time, the collection of tax debts provided for by this Code shall be suspended for the period of suspension of the execution of the decision on the collection of this tax debt.

5. If, based on the materials sent to the prosecutor's office, a decision is made to refuse to initiate a criminal case or a decision to terminate the criminal case against individuals or officials of legal entities, the validity of the suspended decisions of the tax authority is resumed. The resumption of the action is carried out by the decision of the head (deputy head) of the tax authority no later than the day following the day of receipt of the notification from the prosecutor's office. A similar rule applies if an acquittal is issued in the relevant criminal case.

6. If the actions (inaction) of a person that served as the basis for bringing him to responsibility for committing a tax offense served as the basis for issuing a guilty verdict for this person, the tax authority cancels the decision to hold this person accountable for committing a tax offense.

7. On the results of consideration of materials received from the tax authorities, the prosecution authorities send a notification to the tax authorities no later than 3 days after the adoption of the relevant decision.

8. Copies of the decisions of the tax authority specified in this article shall be transferred (sent) by the tax authority to the person (his representative) in respect of whom the relevant decision has been made within 5 days from the date of the adoption of the relevant decision.

9. The provisions of this article shall apply to persons who are taxpayers, payers of fees and (or) tax agents.

**Article 65**

1. When filing a written complaint against a decision of a tax authority adopted as a result of a tax audit, the execution of such a decision with respect to the appealed part shall be suspended until the tax authority considers the complaint and sends a written notification to the taxpayer about the results of the consideration of the complaint. The unappealed part of the decision of the tax authority, adopted on the basis of the results of a tax audit, shall enter into force from the date of such a decision.

2. If a higher tax authority, on the basis of a taxpayer's complaint, cancels the decision of a lower tax authority and adopts a new decision, such a decision of the higher tax authority shall enter into force from the date of its adoption.

3. If a higher tax authority refuses to consider a taxpayer's complaint, the decision of the lower tax authority shall enter into force from the date of the decision of the higher tax authority to refuse to consider this complaint, but not earlier than the expiration of the term for filing the said complaint.

**Article 66. Execution of decisions of tax authorities**

1. The decision based on the results of a tax audit is subject to execution from the date of its entry into force.

2. Enforcement of the relevant decision is assigned to the tax authority that made this decision.

3. If a complaint is considered by a higher tax authority, the decision of this higher tax authority that has entered into force shall be sent to the tax authority that made the initial decision within 3 days from the date of entry into force of the decision of the higher tax authority.

**Article 67**

1. Based on the results of consideration of the act and the documents and materials attached to it in the manner prescribed by this Code, the head (deputy head) of the tax authority makes a decision providing for:

1) additional assessment of taxes, penalties, fines or refusal to do so;

2) holding a taxpayer liable for committing a tax offense or refusing to do so.

2. The decision referred to in paragraph 1 of this article shall be made within 10 days after consideration of the act.

3. The decision to hold a person accountable for committing a tax offense shall set out the circumstances of the offense committed, indicate the documents and other information confirming the said circumstances, the arguments advanced in his defense by the person held liable, and the results of verification of these arguments.

4. In the decision to hold a person accountable for committing a tax offense, the articles of this Code and the Code of the Republic of Tajikistan on Administrative Offenses that provide for these offenses and the application of liability measures shall also be indicated.

5. The decision to hold a person accountable for committing a tax offense shall indicate the period during which the person in   
respect of whom the decision has been made has the right to appeal this decision, and the procedure for appealing the decision to a higher tax authority.

6. Based on the identified violations of tax legislation, for which persons are subject to administrative liability, an authorized person of the tax authority draws up a protocol on an administrative offense. Consideration of cases of these offenses and the application of an administrative penalty against persons guilty of their commission is carried out in accordance with the legislation on administrative offenses.

**Article 68**

1. After making a decision to hold individuals and officials of legal entities liable for a tax offense, the tax authority shall apply to the authorized state body in the field of enforcement to recover the amount of the financial sanction imposed on these persons. The same procedure for recovering the amount of financial sanctions is applied in cases where extrajudicial proceedings to recover the amount of financial sanctions are prohibited.

2. The tax authority is obliged 20 calendar days before applying to the authorized state body in the field of enforcement, notify in writing the persons held liable for a tax offense of the voluntary payment of the appropriate amount of the financial sanction.

3. In necessary cases, simultaneously with filing an application for the recovery of a financial sanction from a person held liable for committing a tax offense, the tax authority may send a petition to the court to secure the claim in the prescribed manner.

**Article 69**

1. Collection of amounts of financial sanctions on the basis of decisions of tax authorities providing for the application of financial sanctions to legal entities and individual entrepreneurs shall be carried out by tax authorities independently in the manner established by Articles 144, 145 and 152 of this Code.

2. Cases on the application of financial sanctions against offenders are considered by the tax authorities, and the amount of financial sanctions is collected in accordance with the requirements of this Code and procedural legislation.

3. Cases on the recovery of the amount of financial sanctions at the request of the tax authorities in respect of individuals who are not individual entrepreneurs are considered by the court.

# Article 70. Control of authorized bodies

The authorized state body exercises control over the fulfillment by the authorized bodies of the requirements of tax legislation on the issues of accounting for tax objects, tax payments, duties and other obligatory payments, as well as their transfer to the state budget in a timely manner.

**CHAPTER 8. TAX MONITORING**

**Article 71. General provisions of tax monitoring**

1. Tax monitoring is a voluntary action of the taxpayer and is carried out on the basis of a mutual agreement between the tax authorities and the taxpayer in order to prevent cases of non-compliance with tax laws.
2. Tax monitoring is carried out in relation to a taxpayer whose gross income for the past reporting year is more than 15,000,000 (fifteen million) somoni .
3. Tax monitoring is carried out on the basis of a taxpayer's request, and begins on January 1 of the next reporting year and covers the period specified in the agreement. The tax monitoring period must cover at least one full financial year.
4. During the period of tax monitoring, it is prohibited to conduct desk audits, chronometric surveys and tax audits.
5. The responsible person of the tax authority monthly submits an official opinion (in writing or electronic form) regarding the information provided by the taxpayer as part of tax monitoring.
6. A taxpayer subject to tax monitoring is not subject to penalties for additionally assessed amounts, if the responsible person of the tax authority has not officially notified the taxpayer of the identified shortcomings.

**Article 72. Information interaction**

1. Information interaction between the tax authority and the taxpayer participating in tax monitoring is carried out on the basis of an agreement.
2. The agreement establishes the mutual obligations of the taxpayer and the tax authorities to provide electronic documents and information required for tax monitoring, as well as the procedure for the access of the responsible person of the tax authority to the information system.
3. The standard form of an agreement on information exchange between the tax authorities and the taxpayer is approved by the authorized state body in agreement with the authorized state body in the field of finance.

# Article 73. Decision on tax monitoring

1. The decision to conduct tax monitoring is taken by the authorized state body on the basis of the application of the taxpayer.

2. The form of an application for tax monitoring is approved by the authorized state body.

3. An application for tax monitoring must be submitted by a taxpayer no later than July 1 of the year prior to the start of the tax monitoring period.

4. A taxpayer who has submitted an application for tax monitoring may withdraw his application before the decision of the tax authority to conduct or reject it.

5. Based on the results of consideration of the application, before November 1 of the year in which the application is submitted, the authorized state body makes a decision to conduct tax monitoring or refuse it.

6. The decision to refuse to conduct tax monitoring must be justified.

7. The grounds for making a decision to refuse to conduct tax monitoring are non-compliance with the following provisions provided for part 2 of Article 71 of this Code.

8. The decision on tax monitoring or refusal to do so shall be sent to the applicant within 5 days from the date of the decision.

# Article 74. Procedure for conducting tax monitoring

1. Tax monitoring is carried out by an official of a tax authority within the framework of his official duties and an agreement on information exchange.

2. When conducting tax monitoring, an authorized person of the tax authority has the right to demand from the taxpayer information, necessary documents, explanations related to the fulfillment of a tax obligation and mandatory payments.

3. The requested information, documents and explanations shall be provided by the taxpayer in written or electronic form. Notarization of copies of documents submitted to an authorized person of the tax authority is not required, unless otherwise provided by the legislation of the Republic of Tajikistan.

4. A request for submission of documents to a taxpayer by an authorized person of a tax authority shall be sent electronically.

5. Information, documents and explanations that were requested during tax monitoring in accordance with part 3 of this article shall be submitted by the taxpayer within 5 days after the date of receipt of the relevant request.

6. If the request of the authorized person of the tax authority cannot be fulfilled within the established time limit, the taxpayer shall officially notify the authorized person of the tax body of the impossibility of fulfilling it, indicating the reasons and terms during which he can submit the requested information, documents and explanations.

7. If an authorized person of the tax authority discovers a discrepancy or difference between the information provided by the taxpayer to the tax authority, in this case, the authorized person of the tax authority officially notifies the taxpayer in order to provide the necessary clarifications or appropriate corrections. The taxpayer is obliged to provide corrected information or necessary clarifications within 10 days from the date of receipt of the notification.

8. In the course of tax monitoring, tax authorities are not entitled to demand documents previously submitted to them in the form of copies.

9. If, after consideration of the explanations submitted by the taxpayer, the revealed contradictions or differences are not eliminated, the authorized person of the tax authority, in accordance with the provisions of Article 76 of this Code, shall draw up a reasoned opinion.

**Article 75. Early termination of tax monitoring**

1. Tax monitoring shall be prematurely terminated in the following cases, if:

1) the taxpayer has not complied with the requirements of the agreement on information cooperation or its failure to comply hinders tax monitoring;

2) the information provided does not correspond to the official information available to the tax authorities;

3) the taxpayer failed to submit the required documents (information) and explanations more than three times in the course of tax monitoring.

2. The tax authority shall notify the taxpayer in writing of the early termination of tax monitoring within 10 days from the date of establishment of the circumstances provided for by paragraph 1 of this article, but no later than June 1 of the year following the period for which tax monitoring is being carried out.

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# Article 76

1. When conducting tax monitoring, the tax authority, at the request of the taxpayer or on its own initiative, draws up a conclusion.

2. The presented conclusion reflects the position of the tax authority based on the results of tax monitoring.

3. The form and requirements for drawing up the opinion are approved by the authorized state body.

4. The conclusion of the tax authority is sent to the taxpayer within 5 days from the date of its preparation.

5. The final conclusion of the tax authority based on the results of the tax monitoring period is drawn up within 3 months, but no later than May 1 of the year following the reporting year.

6. In case of disagreement with the submitted conclusion of the tax authority, the taxpayer sends a request for further consideration of the conclusion to the Council for Pre-trial Dispute Resolution .

7. The taxpayer must submit to the tax authorities clarifications on the submitted conclusion no later than June 1 of the period following the period of tax monitoring.

8. A reasoned opinion of the tax authority at the request of a legal entity shall be sent to this legal entity within 15 days from the date of receipt of the said request. This period may be extended by the tax authority for 1 month, in order to request from a legal entity or other persons the documents (information) necessary for the preparation of a reasoned opinion.

9. The tax authority notifies the legal entity in writing of the extension of the term for submission of a reasoned opinion within 3 days from the date of the relevant decision.

10. A legal entity shall notify the tax authority that it agrees with the reasoned opinion of the tax authority by which this reasoned opinion was drawn up within 1 month from the date of its receipt, attaching documents confirming the implementation of the said reasoned opinion (if any).

11. The taxpayer draws up an opinion by submitting revised tax returns or otherwise, taking into account the position of the tax authority, which indicates accounting (tax) accounting and tax reporting.

12. In case of disagreement with the conclusion of the tax authority, the taxpayer, within 1 month from the date of its receipt, submits his explanation to the tax authority. The tax authority that received such an explanation sends all available materials to the authorized state body within 3 days to initiate a mutual agreement procedure.

13. The tax authority within a period not later than 2 months from the date of the end of tax monitoring notifies the taxpayer of the presence (absence) of outstanding opinions sent to this taxpayer in the course of tax monitoring.

# Article 77. Mutual agreement procedure

1. The authorized state body, after receiving materials on the results of tax monitoring, submitted in accordance with part 12 of Article 76 of this Code, begins a mutual agreement procedure.

2. The mutual agreement procedure is carried out in the authorized state body within 1 month from the date of receipt of materials based on the results of the tax monitoring, with the participation of the taxpayer (his representative) and the tax authority that issued the conclusion.

the mutual agreement procedure, the authorized state body , within 3 days, sends its official position along with a notification to the taxpayer about changing or leaving the conclusion unchanged.

4. The taxpayer officially sends his position to the tax authority and the authorized state body within 1 month from the date of receipt of the notification from the authorized state body about changing or leaving the conclusion unchanged.

5. In case of disagreement with the final conclusion of the tax authorities and the position reflected in the notification of the authorized state body, the taxpayer has the right to apply to the Pre-trial Dispute Resolution Board or to the judicial authorities.

# Chapter 9

# Article 78. Accounting for taxpayers

1. In order to ensure tax control, all taxpayers, tax agents, including separate subdivisions formed by them (branches, representative offices, permanent establishments, etc.), as well as citizens of the Republic of Tajikistan who have reached the age of 16, are subject to registration with tax authorities in the manner prescribed by this Code.

2. Registration of taxpayers is carried out on the basis of the following documents:

- a written application of the taxpayer or his authorized representative;

- information of the authorized state body and (or) other body ;

- information of credit and financial organizations;

- information from other territorial tax authorities.

3. Accounting for taxpayers with tax authorities includes the following:

- registration of an individual;

- registration of a legal entity;

- accounting for a branch and representative office of a domestic and foreign legal entity, as well as a permanent establishment of a foreign legal entity;

- registration of diplomatic and equivalent representations of foreign states accredited in the Republic of Tajikistan;

- registration of taxpayers as payers of value added tax in accordance with the provisions of this Code;

- registration of the taxpayer as an electronic taxpayer;

- registration of the taxpayer at the location of the object of taxation.

4. Maintaining the Unified State Register of Taxpayers (hereinafter - the Register) is carried out by the authorized state body on the basis of electronic accounting data.

5. Maintaining the register includes:

- Entering information about taxpayers;

- change and (or) addition of registration data on taxpayers;

- exclusion of information about taxpayers.

6. The document confirming the registration of a taxpayer with the tax authorities is a certificate of assignment of a taxpayer identification number.

7. Registration with the tax authorities and de-registration of a taxpayer are free of charge.

8. Registration with the tax authorities is carried out:

1) an individual - at the place of residence (registration) - on the basis of an application of an individual or information provided by the relevant state bodies;

2) a resident legal entity - at the location, location of its separate subdivision, as well as at the location of their immovable property and vehicles;

3) a legal entity - a non-resident, operating through a permanent establishment, without creating a branch or representative office - at the place indicated in the application when registering, including:

a) at the place of state registration of the taxpayer performing the functions of a permanent representative office of this non-resident;

b) at the place of state registration of a taxpayer acting as a tax agent for paying taxes at the source of payment of income of a non-resident in the Republic of Tajikistan;

4) a non-resident individual (including a stateless person) - at the place of temporary residence (stay) in the Republic of Tajikistan, indicated in his migration card. If, in accordance with the provisions of international tax agreements, the presence of a migration card is not provided, the place of stay of an individual - non-resident is recognized as the location in the Republic of Tajikistan, indicated in the application submitted to the tax authority;

5) an individual or legal entity, including a non-resident, whose activity in accordance with paragraph four of part 3 of Article 17 of this Code is considered as a permanent establishment of a non-resident legal entity, is obliged to submit to the tax authority an application for registration of its partner - a legal entity - non-resident within 10 business days from the date of conclusion of the relevant agreement with its partner or within 10 business days from the date of commencement of the actual implementation of such activities in order to assign a taxpayer identification number to a non-resident legal entity;

6) one of the following dates is recognized as the date of commencement of activities of a non-resident in the Republic of Tajikistan:

a) the date of conclusion of an agreement in the Republic of Tajikistan, including for the purchase and sale of goods (performance of works and services), the implementation of joint activities (participation in a simple partnership) and the granting of authority to another person to perform actions on his behalf in the Republic of Tajikistan;

b) the date of conclusion of an employment contract or other contract of a civil law nature with an individual in the Republic of Tajikistan;

c) the date of conclusion of the contract for the sale or lease of property (for opening an office);

d) if there are several agreements, the date of commencement of the activities of a non-resident in the Republic of Tajikistan is the date of conclusion of the first of these agreements;

7) diplomatic and equivalent representations of foreign states accredited in the Republic of Tajikistan - at their location on the basis of an application and (or) information from the Ministry of Foreign Affairs of the Republic of Tajikistan.

9. Registration of individuals and legal entities of non-residents operating in the Republic of Tajikistan without establishing a branch and (or) representative office cannot be the basis for their independent payment of taxes, unless otherwise provided by this Code.

10. Tax authorities enter into the Register information about:

- an individual, including a foreign citizen or a stateless person - about the place of residence and (or) temporary stay;

- a legal entity - a resident, its branch and representative office, branch and representative office of a legal entity - non-resident - about the location;

- a non-resident legal entity operating in the Republic of Tajikistan through a permanent establishment without establishing a branch or representative office - at the location of the dependent agent of the person performing the functions of a permanent establishment of a non-resident;

- an individual and a non-resident legal entity acquiring (selling) securities, participation shares, real estate in the Republic of Tajikistan - at the location of this property and (or) a resident who has the authority to maintain the Register of holders of securities and (or) shares of the specified resident in the Republic of Tajikistan, acquires (realizes) securities, shares and (or) real estate;

- diplomatic and equivalent representation of a foreign state, an international organization accredited in the Republic of Tajikistan - about their location;

- for a non-resident operating without establishing a branch or representative office through a permanent establishment - on the place of registration of a person performing the functions of a permanent establishment of a non-resident;

- for a non-resident opening a settlement account with a resident financial institution - about the location of the resident financial institution (tax agent);

- an individual under the age of 16 - about the place of residence and the legal or authorized representative of this person;

- air and other vehicles - about the location of the owner;

- real estate, land plots - according to the actual location of the real estate, the owner, the land plot and the owner of the land use right.

11. Information about persons who have passed state registration in accordance with the Law of the Republic of Tajikistan “On state registration of legal entities and individual entrepreneurs” is entered into the Register.

12. Registration of other legal entities, branches and representative offices of foreign legal entities not provided for in paragraph 9 of this article, on the basis of their application to the tax authority at their location within 30 calendar days.

13. An application for changing the registration data of persons not provided for in part 9 of this article shall be submitted to the tax authority at the place of their registration within 10 calendar days.

14. In the event of the death or recognition of an individual as incapacitated, reorganization, liquidation or termination of activities of persons not provided for in paragraph 13 of this article, their exclusion from the Register is carried out by the relevant tax authority.

15. Registration of real estate, vehicles and other objects of taxation at their location is carried out on the basis of information provided by the authorized state body for registration of vehicles and real estate online.

16. If a taxpayer encounters difficulties related to determining the place of registration, an appropriate decision, based on the data provided by him, is taken by the tax authority at the place of residence of an individual or the location of a taxpayer-legal entity.

17. The tax authorities independently (until the time the taxpayer submits an application) ensure that taxpayers are registered with the tax authorities on the basis of the available data and information provided to them by the relevant state bodies, as well as information that has become known to them, necessary and sufficient for accounting purposes.

18. Registration of individuals with the tax authorities is carried out within one working day, registration of state bodies, political parties, public associations, as well as public organizations (non-profit and non-governmental) of foreign states or registration of their branches, representative offices and religious associations within 2 business days.

19. Activities without registration with the tax authorities as a taxpayer may serve as a basis for bringing to responsibility in the manner prescribed by the legislation of the Republic of Tajikistan.

20. Foreign persons providing remote (electronic) services directly to individuals are registered (removed from the register) on the basis of submission of applications and other documents in the form approved by the Government of the Republic of Tajikistan. An application for registration (deregistration) by foreign persons is submitted to the authorized state body no later than 30 calendar days from the date of commencement of the provision (termination) of electronic services.

# Article 79. Taxpayer identification number

1. When registering with a tax authority as a taxpayer, each taxpayer - an individual and (or) legal entity, branch and (or) representative office of a foreign legal entity is assigned a taxpayer identification number. Also, during state registration of legal entities and individual entrepreneurs, a branch and (or) representative office of a foreign legal entity, along with the assignment of a single identification number of state registration, a taxpayer identification number is issued, a certificate of assignment of a taxpayer identification number. Registration procedures, provision of a single identification number, taxpayer identification number and certificate are free of charge.

2. Taxpayer identification number assigned to an individual - a citizen of the Republic of Tajikistan, is recorded in the passport of this individual in the manner prescribed by the relevant authorized state body.

3. An identification number is assigned to a taxpayer only once, and cannot be changed, transferred to another taxpayer (another individual or legal entity) even in the event of liquidation of the same taxpayer - a legal entity (its separate subdivision), termination of activities of a foreign legal entity or death of a taxpayer - an individual.

4. Individuals, legal entities, branches and representative offices of foreign legal entities shall be issued by the relevant tax authority a certificate of assignment of a taxpayer identification number. If there are separate subdivisions of legal entities, other objects of taxation and (or) objects related to taxation, the codes of the reason for registration are also established for these persons. Similar codes of reasons for registration are also established for permanent establishments of non-residents operating in the Republic of Tajikistan without a branch (representative office), or their authorized agents.

5. Resident individuals of the Republic of Tajikistan under the age of 16 may voluntarily and persons who have reached the age of 16 are required to apply to the tax authorities to obtain a taxpayer identification number.

6. Regardless of other provisions of this Code, a non-resident individual and legal entity having objects of taxation in the Republic of Tajikistan shall be registered with the submission of an application from the moment the obligation to pay taxes arises, provided with a taxpayer identification number.

7. Taxpayers are required to indicate their taxpayer identification number in tax reporting, correspondence with tax, customs or financial authorities, in relations with other authorized bodies, in customs declarations, payment documents, invoices, receipts of cash registers, in business documents, contracts, forms and stamps.

8. It is prohibited to carry out notarial operations, including operations with real estate and vehicles, for which the collection of state fees is provided, as well as the issuance of licenses, permits and certificates of registration of the right to use a land plot, for employment, opening a bank account and other means of financial reporting, transfer of funds within the territory of the Republic of Tajikistan and abroad, provision of goods on credit (with payment of their cost in installments), provision of loans by financial institutions, with the exception of import operations and expenses on savings (deposit) accounts of individuals and registration foreign economic transactions without providing a taxpayer identification number.

9. The rules for registration, assignment of a taxpayer identification number, codes of reasons for registration, as well as the rules for preparing stamps, affixing a stamp and registering a taxpayer identification number in the passport of citizens of the Republic of Tajikistan are approved by the Government of the Republic of Tajikistan.

# **Article 80. Integrated tax information system**

1. Control and monitoring of transactions between the taxpayer and state bodies, institutions and organizations is carried out by the authorized state body through the Integrated Tax Information System for Accounting, Control and Monitoring of Operations of State Bodies and the Taxpayer (hereinafter - the **Integrated** Tax Information System **)** in direct mode (online).

2. Information about transactions carried out between the taxpayer and state bodies, institutions and organizations is automatically entered into the Integrated Tax Information System in direct mode (online).

3. Information entered into the Integrated Tax Information System, is confidential and confidentiality of its content is ensured by the authorized state body.

4. The maintenance of the Integrated Tax Information System is carried out by the authorized state body together with the Internet portal "electronic government" in accordance with the legislation on public services.

# Article 81

1. State bodies, institutions and organizations are obliged, within the framework of the agreement, to submit the following information directly (online) to the Integrated Tax Information System:

1) on operations of state registration of legal entities, individual entrepreneurs, branches and representative offices of foreign legal entities by the state registration body;

2) on the use of tax benefits;

3) on the issuance of general civil and foreign passports, including in the event of a change in the surname and name of citizens, in exchange for lost or expired passports, canceled passports by the relevant authorities;

4) on registration (re-registration) of the right to real estate, objects of taxation and transactions related to them, including their owners;

5) on the availability of permits, licenses, certificates and other similar documents on their revocation, suspension or termination;

6) on accreditation (termination of accreditation) of representative offices of legal entities;

7) on representative offices of international organizations and foreign non-governmental organizations, including making an appropriate entry in the Register of Representative Offices of International Organizations and Foreign Non-Governmental Organizations;

8) on contracts for the sale and purchase of real estate, property lease contracts and the amount of rent, on the issuance of notarized certificates of inheritance and donation, on donation contracts, which contain information on the degree of relationship between the donor and the recipient of the gift;

9) on registration (re-registration) of vehicles and their owners;

10) on registration (re-registration) of political parties, public associations, as well as public organizations (non-profit and non-governmental) of foreign states and religious associations;

11) on registration and (or) state registration of land use rights and designation of land for use;

12) on registration of migrants, foreign citizens or stateless persons;

13) on transactions with shares of joint-stock companies;

14) on export-import operations and movement (transit) of goods across the customs border, as well as on temporary storage of goods in customs warehouses;

15) on storage of goods by non-residents of the Republic of Tajikistan in customs warehouses of the Republic of Tajikistan;

16) on transactions on the stock exchange of securities;

17) on public procurement of goods (works and services).

2. The information specified in part 1 of this article is provided to tax authorities free of charge by state bodies, institutions and organizations directly in direct mode (online). If there is no technical basis for transferring information to the authorized state body, it is sent in paper and electronic form (by e-mail).

3. Other information not specified in part 1 of this article shall be submitted by state bodies, institutions, organizations on the basis of a request from a tax authority before the 15th day of the month following the reporting month.

4. For the provision of information provided for in parts 1 and 3 of this article, officials of the relevant state bodies, institutions and organizations are directly responsible.

# CHAPTER 10. RISK MANAGEMENT

# Article 82. Risk management system

1. The risk management system is a set of rules, documents and measures for identifying, assessing risks, responding to risks, as well as monitoring and controlling their level, implemented in accordance with this Code by tax authorities in order to identify and prevent the risk of violation of tax laws and encourage responsible taxpayers. Based on the results of the risk assessment, the tax authorities apply the appropriate form of tax control.

2. Risk - the probability of non-fulfillment and (or) incomplete fulfillment of a tax obligation by a taxpayer (tax agent), which may lead to non-receipt of funds to the state budget.

3. The risk management system is applied by the tax authorities in order to prevent:

1) reduction of tax revenues to the state budget;

2) reduction of tax sources due to the reduction in the volume of domestic and foreign entrepreneurship and investment;

3) withdrawal of taxpayers to the shadow economy;

4) reducing the competitiveness of the national tax system.

# Article 83. Criteria for assessing the level of risk

1. Criteria for assessing the level of risk are developed by the authorized state body together with the authorized state body in the field of entrepreneurship support, in accordance with which the level of risk of the taxpayer's activities under the special program is assessed.

2. The level of risk for taxpayers, including small, medium and large businesses, based on the assessment of individual risk levels, is determined as high, medium and low.

3. The group of taxpayers with a high level of risk cannot exceed 10 percent of the total number of taxpayers at risk.

4. If a taxpayer falls under a high level of risk, the authorized state body sends such a taxpayer through his personal account information about this and about ways to eliminate the situation that has arisen.

# Article 84. Unified information system for managing tax audits

1. A unified information system for managing tax audits is created and maintained by the authorized state body in order to effectively manage the process of tax control, audits and ensure transparency in the activities of tax authorities in this direction.

2. The unified information system for managing tax audits consists of the following parts:

- risk assessment and management system, which is the basis for planning inspections;

- annual plans for tax audits;

- information on the results of each inspection carried out;

- feedback mechanism with the taxpayer based on the results of tax verification;

- information about irresponsible taxpayers;

- statistics of tax violations by taxpayers.

3. Orders, notices and decisions on audits, acts of audits and decisions taken as a result of audits are registered in the Unified Information System for the Management of Tax Audits. Inspections cannot be carried out without registering orders for inspections in the Unified Information System for the Management of Tax Inspections.

4. Information from the Unified Information System for the Management of Tax Audits is sent directly (online) in compliance with the confidentiality regime to the Unified System for the Management of Tax Inspections in the Republic of Tajikistan.

# CHAPTER 11. APPLICATION OF CASH DEVICES

# Article 85. Use of cash registers

1. All cash flows in the sale of goods (performance of works and services) on the territory of the Republic of Tajikistan by means of cash, bank payment cards and other forms of electronic payments are made with the obligatory use of cash registers.

2. When using cash registers, the following requirements must be observed:

- registration of cash registers with the tax authorities at the place of activity of the taxpayer before the start of activity;

- issuance of a cash receipt for each transaction;

- connection to electronic accounting programs.

3. The cash receipt must contain the following information:

- the name of the legal entity or the surname, name and patronymic of the individual entrepreneur;

- identification number of the taxpayer;

- serial number of the cash register;

- registration number of the cash register;

- serial number of the cash receipt;

- date and time of issuance of the cash receipt;

- name of goods (works, services), unit of measurement, quantity, price, amount for each product (work, service), tax amount, taking into account the differential rate of value added tax when making cash and non-cash payments, discounts and the total amount of the purchase;

- bar code of the check of the cash register;

- fiscal sign of the cash register.

4. A cash register check issued at currency exchange points, scrap metal, glass containers and pawnshops additionally contains information on the amount of purchase and sale.

5. The provisions of this article shall not apply to monetary settlements of the following persons:

1) taxpayers in terms of providing services to the population with the issuance of documents equated to strict accountability documents, including receipts, tickets, coupons, postage stamps and other documents, the form of which is approved by the authorized state body in the field of finance ;

2) sale of agricultural products grown on household plots by individuals;

3) payers of the unified agricultural tax when selling products of their own production;

4) individual entrepreneurs operating on the basis of a certificate with special conditions in non-stationary places;

5) individual entrepreneurs operating on the basis of a patent.

6. The procedure for using cash registers is established by the Government of the Republic of Tajikistan.

7. A taxpayer may use a virtual cash desk that allows transferring data to the Unified Tax Information System.

8. The authorized state body, together with other state bodies, approves the State Register of cash registers permitted for use on the territory of the Republic of Tajikistan.

9. It is prohibited to use vending machines and payment terminals that are not equipped with fiscal memory and data transfer functions.

10. The taxpayer can simultaneously use a cash register operating through a subscriber identification module (SIM card), which has the function of accepting plastic bank cards (for non-cash payments), a quick response code (QR codes) and other non-cash payment methods, and also performs the functions of an electronic accountant in automatic mode.

# Article 86

1. Control over compliance with the procedure for using cash registers is carried out by tax authorities in the following areas:

- the use of cash registers;

- data available in the block or in the fiscal memory of cash registers;

- registration of the cash register.

2. A test purchase is carried out by tax authorities without limitation of frequency, solely to control the use of cash registers and issue cash receipts to buyers in paper or electronic form. The procedure for conducting a test purchase is established by the authorized state body.

# CHAPTER 12. NOTIFICATION AND EXPLANATIONS ON THE IMPLEMENTATION OF TAX OBLIGATIONS

# Article 87. Notification of tax authorities

1. Notification is a message sent by tax authorities to a taxpayer (tax agent) in written or electronic form.

2. Notifications shall be sent to the taxpayer (tax agent) by the tax authority about the following information:

- the amount calculated by the tax authority;

- results of cameral control;

- failure to submit tax returns;

- repayment of tax debt;

- elimination of tax offenses;

- inclusion of the taxpayer in the List of irresponsible taxpayers, indicating the grounds and requiring the elimination of identified violations.

3. Unless otherwise provided by this Code, the notification must contain the following information:

- identification number of the taxpayer;

- surname, name, patronymic or full name of the taxpayer;

- name and address of the tax authority;

- date of registration of the notification;

- the basis for sending the notification;

- the content of the notice;

- deadline for the execution of the notification;

- the procedure for filing a complaint.

4. The notification shall be sent to the taxpayer (tax agent) in electronic or paper form.

# Article 88. Official interpretation of this Code and explanations on the fulfillment of a tax obligation

1. The official interpretation of this Code is adopted by the Majlisi namoyandagon Majlisi Oli of the Republic of Tajikistan.

2. Written explanations on the fulfillment of a tax obligation shall be submitted to a specific taxpayer by the head of the authorized state body in accordance with the instructions and other regulatory legal acts of the Republic of Tajikistan adopted in pursuance of this Code.

3. Written explanations of the authorized state body will be based on the written request of the taxpayer, if the taxpayer fully and correctly reflects the nature of all aspects of the business transaction (contract) related to taxation, and the tax elements that are additionally explained to him.

4. Clarifications on the issues most often addressed by taxpayers are posted in the prescribed manner on the official website of the authorized state body.

# SECTION III. ACCOUNTING AND REPORTING

# CHAPTER 13. TAX RECORDING AND TAX REPORTING

# Article 89. Compilation and storage of accounting documentation

1. Tax accounting - the process of maintaining accounting documentation by a taxpayer in accordance with the requirements of this Code in order to systematize information about objects of taxation, as well as the calculation of taxes and the preparation of tax reporting.

2. Accounting documentation consists of accounting documentation and tax reporting.

3. The taxpayer is obliged to keep documentation on accounting and tax reporting in the state language.

4. Taxpayers are required to maintain accounting documentation in accordance with the legislation on accounting, regulations of the authorized state body in the field of finance, the authorized state body and the National Bank of Tajikistan.

5. During a tax audit, at the request of the tax authorities, the taxpayer is obliged to provide electronically developed hard copies of accounting documents.

6. Taxpayers are required to keep accounting documentation in the Republic of Tajikistan during the limitation period. If a tax audit or tax liability appeal begins before the statute of limitations expires, taxpayers must retain records until the audit and appeal proceedings are completed.

7. A non-resident operating in the Republic of Tajikistan through a permanent establishment without establishing a branch or representative office is required to keep accounting documentation at the location of its office in the Republic of Tajikistan or, in the absence of an office, at the office of the tax agent of this non-resident in the Republic of Tajikistan.

8. When a legal entity is reorganized, the obligation to keep the accounting documentation of the reorganized legal entity shall be assigned to its legal successor.

9. In the event of liquidation or other form of termination of the activities of a legal entity, all managers, partners and controlling shareholders of this legal entity must ensure the storage of accounting documentation for a period corresponding to the limitation period, subject to the provisions of part 5 of this article. In the event of liquidation or other form of termination of the activities of a legal entity, these documents are transferred to the state archive in the manner prescribed by law.

# Article 90. General rules for tax accounting

1. The taxpayer is obliged to keep records of his income and expenses on the basis of documented information for the relevant reporting periods using the accounting method established by this Code.

2. A taxpayer shall keep tax records in accordance with the procedure established by this Code, on a cash basis or on an accrual basis.

3. The taxpayer is obliged to ensure the accounting of all transactions related to his activities, allowing to determine their beginning, course and end.

4. Taxpayers simultaneously carrying out different types of activities for which different conditions and regimes of taxation are established in this Code are required to keep separate records of objects of taxation based on accounting indicators in accordance with such conditions and regime.

5. Operations of barter, payment by means of transfer of goods (performance of works or provision of services), transfer of the subject of pledge to the pledgee if the debtor fails to fulfill the obligation secured by the pledge for the purposes of taxation are considered as the sale of goods (performance of work, provision of services).

6. For the purposes of taxation, any transaction in foreign currency shall be recalculated into the national currency of the Republic of Tajikistan at the official accounting rate of the National Bank of Tajikistan on the day of the transaction. With the prior written permission of the tax authority, the taxpayer has the right to convert taxable income and related expenses into the national currency at the average exchange rate of the National Bank of Tajikistan for the tax period.

7. The exchange rate of a foreign currency for which there is no official accounting rate of the National Bank of Tajikistan is determined and recalculated at the accounting rate of this currency based on the exchange rate of the respective currencies against the United States dollar (hereinafter referred to as the USA).

8. An individual who earns income and incurs expenses in functional currency may elect to account for those amounts in functional currency. An individual may switch to a functional currency only if both of the following conditions are met:

- the functional currency is the approved functional currency established by the Ministry of Finance of the Republic of Tajikistan;

- the entity maintains financial statements in functional currency in accordance with International Financial Reporting Standards.

9. In accordance with paragraph 8 of this article, a person is required to submit an application for a decision on the use of functional currency during the reporting period to the tax authority before the date of filing a tax return for the reporting period. The decision made to use the functional currency remains in effect until the person complies with the conditions of paragraph 8 of this article, or it stops using the functional currency with the permission of the tax authority.

10. A person who has chosen a functional currency, when receiving income or incurring expenses that are not expressed in functional currency (including income and expenses denominated in somoni ), must convert to the functional currency at the conversion rate used in the financial statements of the taxpayer.

11. An entity electing to use a functional currency for a reporting period must calculate taxable profit and tax payable for that period in its functional currency and either:

- convert the amount of tax in functional currency into the national currency at the average exchange rate of the National Bank of Tajikistan for this period; or

- with the written permission of the tax authority, pay the tax due in the functional currency.

12. A legal entity that has made a reasonable decision to use a functional currency or ceases to use a functional currency must comply with any transitional rules established by the Ministry of Finance of the Republic of Tajikistan.

# Article 91. Procedure for accounting for income and expenses

1. Unless otherwise provided in this article, taxable income (profit) must (should) be calculated using the same accounting method used by the taxpayer (tax agent) in his accounting.

2. Unless otherwise provided by this Code, for the purposes of taxation:

- legal entities and individual entrepreneurs taxed in accordance with Chapter 52 of this Code, with the exception of legal entities and individual entrepreneurs carrying out activities in accordance with the provisions of Part 4 of Article 375 of this Code, are required to keep records on a cash basis;

- other persons not specified in the first paragraph of this part are required to keep records on an accrual basis.

3. In the event of a change in the accounting method used by the taxpayer, adjustments to the accounting of income, expenses and other elements that affect the amount of tax must be made in the year of the change in the accounting method so that none of these above elements is omitted or double-counted. .

4. In relation to payers of value added tax and excises, income and expenses are taken into account without value added tax and excises , with the exception of expenses in respect of which a credit for value added tax is not allowed. The value of an asset acquired by a payer of value added tax does not include the amount of value added tax paid, except in cases where the offset of this amount of value added tax is not allowed.

# Article 92. The procedure for accounting for income and expenses on a cash basis

1. A taxpayer keeping records on a cash basis must, in accordance with this article, take into account income as of the date of its receipt and deduct expenses as of the date of their actual implementation.

2. The moment of receipt of income is the moment of receipt of cash or the moment of crediting of funds to the taxpayer's bank account or to another account that he may dispose of or from which he is entitled to receive the said funds.

3. If mutual settlement for goods supplied, works performed or services rendered is not made within a period exceeding 6 calendar months on a cash basis, regardless of the provisions of part 1 of this article, for tax purposes the settlement is considered to be made in the last full calendar month.

4. In case of fulfillment of a financial obligation of a taxpayer, in particular, in case of mutual offset, the moment of receipt of income and expenses shall be considered the moment of fulfillment of the obligation.

5. The moment of making expenses shall be the moment of actual making of expenses by the taxpayer, unless otherwise provided in this Article.

6. If the taxpayer pays in cash, the moment of making the outlay is the moment of the actual payment of cash, and in the case of a non-cash payment, the moment of receipt by the credit and financial institution of the taxpayer's instruction to complete the operation of transferring the funds is considered to be such.

7. When paying interest on a debt obligation or when making payments for the lease of property, if the term of the debt obligation or lease agreement covers several tax periods, the amount of interest paid (rent) actually deducted for the tax period is the amount of interest (rent) due for this period.

**Article 93**

1. An accrual accounting taxpayer shall account for income and expenses, respectively, at the time of obtaining the right to income or the obligation to make a payment, regardless of the time the income is actually received or the payment is made in accordance with this article.

2. The right to receive income shall be considered acquired at the moment when the corresponding amount is subject to unconditional payment to the taxpayer or the taxpayer has fulfilled its obligations under the agreement. For these purposes, the right to receive income is preserved regardless of the deferment and installment plan for the fulfillment of obligations.

3. If the taxpayer performs work or provides a service, the right to receive income is considered acquired at the time of the final performance of the work or provision of the service provided for in the contract.

4. If the contract provides for the phased performance of work or the provision of services, the right to receive income is considered acquired at the time of the performance of this stage of work or service, unless otherwise provided by Article 96 of this Code.

5. If the taxpayer receives income or has the right to receive income in the form of interest or income from the lease of property, the right to receive income is considered acquired at the time of the expiration of the debt obligation or lease agreement. If the term of a debt obligation or lease agreement spans several tax periods, the income is distributed over these tax periods in the order in which it is accrued.

6. The moment of incurring the costs associated with the contract is the moment of fulfillment of all the following conditions, unless otherwise provided in this article:

- in case of recognition by the taxpayer of a financial liability;

- in the case of an accurate assessment of the size of the financial obligation;

- if the parties have fulfilled all their obligations under the contract and the corresponding amounts are payable.

7. In connection with the conditions provided for in paragraph 6 of this article, a financial liability means an obligation assumed by a taxpayer in accordance with an agreement, for the purposes of fulfilling which the other party participating in the agreement is obliged to provide the taxpayer with the appropriate income in cash or in another form.

8. When paying interest on a debt obligation or making payments for leased property, the moment of incurring expenses shall be the moment of expiration of the term of the debt obligation or lease agreement. If the term of a debt obligation or a lease agreement covers several tax periods, the expense is allocated to these tax periods in the order in which it is accrued.

# Article 94. Taxation of joint ownership

In case of conclusion of a written agreement on joint ownership of property or joint implementation of entrepreneurial activities, or other written agreement providing for at least two owners, without establishing a legal entity, they are taxed in accordance with their participation interests. If it is impossible to determine the share of the owners in the joint property, it is considered that the owners of the property have equal shares in the property.

# Article 95. Features of determining income and deductions under long-term contracts

1. A taxpayer entering into a long-term contract must include in the gross profit for each tax period of the contract a percentage of the estimated total taxable profit of the taxpayer under the contract in proportion to the share of completed work in accordance with financial reporting standards, as determined by part 2 of this article. A "Long Term Contract" is a construction or engineering contract that will take more than 12 months to complete.

2. The percentage of fulfillment by a taxpayer of a long-term agreement for a tax period is based on the total costs incurred by the taxpayer during the period as a percentage of the total estimated costs of the agreement.

3. The estimated total taxable income of a taxpayer under a long-term agreement is the total estimated income to be received by the taxpayer during the term of the agreement, less the total estimated deductible expenses incurred by the taxpayer during the term of the agreement.

4. If a taxpayer has suffered a loss for the last tax period under a long-term construction contract, and the taxpayer cannot carry forward the loss in accordance with Article 197 of this Code due to the termination of commercial activity in the Republic of Tajikistan, the taxpayer may carry forward the loss back to the previous tax period, and the loss is allowed as a deduction in that period. If a taxpayer cannot fully deduct a loss carried forward to the immediately preceding taxable period, the excess may be carried forward to the next prior taxable period and allowed as a deduction for that period, but such loss may not be carried forward for more than two periods.

5. For the purposes of paragraph 4 of this article, a taxpayer shall be deemed to have incurred a loss for the last tax period under a long-term agreement if the proposed total taxable profit to be received under the agreement referred to in paragraph 3 of this article exceeds the actual total taxable profit in accordance with the agreement, and the excess amount exceeds the amount to be included in gross income in accordance with paragraph 1 of this article for the tax period in which the contract was executed.

# Article 96

1. For the purposes of taxation, accounting of inventories is carried out in accordance with the legislation on accounting.

2. When accounting for inventories, the taxpayer is obliged to reflect in the tax report the cost of goods produced or purchased, determined accordingly, on the basis of production costs (cost, that is, all costs associated with the production of goods) or the purchase price, as well as the costs of their storage and transportation.

3. The taxpayer has the right to evaluate and take into account the cost of defective and or obsolete goods, or products that, for these or similar reasons, cannot be sold at a price exceeding the costs of their production (acquisition price), based on the price at which they can be sold.

4. In relation to goods for which individual accounting is not kept, the taxpayer has the right to use one of the following two methods for accounting for inventories:

- Inventory valuation method (FIFO), according to which, for the reporting period, goods classified as inventory at the beginning of the reporting period are considered to be sold (used) at first, and then goods produced (purchased) during the reporting period in order of priority of their production (acquisition);

- method of evaluation by the average cost of production.

5. Taxpayers are obliged to provide an electronic system for marking goods in accounting.

# Article 97. Accounting for financial lease (leasing)

1. In cases where the lessor is the owner of depreciable tangible property prior to the commencement of financial lease (leasing), the transaction is considered as the sale of property by the lessor and its purchase by the lessee.

2. Depreciable tangible property leased out under a financial lease (leasing) agreement is subject to accounting on the balance sheet of the lessee during the period of the financial lease (leasing) agreement, which entitles the lessee (lessee) to make deductions related to the subject of leasing (in especially depreciation and repair costs).

3. The following rules apply to depreciable tangible property leased under a financial lease (leasing) agreement:

- the lessee is recognized as the owner of the leased property, and the property is recorded on its balance sheet during the term of the financial lease (leasing) agreement;

- the tenant is entitled to expense deductions in relation to the leased property (especially depreciation and repair costs);

- for the tenant at the beginning of the lease, the purchase price of the leased property is equal to the value specified in the contract. If the lessor and the lessee are related persons, at the commencement date of the lease, the value of the property received under financial lease (leasing) must be equal to the fair market value;

- from the date of commencement of the lease, the lessor is considered a creditor in relation to the tenant and the loan amount is equal to the value of the leased property;

- each finance lease payment is treated as part of repayment of the principal amount of the loan and partial payment of interest on the loan. The percentage of each finance lease payment is calculated by reference to the interest rate specified in the lease agreement.

# Article 98. Tax reporting

1. Tax reporting is a process that includes filing an application, calculations and declarations for taxable regimes, each type of tax or income paid, as well as annexes to calculations and tax declarations drawn up in the manner prescribed by this Code.

2. Tax reporting consists of:

- tax declarations with attachments, calculations, information to be compiled by the taxpayer for each type of tax;

- applications for registration or transfer to another tax regime;

- applications for registration as a payer of value added tax;

- applications for the return of excessively or erroneously paid tax, and (or) for the return of value added tax;

double tax treaties and other international legal acts on taxation issues recognized by Tajikistan;

- annual financial statements, acts of audits of the taxpayer, provided for by the audit standards;

- information about opening accounts in financial institutions;

- copies of the decision on liquidation or reorganization or bankruptcy of a legal entity;

- information on foreign economic activity (export and import);

- information on obtaining a license to carry out certain types of activities;

- information about obtaining a certificate of registration of the right to land use and (or) another document representing the right to use the land.

# Article 99

1. A taxpayer (tax agent) or his representative, as well as a tax authority and (or) other authorized bodies participating in tax relations, draw up tax reports in electronic or paper forms in the state language in the manner and in the forms established by this Code.

2. The procedure, types and forms of submission of tax reporting are determined by the authorized state body in agreement with the authorized state body in the field of finance.

3. Responsibility for the accuracy of the data specified in the tax reporting lies with the taxpayer.

4. Tax reporting is submitted to the relevant tax authorities in the manner and within the time limits established by this Code.

5. Taxpayers whose activities have different taxation conditions, as well as those using different tax regimes, prepare and submit tax reports for each type of activity and regime within the established time limits.

# Article 100. Submission of tax reporting

1. Tax reporting shall be submitted by the taxpayer to the tax authority at the place of registration of the taxpayer within the time limits established by this Code. Tax reporting on certain types of taxes, in the cases provided for by this Code, shall be submitted by the taxpayer also at the place of registration of objects of taxation.

2. Individuals who are not engaged in entrepreneurial activity submit a tax return to the tax authority at the place of residence.

3. Tax reporting is considered submitted to the tax authority if it contains the identification number of the taxpayer, the tax period, the type and amount of tax, and (or) the date of submission of the tax reporting. If the tax authority discovers errors and (or) other discrepancies in the submitted tax reporting, it is obliged to immediately notify the taxpayer of this error and (or) discrepancy. In this case, the taxpayer submits corrected or additional reports or returns and no penalties for late filing of returns apply.

4. Introduction of amendments and additions to tax reporting within the limitation period is allowed by submitting additional tax reporting for the tax period to which these amendments and additions relate.

5. When submitting tax reports with amendments and additions to the tax authority before the moment when the taxpayer has received notification of the appointment of an on-site tax audit in accordance with the established procedure, the taxpayer shall be exempted from accruing and paying a fine for the offense committed. At the same time, interest for late payment of taxes is accrued and paid in the prescribed manner.

6. Taxpayers (tax agents) have the right to submit tax reports at their choice:

- electronic;

- by mail;

- in person or through a representative.

7. Regardless of the provisions of part 6 of this article, any taxpayer who is a payer of value added tax is obliged to submit a tax return in electronic form.

8. If, in accordance with the procedure established by the legislation of the Republic of Tajikistan, a legal entity has not been liquidated or an individual entrepreneur (a separate subdivision of a legal entity) has not ceased entrepreneurial activity, then the above persons shall submit tax declarations to the tax authorities in accordance with the requirements of this Code, regardless of the activities they carry out.

9. Tax reporting is accepted without preliminary cameral control. This article shall not apply to an additional tax declaration submitted by a taxpayer in accordance with Article 107 of this Code.

**Article 101. Extension of the term for submission of tax returns**

1. For conscientious taxpayers who apply before the deadline for submitting a tax return to the tax authority to extend the deadline for submitting a tax return on income of a legal entity if the taxpayer has paid the pre-assessed amount of tax, the deadline for submitting the declaration is extended by two months.

2. The extension of the deadline for submitting a declaration in accordance with paragraph 1 of this article does not change the tax payment deadline and does not lead to a suspension of the accrual of interest for late payment of taxes.

3. The deadline for filing a declaration and paying taxes in case of natural disasters (earthquakes, floods) and emergency situations (epidemics, pandemics) for all taxpayers or a group of taxpayers is extended by the relevant resolution of the Government of the Republic of Tajikistan.

# Article 102. Submission of information on payments or other transactions

A legal entity, a branch and a representative office of a foreign legal entity, a permanent establishment of a non-resident and an individual entrepreneur who have made payments in favor of other persons in a calendar year are required to submit relevant information on payments to the tax authorities in the manner and cases established by the authorized state body in agreement with the authorized state body in the field of finance.

# Article 103. Submission of information to tax authorities

1. When exercising tax control, the tax authorities, on the basis of a written notification, require any person and the relevant authorities to submit, within 10 days, the information specified in the notification, including the relationship of a particular taxpayer with other taxpayers, with the exception of information that exists in the electronic database tax authorities.

2. For the purpose of taxation, the authorized state body has the right to request from the financial institution, communication service and its structures, other legal entities and individuals information on the transfer of funds by foreign entities providing remote services in the Republic of Tajikistan, and receive a response within 5 working days. The procedure for obtaining information is determined by the authorized state body in agreement with the National Bank of Tajikistan and the Communications Service under the Government of the Republic of Tajikistan.

3. In the course of an on-site tax audit for the purpose of collecting information, an authorized employee of a tax authority has the right, in accordance with the procedure established by the legislation of the Republic of Tajikistan:

- make a copy of accounting and other documentation related to taxation;

- seize, in accordance with the established procedure, on the basis of an act of seizure, accounting and other documentation related to this field tax audit;

- seal accounting and other documentation and prohibit its use;

- take readings of electronic marking devices and counters for the production of goods.

4. If an authorized employee of the tax authority seizes the originals of accounting and other documentation within the powers provided for by part 3 of this article, he undertakes to return the originals of these documents to the taxpayer no later than 10 working days.

5. The admission of employees of the tax authority to secret documents and objects is carried out in accordance with the legislation on state and commercial secrets.

**Article 104**

1. For the purposes of taxation, tax reporting shall be kept by taxpayers (tax agents) for at least the limitation period established by this Code.

2. When a legal entity is reorganized, the obligation to keep tax reporting shall be assigned to its legal successor. In the event of a division of a legal entity into several newly created legal entities that have emerged as a result of such division, the storage of tax reporting is entrusted to the successor who owns the largest share.

**Article 105. Bank accounts and submission of information**

1. Credit and financial organizations are obliged:

- on the basis of an information letter from tax authorities, open bank accounts of individuals and legal entities, with the exception of deposit accounts of individuals, and send this information to the tax authority via an electronic communication network within 5 days;

- make all banking transactions with the identification number of the taxpayer;

- within 5 days, submit to the tax authorities, upon their written request, information on bank accounts, balances and turnover of money on these accounts of the audited taxpayer;

- when accepting payment documents for the payment of taxes, require the identification number of the taxpayer, the types of taxes paid (tax codes), as well as control the correctness of the bank details of the payee;

- submit, on the basis of a written request from the tax authority, within 5 days, information on bank accounts, on the balances and turnover of money on the accounts of taxpayers in respect of which a decision has been made on the extrajudicial collection of recognized tax debts and (or) on taxpayers recognized as irresponsible.

2. The procedure, form and terms for providing information are established by the authorized state body in agreement with the National Bank of Tajikistan.

3. For the purposes of this article, the accounts of state organizations (institutions) opened with the Main Department of the Treasury of the Ministry of Finance of the Republic of Tajikistan are equated to bank accounts.

# CHAPTER 14. ACCOUNTING FOR Fulfillment of TAX OBLIGATIONS

# Article 106

1. Accounting for the fulfillment of a tax obligation, including the following actions, is carried out by the tax authority by maintaining the personal account of the taxpayer (tax agent):

- opening a personal account for each type of tax;

- reflection in the personal account of the calculated, (accrued), credited, paid, returned amounts of tax, fines and interest, the amount of deferment or installment plan for the payment of taxes, disputed and hard-to-collect debts;

- Closing a personal account.

2. The calculated amount of tax is the amount of tax established by this Code, calculated by the taxpayer (tax agent), tax authorities, authorized state bodies established by this Code.

3. The amount of assessed tax (tax liability) in this Code means the amount of tax, fines and interest assessed by tax authorities for a given tax period. The accrual of taxes, fines and interest, including an increase or decrease in liabilities, is carried out by the tax authorities in the following cases:

- based on the results of an on-site tax audit;

- non-compliance with the deadlines for filing a tax return;

- according to the results of in-house control, chronometric survey or other forms of tax control;

- increase or decrease in tax liabilities based on the results of consideration of a taxpayer's (tax agent's) complaint against a decision made by a tax authority;

- filing an additional (amended) tax return in accordance with Article 107 of this Code.

4. Tax obligations not fulfilled within the established time limits and recognized as hard-to-collect tax debts are separately accounted for by the tax authorities. The procedure for maintaining and special conditions for the fulfillment of such tax obligations are determined by the authorized state body in agreement with the authorized state body in the field of finance.

5. Accounting for paid, credited, refunded taxes, fines and interest in the personal accounts of a taxpayer (tax agent) is kept on the basis of the following payment and other documents:

- payment of taxes, fines and interest;

- on offsets, return of overpaid amounts of taxes, fines and interest;

- about offsets and refunds, overcharged and (or) paid amount of value added tax;

- on collected amounts of tax debt, fines, interest.

6. The taxpayer's personal account reflects the changed deadline for the fulfillment of tax obligations. For the period of the amended deadline for the fulfillment of tax obligations, including the payment of taxes, fines and interest, the tax authority does not apply liability and enforcement measures to the taxpayer.

7. The personal account of a taxpayer (tax agent) shall reflect the amount of interest accrued in accordance with the procedure established by this Code, indicating the period for which they were accrued.

8. If there is specific knowledge of leaving the country, transferring assets to another person, or taking other fraudulent actions with assets that may prevent the collection of tax the tax authority has the right to deposit the assessed amount of tax into the personal account and demand its immediate payment of the assessed tax, if this measure is necessary to ensure the collection of tax.

9. Accounting for the receipt of taxes to the budget is carried out by the tax authorities by reflecting the amounts of taxes, accrued and paid fees, as well as interest and fines in the personal account of the taxpayer. The procedure for maintaining a personal personal account of a taxpayer is determined by the authorized state body in agreement with the authorized state body in the field of finance.

10. Accounting for the receipt of customs payments to the budget, as well as interest and fines paid in connection with the movement of goods across the customs border of the Republic of Tajikistan, is carried out by the customs authorities. The accounting procedure is determined by the Customs Service of the Republic of Tajikistan in agreement with the authorized state body in the field of finance.

11. The procedure for accounting for the receipt of state duties and other payments to the budget, collected by other bodies and state organizations, is determined by the authorized state body in agreement with the authorized state body in the field of finance.

**Article 107. Additional tax declaration**

1. If the tax authorities reveal discrepancies with the tax return submitted by the taxpayer for the tax period, with the filing of a written notice, the tax authority may require the taxpayer to submit an additional tax return for the period specified in the notice. The tax authority may send a taxpayer a notice in accordance with this part only during the limitation period. The taxpayer must file an additional declaration in accordance with this part within the period specified in the notice.

2. If a taxpayer has submitted an additional tax return in accordance with paragraph 1 of this Article, the tax authority may serve the taxpayer with a notice of an additional tax return in accordance with paragraph 4 of Article 111 of this Code within 30 days after the filing of the declaration.

3. A taxpayer who has filed a tax return for the period in which the provisions of paragraph 1 of Article 99 of this Code are applied may file an additional tax return indicating the changes necessary, in the opinion of the taxpayer, to correct the self-assessment so that the taxpayer is responsible for correctly determining the amount of tax for this period . The supplementary tax return must state the reasons for the change.

4. If a taxpayer has submitted an additional tax return in accordance with paragraph 2 of this article, the tax authority must, within 30 days from the date of submission of the additional tax return:

- accept an additional taxpayer's declaration in full or in part and hand over to the taxpayer a notice of the additional (modified) tax declaration in accordance with paragraph 4 of Article 111 of this Code;

- reject an additional (modified) taxpayer's declaration by sending a written notification to the taxpayer.

# Article 108

1. National taxes are paid to the republican budget, and local taxes - to local budgets, unless otherwise provided by the legislation of the Republic of Tajikistan.

2. Calculated (accrued) taxes, fines and interest are payable:

- at the place established by the relevant tax legislation of the Republic of Tajikistan;

- at the place specified in the notification of the tax authority on the calculation (assessment) of tax and the requirements for payment of tax;

- if notification of the tax authority on the calculation (calculation) of tax is not required - in the place indicated by the relevant tax legislation of the Republic of Tajikistan;

- if the relevant tax legislation of the Republic of Tajikistan does not specify the place - at the place of residence of the taxpayer-individual, at the place of activity of an individual entrepreneur or at the place of state registration of a legal entity, branch and representative office of a foreign legal entity, or at the location of a tax agent (branch and representative office of a resident legal entity).

3. The Law of the Republic of Tajikistan on the State Budget of the Republic of Tajikistan for the corresponding financial year establishes the percentage of national taxes between the republican budget and local budgets.

4. Taxes, fines and interest calculated (additionally calculated) in accordance with this Code must be paid within the time limits established by this Code and transferred to the relevant budgets in accordance with the Law of the Republic of Tajikistan on the State Budget of the Republic of Tajikistan for the relevant financial year .

Taxes regulated in accordance with the Law of the Republic of Tajikistan on the State Budget of the Republic of Tajikistan for the corresponding financial year according to the established ratio are automatically distributed between the corresponding levels of budgets by transferring them to regulated accounts of the Central Treasury of the Ministry of Finance of the Republic of Tajikistan.

6. The collection of taxes on real estate and land tax of individuals in rural areas can be carried out through an automatic electronic payment system with the provision of a confirming receipt, including by an authorized employee of the tax authority with the assistance of employees of local governments.

7. The authorized state body in the field of finance, the authorized state body in the field of taxes and financial institutions are required to regularly post on their official websites the details of bank and treasury accounts to which taxes, fines and interest are paid.

8. Regardless of the provisions of parts 1-7 of this article, income tax and social tax in respect of individuals working in separate subdivisions of legal entities are payable to the budget at the location of separate subdivisions, taking into account the distribution of the amounts of these taxes between the republican and local budgets in accordance with the Law of the Republic of Tajikistan on the State Budget of the Republic of Tajikistan for the relevant financial year .

# Article 109

1. Tax obligations of a taxpayer are fulfilled in the following order:

- calculated (additionally accrued) amounts of taxes;

- calculated interest;

- calculated fines.

2. Subject to the provisions of Part 1 of this Article, payment of the amount of taxes, fines and accrued interest to cover the tax liability of a taxpayer shall be made in the following sequence:

- first of all - tax liabilities of previous years;

- subsequent - tax debt formed later;

- last but not least - tax liabilities for the current year.

# Article 110. General conditions for changing the deadlines for paying taxes

1. A change in the term for payment of a tax in accordance with the procedure established by this Chapter shall be recognized as a postponement of its payment to a later date.

2. It is allowed to change the deadline for tax payment depending on the total amount of tax payable or its part (hereinafter in this chapter - the amount of debt) with the accrual of interest on the amount of debt, unless otherwise provided by this chapter.

3. Changes in the tax payment term shall be carried out in the form of a tax deferral (deferred) or installment plan (payment in installments).

4. Postponement is allowed from the first day of tax payment for the period established by Article 112 of this Code. Payments made in installments are made on the basis of an agreement between the tax authority and the taxpayer with the establishment of specific terms of payment for a period not exceeding one year.

5. Deferral or installment payment may be granted on the basis of a taxpayer's application in respect of the amount of debt that arose before the decision to grant a deferment or installment payment, or in respect of tax debt that will arise in the future.

6. Changing the tax payment deadline does not cancel the existing tax payment obligation and does not create a new tax obligation.

7. It is allowed to change the tax payment deadline by decision of the bodies provided for in Article 112 of this Code, regardless of the provisions of this Article, when offering a surety or a bank guarantee in accordance with Articles 137-138 of this Code, unless otherwise provided by this Chapter.

8. The provisions of this chapter shall also apply when granting a deferral or installment plan for the payment of interest and fines.

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# Article 111

1. The deadline for paying taxes is not subject to change in the presence of one of the following circumstances:

1) if, on the grounds of a crime, a criminal case has been initiated against the taxpayer in connection with the violation of tax legislation;

2) if there are sufficient grounds for the application of such changes by the taxpayer to conceal funds or other property in the territory of the Republic of Tajikistan, or this person is going to flee the country for permanent residence;

3) if the decision to change the deadline for paying taxes in relation to this taxpayer was canceled within three years before the date of filing the application due to violation of the conditions for changing the deadline for paying taxes;

4) if the bankruptcy process has been initiated.

2. The conditions specified in paragraph 1 of this article shall not apply in cases provided for in paragraph 2 of Article 113 of this Code.

3. If there are cases provided for by part 1 of this article, the decision to change the tax payment deadline shall not be taken, and the decision taken shall be subject to cancellation.

4. The authorized state body is obliged to notify the taxpayer and the tax body at the place of its registration in writing within three days from the date following the day of cancellation of the decision to change the tax payment deadline.

5. The taxpayer has the right to appeal the decisions taken in the manner prescribed by this Code.

# Article 112

1. The decision to defer the payment of national taxes is made by the Government of the Republic of Tajikistan on the proposal of the authorized state body in the field of finance for a period not exceeding 1 year.

2. The decision to defer the payment of local taxes is made by the Majlis of People's Deputies of the respective city (district) on the proposal of the relevant financial and tax authorities of the city (district) for a period not exceeding 6 months.

# Article 113

1. A tax deferral or installment plan is granted to taxpayers whose financial situation does not allow them to fulfill their tax obligations for a certain reporting period, however, there are sufficient grounds to believe that in the event of a deferment or installment plan, the taxpayer will ensure the payment of the prescribed tax.

2. Regardless of the provisions of part 1 of this article, a tax deferral or installment plan is granted to taxpayers if at least one of the following grounds exists:

1) causing damage to the taxpayer as a result of a natural disaster, man-made disaster or other force majeure circumstances;

2) the likelihood of occurrence of signs of insolvency of bankruptcy ( insolvency ) of the taxpayer in the event of a one-time payment of tax liabilities;

3) the property status of an individual (excluding property, which cannot be subject to tax collection in accordance with the legislation of the Republic of Tajikistan) excludes the possibility of a one-time tax payment;

4) if there are provisions established by the customs legislation of the Republic of Tajikistan in relation to customs payments in connection with the movement of goods across the customs border of the Republic of Tajikistan;

5) non-financing of the taxpayer during the contractual period in connection with the execution of the state order, the performance of work and (or) the provision of services for state needs and the needs of local government bodies from the state budget.

3. If there are grounds specified in paragraphs 1) - 4) of part 2 of this article, deferral or installment payment of tax shall be applied in accordance with the following requirements:

1) to a legal entity - not higher than the value of the taxpayer's net assets in relation to tax liabilities;

2) for an individual - no more than the value of the taxpayer's property (with the exception of property on which tax collection cannot be levied in accordance with the legislation of the Republic of Tajikistan) in relation to tax liabilities.

4. If a tax deferral or installment plan is granted on the grounds specified in paragraphs 1) or 5) of part 2 of this article, no interest on such tax liabilities shall be accrued.

5. If a deferral or installment plan for tax payment is applied on the grounds specified in subparagraphs 2) - 4) of part 2 of this article, interest is accrued on such tax liabilities at the rates in force during the period of deferral or installment plan for payment .

6. It is prohibited to grant a deferral or installment plan for the payment of taxes withheld at the source of payment and social tax.

7. It is prohibited to assign the right to fulfill a tax obligation under modified terms to another person, except for the cases established by this Code, during the reorganization of a legal entity.

# Article 114

1. An application for granting a deferral or installment plan for payment shall be submitted by a taxpayer to the authorized state body.

2. To the application of the taxpayer the following documents are attached:

1) an act of reconciliation between the tax authority at the place of registration and the taxpayer;

2) a statement of the taxpayer's accounts with credit financial institutions;

3) extracts from accounts in credit and financial institutions on the turnover and balances of funds for 6 months prior to the submission of the application;

4) the schedule of repayment by the taxpayer of tax liabilities for the period of deferral or installment payment;

5) documents confirming the existence of grounds for changing the tax payment deadlines specified in paragraphs 3-8 of this Article.

3. In accordance with the provisions provided for in clause 1) of part 2 of Article 113 of this Code, the following documents shall be attached to the taxpayer's application for granting a deferral or installment plan for payment:

1) the conclusion of civil defense bodies, protection of the population and territorial bodies for emergency situations, local government bodies on the fact of the occurrence of force majeure circumstances in relation to the taxpayer;

2) an act of civil defense authorities, protection of the population and territorial authorities for emergency situations, local government authorities on the assessment of damage caused to the taxpayer as a result of force majeure circumstances.

4. Availability of the grounds established in paragraph 2) of paragraph 2 of Article 113 of this Code, is established by the authorized state body or its representative based on the results of the analysis of the financial position of the taxpayer. The procedure for conducting such an analysis is approved by the Ministry of Finance of the Republic of Tajikistan in agreement with the Ministry of Economic Development and Trade of the Republic of Tajikistan, the authorized state body and the National Bank of Tajikistan.

5. The taxpayer's application for granting a deferral or installment plan for payment on the grounds specified in paragraph 3) of part 2 of Article 113 of this Code shall be accompanied by information on the movable and immovable property of an individual (with the exception of property that cannot be levied in accordance with with the legislation of the Republic of Tajikistan).

6. A taxpayer's application for granting a deferral or installment plan for payment on the basis specified in paragraph 5) of part 2 of Article 113 of this Code shall be accompanied by a document from the financial authority on the existence of such a basis and the amount provided for in the state budget.

7. In an application for granting a deferral or installment plan for payment, the taxpayer assumes the obligation to pay interest accrued in accordance with this Chapter.

8. At the request of the authorized state body, the taxpayer shall submit documents of a bank guarantee or surety issued in compliance with the provisions of the legislation of the Republic of Tajikistan.

9. At the request of the taxpayer, the authorized bodies have the right to decide on a temporary suspension (during the period of consideration of the application) of the payment of the amount of tax liabilities and notify the taxpayer and the tax authority at the place of registration about this. The term for making such a decision cannot exceed 3 business days.

10. Acceptance or refusal to make a decision on granting a deferment is made by the authorized bodies and on installment payment - by the authorized state body within 30 days from the date of receipt of the taxpayer's application.

11. The decision to grant a deferral or installment plan for the payment of tax must contain at least the following information:

1) the name of the taxpayer;

2) the amount of tax debt;

3) a tax for the payment of which a deferment or installment plan is granted;

4) the term and procedure for paying the amount of debt and accrued interest.

12. Decision on the application of deferment or installment plan on payment shall enter into force on the date specified in this decision.

13. The decision to refuse to grant a deferral or installment plan for payment must be motivated.

14. The taxpayer has the right to appeal against the decision to refuse to grant a deferral or installment plan for payment in the manner prescribed by the legislative acts of the Republic of Tajikistan.

15. A copy of the decision to grant a deferral or installment plan for the payment of tax or to refuse to submit it shall be sent by the authorized body to the taxpayer and to the tax authority at the place of registration of the taxpayer within 3 days from the date of such a decision.

# Article 115 \_

1. The effect of a deferral or installment plan for payment shall be considered terminated if:

- accrued amounts of tax and interest paid before the expiration of the established period;

- the term of validity of the decision on deferral or installment payment has expired ;

- the taxpayer has not complied with the conditions of deferment or installment payment in the allotted time.

2. Notification of the cancellation of the decision on deferral or installment payment of tax shall be sent by the authorized bodies and the authorized state body to the taxpayer, respectively, within 5 days from the date of the decision to cancel, and a copy of such a decision shall be sent to the tax authority at the place of registration of the taxpayer in the manner established by this Code.

3. The taxpayer has the right to appeal against the decision to terminate the deferral or installment plan for payment in the manner prescribed by the legislation of the Republic of Tajikistan.

# Article 116

1. The overpaid amount of tax, fines and interest for a tax period, except for the cases provided for by Article 274 of this Code, is a positive difference between the amount paid and the amount of assessed (additionally assessed) taxes, fines and interest for this tax period.

2. An excessively paid or excessively collected amount of tax shall be refunded to the taxpayer. In this case, the taxpayer has the right to use the overpaid or collected amount of tax against future payments for this type of tax.

3. Repayment of tax liabilities at the expense of overpaid or overcharged amount of tax is carried out in the following sequence:

1) to pay debts on interest on overpaid tax or collected tax (if such a circumstance exists);

2) to pay debts on other types of taxes and interest on them to the relevant budgets;

3) to pay fines for tax violations to the relevant budgets.

4. The amount of overpaid or collected tax shall be refunded to the taxpayer in whole or in part on the basis of the taxpayer's application in compliance with the sequence established by part 3 of this article.

5. The refund to the taxpayer of overpaid or collected tax amounts shall be carried out in accordance with parts 1-3 of this Article and in the manner established by Articles 117 and 118 of this Code.

6. The reliability of overpaid or collected amounts of tax is determined by drawing up a reconciliation report between the tax authority and the taxpayer in the manner prescribed by this Code.

7. The rules established by this Chapter shall also apply to the offset or return of the following overpaid or overcharged amounts:

- advance and current payments of taxes, fees, interest and fines;

- duties, interest and fines imposed by other authorized bodies;

- erroneously paid taxes, interest and fines;

- the amount of value added tax, except for the provisions of Article 274 of this Code.

# Article 117

1. The offset of the amount of tax overpaid by a taxpayer towards repayment of his tax debt, provided for in paragraph 2 of Article 116 of this Code, is carried out by the tax authorities independently within 5 days from the date of detection of the fact of excessive tax payment (reconciliation act) or from the date of entry into force of the relevant court decisions.

2. When considering a written application of a taxpayer for the refund of an overpaid amount of tax, the tax authority shall draw up a reasoned opinion within 10 days after receiving such an application. If there are circumstances that require additional study, the term for submitting the opinion is extended by 5 days.

3. A taxpayer has the right to file an application for a credit or refund of the overpaid amount of tax during the limitation period, unless otherwise provided by this Code.

4. Before the expiration of the period established by part 2 of this article, the tax authority shall send to the financial authority an appropriate conclusion on the return of the overpaid amount of tax in the manner established by this Code.

5. The tax authority is obliged to notify the taxpayer of the adopted opinion, of the refusal to carry out an offset or refund within 3 days from the date of adoption of such an opinion.

6. If the tax authorities fail to comply with the provisions of Part 2 of this Article, in accordance with Article 139 of this Code, interest is accrued in favor of the taxpayer for each calendar day of the term for returning the amount of money.

7. Accrued interest is paid out of the relevant budget.

8. The erroneously paid amount of tax, as well as interest and (or) fines, are returned to the taxpayer on the basis of a written request from the taxpayer or financial institutions, or the financial authority, if the error was made on their part.

# Article 118

1. A taxpayer shall have the right to file with a tax authority an application for offsetting or refunding an excessively collected amount of tax within the limitation period or from the date of entry into force of a court decision.

2. The excessive amount of tax and interest accrued in the interests (favor) of the taxpayer shall be refunded on the basis of the taxpayer's application within 20 working days from the date of receipt by the tax authority of such an application in compliance with the provisions of Article 116 of this Code.

3. Interest is accrued on the amount of overpaid tax if the taxpayer submits an application about it within 60 days or from the date of entry into force of the relevant court decision.

4. Interest is accrued from the day of the overcharged amount of tax to the day of the actual offset or refund.

5. Accrued interest shall be paid from the relevant budget in compliance with the provisions of Article 139 of this Code at the rates in force for the period of collection.

6. When establishing the fact of excessive collection of tax, the tax authority shall take a decision on the offset and (or) return of the excessively collected tax, as well as interest accrued not in favor of the taxpayer, in the manner prescribed by parts 4-5 of this article.

7. The offset of the amount of excess tax collected against the taxpayer's tax debt or against his forthcoming payments on this or other taxes, established by parts 2 and 3 of Article 116 of this Code, is carried out by tax authorities in the manner established by parts 1-3 of Article 117 of this Code to offset the amount of overpaid tax.

8. The procedure for the return of overpaid tax is similar to the procedure provided for in Article 117 of this Code for the return of amounts of overpaid tax.

# CHAPTER 15. IMPLEMENTATION OF TAX OBLIGATIONS

# Article 119. Tax liabilities

1. A tax liability is the obligation of a taxpayer to calculate and pay taxes and fees within the time limits established by this Code.

2. Tax obligations for the calculation, withholding, payment of taxes to the budget within the time limits established by this Code, and (or) the return of taxes to the taxpayer, imposed on tax agents, shall be equated to the taxpayer's tax obligations.

3. A tax liability arises, changes and terminates in accordance with the provisions of this Code or other acts of tax legislation.

4. Fulfillment of the tax obligation for each tax is assigned to the taxpayer from the moment such an obligation arises in accordance with the tax legislation.

# Article 120. Procedure and terms for the fulfillment of tax obligations

1. A taxpayer independently fulfills his tax obligation, unless otherwise provided by this Code.

2. The tax obligation of an individual who is not an individual entrepreneur may be fulfilled by another individual. In this case, the material benefit received by this individual is not recognized as taxable income. Amounts paid for this purpose are non-refundable.

3. The tax obligation must be fulfilled within the period established by the tax legislation.

4. The deadline for the fulfillment of a tax obligation is established by this Code as a calendar date or the expiration of a period of time (year, quarter, month and day) in accordance with this Code.

5. The deadline for the fulfillment of a tax obligation starts from the day following the calendar date or from the date of the action that entails the occurrence of a tax obligation.

6. If the last day of fulfillment of a tax obligation falls on a day off and (or) a holiday (non-working) day, the expiration day of the term shall be the first working day following it.

7. The taxpayer has the right to fulfill the tax obligation ahead of schedule.

8. The deadline for the fulfillment of a tax obligation is changed in accordance with the procedure established by Articles 110-115 of this Code.

9. In case of non-fulfillment or improper fulfillment by a taxpayer of tax obligations, the tax authority shall ensure the fulfillment of this obligation in the manner prescribed by Chapters 17-18 of this Code.

10. Fulfillment of tax obligations in the event of bankruptcy (insolvency) of a taxpayer is carried out in accordance with the provisions of the legislation of the Republic of Tajikistan.

**Article 121 Interim measures**

1. Temporary measures are taken by the tax authorities depending on the results of tax audits and, if there is sufficient evidence, the failure to comply with which makes it difficult or impossible to enforce the decision to bring to account and collect tax debts.

2. For the adoption of temporary measures, the authorized state body shall take an appropriate decision. The period of validity of such a decision is valid from the date of adoption and until its execution, or until the day the decision is canceled by the court.

3. In the cases provided for by part 11 of this article, the tax authority has the right to make a decision to cancel or replace temporary measures.

4. The decision to cancel (replace) provisional measures shall enter into force from the date of its adoption.

5. Provisional measures consist of:

- suspension of operations on bank accounts in accordance with the provisions of Article 140 of this Code;

- a ban on the alienation and (or) pledge of property without the consent of the tax authority.

6. The prohibition on alienation and (or) pledge of property is carried out in relation to the following property:

- immovable property not used in the production of goods or the provision of services;

- vehicles , securities, office space decor items;

- other property, except for finished products and raw materials;

- finished products , with the exception of raw materials and perishable products, with a shelf life of up to three months.

7. In order to fulfill tax obligations identified during a tax audit, the sequence of the prohibition on the alienation and (or) pledge of property is carried out in accordance with the provisions of part 6 of this article, if the total value of property from the previous groups is less than the total amount of tax debt. In this case, the value of the property is determined according to accounting data.

8. Suspension of operations on bank accounts is applied until a ban is imposed on the alienation and (or) pledge of property.

9. At the request of the taxpayer, the tax authority has the right to replace the temporary measures established by part 6 of this article with the following measures:

- bank guarantee of a financial institution for payment of tax debts;

- pledge of securities circulating on the organized securities market;

- a surety issued in the manner prescribed by Article 137 of this Code.

10. When a taxpayer presents a bank guarantee to a reliable credit financial institution for the payment of a tax liability, the tax authority shall not be entitled to refuse the taxpayer's request to replace the temporary measures established by part 6 of this article.

11. A copy of the decision to cancel the adoption of temporary measures and the decision to cancel it is sent to the taxpayer's personal account or issued to his representative within 5 days from the date of their adoption.

# Article 122. Termination of a tax obligation

1. Unless otherwise provided by this article, a tax liability shall be considered terminated in the following cases:

1) fulfillment of tax obligations (interest and fines);

2) in circumstances where tax legislation establishes the termination of a tax liability, including:

- expiration of the limitation period for a tax liability;

- write-off of the tax liability in accordance with the procedure established by this Code.

2. The tax liability of an individual terminates in the following cases, subject to compliance with the requirements of part 3 of this article:

- fulfillment of tax obligations;

- in connection with the death of an individual;

- declaring a person dead, missing or incapacitated by a court decision, as well as the insufficiency of his property.

3. The tax debt of a natural person who has died or has been declared dead shall be paid by the heirs within the limits of the value of the inherited property in the manner prescribed by Article 129 of this Code.

4. The tax liability of a legal entity is terminated in the following cases:

- upon liquidation of a legal entity in accordance with Article 126 of this Code;

- when reorganizing a legal entity in accordance with Article 127 of this Code.

# Article 123

1. The limitation period for a tax liability is 5 years.

2. During the limitation period, the tax authorities have the right to calculate (additionally charge) the amount of tax payable by the taxpayer, review and (or) recover the amount of the calculated (additionally assessed) tax for the corresponding tax period.

3. The taxpayer has the right to recalculate and adjust his tax liabilities during the limitation period, as well as demand the return or offset of overpaid or collected amounts for the relevant tax period.

4. With regard to taxpayers applying preferential taxation, the limitation period is extended for the period of preferential taxation established in accordance with the regulatory legal acts of the Republic of Tajikistan, and is also extended in accordance with Article 37 of this Code.

5. The limitation period is suspended for the period of the moratorium on tax audits, the period of deferral or installment payment of taxes.

**6. Regardless of the provisions of parts 1-5 of this article, the limitation period for writing off bad tax debts, except for the provisions of parts 1 and 2 of article 131 of this Code, is 15 years. (Z RT dated March 28, 2022, No. 1867)**

# Article 124. Payment of tax

1. The obligation of a taxpayer to pay tax shall be recognized as fulfilled in the following cases, unless otherwise provided by part 2 of this article:

1) from the moment the transfer of funds is reflected in the payment order of the taxpayer submitted to the financial institution for the transfer of funds from the taxpayer's account to the corresponding treasury account of the state budget - if there are sufficient funds on the account of the taxpayer and the financial institution on the day of payment ;

2) from the moment of delivery of cash to the cash desk of a financial institution for transfer to the appropriate account of the state budget treasury without opening an account with a credit financial institution. This rule applies only when tax is paid by individuals, provided that there are sufficient funds to pay the tax;

3) from the day the tax authority issues a decision on offsetting the overpaid or overcharged amounts of taxes, interest and fines against the fulfillment of the obligation to pay the relevant tax.

2. The taxpayer's obligation to pay tax is not recognized as fulfilled in the following cases:

1) withdrawal by a taxpayer or return to him by a credit and financial institution of an unfulfilled order for the transfer of appropriate funds to the budget;

2) withdrawal by the taxpayer or return to him by the treasury of the unfulfilled order;

3) incorrect indication of bank details in the order for the transfer of funds, which resulted in non-transfer of these funds to the corresponding treasury account of the state budget;

4) if on the day of presentation to the financial institution of an instruction to transfer funds on account of payment of tax, the taxpayer has other unfulfilled claims made against his account, which, in accordance with civil law, are executed as a matter of priority, and if this account does not have sufficient funds means to meet all requirements.

# Article 125. Execution by credit and financial organizations of payment and collection orders

1. Credit financial organizations are obliged:

1) execute a payment order of a taxpayer (hereinafter in this article - a payment order) and a collection order of a tax authority (hereinafter in this article - a collection order) in the order established by civil legislation and this Code;

2) execute a collection order of a tax authority if it is sent to a financial institution with a decision of the authorized state body and a reconciliation report approved in accordance with the established procedure by the tax authority and the taxpayer, which provides information on the validity of the recognition of tax debt by the taxpayer, in written or electronic form;

3) according to the payment order of the taxpayer or the collection order of the tax authority, credit (transfer) the amount of taxes to the account of the Central Treasury of the Ministry of Finance of the Republic of Tajikistan no later than one day following the transaction.

4) if the execution of the payment order of the taxpayer and the collection order of the tax authority is impossible within the prescribed period due to the absence (insufficiency) of funds on the account of the taxpayer, within the day following the day of expiration of the established period, notify of the non-execution (partial execution) of the payment order of the taxpayer and collection order of the tax authority.

2. The form of electronic notification of a financial institution about non-execution (partial execution) of a taxpayer's payment order or collection order of a tax authority and the procedure for its transmission in electronic form are established by the authorized state body in agreement with the National Bank of Tajikistan.

3. Credit and financial institutions shall be liable for non-fulfillment or improper fulfillment of the obligations provided for by this article, in accordance with the legislation of the Republic of Tajikistan.

4. The application of liability measures does not relieve credit financial institutions from the obligation to execute a payment order of a taxpayer and a collection order of a tax authority.

# Article 126. Fulfillment of a tax obligation upon liquidation of a legal entity

1. The founder (founders) of a resident legal entity, its authorized body or court, within 5 working days from the date of the decision to liquidate, must notify the tax authority at their location in writing about this.

2. A legal entity in liquidation is obliged, within 3 business days from the date of approval of the interim liquidation balance sheet, to submit to the tax authority at the location an application for a tax audit and liquidation tax reporting.

3. A legal entity in liquidation is obliged to pay the taxes reflected in the liquidation tax reporting no later than 10 calendar days from the date of submission of the liquidation tax reporting to the tax authority.

4. The tax liability of a liquidated legal entity is repaid at the expense of its funds, including those received from the sale of its property. The liquidation commission, within 7 days from the date of liquidation, officially notifies the tax authority at the location of its appointment as a liquidator.

5. The tax authority is obliged to conduct a comprehensive tax audit no later than 20 working days after receiving the application of the liquidated legal entity.

6. The tax debt of a liquidated legal entity shall be paid at the expense of the legal entity's funds, including those received from the sale of property, in the manner prescribed by civil law and this Code.

7. Persons to whom, in accordance with the provisions of the legislation of the Republic of Tajikistan, the right to use the land of a liquidated legal entity (any form of agriculture) is transferred, bear proportional (equal share) responsibility according to the share of the remaining amount of the tax debt of the liquidated legal entity.

8. If the funds of a liquidated legal entity, including funds received from the sale of its property, are not sufficient to pay off its tax debt in full, the remaining outstanding debt may be repaid by the participants of this legal entity in the manner prescribed by law, if in the constituent documents joint and several obligations are established.

9. The sequence of fulfillment of the tax obligations of a liquidated legal entity at the expense of other creditors of this legal entity is carried out by mutual settlements in accordance with civil law.

10. Amounts of taxes (fines, interest) overpaid by a legal entity in liquidation or excessively collected from it by a tax authority shall be offset against the payment of tax debts on other taxes in the manner established by this Code, or divided proportionally by decision of the legal entity in liquidation.

11. If a liquidated legal entity has no tax debts, the amount of overpaid or overcharged taxes (fines, interest) shall be returned to this legal entity no later than 15 days from the date of submission of an application by it in the manner established by this Code.

12. The provisions provided for by this article shall also apply to the payment of taxes when moving goods across the customs border of the Republic of Tajikistan.

13. Based on the results of an on-site tax audit and full payment of tax debts, a liquidated legal entity submits a liquidation balance sheet to the tax authority at its location.

14. Tax authorities are obliged, on the basis of a request from a liquidated legal entity, in the manner and within the time limits established by this Code, to issue a certificate of absence of debt from this entity.

15. Fulfillment of tax obligations by a branch or representative office of a non-resident legal entity, a permanent representative office of a foreign legal entity that has terminated its activities in the Republic of Tajikistan is carried out in the manner prescribed by this article.

# Article 127. Fulfillment of a tax obligation upon reorganization of a legal entity

1. The tax obligation of a reorganized legal entity shall be fulfilled by its successor (successors) in the manner prescribed by this article.

2. A legal entity, within 5 working days from the date of the decision to reorganize by merging, joining, separating, dividing or transforming, notifies the tax authority at the location in writing.

3. Within 3 working days from the date of approval of the deed of transfer or separation balance sheet, the reorganized legal entity shall submit to the tax authority at the location an application for a tax audit and liquidation tax reporting.

4. Liquidation tax reporting is drawn up for the types of taxes for which the reorganized legal entity is a taxpayer and (or) a tax agent.

5. A tax audit must be started no later than 20 working days after the receipt by the tax authority of the application of the reorganized legal entity.

6. The fulfillment of the tax obligation of a reorganized legal entity shall be assigned to its legal successor (successors), regardless of whether prior to the completion of the reorganization the legal successor (successors) were aware of the facts and (or) circumstances of non-fulfillment or improper fulfillment by the reorganized legal entity of the obligation to pay taxes.

7. The successor (successors) of the reorganized legal entity is obliged to ensure the full repayment of the shared tax debt, including the payment of fines for tax offenses imposed on the reorganized legal entity before the completion of the reorganization.

8. The successor (successors) of the reorganized legal entity shall enjoy the rights established by this Code for taxpayers.

9. The reorganization of a legal entity cannot change the deadline for the fulfillment of a tax obligation by its successor (successors).

10. In the event of a merger (merger) of several legal entities, a newly created legal entity shall be considered their legal successor in terms of the fulfillment of tax obligations. Tax documents (electronic data) of the merged legal entities are stored in the tax authorities at the location of the newly created legal entity.

11. In the event of a merger of one legal entity with another, the successor of the merged legal entity in terms of the fulfillment of the tax obligation is recognized as the legal entity that merged with it.

12. When a legal entity is divided, legal entities created as a result of such division, by divided shares, are recognized as legal successors in terms of fulfilling the tax obligations of the divided legal entity.

13. If there are several legal successors of a separated, divided or transformed legal entity, the share of participation of each of them in terms of fulfillment of the tax obligation of the reorganized legal entity is determined by the separation balance sheet drawn up in accordance with the civil legislation of the Republic of Tajikistan. If the separation balance sheet does not allow determining the share of each successor of the reorganized legal entity, the tax liabilities of the newly formed legal entities are determined by a court decision.

14. The provisions of part 13 of this article shall also apply in cases where the separation balance sheet does not make it possible for at least one legal successor to fulfill in full the part of the tax obligation of the reorganized legal entity attributable to it, if such reorganization was carried out for the purpose of non-fulfillment of the tax obligation.

15. When separating one or more legal entities from the composition of a legal entity, succession in relation to the reorganized legal entity in terms of the fulfillment of its tax obligation does not arise, unless otherwise provided by part 12 of this article.

16. If, as a result of the separation of one or several legal entities from a legal entity, the separated legal entity cannot fulfill its tax obligation in full, by a court decision, the spun-off legal entities jointly and severally fulfill the tax obligation of this reorganized legal entity.

17. When one legal entity is transformed into another legal entity, including by changing the organizational and legal form, the legal successor of the reorganized legal entity in terms of the fulfillment of the tax obligation is recognized as the newly created legal entity.

18. When separating from a legal entity, the newly created legal entities that have arisen as a result of such a spin-off, as well as this legal entity in terms of fulfilling tax obligations, are recognized as legal successors of the reorganized legal entity with equal shares.

19. The amount of tax (fines, interest) overpaid by a legal entity or overcharged from it before its reorganization is subject to offset by the tax authority against the tax debt of the reorganized legal entity. Such a set-off is made no later than 1 month from the date of completion of the reorganization procedure in favor of the successor (successors) of the legal entity.

20. If the reorganized legal entity does not have tax debts, the amount of tax (fines, interest) overpaid or overcharged from it shall be returned to its successor (successors) no later than 1 month from the date of filing the application. In this case, the excessively paid or collected amounts of tax (fines, interest) shall be refunded to the successor (successors) of the reorganized legal entity in proportion to the share of each successor, determined on the basis of the separating balance sheet.

21. The provisions of this article shall also apply to the fulfillment of the obligation to pay fees and other obligatory payments in the event of the reorganization of a legal entity.

22. The provisions provided for by this Article shall also apply when determining the legal successor (successors) of a foreign organization reorganized in accordance with the legislation of a foreign state.

23. The provisions provided for by this article shall also apply to the payment of taxes when moving goods across the customs border of the Republic of Tajikistan.

# Article 128

1. The tax obligation upon transfer of property to trust management on the basis of an agreement between a trustee and an authorized person shall be fulfilled by an authorized person in accordance with the provisions of this Code.

2. The authorizing person-founder of the trust management (beneficiary) independently fulfills the tax obligations arising from the transfer of property to trust management, if the fulfillment of the tax obligation (except for obligations for value added tax) is not assigned to the trust manager upon transfer of property in trust management to a non-resident trustee of the Republic of Tajikistan. If the founder of the trust management is an individual who is not an individual entrepreneur, the fulfillment of tax obligations arising from the activities of the founder of the trust management is carried out by the trust manager.

3. The trust manager is obliged to keep separate accounting of the objects of taxation for the activities of the trust management, carried out in the interests of the founder of the management (beneficiary), and other activities.

4. If the trust manager is entrusted with the fulfillment of a tax obligation, as well as the obligation to draw up and submit tax and financial statements for the founder of the trust management (beneficiary), the fulfillment of such tax obligation is carried out on behalf of the person who is the trust manager, in the manner established by the special part of this Code.

5. If the trustee fails to fulfill the obligations provided for by this article in the calculation or payment of taxes, or does not fulfill them in full, the obligations for their fulfillment shall be assigned to the founder of the trust management (beneficiary).

# Article 129

1. In the event of the death of an individual who has a tax debt, the amount of accrued interest and fines in respect of him shall be recognized as uncollectible. The remaining tax debt of the deceased natural person shall be repaid by his heir(s), who accepted the inherited property of the deceased in the order of inheritance, in proportion to the value of the inherited property in accordance with the provisions of this article.

2. If the tax debt of the deceased person exceeds the value of the inherited property, the remaining amount of the tax debt shall be recognized as uncollectible. The value of the inheritance property of heirs (legal successors) is determined in accordance with the procedure established by the legislation of the Republic of Tajikistan, and the valuation document is submitted to the tax authorities.

3. In the absence of an heir or the heir(s) renounce the right to inherit, the tax debt of the deceased natural person shall be recognized as uncollectible. Uncollectible tax debt is subject to write-off in accordance with the provisions of Article 131 of this Code.

4. In the event of the death of an individual with a tax debt, the tax authority at the place of his registration and (or) at the location of his property is obliged, within 1 month from the date of receipt of information about the heir (heirs), to inform him (them) of the presence of tax debt .

5. The heir (heirs) of the deceased natural person is obliged to pay off the remaining tax debt of the deceased natural person no later than 6 months from the date of acceptance of the inheritance.

6. The repayment period for the debt of a deceased natural person may be extended by decision of the tax authority if the notice of the existence of a tax debt was received by the heirs (successors) less than 3 months before the expiration of the tax debt payment period.

7. The provisions provided for by this article shall also apply to the tax debt of an individual declared dead by a court decision in the manner prescribed by civil law.

8. In case of cancellation of a court decision on declaring a natural person dead, the effect of tax liabilities previously written off in accordance with part 3 of this article is restored. In this case, for the period from the moment the natural person is declared dead until the decision is made to cancel the court decision on tax liabilities penalties and interest are not charged.

# Article 130

1. The tax obligation to pay taxes of a natural person recognized as missing by a court shall be fulfilled by an authorized person who, in accordance with the law, has the right to manage the property of this person (hereinafter in this article - an authorized person), at the expense of this property of the missing person.

2. The authorized person is obliged to pay off the tax debt of the missing natural person, which arose on the day he was recognized as missing by the court, at the expense of money or other property of the missing person.

3. The tax obligation of a natural person declared legally incompetent by a court shall be fulfilled by his guardian (custodian) at the expense of money or other property of this incapacitated person.

4. Unfulfilled tax obligations to pay taxes of an individual recognized by a court as missing or incompetent, as well as to pay fines and interest in the event of insufficient (absence) of funds or other property belonging to such persons, in the manner established by this Code, are written off as bad tax debt.

5. If a decision is made to cancel the recognition of an individual as missing or incapacitated, the fulfillment of tax obligations is restored from the date of the decision. At the same time, from the moment a decision is made to recognize a citizen (individual) as missing or incapacitated until a decision is made to cancel the recognition of a person as missing or incapacitated, no interest and fines are accrued.

6. Authorized persons who, in accordance with this article, are obliged to pay taxes from individuals recognized by the court as missing or incompetent, fulfill their tax obligations in the manner established by this Code and this article. For the commission of tax violations in the performance of their tax obligations, authorized persons are held accountable. In this case, authorized persons are not entitled to pay the fines provided for by this Code at the expense of the property of a person recognized by the court as missing or incapacitated.

# Article 131

1. The tax debt of individual taxpayers and tax agents is recognized as uncollectible in the following cases:

1) liquidation of a legal entity - in accordance with the provisions of Article 126 of this Code, if the property of the legal entity is insufficient and (or) it is impossible to pay for it by the founders (participants) of the legal entity, in the manner prescribed by law;

2) declaring bankrupt an individual entrepreneur and a legal entity in the cases provided for by Article 150 of this Code, if the property is insufficient;

3) the death of an individual or declaration of death, missing or recognition of an incapacitated individual by a court in the manner prescribed by Article 129 of this Code, if the property of such persons is insufficient or the inheritance is transferred to state property;

4) the adoption of a court decision, in connection with which the tax authority loses the right to collect tax debts due to the expiration of the period for collecting tax debts or the rejection of an application for the restoration of this period;

5) deregistration of a foreign legal entity with a tax authority in accordance with the provisions of Article 78 of this Code if the property of a permanent establishment of a foreign legal entity is insufficient and it is impossible to repay it by a legal entity - a non-resident of the Republic of Tajikistan within the limits and in the manner established by the legislation of the Republic of Tajikistan. In the event of a new registration in accordance with Article 78 of this Code of this foreign legal entity, tax liabilities are subject to restoration **;**

**6) in case of natural disasters (earthquakes, floods), emergency situations (epidemics and pandemics) and other similar circumstances that make it impossible to pay tax debts. (Z RT dated March 28, 2022, No. 1867)**

**2. Regardless of the provisions of this Code, the Government of the Republic of Tajikistan may recognize the tax debt of a taxpayer as uncollectible.**

**3. The procedure for recognizing tax debts as uncollectible and writing off tax debts recognized as uncollectible is approved by the Government of the Republic of Tajikistan. (Z RT dated March 28, 2022, No. 1867)**

# SECTION IV. ENFORCEMENT OF TAXES

# CHAPTER 16

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# Article 132. Ensuring fulfillment of the obligation to pay tax

1. A taxpayer who has an obligation to pay tax is obliged to submit a payment order to a servicing financial institution no later than the payment deadline established by this Code.

2. If a taxpayer has an unpaid tax debt, the tax authority is obliged to send the taxpayer a notice of tax debt repayment no later than 3 days after the expiration of the payment period.

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# Article 133. Notice of payment of tax debt

1. Notice of tax debt repayment is a notice to the taxpayer about the presence of tax debt, as well as about the payment of the amount of this debt within the prescribed period.

2. A notice of tax debt repayment shall be sent to a taxpayer if he has a tax debt provided for in Article 119 of this Code.

3. The notification shall contain information on the amount of tax debt, the amount of interest accrued from the date of occurrence of tax liabilities, the amount of fines, as well as measures to ensure the collection of tax debt.

4. The form of notification of tax debt repayment is approved by the authorized state body.

5. The provisions provided for by this article shall also apply to tax agents.

6. In the cases established by this Code, the notification may be sent to other persons. In this case, all the provisions provided for in this chapter shall apply to other persons.

# Article 134

1. A notice of payment of tax debts shall be sent to a taxpayer by the tax authority where the taxpayer is registered and (or) by a higher tax authority in writing or electronically.

2. A notice of tax debt repayment shall be sent to a taxpayer from the day the tax debt arises or from the date the decision on tax debt repayment comes into force, based on the results of an on-site tax audit.

3. In the cases provided for by parts 8 and 9 of Article 144 of this Code, notification of the payment of tax debts shall be sent to other persons in the manner prescribed by parts 1 and 2 of this article. From the date of receipt of the notice of tax debt repayment, other persons in terms of the execution of this notice are equated to taxpayers with tax debt.

4. If necessary, the tax authorities, when sending a notification, on the basis of a written request, require the taxpayer to provide the necessary documents (information), including a reconciliation report, bank account details, debtors (debtors), a list of property for the application of enforcement measures to collect tax debts .

5. If the taxpayer does not voluntarily comply with such a requirement and does not submit the requested documents, the taxpayer shall be liable in accordance with the legislation of the Republic of Tajikistan.

# Article 135

1. If the tax authority, after sending the taxpayer a notice of repayment of the tax debt, discovers justified circumstances leading to a change in the amount of the tax debt, fines or interest, it shall be obliged to officially send a revised notice to this taxpayer and withdraw the previously sent notice. This provision does not apply to cases of partial repayment by the taxpayer of the amounts of tax debt, fines or interest specified in the notice of tax debt repayment.

2. An updated notification of debt repayment and a withdrawal of a previously sent notification shall be sent to the taxpayer within 3 days from the date of discovery of the circumstances provided for in paragraph 1 of this article.

3. Only in the event of non-payment or partial payment by a taxpayer of a tax debt within 20 calendar days from the date of receipt of a notice of payment of a tax debt, the tax authority collects the tax debt by applying measures to ensure the fulfillment of the tax obligation provided for in Chapters 17-18 of this Code.

# CHAPTER 17. METHODS FOR ENFORCING TAX OBLIGATIONS

# Article 136

1. Fulfillment of an overdue tax obligation of a taxpayer is ensured in the following ways:

1) bank guarantee;

2) surety;

3) suspension of debit transactions on bank accounts;

4) accrual of interest on unpaid taxes and payments to the budget;

5) restriction on the disposal of the taxpayer's property;

6) seizure of the property of the taxpayer

7) collection of tax debts from bank accounts of the taxpayer;

8) to collect tax debts at the expense of funds held in the bank accounts of debtors (debtors) of the taxpayer;

9) collection of tax debt from the taxpayer's cash .

2. Seizure of property and suspension of operations on accounts in credit and financial institutions as interim measures for the fulfillment of the tax obligation of the taxpayer, upon his application, can be replaced by:

1) presentation of a bank guarantee issued in the manner prescribed by Article 138 of this Code;

2) pledge of securities in circulation on the organized securities market;

3) a guarantee of a third party, drawn up in the manner prescribed by Article 137 of this Code.

3. If a taxpayer provides a bank guarantee, the tax authorities are not entitled to reject the taxpayer's request to replace the security measures provided for in this article.

4. If the taxpayer has not repaid the tax debt within 20 working days after receiving the tax payment notification, the tax authorities are entitled to apply to the taxpayer the methods of ensuring the fulfillment of tax obligations established by paragraphs 3) and 5)-9) of part 1 of this article.

5. Decisions made in accordance with paragraphs 3) and 5) - 9) of part 1 of this article shall be canceled taking into account the following cases:

1) from the date of entry into force of the court decision on declaring the taxpayer bankrupt;

2) full satisfaction of the taxpayer's complaint on the basis of a court decision on the results of the tax audit report;

3) from the date of entry into force of the court decision on the forced liquidation of the financial institution;

4) elimination of the circumstances that led to the application of methods to ensure the fulfillment of tax obligations.

6. In case of conclusion of an agreement on deferral or installment payment, the application of methods for ensuring the fulfillment of tax obligations provided for in paragraphs 3), 5) - 9) of part 1 of this article is temporarily suspended.

7. If the tax authority changes the measures to ensure the fulfillment of the obligations of the taxpayer by a bank guarantee and pledge, the action of the measures provided for in paragraph 1) of this article is canceled or temporarily suspended.

8. After the elimination of the grounds that led to the application of the methods of forced collection of taxes in accordance with paragraphs 3) and 5)-9) of part 1 of this article, the tax authority, on the basis of written information from financial institutions on the amounts collected from the accounts of the taxpayer and (or his debtors) of funds and (or) the act of reconciliation of tax liabilities of the taxpayer with the tax authorities within one working day recognizes the decisions made earlier as executed and at the same time sends a notification to the relevant persons Decisions previously adopted by the tax authorities are considered executed for the relevant financial institutions and the taxpayer from the day sending a written notification to the tax authorities about their execution.

9. Ways to ensure tax obligations, the procedure and conditions for their application are established by this chapter and the Procedure for the application of methods and measures to ensure the fulfillment of tax obligations, which is developed and approved by the authorized state body in agreement with the authorized state body in the field of finance.

10. With regard to taxes payable in connection with the movement of goods across the customs border of the Republic of Tajikistan, other measures may be applied to ensure the fulfillment of tax obligations in the manner and in accordance with the conditions established by the customs legislation.

# Article 137. Guarantee

1. A surety is issued in accordance with the civil legislation of the Republic of Tajikistan by concluding an agreement between the tax authority and the surety.

2. A guarantor may be a legal or natural person. The simultaneous use of several guarantors in respect of one duty to pay tax is allowed.

3. In the event that the taxpayer fails to pay the amount of taxes and interest within the established period, the guarantor is obliged, on the basis of a signed agreement, to fully pay the amount of tax overdue by the taxpayer.

4. If a taxpayer fails to fulfill a tax obligation secured by a surety, the taxpayer and the surety shall be jointly and severally liable for the payment of taxes.

5. In case of non-payment or incomplete payment of tax within the established period, the obligation to pay which is secured by a surety, the tax authority, within 5 days from the date of expiration of the tax payment period, sends the guarantor a demand for payment of a sum of money under the surety agreement.

6. If the guarantor fails to fulfill the demand for payment of the amount of money under the suretyship agreement within the established period, the tax authority, in the manner and within the time limits provided for in Chapters 17-18 of this Code, applies measures to enforce the collection of amounts in respect of the guarantor.

7. Legal relations that arise when a surety is defined as a measure to ensure the fulfillment of a tax obligation are regulated in accordance with the provisions of civil law, unless otherwise provided by tax law.

8. The provisions of this article shall also apply to suretyship in the payment of other mandatory payments and duties.

# Article 138. Bank guarantee

1. A bank guarantee is issued in the manner prescribed by the legislation of the Republic of Tajikistan, on the basis of a taxpayer's request, according to which a financial institution (guarantor) pays the taxpayer's tax debt in full in case the taxpayer fails to pay taxes and interest.

2. A bank guarantee must meet the following requirements :

1) be irrevocable and not transferable to another person;

2) must not contain requirements of other tax authorities on the execution of a bank guarantee provided by a guarantor financial institution or a taxpayer;

3) the period of validity must expire no earlier than 6 months from the date of expiration of the established period for the taxpayer to fulfill the obligation to pay tax secured by a bank guarantee, unless otherwise provided by this Code;

4) contain the entire amount of the taxpayer's obligation, including the payment of taxes, fines and interest, unless otherwise provided by this Code;

5) provide for a provision on the forced collection of a sum of money by the tax authority from the guarantor in the event that the guarantor fails to fulfill the demand for payment of the sum of money under this bank guarantee within the prescribed period .

3. In the event of non-payment or incomplete payment of tax within the established period by the taxpayer, the fulfillment of the obligation to pay tax, which is secured by a bank guarantee, the tax authority, within 5 days from the date of expiration of the deadline for fulfilling the requirement to pay tax, sends the guarantor a demand for payment of the amount of money under the bank guarantee .

4. The guarantor is obliged to fulfill the requirements of the tax authorities to pay the amount of money within 5 days from the date of receipt of the demand for a bank guarantee. The guarantor is not entitled to refuse the tax authority to satisfy the demand for payment of the amount of money under the bank guarantee.

5. Collection of funds from the guarantor shall be carried out in the manner and within the time limits provided for in Articles 144 and 148 of this Code, if the specified request of the tax authority was sent to the guarantor before the expiration of the bank guarantee.

6. The provisions provided for by this article shall also apply to bank guarantees that ensure the fulfillment of the obligation to pay taxes and fines.

7. In the manner and under the conditions determined by the authorized state body in the field of finance , the obligation to pay tax debts by a legal entity of the Republic of Tajikistan or a foreign legal entity may be secured by a bank guarantee of a foreign financial institution with high ratings from international rating agencies. Such a guarantee of a foreign financial institution must meet the requirements provided for in paragraphs 1) - 4) of part 2 of this article.

8. The guarantor is not entitled to refuse the demand of the tax authority to fulfill an obligation secured by a bank guarantee, if it is submitted during the validity period of such a guarantee.

# Article 139. Interest

1. Interest - the amount of money accrued to the taxpayer in case of non-compliance with the deadlines for paying taxes established by tax legislation.

2. Interest is accrued and transferred to the state budget, regardless of the amount of taxes paid, the application of other measures to ensure the fulfillment of tax obligations, as well as measures of liability for violation of tax legislation.

3. Interest is accrued for each calendar day of delay in the fulfillment of a tax obligation, starting from the day following the tax payment day established by tax legislation, unless otherwise provided by this Code.

4. Submission of an application for a deferment or installment payment does not suspend the accrual of interest on the amount of tax payable until the adoption of the relevant act.

5. Interest on the amount of tax debt that the taxpayer could not pay off due to the adoption of interim measures in the form of suspension of operations on his bank accounts and seizure of his funds within the limits of cash on bank accounts or the taxpayer's cash desk is not accrued. In this case, interest is not charged for the entire period of the specified circumstances.

6. Interest is charged for each day of delay in the amount of 0.04% in the following cases:

1) for the amount of tax not paid on time;

2) for the amount of tax overpaid in accordance with the requirements of Article 117 of this Code;

3) for the amount of tax levied in accordance with the provisions of Article 118 of this Code.

7. Interest shall be paid to the state budget according to the purpose of taxes.

8. Interest is forcibly collected at the expense of the taxpayer's funds in accounts with financial institutions and other property of the taxpayer in accordance with Chapters 17-18 of this Code.

9. Forced collection of interest from legal entities and individual entrepreneurs is carried out in the manner prescribed by Articles 145-149 and 152 of this Code, and from other individuals - in the manner prescribed by Article 151 of this Code.

10. Interest is not charged:

- the amount of the fine and interest;

- for the amount of the tax debt of the deceased individual, upon presentation of a document confirming the death of this person.

- in the amount of the tax debt of a person recognized as missing by a court decision from the date of such a decision until its cancellation;

- in the amount of the tax debt of a person recognized as missing by a court decision - from the date of such a decision until its cancellation;

- for the amount of tax debts of individual entrepreneurs and legal entities in respect of which a court decision on bankruptcy (insolvency) has been taken - from the date of acceptance of the bankruptcy case by the court;

- for the amount of tax debt for one type of tax, if there is an overpaid amount of tax for other types of taxes - from the date of completion of the operation;

- for the amount of hard-to-collect debt - from the date of the decision to include debt into such category in accordance with the provisions of this Code;

- for the amount of tax debt, the payment term of which is deferred or by installments in accordance with paragraph 4 of Article 113 of this Code - from the date of adoption of the relevant act.

11. Provisions provided for this article shall also apply to tax agents.

# Article 140. Suspension of debit transactions with bank accounts of legal entities and individual entrepreneurs

1. The suspension of debit transactions with bank accounts of legal entities and individual entrepreneurs (tax agents) in financial institutions means the termination of all debit transactions with accounts, with the exception of correspondent accounts of credit financial institutions, the payment of wages and other equivalent payments and taxes.

2. The decision to suspend debit transactions with bank accounts of legal entities and individual entrepreneurs is taken by the authorized state body.

3. The decision to suspend operations with bank accounts is sent by the authorized state body in writing or in electronic form to the financial institution and to the taxpayer's personal account.

4. Suspension of debit transactions with bank accounts of legal entities and individual entrepreneurs by the authorized state body is carried out to ensure the fulfillment of tax obligations of these legal entities and individual entrepreneurs in the following cases:

1) non-submission by a legal entity and an individual entrepreneur of tax and (or) reporting to the tax authority within two reporting months, the availability of specific information about the risk of non-payment of tax debts by the taxpayer or the flight of responsible persons of legal entities and individual entrepreneurs from the territory of the country, transfer of assets (money) to another person or the adoption of other measures that impede the collection of taxes, as well as the failure of the taxpayer to respond to the notification of the tax authority, including in the case of practical non-use of its official legal address or failure to provide information about the change of legal address;

2) in case of non-compliance by the taxpayer with the requirements of Articles 50 and 51 of this Code.

5. Suspension of debit transactions with bank accounts of legal entities and individual entrepreneurs is carried out in compliance with the sequence established by the Civil Code of the Republic of Tajikistan in relation to payments.

# Article 141

1. The decision to suspend debit transactions with bank accounts of legal entities and individual entrepreneurs in financial institutions is canceled on the following grounds:

1) under paragraph 1) of part 4 of Article 140 of this Code - no later than one day after the submission of financial and (or) tax reporting by the taxpayer (tax agent), and also no later than the date the tax authority recognizes the validity of the absence of the taxpayer at the declared address. For such recognition, legal entities and individual entrepreneurs or their representatives are required to officially (in writing or electronically) provide the necessary clarifications to the tax authority at the place of registration;

2) under paragraph 2) of paragraph 4 of Article 140 of this Code - the day following the day when the official of the tax authority receives access to the documents necessary for verification, and the place of business .

2. The absence of legal entities and individual entrepreneurs (tax agents) at the official legal address is considered reasonable if information about the change in the place of registration is not known to the tax authorities at the previous place of registration due to technical errors or other similar circumstances.

3. The absence of a branch or a separate subdivision of legal entities and individual entrepreneurs at the official legal address is recognized as justified if information is not provided to the tax authorities upon liquidation of a branch or a separate subdivision.

4. The decision to cancel the suspension of debit transactions with bank accounts of legal entities and individual entrepreneurs (tax agents) shall be sent to the financial institution in writing or electronic form no later than one day after the adoption of such a decision.

5. The procedure for sending the decision of the authorized state body to suspend and (or) cancel the suspension of debit transactions with bank accounts of legal entities and individual entrepreneurs (tax agent) to a credit financial institution in electronic form is established by the authorized state body in agreement with the authorized state body in the field of finance and the National Bank of Tajikistan.

6. If the tax authority violates the deadline for canceling the decision to suspend debit transactions with bank accounts of the taxpayer (tax agent) or the deadline for sending such a decision to a credit financial institution, or makes a decision that is contrary to the provisions of this Code, for each calendar day of non-compliance with the specified deadline and the validity of the deadline of a conflicting decision, in respect of which the suspension procedure has been carried out, interest is accrued in favor of the taxpayer at the rates used in this period. In such cases, accrued interest is credited to cover subsequent tax liabilities of the taxpayer.

# Article 142 \_

1. Credit and financial organizations are obliged to comply with the decision of the tax authority to suspend debit transactions with bank accounts taxpayer (tax agent).

2. Credit and financial organizations shall not be liable for losses incurred by a taxpayer (tax agent) as a result of the suspension of his debit transactions with bank accounts by decision of the tax authority.

3. Suspension of debit transactions with bank accounts of a taxpayer (tax agent) is carried out from the moment a credit and financial institution receives a decision to suspend operations until the cancellation of this decision, unless otherwise provided by this Code.

4. When sending to a credit financial institution in electronic form decision to suspend debit transactions with bank accounts of a taxpayer (tax agent) the date and time of receipt by a credit financial institution of such a decision is considered from the moment it enters the information system of the credit financial institution.

5. Credit and financial organizations are obliged to comply with the decision of the tax authority or court on the suspension of operations with the accounts of the taxpayer (tax agent) and are not entitled to open new accounts, deposits and deposits to him, to issue cash from his accounts, except for accounts on which, in accordance with collection is not permitted by law. Credit and financial organizations are obliged to provide information to the tax authorities before receiving a written notice of the cancellation of the decision to suspend the taxpayer's debit transactions. The tax authority has the right to verify compliance with the requirements set forth in this section and (or) the accuracy of the information provided to the credit financial institution.

6. Credit financial institutions shall be liable for non-fulfillment or improper fulfillment of the obligations provided for by this article in accordance with the legislation of the Republic of Tajikistan.

# Article 143

1. The authorized state body has the right to restrict the disposal of the property of a taxpayer (tax agent) on the basis of a decision after the application of the provisions of part 4 of Article 140 of this Code and its non-execution.

2. The decision to restrict the disposal of the property of a taxpayer (tax agent) shall be taken by the authorized state body.

3. The decision to restrict the disposal of the property of the taxpayer (tax agent) by the authorized state body shall be sent in writing or electronically to the relevant state bodies for registration of real estate, pledge of property, state notary and customs authorities on the prohibition of alienation, pledge and a ban on export operations with this property. The decision to restrict the disposal of the property of a taxpayer (tax agent) does not mean imposing a ban on the use of such property by a taxpayer, with the exception of alienation, pledge and a ban on export operations with such property.

4. Execution of the decision of the authorized state body to restrict the disposal of the property of the taxpayer (tax agent) is mandatory by the bodies specified in part 3 of this article, which have the authority to register actions for the alienation, pledge and export operations with this property.

5. The bodies specified in part 3 of this article are responsible for compliance with the requirements of this article in accordance with the legislation of the Republic of Tajikistan.

6. The authorized state body is obliged to send the decision on the restriction of the disposal of property to the taxpayer (tax agent) in written or electronic form.

7. The decision to restrict the disposal of the taxpayer's property is canceled on the grounds specified in paragraph 1 of Article 141 of this Code.:

8. The decision to lift restrictions on the disposal of the property of a taxpayer (tax agent) shall be sent to the bodies specified in Part 3 of this Article in writing or electronic form no later than the day following the date of signing the letter or making such a decision.

9. Restriction on disposal does not apply to:

- objects necessary for health and life;

- energy, heating facilities and other types of energy;

- foodstuffs or raw materials, the period of consumption and (or) the period of storage of which does not exceed one year;

- property taken or leased for financial lease (leasing), as well as pledged property before the expiration of the lease and pledge agreement.

10. The objects necessary for health and life for the purposes specified in paragraph one of part 9 of this article are technological devices and units of organizations supplying gas, energy, heating, water and sewerage, the restriction of which can lead to the destruction of the engineering infrastructure of settlements.

# CHAPTER 18. ENFORCEMENT MEASURES

**TAX DEBT**

# Article 144

1. In the event of partial or incomplete execution of a notice of repayment of a tax debt within the established time period, the enforcement of this debt shall be carried out in the manner prescribed by this Chapter.

2. The tax debt recognized by the taxpayer is forcibly collected from the taxpayer and other persons in the cases provided for by this Code.

3. If the obligation of a taxpayer to pay taxes is secured by a bank guarantee or a surety of a third party, if the taxpayer fails to fulfill his tax obligations, the tax authority shall recover the tax debt from the guarantor or guarantor financial institution.

4. Tax debt is forcibly collected from a legal entity or an individual entrepreneur in the manner prescribed by Articles 145-149 and 152 of this Code.

5. The tax debt of an individual who is not an individual entrepreneur is forcibly collected in the manner prescribed by Article 151 of this Code.

6. Tax debt is forcibly collected from a legal entity or an individual entrepreneur, primarily at the expense of funds on his accounts with a financial institution, and if they are insufficient, at the expense of other property of this person.

7. If it is impossible to collect the tax debt of a taxpayer or another person at the expense of funds on his accounts with a financial institution, then in the cases provided for by this article, the tax debt is forcibly collected from other persons.

8. If the taxpayer's proceeds from the sale of goods (performance of works, rendering of services) or other incomes were received on the bank accounts of other persons, the forced collection of the taxpayer's tax debt may be carried out from these persons.

9. If from the moment the taxpayer has learned about the tax audit and transferred his money or other property to other persons, the forced collection of tax debts may be carried out from these persons.

10. The provisions of parts 8 and 9 of this article shall also apply in cases where the transfer from the sale of goods (performance of work, provision of services) or other income, or the transfer of funds and other property to other persons were made through a set of transactions.

11. In the cases provided for by parts 8-10 of this article, the forced collection of tax debts from other persons is carried out within the limits of the proceeds received by them from the sale of goods (performance of work, provision of services), other income of the taxpayer, funds transferred to them, as well as the cost of other property. Based on the available information and depending on the amount of the taxpayer's tax debt, the tax authority has the right to independently determine the number of other persons and the ratio of the amount of tax debt to each person and collect this debt.

12. The collection of tax debts not recognized by the taxpayer from the bank accounts of the taxpayer is carried out in accordance with Article 152 of this Code only in court. If the taxpayer recognizes the amount of tax debt, the tax debt is collected by the tax authorities from the bank accounts of the taxpayer in the manner prescribed by Article 145 of this Code.

13. The provisions of this chapter also apply to the collection of tax debts in connection with the movement of goods across the customs border of the Republic of Tajikistan, as well as to tax agents.

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# Article 145. Forced collection of tax debts from bank accounts

1. In case of partial or incomplete fulfillment of the requirement to notify tax debts within the established time limit, the amount of tax debts is forcibly collected from bank accounts (including funds on corporate cards) of the taxpayer.

2. The provisions of this article shall apply exclusively to legal entities and individual entrepreneurs.

3. The procedure for the forced collection of tax debts of a taxpayer or a tax agent, provided for by this article, articles 146-149 and 152 of this Code, also applies to other persons.

4. The collection of tax debts from the bank account of the taxpayer is carried out by sending to the credit and financial organization the decision of the tax authority, the collection order and the reconciliation report approved in the prescribed manner by the tax authority and the taxpayer in written or electronic form. The collection of tax debts from the accounts of taxpayers included in the list of irresponsible taxpayers is carried out by sending a decision of the tax authorities and a collection order to a financial institution.

5. The procedure for the execution and cancellation of the decision, the form and procedure for signing the reconciliation report approved by the tax authority and the taxpayer in writing or electronic form, the form and procedure for sending the collection order of the tax authority to the financial institution shall be approved by the authorized state body in agreement with the authorized state body in finance and the National Bank of Tajikistan.

6. A financial institution is obliged to execute a collection order of a tax authority to write off tax debts from the taxpayer's accounts in the manner prescribed by civil law.

7. Revocation of outstanding decisions and collection orders is carried out by official application of the authorized state body to the financial institution in the following cases:

1) repayment of tax debts, including by offsetting overpaid or overcharged amounts in accordance with Chapter 15 of this Code;

2) granting deferrals and installment plans for tax debts in accordance with Chapter 15 of this Code;

3) recognition of the tax debt as uncollectible in accordance with Article 131 of this;

4) reduction of the amounts of tax and interest on the revised tax reporting submitted in accordance with Article 100 of this Code.

8. Tax debt is collected from the demand deposit account in the national currency, and in case of insufficient funds on such accounts - from the demand deposit account in the taxpayer's foreign currency. The tax debt is collected from the taxpayer's account in foreign currency at the rate of the National Bank of Tajikistan in an amount sufficient to pay off the tax debt.

9. It is prohibited to collect tax debts from time deposit accounts of a taxpayer prior to their expiration.

10. When collecting tax debts from the taxpayer's foreign currency account, the authorized state body, simultaneously with the collection order, sends to the financial institution a decision containing information on the sale of the taxpayer's foreign currency. The financial institution is obliged to fulfill this order no later than the next working day. Payment of operating expenses related to the sale of foreign currency shall be borne by the taxpayer.

11. A financial institution is obliged to fulfill the collection order of the authorized state body, sent in accordance with the requirements of this article, from the bank account of the taxpayer in national currency no later than one business day after receiving the collection order, and when debiting funds from accounts in foreign currency, not later than two business days.

12. If on the day the tax authority receives a collection order on the taxpayer's accounts, there are not enough funds to execute it, it is executed as funds are received on these accounts no later than one or two business days after receipt of the order, depending on the currency accounts. Collection order of the authorized state body executed by a financial institution in the manner prescribed by the civil legislation of the Republic of Tajikistan.

**Article** **146 \_**

1. If it is impossible to collect the tax debt from the bank accounts of the taxpayer, the tax authority has the right to recover the amount of the tax debt of the taxpayer from the accounts of his debtors (debtors), however, the amount collected cannot exceed the tax liability of the taxpayer.

2. The amount of tax debt is collected from the bank accounts of the taxpayer's debtors on the basis of a decision of the authorized state body.

3. A taxpayer (tax agent) is obliged to submit a list of debtors (debtors) indicating the amount of receivables within 10 business days from the date of receipt of a request to submit documents to the tax authority that filed such a request.

4. On the basis of the list of debtors (debtors) and (or) documents confirming such debt, the tax authority sends a notification to the taxpayer's debtors (debtors).

5. Debtors (debtors) of a taxpayer are obliged, within 20 working days from the date of receipt of the notification, to submit to the tax authority that sent the notification an act of reconciliation of mutual settlements with the taxpayer (tax agent).

6. The act of reconciliation of mutual settlements between the taxpayer and his debtors (debtors) must contain the following information:

1) the name and single identification number of the taxpayer (tax agent) and his debtors (debtors);

2) the amount of debts (debtors) owed to the taxpayer (tax agent);

3) personal data, seal and signature of the taxpayer (tax agent) or digital signature of the taxpayer and his debtors (debtors);

4) bank details of the taxpayer and debtors (debtors);

5) date of drawing up the act of reconciliation.

7. The act of reconciliation of mutual settlements between the taxpayer and his debtors (debtors) must be drawn up after the date of receipt of the notification.

8. In case of non-compliance with the requirements of the specified notice and failure to provide the requested information, the debtor (debtor) shall be liable in accordance with the legislation of the Republic of Tajikistan.

9. The decision of the tax authority to collect the amount of tax debt from the bank account of debtors (debtors) of the taxpayer is drawn up and sent in writing or in electronic form to financial institutions and debtors (debtors) for execution.

10. A financial institution is obliged to execute the decision and collection order of the tax authority on the collection of tax debts from the bank account of the creditor of debtors (debtors).

11. In case of full repayment of the amount of debt by debtors (debtors), the decision to collect the amount of tax debt and the collection order of the tax authority is withdrawn within 2 working days.

12. If an excessive amount has been collected from the bank accounts of the taxpayer's debtors (debtors) in financial institutions, the excess amount collected shall be returned by the tax authority to the debtors (debtors) on the basis of the taxpayer's application.

13. Suspension and cancellation of the decision to collect the amount of tax debt from the bank accounts of debtors (debtors) of the taxpayer is carried out in accordance with Articles 136 and 145 of this Code by decision of the authorized state body.

**Article 147**

1. In the absence of funds in the taxpayer's bank accounts or in the absence of funds to pay the tax debt, the tax authority may recover the amount of the tax debt in an amount not exceeding the tax liability from the funds available in the taxpayer's cash desk. If there are not enough funds on the taxpayer's bank accounts to cover the taxpayer's tax liabilities or the tax authority reasonably believes that there may be a delay in collecting tax from its bank accounts, the tax authority has the right, in addition to any actions taken in accordance with Article 144 of this Code, to simultaneously collect the debt for taxes in the amount not exceeding the tax liability, from the funds available in the taxpayer's cash desk.

2. The adoption or cancellation of a decision on the collection of tax debts from the taxpayer's cash is carried out by the authorized state body in accordance with the provisions of this Code.

3. After the authorized state body makes a decision on the collection of tax debts from the taxpayer's cash, a copy of the decision is transferred to the taxpayer for execution. From the moment the decision is made, the taxpayer is obliged to use all cash received by the taxpayer's cash desk (with the exception of funds for the payment of wages and equivalent payments) only to cover tax debts.

4. An official of a tax authority shall conduct an inventory of cash available at the taxpayer's cash desk in the presence of a cashier.

5. When executing a decision to collect tax debts from the taxpayer's cash, an employee of the tax authority draws up an act on the balance of cash in the taxpayer's cash desk. In this case, the taxpayer or his responsible person confirms in writing and undertakes to comply with this requirement.

6. Withdrawal of the taxpayer's cash from his cash desk is carried out by the tax authority on the basis of the requirements of this article, about which an act is drawn up in three copies in the presence of the taxpayer or his representative, witnesses indicating the total amount discovered. The specified amount is transferred by the tax authority on the same day to the credit financial institution for transfer to the appropriate budget.

7. Before covering this debt, the taxpayer is not entitled to make other payments, with the exception of payment of wages and payments equivalent to it.

# Article 148. Arrest of property and its sale

1. Seizure of property and its sale are the actions of the tax authority to restrict the property rights of the taxpayer and collect tax debts.

2. Seizure of property and its sale to pay off the tax debt, which is recognized by the taxpayer, is carried out by decision of the authorized state body. If the taxpayer does not recognize the tax debt, the arrest of the taxpayer's property and its sale are carried out in a judicial proceeding.

3. Partial or complete arrest of property is a restriction of the taxpayer's right to dispose of the seized property. In this case, the possession and use of the seized property is carried out with the written permission and under the control of the tax authority.

4. Seizure of property and its sale are carried out only in case of insufficiency or absence of funds in the bank account of the taxpayer and or cash on hand to fulfill tax obligations (tax debt, interest and fines).

5. The attachment of property and its sale are carried out after the tax authority sends a notification to the taxpayer in accordance with Article 133 of this Code.

6. Only those assets are subject to seizure and sale, the value of which is sufficient to pay off the tax debt.

7. All seized property may be subject to sale to ensure the fulfillment of tax obligations.

8. Arrest of fixed assets of state enterprises is prohibited.

9. Seizure and sale of immovable property of a foreign legal entity operating in the Republic of Tajikistan without establishing a permanent establishment shall be carried out in relation to the property of this foreign entity in the Republic of Tajikistan.

10. Seizure of the taxpayer's property is carried out with the participation of the taxpayer (his authorized representative), witnesses and, in case of taxpayer evasion, with the involvement of a representative of the internal affairs bodies.

11. Persons participating in the seizure of property as witnesses, the taxpayer or an authorized representative of the taxpayer shall be explained their rights and obligations.

12. Prior to the seizure of property, officials of the tax authority are required to provide the taxpayer (his representative) with a decision on the seizure and documents confirming their authority.

13. Upon arrest, an official of the tax authority draws up a protocol on the arrest of property.

14. The protocol on the arrest of property and the list of items attached to it must contain a list of the seized property indicating the name, quantity and individual properties of the items and, if possible, their value.

15. Witnesses and the taxpayer (his representative) get acquainted with all the arrested items.

16. In the decision on the arrest and sale of property, the place of storage of the arrested property shall be established.

17. Alienation (with the exception of cases when the alienation is carried out under the control or with the written or electronic permission of the tax authority that carried out the seizure of property), or embezzlement of the seized property is not allowed.

18. At the request of the taxpayer, in respect of whose property a decision was made to seize and sell it, the tax authority has the right to replace the seizure of property with a bank guarantee and or surety in accordance with Article 137-138 of this Code .

19. If the tax authority has information about the intentions of the taxpayer to conceal or take other actions that may make it difficult or impossible to enforce the decision of the tax authority to seize property, the tax authority has the right to seize the property of such a taxpayer during non-working hours.

20. The tax authority is obliged to notify other relevant state bodies of the prohibition to perform any actions in relation to the seized property of the taxpayer.

21. The prohibition to carry out any actions in relation to the seized property is mandatory for all state bodies in accordance with part 20 of this article.

22. Non-compliance with the requirements of this article by state bodies, provided for in part 20 of this article, entails an administrative responsibility, in accordance with the legislation of the Republic of Tajikistan.

23. Upon full payment of the tax debt, the provision of a bank guarantee or surety, the decision to seize property is canceled by the authorized state body.

24. The tax authority notifies the taxpayer of the cancellation of the decision to seize property within 3 days from the date of such a decision.

25. The decision to seize property is valid from the moment of seizure until the decision is canceled by authorized state or judicial bodies.

26. The provisions of this article also apply to the seizure of property of a legal entity that is a tax agent.

27. Valuation of seized property is carried out by state authorized bodies in the field of valuation, as well as individuals and legal entities that have a license to carry out valuation activities.

28. The sale of seized finished products (goods), agricultural products (except for perishable products), as well as other material assets not intended for direct use in production, is carried out through an auction.

29. Determination of the value of securities, jewelry and other products made of precious metals and precious stones, antiques, works of fine art and sculpture, in respect of which the arrest has been made, is carried out with the obligatory involvement of specialists in these areas.

30. The seized property of a taxpayer shall be sold by tax authorities at an auction in accordance with this Code, the relevant legislation and the procedure for implementing methods and measures to ensure the fulfillment of tax obligations.

**Article 149. Agreement on the procedure and conditions for paying tax debts**

1. A taxpayer in respect of whom the measures provided for in Chapters 17 and 18 of this Code are being taken may submit a tax debt repayment plan and conclude an agreement with the tax authority on the procedure and terms for repayment of the amount of tax debt for a period of up to 6 consecutive calendar months.

2. In case of signing an agreement on the procedure and terms for repayment of the amount of tax debt, the implementation of earlier decisions on the application of measures provided for in Chapters 17 and 18 of this Code, the term of the agreement is suspended.

3. The head of the authorized state body may additionally extend the said agreement with the taxpayer once for up to six consecutive months.

4. The deadlines for the execution of the said agreement and the suspension of earlier decisions of the tax authority on the application of measures for the forced collection of taxes cannot be extended beyond the deadlines specified in parts 1 and 3 of this article.

**Article 150. Bankruptcy of a taxpayer (tax agent)**

If a taxpayer (tax agent) fails to pay tax debts to the budget after taking all the measures provided for in Chapters 17 and 18 of this Code, or if the taxpayer does not have funds in his bank account and (or) property, and (or) receivables, if there are signs of bankruptcy, the tax authority has the right to apply to the court for declaring the taxpayer bankrupt in accordance with the legislation of the Republic of Tajikistan on bankruptcy.

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# Article 151. Forced collection of tax debts from a natural person

1. If an individual (with the exception of an individual entrepreneur) has not fulfilled the obligation to pay taxes within the time period established by this Code, the tax authority shall file an application with the court for the collection of tax debt from the property of an individual (hereinafter in this article - an application for collection).

2. The tax authority also has the right to apply to the court to seize the property of an individual in order to ensure the execution of the notice.

3. A copy of the application for the recovery of tax no later than the day of its submission to the court shall be sent by the tax authority to an individual.

4. An application for the collection of taxes to the court is submitted if the total amount of the tax debt of an individual is more than 250 calculation indicators.

5. The tax debt of an individual is collected at the expense of property on the basis of a court decision and the provisions of this article.

6. Collection of the tax debt of an individual is carried out in the following sequence:

1) from the bank account of an individual;

2) at the expense of cash of an individual;

3) at the expense of the property of an individual, except for cases where the arrest and sale are prohibited by the legislation of the Republic of Tajikistan.

7. Violation of the sequence of collection of the tax debt of an individual, established by part 6 of this article, is not allowed.

8. From the date of seizure of the property of an individual until the day of fulfillment of tax obligations, no fines and no interest are charged for non-payment of taxes within the established time limits.

**Article 152. Collection of tax debt in court**

1. If the taxpayer does not recognize the tax debt (the amount of accrued taxes ( additionally assessed ), interest and fines), the authorized state body, in accordance with the procedure established by the legislation and the provision of part 3 of Article 151 of this Code, files a statement of claim with the court and sends a copy of the statement of claim to the taxpayer.

2. The application of the authorized state body for the collection of tax debts from a legal entity or an individual entrepreneur is considered by the economic court.

3. The application of the authorized state body for the collection of tax debts from an individual is considered by the court at the location of the taxpayer - an individual.

4. The decision of the court on the forced collection of tax debts after it enters into force is executed in the manner prescribed by the legislation of the Republic of Tajikistan.

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# CHAPTER19. TAX ADVICE

# Article 153. Advice on tax issues

1. Tax advice is the provision of qualified and professional assistance by independent tax consultants to taxpayers on the application of the provisions of this Code and other regulatory legal acts regulating tax issues.

2. Consulting is carried out on the basis of an agreement on the following issues:

1) advising taxpayers on tax issues, including accounting and reporting, and the development of documents and tax reports;

2) advising in terms of the return of overpaid and collected amounts of taxes, interest and fines and compensation for losses caused by officials of the tax authority;

3) advising on tax issues considered in judicial, tax and other state bodies.

# Article 154. Independent tax consultants

1. Independent tax consultants may be:

1) an individual who has a confirming qualification certificate of an independent tax consultant in the manner prescribed by the legislation of the Republic of Tajikistan;

2) legal entity - an economic entity, in which at least 3 people have a qualification certificate of an independent tax consultant;

2. It is prohibited to act as an independent tax consultant without a qualification certificate.

3. A taxpayer's consultant has the right to participate in judicial and other bodies as an independent expert on tax disputes.

4. The procedure and conditions for the activities of independent tax consultants for their qualification certification are established by the authorized state body in the field of finance.

# Article 155. Rights and obligations of an independent tax consultant

1. An independent tax consultant has the right to be called a "tax consultant" in the exercise of his professional activities.

2. Independent tax consultants are independent of government agencies, taxpayers and third parties.

# Article 156. Responsibility of a tax consultant

1. A tax consultant is responsible for protecting trade secrets and information about the activities of a taxpayer, revealed by him in the course of fulfilling contractual obligations with taxpayers, for providing unprofessional advisory services on tax issues that caused material damage to the taxpayer as a result of incorrect advice, for providing illegal advice with the aim of tax evasion by the taxpayer.

2. A tax consultant may not be called by tax authorities and other government agencies as a witness on issues that become known to him in the course of fulfilling contractual assignments with a taxpayer.

# CHAPTER 20. LIABILITY

# Article 157. Tax offense

1. A tax offense is an illegal act (action or inaction) of taxpayers, tax agents and their officials, as well as officials of authorized bodies that led to non-fulfillment or improper fulfillment of the requirements of this Code and other regulatory legal acts of the Republic of Tajikistan, the control of which is entrusted to tax authorities.

2. Commitment by taxpayers, tax agents, their officials and officials of authorized bodies of violations of the tax legislation entails the liability provided for by this Code and other regulatory legal acts of the Republic of Tajikistan.

# Article 158. Circumstances excluding liability for committing a tax offense

1. In addition to the cases provided for by the legislation of the Republic of Tajikistan, it is not allowed to bring a person to responsibility in the event of:

- fulfillment by the taxpayer (tax agent) of written explanations of the authorized state body for the fulfillment of tax obligations;

- independent elimination by a taxpayer (tax agent) of a tax violation before the date of receipt of a notification of a tax audit.

2. Unless otherwise established by the legislation of the Republic of Tajikistan, a person shall not be held liable in the presence of at least one of the following cases:

- absence of the event of a tax offense;

- no fault of the person in committing a tax offense;

- the commission of an act containing signs of a tax offense by an individual who has not reached the age of 16 by the time the act was committed;

- expiration of the limitation period for bringing to responsibility for committing a tax offense.

# CHAPTER 21 SETTLEMENT OF DISPUTES

# Article 159. Appeal

1. Each taxpayer has the right to appeal against decisions and acts of tax authorities, actions or inaction of their employees. Decisions and acts of tax authorities, adopted in violation of the requirements of this Code and restricting or prohibiting the rights and legitimate interests of taxpayers, have no legal force.

2. Appeal against acts of a tax authority means simultaneous appeal against decisions taken on the basis of this act.

3. A taxpayer may file a complaint with a higher tax authority and (or) with a court.

4. Complaints (statements of claim) of the taxpayer filed with the court are considered and resolved in the manner prescribed by the legislation of the Republic of Tajikistan.

5. A complaint against a tax audit report, the calculation of the amount of tax, fines and interest, as well as other decisions of the tax authority may be filed within 30 calendar days from the date the taxpayer receives the decision of the tax authority.

6. If, for a valid reason, the deadline for filing a complaint with a tax authority is missed, the deadline established by part 5 of this article, upon a substantiated application of a person, will be restored by a higher tax authority within the limitation period established by this Code .

7. The tax authority considers the taxpayer's complaint, makes a decision on it and officially (in writing or electronically) notifies the applicant within a period not exceeding 30 calendar days from the date of receipt of the complaint by the tax authority. In necessary cases, the period for considering a complaint is extended up to 10 calendar days, if the change in the period is not related to the implementation of the provisions of part 10 of this article.

8. If the taxpayer has not received an official response from the territorial tax authority within the period established by part 7 of this article, he shall file a complaint with a higher authority or court.

9. The tax authority has the right, at the request of the taxpayer, to extend the deadline for filing a taxpayer's complaint for up to 30 days.

10. When considering a taxpayer's complaint, a tax authority has the right to:

- in accordance with the established procedure, appoint a tax audit, including a repeated tax audit;

- send requests to the taxpayer and (or) to the tax authority that conducted the tax audit for additional information or clarifications on the issues set out in the complaint;

- send requests to the relevant state bodies, as well as to the competent tax authorities of foreign states on issues related to thematic audit;

- consider the filed appeal with the participation of the taxpayer (his authorized person) and the person responsible for the tax authority that conducted the tax audit.

11. Based on the results of consideration of the complaint, the higher tax authority or the authorized state body shall take an appropriate decision and send a copy to the taxpayer and the tax authority in respect of whose decision the complaint has been submitted.

12. The taxpayer has the right to appeal to the court the actions (inaction) of officials of tax authorities in the manner prescribed by the legislation of the Republic of Tajikistan.

**Article 160**

1. The Council for Pre-trial Dispute Resolution (hereinafter referred to as the Council) is an interdepartmental advisory body for pre-trial resolution of tax disputes under the authorized state body, the composition of which is formed from among representatives of bodies in the field of finance, justice, business support, taxes, industry bodies, experts and independent consultants .

2. The activities of the Council within the framework of the tasks set and the professionalism of its members are carried out free of charge.

3. The activity of the Council consists of pre-trial consideration of issues related to the taxation of taxpayers and tax authorities, complaints of taxpayers against acts and decisions of tax authorities and other issues requiring industry opinions.

4. Based on the results of consideration of the issues raised, the Council submits a recommendation to the authorized state body on the adoption of an appropriate decision.

# Article 161

1. Until the completion of consideration of the application (complaint) of the taxpayer regarding the act or decision of the tax authority, in accordance with the provisions of Chapters 17 and 18 of this Code, only a part of recognized tax liabilities shall be paid or collected.

2. Interest for non-payment within the established time limits shall be accrued only in respect of the amount of recognized taxes additionally assessed, including the amount of tax recognized by the taxpayer after consideration of the taxpayer's application.

# SECTION V. TAX AUTHORITIES

# CHAPTER 22. TAX AUTHORITIES

# Article 162. Main tasks of tax authorities

1. Tax authorities carry out their activities in accordance with this Code and other regulatory legal acts of the Republic of Tajikistan in cooperation with other state bodies, self-government bodies of towns and villages, as well as tax authorities of other states.

2. The main duties of the tax authorities are:

- Ensuring the implementation of the tax legislation of the Republic of Tajikistan by participants in tax relations;

- Ensuring the receipt of taxes and other obligatory payments to the budget within the prescribed period by the participants of tax relations;

- Participation within the framework of their powers in the process of development and improvement of the tax legislation of the Republic of Tajikistan;

- participation, within the framework of their powers, in the process of developing and improving the legislation of the Republic of Tajikistan on the state registration of business entities;

- assistance to taxpayers in the fulfillment of their tax obligations and compliance with tax laws;

- determination of procedures and methods for analyzing corruption risks in the tax authorities and their implementation;

- development and implementation of the state policy on the state registration of business entities within their powers;

- performance of other tasks assigned to the tax authorities by regulatory legal acts of the Republic of Tajikistan.

# Article 163. Legal status and structure of tax authorities

1. Tax authorities of the Republic of Tajikistan (hereinafter - tax authorities ) consist of an authorized state body and territorial tax authorities, which generally form a single centralized system of tax authorities of the Republic of Tajikistan.

2. The structure, management plan and list of enterprises (organizations) of the system of tax authorities, the procedure for their activities and structural units, as well as the relationship of tax authorities with other bodies, organizations, institutions and citizens are established by the provisions of the tax authorities.

3. Territorial tax authorities are accountable and subordinate to the relevant higher tax authorities. Territorial tax authorities consist of the tax administration for the taxation of large taxpayers with inspections in the Gorno-Badakhshan Autonomous Region, regions and the city of Dushanbe, tax administrations of the Gorno-Badakhshan Autonomous Region, regions and the city of Dushanbe, tax inspectorates in cities (districts), as well as regional authorities authorized state body for state registration of legal entities and individual entrepreneurs.

4. Financing of the activities of tax authorities is carried out at the expense of the republican budget.

5. Tax authorities are a legal entity, have an independent balance sheet, special accounts in the central treasury of the Ministry of Finance of the Republic of Tajikistan or its local bodies, a seal with the image of the State Emblem of the Republic of Tajikistan and its name in the state language.

6. Tax authorities have a symbol and a departmental badge, the description of which is approved by the Government of the Republic of Tajikistan.

# Article 164. Employees of tax authorities and their responsibility

1. Employees of tax authorities are civil servants, their legal status and social guarantees are regulated by the Law of the Republic of Tajikistan "On Public Service".

2. Employees of tax authorities, in confirmation of their powers, are issued service certificates, the sample of which is approved by the authorized state body.

3. Employees of tax authorities are awarded qualification ranks in accordance with the established procedure.

4. Models and criteria for the issuance of a special form by tax authorities in accordance with their ranks are approved by the Government of the Republic of Tajikistan.

5. The qualification ranks of employees of tax authorities are established by the Majlisi namoyandagon Majlisi Oli of the Republic of Tajikistan. The regulation on the procedure for assigning qualification ranks to employees of tax authorities is approved by the President of the Republic of Tajikistan.

6. When conducting tax control and audits, employees of tax authorities are prohibited from causing damage to taxpayers or property that is in their use or disposal by unlawful actions.

7. For failure to perform or improper performance of their duties, as well as non-compliance with state, official, tax, commercial and banking secrets protected by law, abuse of official position, causing damage to the taxpayer during tax control and tax audits, and other illegal actions in accordance with the law Republic of Tajikistan, employees of tax authorities are subject to disciplinary, administrative or criminal liability.

8. Damage caused to taxpayers by unlawful decisions of tax authorities or actions of their officials during tax control and tax audits is determined by a court decision and is subject to compensation in full in the manner prescribed by the legislation of the Republic of Tajikistan.

9. Damage caused to taxpayers or their representatives by lawful actions of officials of tax authorities, with the exception of cases provided for by law, is not subject to compensation.

# Article 165. Interaction of tax authorities with other state authorities

1. Tax authorities carry out their activities independently of other central and local government bodies, self-government bodies of towns and villages . The execution of decisions taken by the tax authorities within their powers is mandatory for all individuals and legal entities.

2. Central and local government bodies, self-government bodies of settlements and villages are obliged to assist tax authorities in the implementation of the tax legislation of the Republic of Tajikistan, ensuring the completeness and timeliness of tax receipts to the budget. These bodies are prohibited from interfering in the activities of tax authorities, unless otherwise provided by the legislation of the Republic of Tajikistan.

3. The exchange of information between tax authorities and other relevant state bodies is carried out in accordance with the legislation of the Republic of Tajikistan.

4. Customs bodies, bodies of social protection of the population, other state bodies and credit and financial organizations are obliged to regularly, in accordance with the established procedure, provide the tax authorities with the information they have, which is necessary for the implementation of the tax legislation of the Republic of Tajikistan.

# Article 166. Reports

1. Within 6 months after the end of each calendar year, the authorized state body publishes a report on the activities of tax authorities on its official website.

2. The annual report of the authorized state body must contain the following information:

- a detailed analysis of the implementation of tax revenues, including for each type, taking into account their belonging to regions, cities and districts;

- information on the application of tax benefits to taxpayers and the deferment of tax payment in accordance with regulatory legal acts;

- analysis of the causes and factors of tax arrears by types of taxes in regions, cities and districts, their ratio to total annual tax revenues;

- analysis of the state registration of legal entities and individual entrepreneurs;

- information about the supervisory work of the bodies and its results;

- information about taxpayers' complaints and the results of their consideration;

- on the measures taken to improve tax administration, including the introduction of modern digital programs and technologies;

- assessment of the level of satisfaction of taxpayers with the services of tax authorities;

- about existing problems and prospects for the activities of tax authorities in the medium term.

3. The authorized state body publishes on its official website and constantly updates the list of taxpayers whose tax has been calculated (accrued) but remains unpaid in an amount exceeding 5,000 calculation indices, indicating the amount of arrears.

# Article 167. Rights of tax authorities

1. Tax authorities, in accordance with this Code, have the right to:

- participate in the process of development and improvement of tax legislation;

- develop and approve regulatory legal acts arising from this Code in the manner prescribed by this Code and other regulatory legal acts;

- exercise control over compliance with the provisions of tax legislation;

- to carry out international cooperation on taxation issues;

- have electronic access to the information system containing the primary accounting documents of taxpayers (tax agents) to view the data of the automatic accounting and tax accounting software;

- in accordance with the provisions of this Code, seize documents of the taxpayer, as well as information contained in electronic media related to taxation operations;

- in accordance with this Code, calculate the amount of the tax liability (using direct and indirect valuation methods, market prices or timing survey data);

- during tax audits, check financial documents, accounting books, reports, estimates, cash, securities and other valuables, calculations, declarations and other documents related to the calculation and payment of taxes, receive from officials and other employees of organizations and individuals persons information, information and written explanations on issues arising in the course of these inspections;

- conduct an examination and inventory of the taxpayer's property (except for residential premises) in the course of a tax audit in accordance with the procedure established by this Code;

- inspect production, trade, storage and other premises of enterprises and individuals used to generate income or maintain taxable items during a tax audit;

- give managers and other officials of organizations, as well as individuals, mandatory instructions to eliminate tax violations and monitor their implementation;

- apply for suspension (cancellation) of licenses for certain types of activities;

- to apply sanctions and fines for committing tax offenses, provided for by this Code and the legislation of the Republic of Tajikistan;

- levy, in accordance with the provisions of this Code, taxes, accrued fines and interest from taxpayers, their officials and individuals, including by filing lawsuits in court;

- apply in case of violation by the taxpayer of the requirements of tax legislation, the types of liability established by law;

- require the taxpayer (tax agent) to submit documents confirming the correctness of the calculation and timeliness of payment of taxes, compiled by the taxpayer (tax agent) of tax reporting, financial reporting of the taxpayer with an audit report attached, if for such a person the legislative acts of the Republic of Tajikistan establish a mandatory audit ;

- apply in the manner prescribed by this Code, the legislation of the Republic of Tajikistan on enforcement proceedings and other regulatory legal acts of the Republic of Tajikistan, measures for the forced collection of taxes, fines and interest, collect the amount of tax debt and control their execution in the activities of taxpayers and financial institutions;

- attract (invite) consultants, specialists, experts, witnesses and translators to conduct tax control;

- notify, within the time limits and in the cases provided for by this Code, taxpayers on the fulfillment of tax obligations ;

- request, in accordance with the provisions of this Code, from state bodies, institutions, organizations of the Republic of Tajikistan and the competent authorities of foreign states, information related to taxation operations;

- exercise other rights established by this Code and other regulatory legal acts.

2. Higher tax authorities have the right to cancel decisions of lower tax authorities if they do not comply with the tax legislation of the Republic of Tajikistan.

# Article 168. Obligations of tax authorities

1. Tax authorities are obliged:

- comply with the Constitution of the Republic of Tajikistan, this Code, constitutional laws and other laws of the Republic of Tajikistan, joint resolutions of the Majlisi Milli and Majlisi namoyandagon Majlisi Oli of the Republic of Tajikistan, resolutions of the Majlisi milli , resolutions of the Majlisi namoyandagon , normative legal acts of the President of the Republic of Tajikistan and the Government of the Republic of Tajikistan, legally protected rights and interests of enterprises, institutions and other organizations, as well as citizens;

- control the correctness of the calculation, completeness and timely payment of taxes to the budget, fully and accurately comply with the tax legislation of the Republic of Tajikistan;

- observe and protect the rights and legitimate interests of taxpayers;

- ensure the publication of acts of tax legislation on the official website of the authorized state body and the access of taxpayers to other issues related to taxation;

- assist taxpayers in the application of tax legislation;

- regularly introduce new types of electronic services for taxpayers in order to optimize the fulfillment of tax obligations;

- carry out state registration of legal entities and individual entrepreneurs in accordance with the Law of the Republic of Tajikistan "On state registration of legal entities and individual entrepreneurs";

- ensure full and timely accounting of taxpayers, including payers of value added tax, objects of taxation, accounting of calculated (accrued) and paid taxes and arrears;

- draw up reports on the receipt of taxes to the budget;

- keep records and prepare reports on the amounts of tax benefits provided by groups of taxpayers, types of taxes and benefits, as well as regions;

- collect fines and interest provided for by this Code and other regulatory legal acts of the Republic of Tajikistan;

- exercise tax control in accordance with the regulatory legal acts of the Republic of Tajikistan;

- develop rules, procedures, guidelines and instructions in accordance with the provisions of this Code;

- regularly carry out explanatory work on the implementation of tax obligations through the media and publish manuals, brochures and posters;

- provide, at the request of the taxpayer, within 5 working days an extract from his personal account on the status of settlements with the budget for the fulfillment of tax obligations;

- apply measures for the forced collection of tax debts of the taxpayer in accordance with this Code and other regulatory legal acts of the Republic of Tajikistan;

- provide taxpayers with a second copy of the tax audit report and the corresponding decision of the tax authority based on the results of the tax audit;

- keep records of cash registers with fiscal memory;

- to consider, in accordance with the established procedure, requests, applications, complaints and proposals on issues within the competence of the tax authorities;

- monthly submit to the financial authorities the necessary information on accrued and paid tax and non-tax amounts, tax arrears, tax benefits, sources of taxation and the number of taxpayers under a bilateral agreement;

- collect, analyze and evaluate information on violations of tax laws, submit recommendations to the relevant state authorities to eliminate the causes and conditions leading to the occurrence of such cases;

- to credit and (or) return to taxpayers the amounts paid in excess of the assessed tax, in accordance with the provisions of Article 117 of this Code;

- ensure the confidentiality of the taxpayer's activities;

- carry out explanatory work on the application of the tax legislation of the Republic of Tajikistan, submit tax reporting forms to taxpayers in accordance with the established procedure and explain the procedure for filling them out, give explanations, including written ones, on the procedure for calculating and paying taxes;

- to ensure, during the limitation period, the safety of tax reporting, payment documents, acts of tax audits and other documentation related to this particular taxpayer;

- draw up personal files of taxpayers in relation to legal entities, individual entrepreneurs, as well as individuals who are required to submit tax returns in accordance with this Code;

- send, in case of detection of signs of a crime in the activities of the taxpayer, related to the fulfillment of tax obligations, within 10 working days in accordance with parts 2 and 6 of Article 170 of this Code, materials to the relevant law enforcement agencies for taking measures;

- exercise control over the activities of lower territorial tax authorities and other subordinate enterprises, institutions and organizations.

2. Tax authorities also perform other duties stipulated by the tax legislation of the Republic of Tajikistan.

# Article 169. Conflict of interest

An employee of a tax authority is prohibited from performing official duties in relation to taxpayers with whom he is related, or has a direct or indirect interest.

# Article 170. Secret of information (tax secret)

1. Tax authorities, sub-structures of the tax authority, tax agents and their employees (during work or after dismissal) are required to maintain the confidentiality of any information about taxpayers, with the exception of the following information:

- on the identification number of the taxpayer;

- about shareholders and participants of legal entities;

- on the tax regime of the taxpayer;

- on the number of employees indicated in the declarations;

- about paid amounts and tax debts;

- on the amount of income and expenses in the financial statements;

- about the violation by the taxpayer of the requirements of this Code and the measures applied to it;

- other information published with the consent of the taxpayer.

2. Tax authorities and tax agents have the right to provide information about a taxpayer in the manner prescribed by this article, only to the following persons:

- authorized state body in the field of finance and employees of tax authorities in order to fulfill their official duties;

- to law enforcement agencies in case of non-compliance with tax legislation and in case of committing a crime in the field of taxation;

- courts when considering cases on determining the tax liability of a taxpayer or liability for committing tax offenses;

- to the competent authorities of other states in accordance with international tax treaties recognized by Tajikistan;

- other bodies within the framework of bilateral agreements, as well as for the implementation of sectoral powers;

- to the authorized state body for the civil service to exercise statutory powers in relation to persons obliged to submit an income declaration;

- to customs authorities for the implementation of the customs legislation of the Republic of Tajikistan;

- other authorized bodies that have the right to levy taxes in accordance with this Code.

3. The transfer of information received from authorized state bodies to third parties is prohibited, unless the taxpayer himself has consented to the disclosure of information to third parties.

4. Disclosure of information about a taxpayer to the competent authorities of other states is regulated and carried out only to the extent established within the framework of international agreements recognized by Tajikistan.

5. Submission to other state bodies of any documents generated in the course of the activities of tax authorities, including personal files of taxpayers, acts of tax audits, notifications and other documents received for tax control, with the exception of cases provided for in part 2 of this article, is prohibited .

6. The originals of the documents referred to in paragraph 5 of this article shall be provided to law enforcement and judicial authorities on the basis of an official request in accordance with the provisions of paragraph 1 of this article when a criminal case is initiated against a specific taxpayer.

7. The original documents received in accordance with part 6 of this article shall be returned to the relevant tax authorities within 30 calendar days from the date of termination of the criminal case or the entry into force of the court decision.

# SECTION VI. INTERNATIONAL TAX REGULATION

# CHAPTER 23. SPECIAL PROVISIONS ON INTERNATIONAL TREATIES IN THE FIELD OF TAXATION

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# Article 171. Procedure for the application of international treaties in the field of taxation

1. International treaties in the field of taxation are applied in order to avoid double taxation and tax evasion on income and property (capital) on the basis of treaties recognized by Tajikistan.

2. Instructions on the application of international treaties in the field of taxation in order to prevent double taxation and tax evasion on income and property (capital) are approved upon the proposal of the authorized state body by the authorized state body in the field of finance .

# Article 172

1. Taxation of income of a non-resident, which does not lead to the formation of a permanent establishment, is carried out in accordance with the provisions of international treaties in the field of taxation, with the exception of income specified in Articles 173-177 of this Code.

2. Non-residents who receive income from sources located in the Republic of Tajikistan, without establishing a permanent establishment, are entitled to pay taxes in accordance with international treaties recognized by Tajikistan.

3. If the provisions of this article are not applied to non-residents provided for in paragraph 2 of this article, and to residents of foreign states that have not concluded international agreements with the Republic of Tajikistan on the prevention of double taxation and tax evasion, tax agents are obliged to withhold tax at the source of payment and make payment in due course.

4. Non-residents who receive income from sources located in the Republic of Tajikistan, without establishing a permanent establishment, in the case of applying an international treaty on the prevention of double taxation and tax evasion, are required to submit an application to the tax authorities in accordance with the established procedure, the original document confirming residence in contracting state for the relevant calendar year (with a notarized or apostilled translation).

5. When paying income to a non-resident, a tax agent must comply with the provisions of international treaties in the field of taxation. In the event that a tax agent fails to comply with the provisions of this Article, the obligation to withhold tax at the source of payment, as well as to pay fines and interest for non-fulfillment of tax obligations within the established time limits, shall be assigned to the tax agent.

6. The tax authority shall keep records of the following funds:

- the amount of income from sources located in the territory of the Republic of Tajikistan, regardless of the place of their payment, paid by tax agents to non-residents;

- the amount of taxes paid (refunded) to non-residents who have the right to apply the provisions of international treaties;

- the amount of taxes withheld by tax agents from the income of non-residents in the Republic of Tajikistan and paid to the budget.

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# Article 173

1. Income of a non-resident legal entity from the activities of transport services in international transportation, one of the parties to which is the Republic of Tajikistan, is exempt from taxation without filing an application on the basis of a document confirming residency , if the following conditions are met:

- in relation to a non-resident legal entity, the provisions of international treaties in the field of taxation are applied;

- a non-resident legal entity in the Republic of Tajikistan has a permanent establishment to carry out such activities.

2. Subject to the provisions of part 1 of this article, a non-resident legal entity is obliged to keep separate records of income from transportation services in international transportation, not taxed in accordance with international treaties, and from transportation services on the territory of the Republic of Tajikistan, and include gross income in the declaration on income tax.

3. When calculating income tax, from the total amount of income specified in paragraph 2 of this article, income that is not subject to taxation in accordance with an international treaty is deducted.

4. In case of non-compliance with the provisions of international treaties, resulting in partial or complete non-payment of taxes to the budget of the Republic of Tajikistan, a non-resident legal entity (permanent establishment) is held liable in accordance with the legislation of the Republic of Tajikistan.

5. Income of a non-resident legal entity engaged in the provision of transportation services in international transportation, one of the parties to which is the Republic of Tajikistan, without establishing a permanent establishment in the Republic of Tajikistan and having the right to comply with the provisions of international treaties, shall be exempt from taxation in the manner prescribed by Article 172 of this Code.

# Article 174

1. When paying income to a non-resident in the form of dividends, interest and royalties, the tax agent has the right to apply to the non-resident the provisions of international treaties in the field of taxation on the basis of the following documents and conditions:

- application of a non-resident on the application of the provisions of international treaties in the field of taxation;

- document confirming residency ;

- if the non-resident is the ultimate recipient of income;

- if a non-resident has the right to apply the provisions of international treaties in the field of taxation.

2. The tax agent is obliged to indicate the amounts of paid (calculated) income and (or) withheld taxes in accordance with the provisions of the international treaty, as well as the tax rate and the name of the international treaty and information from the document confirming the residence of a non-resident when calculating tax at the source of payment, submitted in tax authority.

3. In case of non-compliance with the provisions of international treaties, resulting in partial or complete non-payment of taxes to the state budget of the Republic of Tajikistan, the tax agent is held liable in accordance with the legislation of the Republic of Tajikistan.

# Article 175

1. A non-resident has the right to apply the provisions of international treaties regarding the taxation of net profit from activities in the Republic of Tajikistan through a permanent establishment without filing an application on the basis of a document confirming residency, if such a non-resident is the ultimate recipient of net profit and has the right to apply the provisions of relevant international treaties in the field of taxation.

2. A non-resident legal entity is obliged to indicate in the tax return on the net profit of a permanent establishment the tax rate, the amount of tax on net profit and the parameters of the international treaty on the basis of which the corresponding tax rate was applied.

3. In case of non-compliance with the provisions of international treaties, resulting in partial or complete non-payment of taxes to the budget of the Republic of Tajikistan, the tax agent is held liable in accordance with the legislation of the Republic of Tajikistan.

# Article 176

1. A non-resident who receives income from sources located in the Republic of Tajikistan has the right to apply with an application for the application of the provisions of international treaties to the tax authority at the place of registration of the tax agent before the tax agent pays the amount of income, except for the cases provided for in Articles 173-175 of this Code.

2. Tax authorities within 5 calendar days provide a reasoned opinion on the application of a non-resident on the application (non-application) of the provisions of international treaties in the field of taxation.

3. Taking into account the provisions of part 2 of this article, a non-resident has the right to apply to the authorized state body with the involvement of the competent authorities of the resident country for re-consideration of the application.

# Article 177

1. A non-resident, along with an application for the application of the provisions of an international treaty in the field of taxation, must submit the following documents to the tax authorities:

- a legalized document confirming residency or apostille of a non-resident, unless otherwise provided by international treaties recognized by Tajikistan;

- copies of constituent documents;

- copies of contracts for the performance of work (provision of services) or for other activities (actions);

- documents confirming the performance of works (services and other types of activities (actions) by a non-resident);

- data on income from transport services in international transportation and on the territory of the Republic of Tajikistan.

2. The tax agent submits to the tax authorities accounting documents confirming the amounts of accrued and (or) paid income and taxes withheld.

3. The documents specified in paragraphs four and five of part 1 of this article shall be submitted no later than 10 working days after the completion of work and provision of services.

# Article 178

At the request of a non-resident, the tax authorities submit a certificate of income and taxes paid from sources located in the territory of the Republic of Tajikistan, in the manner prescribed by the authorized state body.

# CHAPTER 24. EXCHANGE OF INFORMATION

# Article 179. Exchange of tax and financial information

1. The authorized state body has the right to receive information necessary for the calculation and collection of taxes, consideration of complaints related to taxation and criminal prosecution, including information disseminated in the framework of international practice that does not contradict other laws, and provide such information to other contracting parties. states.

2. The request of the authorized state body to the competent authorities of another contracting state must contain the following financial information:

- calculation of tax liability;

- verification of property received by inheritance or donation;

- verification of the reliability of information or evidence of tax evasion;

- on the property of a taxpayer who has not fulfilled tax obligations.

3. The authorized state body has the right to request from financial institutions to provide financial information on the financial transactions of residents, local companies, non-residents and foreign companies responsible for the calculation of taxes, fees and administration of taxes of another contracting state, and, if necessary, to carry out a regular exchange of financial information with another contracting state on the principle of reciprocity in accordance with an international treaty.

4. Regardless of the request of the authorized state body, financial institutions may store information on the identification number of the taxpayer, participants in financial transactions and other information necessary for the exchange of financial information between the contracting states.

5. The authorized state body and the competent authorities of the other contracting state shall ensure the process of obtaining, exchanging and providing any tax or financial information on financial transactions referred to in the third paragraph part 2 of this article.

6. Each employee of a financial organization and other persons must refrain from providing financial information by accepting a request that is contrary to parts 2 or 3 of this article.

7. No person who has financial information in accordance with parts 2 and 3 of this article shall have the right to transfer or disclose this information to third parties, except for the competent authorities of another contracting state, or illegally use such information, and no one has the right to demand the provision financial information from the person possessing such information.

8. To any person who receives financial information provided or disclosed in violation of parts 2, 3 and 4 of this article, becomes aware of the violation, is not entitled to provide or disclose such information to third parties.

9. Regardless of paragraph 3 of this article, the authorized state body may restrict the provision of financial information to another contracting state by agreement based on the principles of mutual exchange of information.

10. The head of a financial company and other persons intending to provide financial information in accordance with paragraph 3 of this article, or to verify financial information in accordance with the requirements of this article, may require information from the counterparty of the financial contract to verify the information received.

# PART II. SPECIAL PART

# SECTION VII. INCOME TAX

# CHAPTER 25. GENERAL PROVISIONS

# Article 180. Taxpayers

1. Payers of income tax are resident and non-resident legal entities and individuals that have objects of taxation, with the exception of persons who meet the conditions of special tax regimes.

2. In the cases established by this Code, the obligation to collect tax on income at the source of payment shall be carried out by a tax agent.

3. Any foreign entity that is not an individual is considered for the purposes of this section as an enterprise taxpayer, unless it proves that it acts as a participant in joint ownership in accordance with Article 94 of this Code.

4. The National Bank of Tajikistan, with the exception of the provisions of part 2 of this article, is not an income tax payer.

# Article 181. Object of taxation income tax

1. The object of taxation of income tax is the taxable income of the taxpayer for the reporting period, regardless of the place and method of payment.

2. The object of taxation of the income tax of a resident taxpayer is the income received from all sources in the Republic of Tajikistan and outside the Republic of Tajikistan.

3. The object of taxation of tax on the income of a non-resident taxpayer is only income received from sources in the Republic of Tajikistan.

4. The taxpayer's gross income is divided into:

- income taxable at the source of payment;

- income not taxed at the source of payment.

# Article 182. Tax base

1. The tax base on the income of a resident taxpayer for a reporting period is the difference between gross income and deductible expenses allowed in accordance with this section for such a period.

2. The base of tax on income of a non-resident taxpayer carrying out business activities through a permanent establishment in the Republic of Tajikistan for the reporting period is the difference between gross income from sources in the Republic of Tajikistan relating to a permanent establishment and deductible expenses allowed in accordance with this section for such reporting period.

3. Gross income of a non-resident, to which the provisions of part 2 of this article do not apply and which is received from sources in the Republic of Tajikistan, is subject to taxation at the source of payment without deducting expenses in accordance with article 239 of this article.

4. The income tax base for a non-resident taxpayer from the sale or alienation of property or property rights not related to a permanent establishment operating in the Republic of Tajikistan shall be the difference between the gross income from the sale or alienation and the deductible expenses allowed in accordance with this section for this reporting period. If the tax on income from the sale or transfer of property and (or) property rights of a non-resident taxpayer has not been paid, the legal entity in which this non-resident had (has) property rights, or the tax agent paying income to the non-resident taxpayer, is obliged to withhold without deductions and pay tax.

# Article 183. Tax rates

1. The taxable income of a resident natural person at the main place of work in excess of the amount of personal deduction is taxed at a rate of 12 percent.

2. Taxable income of a non-resident individual from employment received from sources in the Republic of Tajikistan is taxed at a rate of 20 percent.

3. Taxable income of natural persons, not specified in paragraphs 1 and 2 of this Article, shall be taxed at the rate of 15 percent without deductions provided for in Article 191 of this Code, except for the social tax for the insured person.

4. The taxable income of a legal entity is taxed at the following rates:

- for activities for the production of goods - 13 percent;

- for the activities of credit and financial organizations and mobile companies - 20 percent;

- for the extraction and processing of natural resources, as well as for all other types of activity, with the exception of the first and second paragraphs of this part - 18 percent.

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# CHAPTER 26. GROSS INCOME

# Article 184. Gross income

1. All types of income and remuneration in cash, tangible and intangible form, paid in favor of the taxpayer, including other benefits received by the taxpayer, except for income exempt from tax income in accordance with Chapter 27 of this Code, are recognized as gross income of a legal entity and an individual persons, including:

- income from entrepreneurial activity;

- Income in the form of wages;

- any other income from activities that are not employment or entrepreneurial activities.

2. The taxpayer's gross income is income determined without deductions.

**Article 185. Gross income from entrepreneurial activity**

Gross income from entrepreneurial activity is any income, remuneration and benefits received by the taxpayer in cash, tangible and intangible form from entrepreneurial activity, including:

- income from the sale, transfer or alienation of assets used by the taxpayer in entrepreneurial activities in accordance with Article 213 of this Code;

- the exchange rate difference of the currency received by the taxpayer for the reporting period in accordance with Article 212 of this Code.

# Article 186. Gross income in the form of wages

Any payments, remuneration, bonuses or benefits, including in cash, in kind and intangible form (based on restrictions on goods, items and size established by law), received by the employee from the employer within the framework of labor relations (with or without an employment contract), regardless of the form and place of payment, are considered income received in the form of wages, including:

- Income from employment;

- income from previous employment, received in the form of a pension or otherwise, or income from future employment.

2. The following types of income paid to an employee by an employer in tangible or intangible form (based on restrictions on goods, items and size established by law) are recognized as income from wages, including:

- the value of property paid instead of wages;

- the cost of property (works, services) paid to the employee in the manner prescribed by clause 2) of part 3 of this article;

- the cost of goods (work performed, services rendered) paid by the employer for the employee to third parties;

- the amount of the allowance or the cost of reimbursement of expenses paid by the employer to the employee to reimburse the costs of material, social benefits, including the costs of food, accommodation, education of children in educational institutions, expenses associated with recreation, including the trip of their family members during *labor* leave ;

- travel or reimbursement of travel expenses in excess of the established travel allowances established in part 4 of this article.

3. For the purposes of paragraph 1 of this article, the amount of an employee's remuneration shall be the following amount, less any payment to an employee for such remuneration:

1) the difference in the amount received by the employee from the employer of the loan in relation to the weighted average interest rate determined by the National Bank of Tajikistan, depending on the types of loans;

2) in case of sale or gratuitous transfer of goods (performance of work or provision of services) by the employer to the employee:

a) in case of supply (or gratuitous transfer) of goods (performance of work or provision of services) by an employer to an employee - 75 percent of the regular sale price of goods (work or services) other buyers, if the employer is a manufacturer of goods, performs work or provides services;

b) in other cases - the cost for the employer of goods (works or services) received by the employee from the employer;

3) the cost of assistance provided to the employee or his dependents for education, with the exception of a training program directly related to the performance of the employee's duties;

4) the amount of compensation to the employee for expenses not directly related to his work for hire;

5) the amount of the forgiven debt or obligation of the employee to the employer;

6) the cost of paying insurance premiums under life and health insurance contracts and other similar amounts by the employer, if the insurance policy is in favor of the employee or the employee's dependent - the amount of these insurance premiums or amounts for the employer;

7) the cost of using the employer's vehicle by the employee for personal purposes, determined by the formula (A x 10%) / 12 per calendar month, where:

A - the amount of expenses incurred by the employer for the acquisition and maintenance of the vehicle or the market value of the rental of the vehicle;

8) in other cases - the market value of the benefit.

4. An employee's gross income does not include the reimbursement of such expenses, including:

- reimbursement of travel expenses by the employer in accordance with the norms established by regulatory legal acts;

- reimbursement of travel expenses by international organizations and their institutions, foundations, non-resident public organizations.

5. Income related to the payment of hospitality expenses and other similar income, including income from celebrations, accommodation of guests and other income received by an individual, are not included in his gross income, if the value of such income does not exceed the rates established by part 3 Article 192 of this Code.

6. The cost of the tangible (non-material) payments, benefits and other payments made in favor of individuals listed in parts 2 and 3 of this article includes the amount of excise tax, value added tax and any other tax payable by the employer in connection with the contract being evaluated .

# Article 187. Gross income from activities not related to employment or entrepreneurial activities

1. The following income of a taxpayer from activities not related to employment or entrepreneurial activity are non-entrepreneurial income:

- income in the form of interest;

- Income from Islamic deposits and savings;

- dividends;

- income from the sale, transfer or alienation of the taxpayer's assets used in entrepreneurial activities, determined in accordance with Article 213 of this Code;

- income in the form of royalties;

- the amount of the debt of the taxpayer forgiven by the creditor, with the exception of the debt of the taxpayer declared insolvent or the debt forgiven under the debt review agreement in order to restore the stable financial position of the taxpayer;

- any benefits and income received by an individual, with the exception of income in the form of wages and (or) income from individual entrepreneurial activity.

2. The provisions of this Article shall not apply to income included in the taxpayer's gross income in accordance with Articles 184 or 185 of this Code.

# Article 188. Adjustment of gross income

Income received by a taxpayer in the form of wages, dividends, interest, winnings, royalties and other income for the tax period is adjusted to determine the final amount of income tax by deducting from income or adding to income if income is subject to withholding tax in the Republic of Tajikistan .

# CHAPTER 27. TAX EXEMPTIONS

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# Article 189. Tax exemptions

1. The following types of income of individuals are not subject to taxation:

1) income from official diplomatic (consular) and equivalent activities of a person who is not a citizen of the Republic of Tajikistan in the Republic of Tajikistan and outside the Republic of Tajikistan in the amount provided for by an international agreement;

2) the value of property in natural (non-material) and (or) monetary form, received from individuals by inheritance or as a gift, with the exception of income received by the heir from the sale (alienation) or from the lease of inherited property, including remuneration (premiums) paid to heirs (legal successors) of authors of scientific works, literary works, works of art, as well as discoveries, inventions and industrial designs;

3) the value of gifts received from legal entities, as well as prizes (winnings) received at contests and competitions, including in cash, if:

a) the value of gifts received from legal entities does not exceed 100 settlement indicators per year;

b) the cost of prizes (winnings) received at international contests and competitions does not exceed 500 calculation indicators per year;

c) the cost of prizes (winnings) received at republican competitions and competitions does not exceed 100 indicators for calculations per year;

4) state and insurance pensions, state bonuses and awards, state scholarships, state allowances and state compensations;

5) the amount of alimony from the persons receiving them;

6) rewards given to donors for donating blood, donors of breast milk and other donor assistance;

7) the amounts of lump-sum payments and material assistance from the state budget, provided in accordance with regulatory legal acts;

8) funds paid by the employer in accordance with the established norms to a resident individual for travel expenses;

9) the amount of reimbursement of travel expenses paid by international organizations and their institutions, foundations, non-resident public organizations;

10) funds paid in the form of humanitarian and charitable assistance, including in case of natural disasters;

11) the difference in the increase in value from the sale or other form of alienation of immovable property, if:

a) residential buildings (premises) that were the main place of residence of the taxpayer for at least the last 2 years until the moment of alienation. These benefits apply only to one primary seat of an individual;

b) other real estate objects owned by the taxpayer for at least 2 years from the date of registration until the date of alienation (with the exception of real estate objects used for business purposes) ;

12) the difference in the increase in value from the sale or other form of alienation of movable property, except for the following cases:

a) if the property is used by the taxpayer for entrepreneurial activities;

b) if the increase in value from the sale of property, historical values (antiques), works of art, jewelry and other collectibles is more than 200 calculation indicators. These provisions do not apply in cases of sale historical valuables (antiques), works of art, jewelry and other collectibles by two or more operations to one or a person associated with him. In this case, the total value of the property specified in this subparagraph is taken into account;

c) sale, transfer, assignment and other alienation of shares and stakes in the authorized capital of enterprises;

d) vehicles and trailers subject to state registration and owned by the taxpayer for less than one year prior to the date of alienation;

13) insurance payments received under accumulative and repayable agreements within the limits of payments made by an individual on account of such agreements;

14) insurance payments (insurance compensation) in accordance with the insurance contract by types of insurance, as well as insurance payments received in the event of the death of the insured person;

15) the amount of monetary allowance, monetary rewards and other payments received in connection with the service (performance of official duties) by military personnel, private and commanding personnel of the system of the ministries of defense, internal affairs, state bodies of national security, emergency situations and civil defense, law enforcement subdivisions of state bodies for state financial control and the fight against corruption, customs authorities, the Drug Control Agency, the National Guard, the penitentiary system of the Ministry of Justice of the Republic of Tajikistan;

16) winnings from government bonds and government lotteries of the Republic of Tajikistan issued by the authorized state body in the field of finance in an amount not exceeding two indicators for settlements per one bond or lottery;

17) amounts of targeted social assistance, allowances and compensations, with the exception of payments related to wages, paid at the expense of the state budget in the amount and in the manner established by the relevant regulatory legal acts;

18) the amount paid in accordance with the legislation of the Republic of Tajikistan, upon the death of an employee, causing physical harm, or other harm to the health of an employee in the performance of his job duties;

19) the cost of issued special and (or) uniforms, footwear, personal protective equipment and first aid, soap, disinfectants, milk or other equivalent food products according to the norms established by the Government of the Republic of Tajikistan;

20) insurance payments under contracts of compulsory liability insurance of the employer (at the expense of the employer) for causing (when causing) harm to the life and health of an employee in the performance of his labor (official) duties;

21) the amount of compensation for material damage, established by a court decision ;

22) income from the sale of agricultural products grown (produced) on a personal plot, without industrial processing;

23) the amount of bonuses, cashbacks and other incentive mechanisms for customers when conducting transactions using electronic payment instruments;

24) scholarships provided to a person for full-time education in preschool, primary, general basic, general secondary, primary vocational and secondary vocational, higher professional, postgraduate professional and special educational institutions;

25) income received in the form of wages by disabled people from childhood and disabled people of group I;

26) insurance compensations and other payments received by depositors, carried out by the Individual Savings Fund or on its behalf.

2. The following types of income of legal entities are not subject to taxation:

1) institutions, religious associations, charitable, intergovernmental and interstate (international) non-profit organizations, with the exception of income received by them from entrepreneurial activities. Such institutions and organizations are required to keep separate records of their core activities (activities exempt from income tax) and entrepreneurial activities;

2) gratuitous transfers received by non-commercial organizations, gratuitous property and grants used for non-commercial activities, as well as membership fees and donations received by them;

3) income of the Individual Savings Insurance Fund;

4) dividends received by resident enterprises from resident enterprises;

5) subsidies received by state institutions at the expense of budgetary funds to support their activities;

6) income of new enterprises from the supply of manufactured goods, if their founders, within 12 calendar months from the date of initial state registration, contribute the following investment volumes to the authorized capital of these enterprises for the following periods:

a) 2 years, if the amount of investment is over 200 thousand US dollars up to 500 thousand US dollars;

b) 3 years, if the volume of investments is over 500 thousand US dollars up to 2 million US dollars;

c) 4 years, if the amount of investment is more than 2 million to 5 million US dollars;

d) 5 years if the investment exceeds 5 million US dollars;

7) income received from tourism activities, within 5 years from the date of state registration, if there are licenses for conducting tourism activities ;

8) income of a non-resident from operating leasing (lease) of aircraft (airplanes, helicopters), their engines, main units and spare parts, as well as maintenance and repair of aircraft (airplanes, helicopters), their engines, main units and spare parts in accordance with with relevant agreements with domestic aviation companies.

3. Exemption from income tax in accordance with paragraphs 6) and 7) of part 2 of this article shall not apply in case of re-registration or reorganization of an enterprise, change of legal form, merger, lease of existing production enterprises (in relation to income received from the production of goods leased or joint ventures).

4. Any losses during the period of tax benefits in accordance with paragraph 2 of this article, at the end of the period of tax benefits, are not transferred to another tax period.

5. The provisions of paragraph 6) of part 2 of this article do not apply to enterprises engaged in the extraction of minerals or operations in the oil and gas sector.

**CHAPTER 28. DEDUCTIONS FROM GROSS INCOME**

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# Article 190. Deduction of expenses related to the receipt of income

1. All confirmed actual expenses provided for by this Code and (or) other regulatory legal acts that do not contradict this Code, related to the reporting period, related to the receipt of such income, including:

- documented expenses for tax liabilities, taking into account the restrictions established by subparagraph h) of part 8 of Article 192 of this Code;

- documented salary expenses, travel expenses of employees within the established norms and to the extent that any travel expenses in excess of the established norms are included in the employee's income in accordance with Article 186 of this Code;

- confirmed expenses for raw materials, materials, advertising and energy expenses actually used during the tax period , except for construction costs, acquisition of fixed assets and their installation (including expenses from negative exchange rate differences, fines and interest on loans that relate to the cost of fixed assets during construction and installation ), as well as other expenses of a capital nature, in accordance with Article 214 of this Code, and expenses that are not subject to deduction, in accordance with Article 192 of this Code and other provisions of this Chapter ;

- income from the sale, transfer or disposal of an asset used by a taxpayer in entrepreneurial activities, determined in accordance with Article 213 of this Code;

- the exchange rate difference received by the taxpayer for the reporting period determined by Article 212 of this Code.

1. Expenses deductions are allowed if there are properly executed documents confirming the actual expenses associated with obtaining such income.
2. Any expense must be confirmed by an appropriate document on the expenses incurred in monetary terms, provided for by the legislation of the Republic of Tajikistan, including the Law of the Republic of Tajikistan “On Accounting and Financial Reporting” . A document confirming expenses is also a civil law contract that reveals the nature of the taxpayer's expenses and explains its economic feasibility.
3. If the same costs are provided for in several items of expenses, when calculating taxable income, these costs are deducted only once.
4. The deductible shall be the fines, interest (penalties) awarded or recognized, forfeits associated with the receipt of gross income, payable (paid) at the expense of the taxpayer, with the exception of those that are subject to payment to the budget.

6. Value added tax and excises, the offset of which for the purposes of value added tax and excises is not allowed, are taken into account in the cost of goods (performance of work and provision of services).

**Article 191. Personal deductions of natural persons**

1. From the gross income of an individual - a resident who is an employee, in the form of wages, a personal deduction is made in the amount of two indicators for calculations for each calendar month.

2. From income in the form of wages of the following categories of resident individuals, a personal deduction is made in the amount of 10 indicators for settlements for each calendar month:

- heroes of the Soviet Union, heroes of socialist labor, heroes of Tajikistan, participants in the Great Patriotic War and persons equated to them, participants in other military operations to protect the Union of Soviet Socialist Republics, including military personnel who served in military units, headquarters and institutions that were part of to the active army, former partisans, internationalist soldiers, as well as group II disabled people ;

- citizens who fell ill and were exposed to radiation as a result of accidents at nuclear facilities, persons who participated in the elimination of the consequences of such accidents within the isolation zone, persons who, during the period of elimination of the consequences of accidents, took part in operational or other work at nuclear facilities.

3. From the income of an individual employee in the form of wages, one personal deduction of the largest amount is allowed on the basis of supporting documents in accordance with parts 1 and 2 of this article.

4. If an individual was an employee for less than sixteen calendar days during a month, then when determining the taxable income of an employee, a personal deduction is not made in accordance with parts 1 and 2 of this article.

5. Personal deduction from taxable income in accordance with parts 1 and 2 of this article is allowed for income received only at one (main) place of work of the employee. In the event that an individual is not an employee and an individual entrepreneur, the personal deduction established by parts 1 or 2 of this article is allowed only at one place of income payment, determined on the basis of the application submitted by him.

6. When calculating the taxable income of a natural person, the amount of social tax for insured persons, which is withheld in accordance with the provisions of paragraph 2 of Article 332 of this Code, shall be deducted from his income.

7. A person who pays income to an individual is responsible for the proper implementation of the personal deduction. In case of violation of the provisions established in this article, the tax not received by the budget due to incorrect deduction is subject to compensation by this person.

8. Individuals, when making expenses in a non-cash form, including through bank accounts, bank payment cards in the territory of the Republic of Tajikistan, are allowed to deduct such expenses in the amount of up to 10 percent of the total amount of income received, but not more than 150 minimum indicators for settlements per year on the basis of supporting documents (receipt (check) or other bank document) in the manner approved by the Government of the Republic of Tajikistan.

# Article 192. Expenses not subject to deduction

1. Deductions are not allowed for expenses not related to entrepreneurial activities, as well as expenses related to the acquisition of goods (works, services) from individual entrepreneurs operating on the basis of a patent. Deductions are not allowed in relation to the costs of construction, operation and maintenance of facilities, as well as other costs not related to entrepreneurial (main production) activities.

2. The deductions provided for in this chapter are not allowed if they do not comply with the requirements of Article 190 of this Code.

3. Deductions are not allowed for the following expenses:

1) representation and other similar expenses (holding celebrations, accommodation of guests, etc.) exceeding 1 percent of the taxpayer's gross income for the reporting period;

2) advertising (marketing) expenses exceeding 5 percent of the taxpayer's total income for the reporting period;

3) regardless of the requirements of paragraphs 1) and 2) of this part, a newly created taxpayer in the first year of its activity may attribute up to 300 indicators for calculating hospitality, advertising and other similar expenses (holding celebrations, accommodation of guests, etc.) to deductible expenses, with availability of supporting documents.

4. Clause 1) of paragraph 3 of this article shall not apply to a taxpayer whose entrepreneurial activity is of an entertainment nature, if the expenses are incurred within the framework of such activity.

5. Deductions for deductions to reserve funds shall be made only in accordance with the provisions of this Code.

6. The cost of donated (humanitarian) property, works and services rendered on a gratuitous (charitable) basis is not subject to deduction, except for the case provided for in Article 193 and paragraph three of Part 2 of Article 206 of this Code.

7. Deductions are not allowed for expenses related to passenger cars that are at the disposal of employees or shareholders (participants of the taxpayer) for personal use during the entire tax period, including its use for transporting employees to and from work, with the exception of cases when an employee is taxed on income from the value of the benefit in accordance with paragraph 7) of paragraph 3 of Article 186 of this Code.

8. Deductions are also not allowed for the following expenses:

a) contributions to the authorized (share) capital, share contributions, payments for excess emissions of pollutants, voluntary membership fees to public organizations;

b) investing in the authorized capital of another taxpayer;

c) the cost of financial assistance (subsidies) received by state institutions at the expense of budgetary funds to maintain their activities;

d) amounts received by the taxpayer-issuer from the issue of shares;

e) the amounts received by the taxpayer under commission, custom-made or other similar agreements payable in favor of the committent, the principal, with the exception of payment and expenses for repayment of the commission;

f) payment (repayment) of the principal amount of the debt;

g) loss of goods in excess of the norms established by the authorized body, determined in accordance with the relevant legislation;

h) payment for utilities provided free of charge for use by public catering enterprises;

i) expenses considered to be the benefit of an individual in accordance with Articles 186 and 187 of this Code, which are not subject to income tax;

j) payment of the excess rate established for the use of a personal vehicle by an employee for official purposes, to the extent that this excess is not included in the employee's income;

k) damage from theft and shortage, if the perpetrators are unknown;

m) the following amounts:

- tax on income levied in accordance with this Code, and any taxes on income and profits paid or payable in a foreign state;

- fines or interest (penalties) paid to the state budget of the Republic of Tajikistan or to the budget of a foreign state;

- value added tax and excise tax allowed for accounting;

- identified taxes established as a result of additional tax audits;

m) expenses associated with the delivery of goods, performance of works and services that have not actually been performed and are determined by a court decision .

**Article 193. Deduction for charitable payments**

1. The taxpayer is allowed a deduction for payments made to charitable organizations and for the implementation of charitable activities during the reporting period. The amount of such payments cannot exceed 10 percent of the taxpayer's taxable income for the reporting period.
2. When making charitable payments in the form of property, the amount of actually made charitable payments are considered equal to the smaller of two values - either the market value of the property at the time of transfer, or its cost.
3. The taxpayer is allowed a deduction for payments or other assistance for the prevention of consequences, or assistance in connection with man-made or natural disasters, or epidemics.

**Article 194. Limitation of deductions in respect of interest**

1. Unless otherwise provided by part 2 of this article, the taxpayer is allowed to deduct actually paid interest for each loan in the reporting period, but in the amount of not more than three times the amount of interest accrued (to be accrued) using the refinancing rate of the National Bank of Tajikistan in force in the tax period. This provision also applies to interest paid under financial lease (leasing) agreements.
2. Interest on loans paid in connection with the acquisition and (or) creation of depreciable fixed assets, or related to expenses affecting the change in their value before commissioning , are not deductible from gross annual income, but increase the value of such fixed assets.

3. The restrictions on the deduction of interest specified in this article shall apply until the application of article 224 of this Code.

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# Article 195. Deductions for bad debts

1. Taxpayers are entitled to deductions for bad debts arising in connection with the supply of goods, performance of work and provision of services, if the income associated with them was previously included in the gross income received from business activities.
2. A bad debt deduction is allowed at the time the debt is written off as worthless, in the taxpayer's books, provided that the write-off complies with International Accounting Standards.
3. The provisions of this article shall not apply to financial institutions to which the provisions of paragraph 2 of Article 204 of this Code apply.

# Article 196

1. The taxpayer is allowed to deduct expenses incurred for scientific research, design development and experimental design work related to the receipt of gross income, except for the expenses for the acquisition of fixed assets, their installation and other capital expenditures. The basis for the deduction of such expenses are the terms of reference, design and estimate documentation, the act of work performed and the acts of acceptance of the completed stages of such work.
2. The provisions of part 1 of this article shall not apply to the costs of scientific research, design development and (or) experimental design development in organizations performing these types of activities as a performer (contractor or subcontractor). These expenses are considered as expenses for the implementation by these organizations of activities aimed at obtaining profit (income).
3. In this article, scientific research refers to any experimental activity, the results of which cannot be known or determined in advance on the basis of existing knowledge, information or experience, but can be determined by conducting a systematic research process based on established scientific principles. Scientific research does not include the search for natural resources. Research expenditure includes any taxpayer contribution made to a research institution that is used to conduct research to develop the taxpayer's business.

# Article 197

1. The excess of deductions allowed to the taxpayer on gross income (losses from business activities) for the reporting period is carried over to the next period of up to 3 years inclusive, and is covered from income before tax of the future period.
2. Losses arising from the sale, transfer or alienation of property (with the exception of property used for business activities, or property, the income from the sale or transfer of which is exempt from tax), shall be compensated from the income received from the sale or transfer of such property.
3. If the losses provided for by part 2 of this article cannot be compensated in the same year, they are carried over to the next period up to 3 years inclusive and compensated by the income received from the sale or transfer of such property. Losses provided for by paragraph 2 of this Article shall not be subject to deduction from gross income for income tax purposes.

# CHAPTER 29

# Article 198

1. For the purposes of this article, depreciable assets are fixed assets and intangible assets used in entrepreneurial activities.

2. The taxpayer has the right to deduct from the taxable profit for the reporting period the share of depreciation of fixed assets and intangible assets at the rates established by this article.

3. Depreciation deductions to fixed assets and intangible assets not used in business activities are not allowed.

4. Deductions from depreciation charges are not allowed for the following assets:

- land, livestock, works of art, goods, material assets, including unfinished construction projects and unassembled equipment, as well as property, the value of which is fully deductible when determining the source of taxation for the reporting year;

- motor roads, sidewalks, alleys and avenues of public use, objects of improvement, which are at the disposal (maintenance) of the state power;

- fixed assets received free of charge;

- fixed assets, the cost of which has already been fully deducted;

- fixed assets of non-profit organizations, state institutions and public associations, including fixed assets used by them to generate income.

5. Depreciable fixed assets, with the exception of intangible assets, are divided into groups with the following depreciation rates:

|  |  |  |
| --- | --- | --- |
| Group | List of fixed assets | Depreciation rate on a straight-line basis (percentage) |
| 1 | Devices, tools and accessories; devices and local means of data processing; electronic equipment and servers | 12.5 |
| 2 | Trucks, buses, auto-tractor road construction equipment, special vehicles and trailers; machinery and equipment for all industries, foundries, forging equipment and presses, construction equipment, agricultural machinery and equipment, railway, sea, river and air vehicles; containers | 9 |
| 3 | Cars; office furniture, computers, connected equipment and parts thereof | 10 |
| 4 | Power machines and equipment, technical equipment; turbine equipment, electric motors and diesel generators; power transmission equipment; electronic equipment and means of communication; pipelines | 8 |
| 5 | Buildings, structures and structures | 7 |
| 6 | Depreciable assets n.e.c. | 4 |

6. The taxpayer must determine the amount of the depreciation allowance allowed in accordance with paragraph 1 of this article for all classes of assets on an asset-by-asset basis using the straight-line method.

7. Depreciation charges for each fixed asset of group 5 are carried out separately for the entire period of operation.

8. Depreciation deductions for fixed assets and (or) intangible assets that have been received (retired) during the calendar year are made (stopped) from the next calendar month after the actual use (actual disposal) but in the case of a building, not earlier than the regulatory body issue a certificate of completion.

9. The cost of fixed assets received on the basis of a financial lease (leasing) agreement is included in the cost balance of the relevant group of tenants, and the depreciation charge is calculated depending on the criteria established for the relevant groups.

10. The principal amount paid to the lessor for the financial lease (leasing) of fixed assets is considered the amount received from the sale of such fixed assets, if the fixed assets are transferred to the financial balance of the group before their transfer to the financial lease (leasing) is included. For the lessee, the principal amount it pays to the lessor is treated as the purchase price of the fixed asset.

11. The taxpayer shall have the right to use, in addition to deductions for depreciation allowances permitted in accordance with paragraph 1 of this article for certain assets, also investment deductions.

# Article 199. Linear depreciation method

1. This article shall apply in cases where, for the purposes of part 1 of article 198 of this Code, a taxpayer calculates depreciation charges for depreciable fixed assets of individual assets using the straight-line method.

2. The taxpayer calculates the depreciation deduction allowed for the reporting period for depreciable fixed assets using the straight-line method, applying the depreciation rate applied to the fixed asset relative to its value ( excluding the increase in the value of assets as a result of revaluation), as specified in paragraph 5 of article 198 of this Code.

3. If a taxpayer uses, in accordance with this article, depreciable fixed assets subject partly for taxable income and partly for other purposes, the permitted depreciation deduction in accordance with paragraph 5 of Article 198 of this Code is allowed only in proportion to the share of taxable income for the reporting period.

4. If a taxpayer does not use depreciable fixed assets, to which this article applies, during the entire reporting period to obtain taxable income, depreciation charges for this period are calculated in accordance with the following formula:

A x B / C ,

where A: - depreciation deduction calculated in accordance with part 2 of this article, taking into account part 4 of this article;

B - the number of days in the reporting period during which the taxpayer used depreciable fixed assets to obtain taxable income;

C - the number of days in the reporting period.

# Article 200

1. Depreciation deductions of fixed assets by the straight-line method are calculated on the basis of the book value of fixed assets in proportionally equal parts for the entire period of their use.

2. When switching from the residual method to the straight-line method, depreciation charges are calculated based on the book value of fixed assets.

# Article 201. Investment deductions

1. A taxpayer putting into operation the fixed assets specified in part 2 of this article, during the reporting period, has the right to an additional deduction for this period in the manner prescribed by part 2 of this article.

2. Investment deductions are made according to the following rates:

1) 10 percent of the cost:

- new technological equipment - equipment, devices, parts and mechanisms used by the taxpayer in the process of production of goods (works, services), not exceeding three years from the date of their production;

- re-equipment (modernization) - works related to changing the technological or service purpose of fixed assets, aimed at increasing productivity or improving their other qualitative characteristics;

- technical and (or) technological re-equipment - a set of measures to improve the technical and economic indicators of fixed assets or individual parts through the introduction of modern equipment and (or) advanced technology, mechanization and automation of production, replacement of obsolete and (or) worn-out equipment with new, more productive equipment, as well as the organization and expansion of existing production;

- funds for the presentation of domestically produced software within the framework of investment projects for the creation of information systems;

2) 5 percent of the cost:

- reconstruction of buildings and structures used in the production process;

- reconstruction of existing buildings and structures used in the production of goods and services (more than 50% of the renovation of buildings and structures by area), aimed at improving the technical and economic indicators of fixed assets as part of the project for re-equipping production facilities;

- expansion of production in the form of new construction - construction of new buildings and structures for the purpose of their use in the process of production of goods or services.

3. Investment deductions are made during the reporting period in which new technological equipment is put into operation or re-equipment (modernization), technical and (or) technological re-equipment of own production, expansion of production in the form of new construction, reconstruction of buildings and structures used in production process, and software for domestic production was presented as part of investment projects to create information systems.

4. Investment deductions are allowed for investments made in accordance with the requirements of this article after December 31, 2021.

# Article 202. Deduction of the cost of repair of depreciable fixed assets

1. Deductions are allowed for each group of expenses for the repair of fixed assets included in this group, in the amount of the actual amount of such expenses, but not more than 10 percent of the cost balance of the group at the end of the calendar year.

2. The amount of actual repair costs in excess of 10 percent of the cost balance of the group is included in the increase in the cost balance of this group.

# Article 203. Deduction of depreciation charges on intangible assets

1. The cost of intangible assets includes expenses on intangible objects (objects of intangible property, such as licenses, a patent for inventions, a trademark, a service mark, copyrights, a contract for the use of a trade name, software and other intellectual property) with a limited period of use and which used for at least twelve months.
2. The taxpayer calculates the depreciation deduction permitted by Article 198 of this Code for an intangible asset, taking into account the fact that the depreciation rate is:

- for an intangible asset with a useful life of more than 10 years or for which it is impossible to determine the useful life - 10 percent;

- for any other intangible asset - the percentage calculated by dividing 100 percent by the number of years of useful life of the intangible asset.

3. The provisions of this Article shall not apply to the intangible assets specified in Article 196 of this Code.

# CHAPTER 30. FEATURES OF TAXATION OF INCOME OF INDIVIDUAL SECTORS

# §1. Taxation of credit institutions

**Article 204. Income and expenses of credit organizations**

1. The object of taxation of income tax for credit institutions is the positive difference between their income and expenses, taking into account the following requirements:

1) the income of credit institutions consists of the income provided for in this Article, taking into account the requirements established by Article 182 of this Code, including:

1. in the form of interest on the placement of funds and the issuance of loans, including the amount of fines and penalties under the loan agreement;
2. in the form of a fee for services for opening and maintaining bank accounts, clearing, lending, mutual settlements and money transfers, including the use of electronic means of payment, the issuance or maintenance of means of payment, the provision of statements and other documents on accounts and the search for funds;
3. in the form of a fee for services on acquiring operations and from e-commerce participants;
4. from conducting operations in foreign currency, taking into account payment for services for the purchase and sale of foreign currency, including at the expense and on behalf of clients;
5. from conducting operations with precious metals and stones, foreign exchange reserves , including operations for the purchase and sale of foreign currency for themselves or their clients;
6. from the positive difference in transactions for the revaluation of foreign currency, precious metals and stones, including bullion units made of precious metals , securities ;
7. from the sale and purchase of money market instruments (including cheques, bills of exchange, obligations and certificates of deposit), shares and other transferable securities, for themselves or clients;
8. from forward contracts, swap agreements, futures, options and other derivative instruments related to currencies, stocks, bonds, precious metals and stones, or relating to exchange rates and interest rates, for yourself or your clients;
9. from issuing guarantees, accounting for contingent liabilities, including guarantees and credentials (letters of credit) for themselves and clients, issuing a guarantee that provides for the fulfillment of monetary obligations to third parties;
10. from safe operations, storage and asset management (money, securities, metals, jewelry, etc.);
11. from the provision of services on the basis of a trust (management of funds, securities, etc. in favor of the trust and on the basis of its instructions);
12. from cash operations: acceptance, recalculation, exchange, formation and storage of banknotes and coins;
13. from the transportation (collection), receipt and dispatch of banknotes, coins and valuables;
14. from contracts related to the sale and purchase of commemorative (collectible) coins, as the difference in price between purchase and sale;
15. in the form of the amount of the return of assets, the loss of which was previously included in deductible expenses and reduced the tax base or was excluded from the reserve (fund) and previously reduced the tax base;
16. from factoring and forfaiting operations;
17. from financial lease (leasing);
18. from services as a financial agent, services as a consultant or financial advisor, financial and credit information services;
19. in the form of a recovered amount of a reserve (fund) to cover possible losses on assets, the cost of which was previously included in expenses that reduce the source of income tax;
20. from remote services and via the Internet;
21. other income;

2) The taxable income of credit institutions does not include the following income:

a) when purchasing bad or doubtful (inactive) loans from another credit institution - the principal amount of the loan or previously accrued interest that can be received in excess of the purchase price, if such an overestimated amount is not actually received;

b) accrued interest, fines and penalties on bad or doubtful (inactive) loans that have not been paid to a credit institution, except for cases related to related parties;

c) insurance payments under an insurance contract in case of death or disability of a debtor of a credit institution, as well as insurance payments under a property insurance contract accepted as collateral for a loan, within the amount of the borrower's outstanding loan, accrued interest, fines recognized by the court, are paid by the credit institution; organizations at the expense of insurance funds;

d) income received in the form of an increase in net assets as a result of an increase in the authorized capital of the credit institution's subsidiaries.

2. The expenses of credit institutions include the expenses provided for by Articles 190, 192, 193, parts 1 and 2 of Article 194, Articles 196-203, 208, 214, 215 of this Code and the expenses provided for by this Article shall be determined subject to the following requirements:

1) for the purposes of this section, the expenses of credit institutions include the following types of expenses related to banking activities:

1. on accrued interest on attracted funds (including on deposits, savings and loans), on funds held in bank accounts, on securities and on deposited funds held in special customer accounts;
2. on commission fees for opening and maintaining bank accounts, clearing, loans, settlements, cashing and transferring funds, including electronic money transfers, issuing and (or) servicing means of payment, obtaining statements and other documents on accounts and searching for funds;
3. for conducting transactions with foreign currency, taking into account commission fees for transactions for the purchase or sale of foreign currency, including at the expense and on behalf of the client;
4. on transactions of purchase and sale of precious metals and stones, currency values, including transactions of purchase and sale of foreign currency for themselves and clients;
5. on the negative difference in transactions for the revaluation of foreign currency, precious metals and stones, including bullions from precious metals, securities;
6. for the purchase and sale of money market instruments (including checks, bills of exchange, letters of guarantee and certificates of deposit ), shares and other transferable securities for themselves or clients;
7. on forward contracts, swap agreements, futures, options and other derivatives related to currencies, stocks, bonds, precious metals and stones or related to exchange rates and interest rates, for yourself or clients;
8. for obtaining guarantees, opening letters of credit for themselves and clients;
9. for safe operations, storage and management of assets (cash, securities, metals, jewelry, etc.);
10. for cash transactions: acceptance, exchange, storage and examination of banknotes and coins;
11. for transportation (collection ) , acceptance and dispatch of banknotes, coins and valuables;
12. losses on purchase and sale of commemorative coins (collectible) in the form of the difference between the purchase and sale prices;
13. for operations on the issuance and maintenance of traveler's checks, electronic and other means of payment, including payment bank cards;
14. fees and other payments for registration of collateral (including for a mortgage), making changes to registration registers and notarized contracts;
15. for the rent of buildings and structures, vehicles and other related expenses, as well as other funds related to banking activities;
16. losses from the sale, discounting and (or) write-off from the balance sheet of securities, loans, interbank loans, term placements and their derivatives;
17. on factoring and forfaiting operations;
18. on financial lease (leasing);
19. on the services of a financial agent, adviser or financial consultant, financial information services and credit;
20. on payment of bonuses, cashback and other incentive mechanisms to customers when using electronic means of payment;
21. on calendar payments for insurance of deposits (savings) to the Fund for insurance of savings of individuals;

w) on deductions to the reserve (fund) to cover possible losses on assets in accordance with the instructions of the National Bank of Tajikistan, with the exception of assets issued to related parties or in accordance with the obligations of related parties to third parties and without collateral loans in an amount exceeding 2,500 calculation indices;

x) for remote services and through Internet networks;

j) other expenses.

# §2. Taxation of Islamic banking

# Article 205. General provisions

1. Taxation of Islamic banking is applied to operations of credit and financial organizations that carry out operations in accordance with the principles, standards of Islamic finance, as well as agreements under the Law of the Republic of Tajikistan "On Islamic banking" (hereinafter referred to as Islamic banking activities).

2. Credit and financial organizations engaged in Islamic banking activities shall pay income tax in accordance with the provisions of this paragraph and other taxes in accordance with the provisions of this Code.

3. Passive Islamic financing - financing in which the principal amount, income or profit (for passive financing) is not paid in accordance with the requirements of the financing agreement in accordance with the instructions of the National Bank of Tajikistan.

4. Credit and financial institutions engaged in Islamic banking activities are required to keep records of income and expenses in accordance with the Law of the Republic of Tajikistan "On Accounting and Financial Reporting" and on an accrual basis, as well as for individual transactions ( muzaraba , musharaka and wakala ) on a cash basis.

5. In the event that a financial institution, simultaneously with common banking operations, also carries out Islamic banking operations, it is obliged to maintain separate accounting records for banking operations and Islamic banking operations.

# 

# Article 206

1. The object of income taxation of credit and financial organizations engaged in Islamic banking activities is the positive difference between their income and expenses, taking into account the requirements established by this article.

1) the income of credit institutions engaged in Islamic banking activities consists of the income provided for by subparagraphs b) - f) of paragraph 1) of part 1 of Article 204 of this Code, taking into account the requirements established by Article 182 of this Code, and the following income, including :

- in the form of income from correspondent or current accounts in other banks, deposited placement, subordinated financing, interbank financing, Islamic repo transactions, overdraft , hasan loan financing , trading operations ( murobaha ), tawarruk , lease, wakala , lease of muntahiya bittamlik , muzaraba , musharaka , musharaka mutanakisa , salam, istisna of unlimited or limited investment accounts, mortgages, letters of credit and other financing;

- other income.

2) The following income is not included in the income of financial institutions engaged in Islamic banking activities:

- income from Islamic finance, unpaid fines and penalties for unpaid penalties on passive Islamic finance, which were not paid to an Islamic credit institution;

- fines and accrued penalties for Islamic finance;

- insurance payments under an insurance contract in case of death or disability of a debtor of a financial institution, as well as insurance payments under a property insurance contract accepted as collateral for Islamic finance;

- fines recognized by the court, paid to a financial institution at the expense of insurance funds;

- the cost of property used by a financial institution as the subject of transactions concluded within the framework of Islamic banking;

- income received in the form of an increase in net assets due to an increase in the authorized capital or the value of shares of subsidiaries of a financial institution.

2. The expenses of credit and financial organizations engaged in Islamic banking activities consist of the expenses provided for in Articles 190, 192-193, parts 1 and 2 of Article 194, Articles 196-203, 208, 214, 215, and the expenses provided for in this Article , and are determined taking into account the requirements of this article. The expenses of credit and financial organizations engaged in Islamic banking activities consist of the expenses provided for by subparagraphs b) - f) of paragraph 1) of part 2 of Article 204 of this Code, and the following expenses, including:

- expenses on demand deposits, savings, fixed-term, limited and unlimited investment accounts, other deposits and similar liabilities;

- rent of buildings, structures, transport and other related expenses, as well as other funds related to Islamic banking activities;

- the amount of fines paid on Islamic finance for charitable purposes;

- losses from the sale, discounting or write-off of securities, Islamic investments and derivatives ;

- services of a financial agent, adviser or financial consultant, provision of Islamic financial services and Islamic finance;

- contributions to the reserve (fund) to cover potential losses on assets in accordance with the instructions of the National Bank of Tajikistan, with the exception of assets of related parties or assets transferred to third parties for obligations of related parties, and unsecured financing - more than 2500 indicators for calculations ;

- other expenses.

# §3. Deductions for insurance companies

# Article 207

1. A legal entity operating in the field of general insurance is allowed to deduct during the reporting period the balance of the risk reserve formed in accordance with the current insurance contract at the end of the reporting period. The amount of the deduction in connection with the formation of the reserve cannot exceed the amount established by the Law of the Republic of Tajikistan "On Insurance Activities".

2. A legal entity carrying out activities in the field of general insurance is obliged to include in the income of a legal entity for the reporting period the amount deducted in accordance with paragraph 1 of this article for the previous reporting period.

3. A legal entity carrying out life insurance activities is allowed to deduct the following amounts for the reporting period:

- the amount of initial reserves created in the financial accounts of the entity for new life insurance policies issued during this period, but the amount of the permitted deduction must not exceed the amount determined for the creation of an initial reserve in accordance with insurance legislation;

- the amount of the annual increase in reserves to the life insurance policy indicated in the financial statements of the organization, but the amount of the permitted deduction should not exceed the amount required for the annual increase in the reserve in accordance with insurance legislation.

4. If during the reporting period a legal entity carrying out life insurance activities cancels a life insurance policy, the amount of deducted reserves in relation to the canceled policy is included in the income of the legal entity for the current period.

5. A legal entity carrying out life insurance activities makes the following insurance payments for the reporting period:

- if the total amount of payments on claims made during a given period is less than the total amount of deducted reserves in respect of these payments, the excess is included in the entity's income for the current period;

- if the total amount of payments on claims made during the period is less than the total amount of deducted provisions in respect of these payments, the entity is allowed a deduction for the year for the amount of the excess.

6. No deductions shall be allowed for the amount transferred to the reserve of a legal entity conducting general or life insurance activities, except as provided in this Article.

7. In this article, the concepts of "general insurance" and "life insurance" mean the concepts defined in the Law of the Republic of Tajikistan "On Insurance Activities".

# Article 208. Deduction of expenses for insurance premium (payment)

1. An insurance premium (payment) paid by a legal entity under a general insurance contract to insure the risk associated with the legal entity's entrepreneurial activities is allowed to be deducted. The deduction is allowed, regardless of whether the insurance is compulsory or voluntary.

2. An insurance premium (payment) paid by a legal entity under a life insurance contract is allowed to be deducted if:

- the insurance is the insurance of a key person, and the insurance payment under the contract is payable to the legal entity;

- insurance applies to an employee of a legal entity, and the insurance payment made under the contract is payable to the employee or the employee's dependent, but only if the insurance premium is included in the employee's labor income in accordance with Article 186 of this Code.

**§4. Cost deduction for users of natural resources**

# Article 209

1. The provisions of Article 203 of this Code shall apply to the costs of geological exploration incurred by the user of natural resources during the reporting period, based on the fact that these costs are intangible costs with a 100% depreciation rate.

2. In accordance with Article 198 of this Code, the depreciation rate for machinery and equipment purchased by a user of natural resources exclusively and specifically for the purpose of conducting geological exploration, and used for these purposes, is 100 percent of the cost of machinery and equipment.

3. Article 203 of this Code shall apply to extraction costs incurred by the user of natural resources during the reporting period, on the basis that these costs are intangible costs with a depreciation rate equal to the largest of the following values:

- percentage calculated by dividing 100 by the expected number of years of production based on the right to use natural resources to which the costs relate; or

- 10 percent of expenses.

4. If a user of natural resources incurs costs for the extraction or acquisition of fixed assets for use in activities under a mining license before the start of the activity, the provisions of this Code shall apply on the basis of costs from the moment the mining activity begins.

5. The amount of depreciation allowances, to which the provisions of part 4 of this article apply, for the reporting period in which mining activities began, is calculated according to the following formula:

A x B/C,

where: A - the volume of costs for production or the cost of fixed assets;

B - the number of days in the period starting from the date of commencement of mining activities and ending on the last day of the reporting period in which mining activities began; And

C is the number of days in the reporting period in which mining activity began.

# Article 210. Basic provisions for calculating the costs of users of natural resources for exploration and production

For the purposes of this paragraph, the following basic concepts are used:

- commencement of mining activities - the first day of the first period of 30 consecutive days;

- exploration costs - capital costs for exploration, including costs incurred in acquiring the right of users of natural resources, except for the costs of acquiring fixed assets;

- extraction costs - capital costs in the extraction of resources, including costs incurred in acquiring the right of users of natural resources, except for the costs of acquiring fixed assets.

# 

# Article 211. Restrictions on deductions for users of natural resources

1. Deductible expenses incurred by a user of natural resources in the course of the implementation of a contract for the use of natural resources are allowed depending on the gross income received under such a contract during the reporting period.

2. If the amount of the total allowed deductions made during the reporting period exceeds the gross income received under the contract for the use of natural resources, such excess is carried over for a period of more than three years and deducted.

# 

# §5. Profit and loss in currency exchange

# Article 212. Profit and loss from currency exchange

1. The taxpayer's gross income from entrepreneurial activity for the reporting period includes income from the foreign exchange rate difference received by the taxpayer for the reporting period.

2. Allowable taxpayer deductions for the reporting period include the foreign exchange loss incurred by the taxpayer during the reporting period.

3. Exchange difference losses shall be calculated in accordance with paragraph 2 of this article only if the taxpayer has substantiated the amount of losses.

3. A foreign exchange loss shall be taken into account in accordance with this part only if the taxpayer has substantiated the amount of the loss and this substantiation has been accepted by the tax authority.

4. Income or loss of a non-resident from exchange differences is taken into account only if they are related to business activities carried out through a permanent establishment of a non-resident.

5. For the purposes of this article, the taxpayer's income and loss from currency exchange shall mean, respectively, income and losses caused by a change in the exchange rate of a foreign currency.

6. Operations in foreign currency - one of the following operations carried out for the purpose of obtaining gross income:

- operations with foreign currency;

- liabilities on lending and borrowing in foreign currency;

- any other operations in foreign currency.

7. When determining a taxpayer's income or loss from exchange rate differences on operations with foreign currency, the provisions of a risk insurance or hedging agreement shall be taken into account.

# CHAPTER 31. ASSET REGULATION RULES

# Article 213. Profits and losses from the sale or transfer of assets

1. Profit from the sale, transfer or other type of alienation of assets is a positive difference between proceeds from the sale or transfer of assets, determined in accordance with Article 215 of this Code, and the value of assets, determined in accordance with Article 214 of this Code.

2. Losses from the sale, transfer or other alienation of assets represent the negative difference between proceeds from the sale or transfer and the value of assets, determined in accordance with Article 214 of this Code.

3. The provisions of paragraphs 1 and 2 of this article shall not apply to assets subject to depreciation by groups, as well as to inventory.

4. In this Code, reference to the "alienation" of assets includes:

- destruction of assets;

- Cancellation, redemption, expiration or renunciation of an intangible asset.

# Article 214. Value of assets

1. The cost of assets includes expenses associated with their acquisition, production, construction, assembly and installation, as well as other expenses that increase their value, except for the revaluation of fixed assets and expenses in respect of which the taxpayer is entitled to a deduction.

2. If the assets are fixed assets depreciated on a straight-line basis in accordance with Article 199 of this Code, or intangible property depreciated in accordance with Article 203 of this Code, the value of the assets at the time of sale, transfer or other type of alienation shall be reduced by the amount of the prescribed depreciation for such assets.

3. If only part of the assets is sold, transferred or alienated, then the value of the assets is calculated according to the following formula:

A x B / (B + C),

where: A - asset value;

B - the amount received from the sold, transferred or alienated part of the property;

C - the market value of the remaining part of the asset at the time of sale, transfer or alienation.

4. In case of application of the provisions of part 3 of this article:

- the rest of the asset is treated as a separate asset;

- the value of the remaining part of the asset is the balance of the value of the assets, taking into account the value attributed to that part of the assets that is sold, transferred or alienated in accordance with paragraph 2 of this article.

5. When combining two or more assets (original assets) into one asset (combined asset), the following criteria apply:

1) the initial assets at the time of the merger are considered sold;

2) when alienating the original assets, profits or losses are not taken into account;

3) face is recognized as the buyer of these assets at the time of the combination of assets;

4) the value of the combined asset is equal to the sum of the following:

a) the total value of the original assets at the time of the merger;

b) the costs incurred by the person in converting the original assets into a combined asset.

6. In the event of damage to an asset, the value of the asset is reduced by the amount received in accordance with the insurance policy, compensation or other agreement, or by court order. If the amount received exceeds the value of the asset, the excess amount is treated as income received at the time the specified amount is received, and the value of the asset is set to zero.

# Article 215. Rules for determining the amount received by the seller in the sale or transfer of assets

1. The price of an asset sold is the total amount received or receivable for an asset by a person, including the market value of any asset, received in kind at the date the asset is sold.

2. In the event of the destruction of an asset, the amount received for the asset, including the amount of compensation, restoration or reimbursement received or receivable by a person determined as a result of the destruction of the asset.

3. If two or more assets are disposed of in the same transaction and the value of each asset is not determined separately, the total amount received is divided between the two or more assets based on the market value at the date of disposal of such asset.

4. If the collateral transferred to the owner of an asset remains wholly or partly in the possession of the owner of the asset, and the proposed sale or transfer of the asset does not take place, then the amount of collateral remaining with the owner of the asset is recognized as income.

5. If a person cannot submit a document confirming the amount received for an asset, the value of the asset is determined based on the market value of the asset at the time of alienation.

# Article 216. Transactions between related parties

1. When assets are alienated, the value of assets is determined as follows:

- for the transferring party - the value of the transferred asset is calculated at the market value of the assets at the time of alienation;

- for the recipient - the value of the received asset is calculated at the market value of the assets at the time of acceptance.

2. If the requirements of Chapter 33 of this Code apply to the alienation of an asset, the provisions of this Article shall not be used.

# Article 217. Non-recognition of income or losses

1. When determining taxable income, income or loss is not recognized in the following cases:

- transfer of assets between spouses, but only if the spouse acquiring the asset during their subsequent transfer will be taxed in accordance with this Code ;

- transfer of an asset between former spouses in the process of divorce, but only if the former spouse acquiring the asset, upon their subsequent alienation, will be taxed in accordance with this Code;

- transfer of an asset in the event of the taxpayer's death to an heir , but only if the heir will be subject to taxation in accordance with this Code, in relation to the subsequent disposal of the asset;

- unintentional destruction of an asset or its disposal with reinvestment of income (for example, insurance compensation received for the unintentional destruction of an asset) in a similar asset or in an asset with the same characteristics (replacement asset) before the end of the second year following the year in which the asset was destroyed or alienated.

2. When applying the provisions of Paragraph 4 of Part 1 of this Article, if the cost of acquiring a replaced asset exceeds the amount received for the replaced asset, the value of the replaced asset shall be increased by the excess of the cost of the replaced asset.

3. When applying the provisions of Paragraph 3 of Part 1 of this Article, if the value of the replaced asset exceeds the value of the acquired asset that replaces the replaced asset, the value of the replacement asset shall be reduced from the value of the replaced asset as of the date of alienation by the excess amount, but not below zero. Any excess that is not used to reduce the value of the replaced asset is included in the taxpayer's gross income for the tax period in which the replacement asset was acquired.

4. The value of an asset for a spouse or ex-spouse acquired as a result of an agreement, in which the profit is not taken into account for taxation purposes in accordance with paragraphs one and two of part 1 of this article, is the value of the asset for the spouse or ex-spouse transferring it on the date of the transaction.

5. The value of the property acquired by the heir in accordance with the third paragraph of part 1 of this article is the value of the property of the deceased taxpayer on the date of his death.

6. The provisions of this article do not apply to assets subject to depreciation by groups, with the exception of paragraphs one, two and three of part 1 of this article, which apply in cases where all group assets are transferred to a spouse, former spouse or heir at the same time.

# Article 218. Asset turnover between members of a group of companies

1. The provisions of this article shall apply if the following conditions are met:

- the company transferring the main assets is referred to as the “transferring company”, and the company receiving these assets is referred to as the “receiving company”;

- all assets of the transfer company in the group must be transferred to the receiving company if the transferred assets are fixed assets that are depreciated by the transfer company in accordance with Article 198 of this Code for the group;

- the amount of liabilities associated with the fixed assets of the transfer company cannot exceed the residual value of the transferred fixed assets;

- the receiving company in the event of the subsequent sale of assets is subject to income tax;

- the transferring company in relation to the receiving company is a group company;

- the transferring company and the receiving company agree in writing before the date of the transfer of assets that this article applies to the transfer of fixed assets.

2. In the following cases, the turnover of assets within the company is not subject to taxation:

- in the case of transfer of assets by the transfer company, no income (profit) and losses arise;

- the value of the assets transferred to the receiving company is equal to the value of the assets of the transferring company at the time of the transfer.

3. When applying the provisions of Paragraph 2 of Part 1 of this Article, the receiving company shall be deemed to be the acquirer of groups of fixed assets for an amount equal to the residual value of the group at the time of transfer.

4. For the purposes of this Code, any company is recognized as a member of a group of companies if one of the following conditions exists:

- one company owns directly or through one or more related companies 100 percent of the shares or interests in another company;

- the other company owns, directly or through one or more related companies, 100 percent of the shares or interests in both companies.

5. The reference in part 1 of this article to a "company" is a reference to a separate company that is a resident of the Republic of Tajikistan.

# CHAPTER 32. GENERAL RULES OF INTERNATIONAL TAXATION

# Article 219. Sources of income

1. Income is considered received from sources in the Republic of Tajikistan, if income in monetary, material or non-material form (without any deductions) is received from any type of activity, property (property rights) and other sources located in the Republic of Tajikistan, regardless of the place income payments, including:

a) income from employment specified in Article 186 of this Code, if one of the following conditions applies:

- work is performed in the Republic of Tajikistan;

- the cost of work is paid by the Government of the Republic of Tajikistan, residents and permanent establishments of a non-resident of the Republic of Tajikistan, regardless of whether the work is performed in the Republic of Tajikistan or abroad;

b) income from entrepreneurial activities carried out by a resident, with the exception of income related to a permanent foreign establishment of a resident;

c) income from business activities carried out by a non-resident, which can be attributed to a permanent establishment located on the territory of the Republic of Tajikistan, including:

- income from the sale of goods of the same or similar type as goods supplied (sold) through such a permanent establishment in the Republic of Tajikistan;

- income received from any other business activity carried out in the Republic of Tajikistan, which is of the same or similar nature as the activity carried out through such a permanent establishment;

d) income received in the form of dividends from a resident legal entity and income received from the sale and transfer to another person of a participation interest in such a legal entity ;

e) income in the form of pensions, interest, winnings, prizes, royalties, technical fees and other paid income;

- a resident, unless the payment is an expense of a foreign permanent establishment of a resident;

- by a non-resident, if the payment is the expenses of a permanent establishment of a non-resident in the Republic of Tajikistan.

f) income received from immovable property located in the Republic of Tajikistan, including income from the sale or transfer to another person of a share in such immovable property;

g) income from the sale or transfer to another person of shares or participation interests in a legal entity at any time within 365 days prior to the sale or transfer to another person, the value of shares or participation interests, directly or indirectly, is determined mainly from the value of real estate located in the Republic of Tajikistan ;

h) other income from the sale or transfer of property to another person by a resident, not related to the implementation of entrepreneurial activities, except for;

- immovable property located outside the Republic of Tajikistan;

- shares or other participation interests in a non-resident legal entity.

i) income paid in the form of premiums for insurance or reinsurance of risks in the Republic of Tajikistan;

j) income from telecommunication or transport services in the course of international communication or transportation between the Republic of Tajikistan and other states;

k) fees of managers and (or) other payments received by members of the supreme management body (board of directors, board or other similar body) of a resident legal entity, regardless of the place of actual performance of the duties assigned to such persons;

l) income (fees) paid to theater and film actors, radio and television workers, musicians, artists and athletes in connection with their activities in the Republic of Tajikistan, regardless of whether it is paid directly to theater and film artists, radio and television workers, musicians, artists and athletes or legal entities controlled by them;

m) income that the Republic of Tajikistan has the right to tax in accordance with tax treaties, regardless of the provisions of the above subparagraphs of this part.

2. Any income received from sources outside the Republic of Tajikistan is foreign income.

# Section 220. Foreign Tax Credit

1. Taxable income received by a resident outside the Republic of Tajikistan is income received by a resident abroad, which is subject to income tax in the Republic of Tajikistan.

2. The amounts of tax on income paid by a resident outside the Republic of Tajikistan from foreign income for the tax period, upon submission of confirmation of payment of such taxes, in the manner prescribed by this Code, are credited when paying the taxes listed in this part.

3. The amount subject to offset, provided for by part 2 of this article, cannot exceed the amount of tax established in the Republic of Tajikistan in respect of such income at the rates in force in the Republic of Tajikistan.

4. Tax assessed on income or net income received by a resident outside the Republic of Tajikistan is calculated using the average income tax rate in the Republic of Tajikistan for residents. For this:

- the average income tax rate calculated for residents in the Republic of Tajikistan means the income tax rate of a resident of the Republic of Tajikistan, paid by residents as a percentage of taxable income for the tax period in accordance with this Code;

- income or net taxable income received outside the Republic of Tajikistan during the tax period is recognized as the gross income of a resident with a deduction permitted in accordance with this Code;

- in case of withholding tax at the source of payment outside the country, the resident submits a supporting document.

5. The credit for foreign tax allowed to a resident for a tax period is calculated separately for the income received by the resident abroad, which is income received from entrepreneurial activities, and other foreign income of the resident for the current period.

6. The offset of the foreign income of a resident in accordance with this article is allowed only in the following cases, if:

- the resident has paid foreign tax within two years after the end of the tax period in which the foreign income was received by the resident, or during such additional time as permitted by the tax authority;

- the resident has submitted a document on the payment of foreign tax and any additional documents from the foreign tax authority to the tax authority at the place of registration, confirming the payment of tax abroad.

7. If the tax paid by a resident abroad exceeds the tax paid within the country, such excess, in accordance with the provisions of paragraph 2 of this article, is not credited, refunded or carried over to another period.

# Article 221. Transfer of losses from foreign income to another period

1. Deductions of expenses from the amount of foreign income received by a resident are permitted in accordance with this Code, but with the limitation that such expenses can only be deducted from foreign income. If deductible expenses incurred by a resident in a tax period while receiving foreign income exceed the amount of that income for that period, such excess is treated as a foreign loss for that period.

2. A resident may carry forward foreign loss for a tax period to the next tax period as a deduction from the resident's foreign income subject to assessment in the next tax period. Such deduction is permitted until the loss has been fully deducted or the permitted loss carry forward period has ended. The loss carry forward period is 3 tax periods after the end of the period in which the loss was incurred. If a resident has a foreign loss carried forward under this Article for more than one taxable period, the foreign loss incurred in the earliest taxable period shall be deductible first.

3. This article applies separately to the foreign income of a resident for the period in which business income is calculated and any other taxable foreign income of a resident for that period.

# Article 222. Taxation of net profit of a permanent establishment of a foreign legal entity

A permanent establishment of a foreign legal entity operating in the Republic of Tajikistan, in addition to income tax, is subject to tax on the net profit of this permanent establishment for the tax period at a rate of 15 percent.

# Article 223. Income received by controlled foreign legal entities in countries with preferential taxation

1. If a resident's direct or indirect interest in a foreign legal entity located in a low-tax jurisdiction is more than 25 percent during a tax year, such resident's income for that year includes an amount calculated using the following formula:

AxB,

where: A - percentage of a resident's share in a foreign legal entity; And

B - taxable profit of a foreign person for the year, reduced by any foreign tax or tax in the Republic of Tajikistan paid by a foreign legal entity on taxable profit.

2. The percentage of a person's share in a foreign legal entity is the largest of the percentage shares of a resident in the following assets:

- the right to vote in a foreign legal entity;

- the right to receive dividends and the right to other income paid by a foreign legal entity;

- the right to a share of capital in a foreign legal entity.

3. When calculating the percentage share of a legal entity in a foreign legal entity, any direct or indirect interests of the legal entity in relation to the related person shall be taken into account.

4. A country with low tax rates is a country where one of the following conditions is met:

- the nominal tax rate or parts thereof in the country is 30 percent lower than the rate applicable to a resident in accordance with this Code;

- the country does not tax the foreign income of residents, or the foreign income of residents is taxed only if the income is remitted to the country;

- the current legislation of the country provides for the protection of the confidentiality of financial information or information about companies, which makes it possible to ensure the confidentiality of information about the ultimate owner of the property or the ultimate recipient of income (profit).

5. A legal entity is considered a resident of an offshore zone - a country with low tax rates, if one of the following conditions is met:

- the enterprise is established and registered in a country with a low level of taxation; or

- control and management of a legal entity is carried out from a country with low tax rates.

6. Dividends paid in a country with low taxation rates to a resident shall be exempt from tax to the extent that the tax on income (assessed) has been paid by the resident in accordance with this article. For this purpose, dividends are considered to be paid out of accrued earnings.

# Article 224. Thin capitalization

1. Taking into account the requirements of paragraph 2 of this article, if during the reporting period the ratio of the average loan of a resident person under the control of a non-resident to the average authorized capital exceeds two times, the permitted deduction of interest to such a person for this period is limited.

2. In relation to a person - a resident controlled by a non-resident, if more than 25 percent of its share in the average authorized capital is directly or indirectly owned by non-residents, or legal entities exempt from income tax, for each loan used during the reporting period, the interest paid is deducted in accordance with paragraph 1 of this article, but the maximum amount of interest that can be deducted in accordance with paragraph 1 of this article is limited to the amount of interest in excess of the maximum interest rate.

3. For the purposes of this article, the maximum interest rate is determined by dividing the amount of interest on loans by the average ratio of the authorized capital. The average authorized capital ratio is determined by dividing the average outstanding loan at the end of the reporting period by the average share of the foreign founder in the authorized capital and dividing it by 3 (three). A loan is any commercial loan, bank deposit and other loans, regardless of their form of registration.

4. This article applies to a non-resident with a permanent establishment in the Republic of Tajikistan on the following grounds:

- a permanent establishment is considered a resident legal entity under foreign control;

- the ratio of the average loan of a permanent establishment of a non-resident to the average equity capital is calculated on the basis of the loan obligations of the permanent establishment and the capital invested in the company's activities through the permanent establishment.

5. For the purpose of applying the provisions of this article, the following concepts are used:

- the average loan of a resident legal entity under foreign control for a tax period is the amount calculated by dividing by 3 the amount obtained by adding the loan of this legal entity at the end of the first, middle and last days of the tax period;

- the average equity capital of a resident legal entity under foreign control in the tax period is the amount calculated by dividing by 3 the amount obtained by adding the capital of this legal entity at the end of the first, middle and last days of the tax period;

- credit of a resident legal entity under foreign control - these are credit obligations of a legal entity determined in accordance with international financial reporting standards and do not include accounts payable;

- equity capital of a resident legal entity under foreign control is the equity capital of a legal entity in accordance with international financial reporting standards;

- a resident legal entity controlled by a non-resident is a resident legal entity in which more than 25 percent of the shares or other participation interests are owned by a non-resident, alone or jointly with related parties.

# CHAPTER 33. TRANSFER PRICING

# Article 225. Transfer pricing agreement

1. A transfer pricing agreement is an agreement that includes a transaction or a series of transactions where all of the following conditions are met:

- if the purpose of the operation is the supply or acquisition of property, services, handling of intangible or tangible assets, the allocation of loans;

- if the transaction is carried out between related parties;

- if the transaction is cross-border.

2. An operation is cross-border if it is performed:

- between a resident person and a non-resident person, except for cases when the transaction is carried out entirely in the Republic of Tajikistan;

- between two resident persons and it is related to business activities carried out through a permanent establishment outside of Tajikistan by one or both residents;

- between two non-resident persons, unless the transaction is related to activities carried out through permanent establishments in Tajikistan by both non-residents.

# Article 226. The principle of concluding contracts on market conditions

1. The principle of concluding a contract on market terms is applied if the income, expenses, profit or loss formed on the basis of a transfer pricing agreement of related parties differ from the income, expenses, profit or loss of unrelated persons formed in real market conditions.

2. The difference between income, expenses, profit or loss between related and unrelated persons is determined by comparing cases.

3. Circumstances are considered to be comparable to the actual circumstances specified in the transfer pricing agreement if they correspond to market conditions and, or if there are differences, one of the following conditions applies:

- differences are insignificant, transfer pricing is not applied;

- differences are significant, transfer pricing applies.

4. When determining the compliance of contracts with market conditions, the following requirements are taken into account:

- obligations and risks assumed by the parties under the transfer pricing agreement to carry out transactions;

- characteristics of property, services, intangible or tangible assets supplied or acquired under the transfer pricing agreement;

- contractual terms under the transfer pricing agreement;

- market conditions in which the transaction took place and any other economic factors related to the transfer pricing mechanism;

- business strategies of the parties to the transfer pricing agreement.

5. The principle of market conditions should be applied in accordance with international transfer pricing standards to multinational enterprises and tax authorities. In the event that this Code is inconsistent with such transfer pricing standards, this Code shall prevail.

# Article 227. Transfer pricing methods

1. Transfer pricing consists of methods:

- comparable market price;

- resale prices;

- costs plus;

- comparable profitability of the operation;

- division of profit on operation.

2. Methods of transfer pricing established by part 1 of this article must be applied for their intended purpose separately or in combination in accordance with the legislation of the Republic of Tajikistan.

3. A taxpayer may apply a transfer pricing method not specified in paragraph 1 of this article if he can justify both of the following elements:

- none of the methods specified in paragraph 1 of this article can be properly applied to determine whether the income, expenses, profits and losses arising under the transfer pricing agreement correspond to the market conditions principle;

- the method used by this taxpayer leads to a result that is comparable to the results achieved in relations between independent persons acting on the principle of market conditions.

# Article 228. Transfer pricing adjustments

1. A taxpayer who has entered into an agreement taking into account the requirements of a transfer pricing agreement must, using the transfer pricing method or a combination thereof, determine the income, expenses, profit and loss incurred under the agreement on the principle of market conditions :

- the respective strengths and weaknesses of each transfer pricing method in the terms of the transfer pricing agreement;

- the accuracy of each transfer pricing method, taking into account the nature of the transfer pricing agreement, determined by analyzing the operations performed, the assets used and the risks assumed by each party to the agreement;

- availability of reliable information necessary for the application of each transfer pricing method;

- the degree of comparability of conditions under the transfer pricing agreement and the principle of market conditions; and the reliability of adjustments, if any, that may be required to eliminate differences.

2. The comparable market price method is the most accurate and reliable method of applying the principle of market conditions to resources traded by users of natural resources.

3. If an entity does not determine the income, expenses, gains and losses arising under a transfer pricing agreement in accordance with the market conditions principle, the tax authority may make the necessary adjustments to ensure that the income, expenses, profits and losses arising under the transfer pricing agreement on transfer pricing, were consistent with the principle of market conditions.

4. If, taking into account the methods specified in part 1 of this article, a person uses an accurate and reliable method of transfer pricing, the determination of the conformity of income, expenses, profits and losses formed under the transfer pricing agreement, the tax authority must be carried out on the basis of the principle of market conditions used by the person.

# Article 229. Transfer pricing documentation

1. The taxpayer, in accordance with the requirements established by this Code, is obliged to draw up documents (contract, bill of lading, cargo customs declaration, copies of accompanying documents) certifying the compliance of operations performed by the taxpayer under a transfer pricing agreement with the principle of market conditions. The documentation must state the basis for using the transfer pricing method or methods.

2. The taxpayer is obliged to prepare and submit to the tax authorities the documents for the tax year, provided for by paragraph 1 of this article, before filing an annual income tax return.

3. Taxpayers who fail to comply with the documentation requirements specified in parts 1 and 2 are held liable in accordance with the legislation of the Republic of Tajikistan.

4. Any reporting obligation established in accordance with this Code shall be in addition to the reporting obligation of a taxpayer who has signed a transfer pricing agreement.

5. Authorized state body in agreement with the authorized state body in the field of finance may establish requirements for simplified transfer pricing documentation for the following taxpayers and certain transactions:

- distributors;

- taxpayers with a low volume of cross-border transactions;

- subjects of medium business;

- intragroup services of companies;

- provision of loans;

- technical services.

6. The simplified requirements for transfer pricing documentation in accordance with paragraph 5 of this article do not apply to royalties, license fees, research and development contracts and other intangible assets.

# Article 230. The concept of related parties

1. For the purposes of this Code, two parties are considered to be related in the following cases if:

- one of the parties is the direct or indirect owner of at least 25 percent of the capital or voting rights of the other party;

- any third party owns, directly or indirectly, at least 25 percent of the capital or voting rights in each of these two or more related parties;

- more than half of the board of directors or members of the board of directors, or one or more executive directors or executive members of the board of directors of one party, are appointed by the other party;

- more than half of the board of directors or members of the board of directors, or one or more executive directors or executive members of the board of directors of both parties, are appointed by the same third party;

- a loan provided or secured by one party to another party is more than 50 percent of the book value of all assets of the other party;

- the party directly or indirectly receives at least 25 percent of the income as a result of the implementation of the cooperation agreement between both parties;

- one of the parties is a permanent establishment of the other party.

2. For the purposes of the first and second paragraphs of part 1 of this article, an individual is considered to be the owner of a share in the regulatory capital or the right to vote if the share is directly or indirectly owned by one of the members of the same family, including the spouse, direct relatives, brothers and sisters, children of brothers and sisters, spouses of brothers and sisters, brothers and sisters of spouses, parents of the wife or husband, brothers and sisters of the parents of the wife or husband, guardians and parents of adopted children.

3. For the purposes of this Code, all commercial and financial transactions performed by a resident of a country with a low tax rate determined in accordance with the provisions of paragraph 4 of Article 223 of this Code shall be treated as transactions with related parties. In such a case, if the taxpayers provide the tax authorities with information about the identity of the shareholders of the other party and prove that they are not related, these provisions will not apply to them.

# Article 231. Report by country

1. The country-by-country report provides tax authorities with access to information on global profits and taxes paid by large corporate groups operating in the Republic of Tajikistan. This information can be used by tax authorities to assess transfer pricing risks.

2. The provisions of Articles 233-235 of this Code provide for the provision of a country-by-country report for some resident organizations.

3. The tax authority will receive country-by-country reports submitted to the tax authorities of foreign countries in accordance with the conditions for the exchange of information established in Chapter 24 of this Code.

# Article 232. Definition of terms related to country-by-country reports

1. A group with global influence is a group of legal entities that meet all of the following criteria, including:

a) the group includes at least two or more resident legal entities in different countries and a resident legal entity of the Republic of Tajikistan that has a permanent establishment in a foreign state;

b) the group of companies is consolidated for financial accounting purposes in accordance with the accounting standards applicable to the parent company of the group, or the group will be subject to consolidation if the shares (interests) of any member of the group are sold on a stock exchange;

c) the total annual turnover of the group in the previous financial year amounted to 4.7 billion somoni ;

2. A member of a group with global influence is an entity that meets all of the following criteria:

* + 1. a legal entity that meets one of the following conditions:

- the legal entity is included in the consolidated financial statements of a group with global influence, or will be included in these consolidated financial statements if the shares (stakes) of the company were sold on the stock exchange;

- an entity is excluded from the consolidated financial statements of a group with global influence solely because of its size or lack of significant influence over the operations of the group;

b) a permanent establishment of a legal entity referred to in subparagraph a) of this part, if such a legal entity prepares separate financial statements of a permanent establishment for financial, regulatory and tax purposes, or for internal control.

3. Agreement on competent authorities - an agreement between the competent authority of the Republic of Tajikistan and the competent authority of a foreign state or foreign countries, which requires the automatic exchange of country-by-country reports.

4. A surrogate (authorized) parent legal entity is a legal entity that is a member of a group with global influence and is appointed by the group to report in its country of residence on behalf of the group, in the case where the parent company is not required to report in its country of residence .

5. An ultimate parent company is a group member of global importance if the following conditions are fully met:

a) a member who, directly or indirectly, has a sufficient interest in one or more other members of the group and is required to prepare the consolidated financial statements of a group with global influence in its country of residence, or must do so if the shares of the legal entity are traded on a stock exchange in its country residency ;

b) there is no other group member who could have, directly or indirectly, a share in another group member specified in subparagraph a) of this article.

**Article 233. Obligation to provide country-by-country reports**

1. A resident legal entity is required to submit to the tax authority a report broken down by country for the reporting period:
   * 1. the resident legal entity is the parent company of the group with global influence for that period;

2) the resident legal entity is an authorized (surrogate) parent company of the group with global influence for this period;

3) a member of a group with global influence and a group parent company is not required to file a country-by-country report in its country of residence for that period, and the group has not designated the member as an authorized (surrogate) parent company for that period;

4) a member of a group with global influence, to which none of paragraphs 1)-3) of this part applies, and to which one of the following conditions applies:

- there is no agreement on competent authorities between the Republic of Tajikistan and the country of residence of the ultimate parent company of the group;

there is an appropriate agreement on competent authorities between the Republic of Tajikistan and the country of residence of the ultimate parent company of the group, but the country of residence does not comply with the requirements of this agreement on a regular basis.

2. A resident person is obliged to notify the tax authority in accordance with the established procedure if it is a legal entity to which the provisions of paragraphs 2) and 3) of part 1 of this article apply.

3. A resident legal entity is obliged to submit a notification to the tax authority in accordance with part 2 of this article before the end of the financial year to which the notification relates.

4. Before the end of the period, the tax authority must notify the resident legal entity that it is subject to the provisions of paragraph 4) of part 1 of this article for the reporting period.

5. If the provisions of paragraphs 3) or 4) of part 1 of this article during the reporting year apply to more than one resident legal entity of a group with global influence, the group may notify the tax authority of the resident legal entity appointed as responsible for providing country-by-country reports for that year in accordance with the requirements of paragraph 1 of this Article. The notification for the reporting period must be prepared in the approved form and submitted to the tax authority before the end of the reporting period for that year. If a resident legal entity designated by a group with global influence for reporting does not provide information for the reporting period, the tax authority may require another resident legal entity of the same group that meets the requirements of subparagraphs 3) or 4) of part 1 of this article to submit information before the deadline specified in the written requirements of the tax authority.

6. For the purposes of paragraph two of clause 4) of part 1 of this article, it is considered that a foreign state regularly fails to comply with the provisions of the relevant agreement on competent authorities if the foreign state allows one of the following actions:

- the exchange of information provided for by the agreement on the competent authorities with the Republic of Tajikistan is suspended, with the exception of the suspension of the exchange of information in accordance with the agreement;

- despite all the efforts of the Republic of Tajikistan, the exchange of information with the countries of location of the group with global influence and members in the Republic of Tajikistan was not carried out.

**Article 234. Reporting by country**

1. The country report for the reporting period, which must be submitted to the tax authority by a resident legal entity for a group with global influence, in accordance with the provisions of Article 233 of this Code, must contain the following information:

1) aggregate information on income, profit and loss before tax, accrued income tax, declared capital, generated profit, number of employees and tangible assets (excluding cash or cash equivalents) for each country in which the group operates;

2) identification of each group member with the following information:

- country of tax residency for each of the participants;

- the country in which the legal entity is established, registered, regulated in accordance with the rules of this country, if, in accordance with the first paragraph of this part, there are differences from the country of tax residence ;

- the nature of the underlying business or the business of its members.

2. The country breakdown report must be provided in a format identical to the specific format used as specified in transfer pricing legislation and must include any other tax authority requirements.

3. A country-by-country report for the reporting period must be submitted by a resident legal entity to the tax authority within 12 months after the end of the reporting period. If the financial statements of a group with global influence are prepared for a period other than the reporting period, the group may file a report indicating the financial year of the group.

4. A resident legal entity that has not submitted a country-by-country report in accordance with this article shall be held liable in accordance with the legislation of the Republic of Tajikistan on administrative offenses.

**Article 235. Use of country-by-country reports**

The tax authority may use country-by-country reports submitted in accordance with Article 233 of this Code, or obtained in accordance with an agreement on competent authorities, only for the following purposes:

1) assessment of transfer pricing risks, high-level risks and other risks of hiding and changing the source of taxation and redistribution of profits in the Republic of Tajikistan;

2) assessing the risks of non-compliance by a group with global influence with the transfer pricing rules in accordance with this Code;

3) economic and statistical analysis.

**CHAPTER 34. WITHDRAWAL OF TAX AT THE SOURCE OF PAYMENT**

# Article 236. Procedure for Withholding Tax at the Source of Payment

1. The following persons (tax agents) are required to withhold tax at the source of payment, except for payments whose recipient is exempt from taxation:
   1. resident legal entities, including their separate subdivisions, individual entrepreneurs and permanent establishments of non-residents that make payments (are obliged to pay) to individuals employed by them in the form of wages established by Article 186 of this Code;
   2. resident legal entities, as well as their separate subdivisions, individual entrepreneurs and permanent establishments of non-residents, making payments for services (works) provided in the Republic of Tajikistan to individuals who are not registered as individual entrepreneurs, on the basis of civil law contracts or without concluding such contracts , with the exception of civil law contracts, the subject of which is the transfer of ownership or other real rights to property (property rights);
   3. resident legal entities, as well as their separate subdivisions, individual entrepreneurs and permanent establishments of non-residents paying pensions, scholarships and allowances to individuals, with the exception of state pensions, scholarships and allowances;
   4. resident legal entities paying dividends;
   5. residents and permanent establishments of non-residents paying interest;
   6. resident legal entities, part of the shares (participation interests) of which, owned by non-residents of the Republic of Tajikistan, has been sold (alienated), as well as authorized agents of non-residents who have sold (alienated) or transferred the property (shares, participation interests) of such non-residents in the Republic of Tajikistan, if supporting documents on tax payment by non-residents themselves are not submitted after the sale (alienation) or transfer within 5 working days after the end of the month in which the payments (funds) were made;
   7. credit and financial organizations engaged in Islamic banking activities, when paying remuneration in cash on savings, deposit, placement on investment accounts at the rate established by part 1 of Article 238 of this Code;
   8. residents and permanent establishments of non-residents making payments provided for in Article 239 of this Code;
   9. residents and permanent establishments of non-residents paying winnings on bonds, lotteries, giving out prizes (winnings, gifts) based on the results of contests, competitions and other events;
2. The tax agent paying the income specified in part 1 of this article is responsible for withholding and paying tax to the budget. If the tax amounts are not paid to the budget in a timely manner, the tax agent paying the income is obliged to pay at his own expense to the budget the amount of the tax not withheld and not transferred to the budget, as well as the corresponding fines and interest. A tax agent who pays tax at the source of payment at his own expense after non-payment of tax has the right to collect tax from the recipient of income.
3. The payment of income is understood as the transfer of money in cash or non-cash form, securities, goods and other property, the provision of benefits, the performance of work, the provision of services.
4. The withholding agent must withhold tax on the payment of income until the following events occur, when the income:

1) used on behalf of the payer, or at the direction of the payer, or in accordance with any law;

2) reinvested, accumulated or capitalized in favor of the recipient;

3) credited to the account in favor of the recipient;

4) actually paid for or otherwise provided to the recipient.

1. Persons withholding tax at the source of payment, and persons receiving funds for the payment of wages in financial institutions are required to:
   * 1. transfer withheld (accrued) taxes, including social tax, to the budget simultaneously with the receipt of funds for the payment of income in the form of wages, in other cases - within 10 working days after the end of the month in which the payments (payments) were made;

2) when paying income in the form of wages, issue certificates to individuals receiving income, indicating the last name, first name and patronymic, taxpayer identification number, amount and type of income, as well as the amount of tax withheld (if tax is withheld);

3) send (submit) to individuals and legal entities receiving (received) income in accordance with part 1 of this article, upon their request, within 10 working days, certificates indicating the taxpayer identification number, name (surname, name and patronymic) of the person, the total amount of income and the total amount of tax withheld in the reporting year.

6. Credit and financial organizations are prohibited from disbursing funds for the payment of income in the form of wages without prior transfer to the budget by taxpayers (tax agents) of the amounts of income tax and social tax corresponding to the above amount of cash.

7. Withholding tax on income and payment of social tax from the budget-financed income of citizens of the Republic of Tajikistan operating in international organizations, diplomatic, consular and other equivalent institutions as representatives of the Republic of Tajikistan abroad, is carried out in a centralized manner, determined by the authorized state body in the field of finance , together with the authorized state body, until the 15th day of the month following the reporting quarter.

8. Income paid by financial institutions operating in Islamic banking, at the expense of investment funds in accordance with the "Sharik" and " Mushoraka " agreements, is not taxed at the source of payment, but is taxed from the share of income of each participant.

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# Article 237. Withholding tax on dividends at the source of payment

1. Dividends paid by resident enterprises are subject to taxation at the source of payment at a rate of 12 percent, with the exception of dividends or the share of state-owned enterprises paid from net profit to the state budget in accordance with other regulatory legal acts as other mandatory payments (non-tax payments) from net profit, unless otherwise provided by this article. The amount of dividends is determined according to accounting data.

2. Dividends that are actually taxable in accordance with paragraph 1 of this article, as well as the income of enterprises that are really taxable as other mandatory payments (non-tax payments) in accordance with other regulatory enactments, are not included in the gross income of their recipient and are not subject to further taxation.

# Article 238. Withholding tax on interest at the source of payment

1. Interest paid by a resident or a permanent establishment of a non-resident, or on behalf of such an establishment, shall be taxed at the source of payment at a rate of 12 percent of the amount due, if the income is received from a source in the Republic of Tajikistan, except for the cases provided for in parts 2 and 5 of this article. .

2. Interest paid to resident financial institutions, financial institutions, the National Bank of Tajikistan, resident financial leasing companies, including under financial lease (leasing) agreements, is not subject to taxation at the source of payment.

3. Interests that are actually taxable in accordance with part 1 of this article shall not be included in the gross income of their recipient - an individual and shall not be subject to further taxation after they have been paid to this person.

4. A resident legal entity whose income is subject to taxation, in the event of receiving interest taxable in accordance with paragraph 1 of this article, includes in its gross income the full amount of interest income without deducting tax withheld and if there are documents confirming the withholding of tax at source payments, has the right to deduct this tax withheld at the source of payment from the income tax payable.

5. Interest paid by resident enterprises, with the exception of credit financial institutions controlled by foreign companies, is subject to withholding tax at the rate of 18 percent.

# Article 239. Withholding tax on income of non-residents at the source of payment

1. Income of a non-resident at source in the Republic of Tajikistan that is not attributable to a permanent establishment of that non-resident in the Republic of Tajikistan is subject to withholding tax as gross income, without deductions (except for the deduction of value added tax in case of taxation in accordance with Article 260 of this Code), at the rates determined in part 8 of this article.

2. In accordance with the procedure specified in paragraph 1 of this article, income of a non-resident from sources located in the Republic of Tajikistan, related in accordance with this Code to his permanent establishment in the Republic of Tajikistan, the taxation of which was not carried out in a timely manner, and for which supporting documents were not submitted tax payment are subject to withholding tax. A permanent establishment receiving income to which this portion applies must include the full amount of income in its gross income, excluding withholding tax, and is entitled to a credit for that withholding tax, provided it has documentation of the withholding tax.

3. The provisions of part 1 of this article shall be applied subject to the requirements of international agreements recognized by Tajikistan that regulate tax relations.

4. The payment of income means the transfer of money in cash and (or) non-cash forms, securities, goods, other property, the provision of benefits, the performance of work, the provision of services. The payment also includes a transfer of funds to a bank account in favor of a non-resident.

5. Payments in favor of non-residents in accordance with part 1 of this article, related to the supply of goods under foreign trade operations (related to the import of goods) to the territory of the Republic of Tajikistan, are not subject to taxation at the source of payment.

6. Taxation of income of a non-resident received in the Republic of Tajikistan, regardless of the disposal by this non-resident of his income in favor of third parties in the Republic of Tajikistan and (or) his separate subdivisions (other persons) in other states, is carried out at the source of payment.

7. Tax on income of a non-resident from a source in the Republic of Tajikistan is withheld regardless of the form and place of payment of income.

8. Subject to the provisions of this article, income of a non-resident from a source in the Republic of Tajikistan, not related to a permanent establishment of this non-resident in the Republic of Tajikistan, is subject to taxation at the source of payment as gross income without deductions (except for the deduction of value added tax in case of taxation in accordance with Article 260 of this Code) at the following rates:

1) dividends - in accordance with Article 237 of this Code;

2) interest - in accordance with Article 238 of this Code;

3) remuneration according to the amount on savings, deposit accounts, investment and investment accounts in accordance with paragraph 7) of paragraph 1 of Article 236 of this Code;

4) insurance premiums paid by a resident or by a permanent establishment of a non-resident in accordance with insurance and reinsurance contracts of risks - at a rate of 6 percent of the total amount of contributions;

5) payments made by a resident or a permanent establishment of a non-resident for telecommunication or transport services in the course of international communications or international transportation between the Republic of Tajikistan and other states:

a) for international communication services - 3 percent of the total amount paid for services;

b) for international transportation - 3 percent of the total amount paid;

6) income in the form of wages, provided for in Article 186 of this Code, paid from sources in the Republic of Tajikistan, regardless of the form and place of payment of income - at the rate provided for in paragraph 2 of Article 183 of this Code;

7) other income not provided for in paragraphs 1)-6) of this part - at a rate of 15 percent of the gross amount of income.

9. Organizations that pay income to non-residents participating in the implementation of credit ( grant ) agreements without establishing a permanent establishment in the Republic of Tajikistan, regardless of the place of payment of income, are obliged, as tax agents, to withhold tax at the source of payment and pay it to the budget. In case of failure to comply with this requirement, the tax is collected at the expense of these organizations.

# CHAPTER 35. ADMINISTRATIVE PROVISIONS

# Article 240. Tax period

1. The tax period for tax on income in the form of wages received by individuals, the tax on which is withheld at the source of payment, is a calendar month, unless otherwise established by this Code.

2. The tax period for the tax on income of individuals not taxable at the source of payment in the Republic of Tajikistan is a calendar year, unless otherwise provided by this chapter.

3. The tax period for income tax for legal entities is a calendar year. At the same time, the submission of calculations of current payments on income tax and their payment shall be made within the time limits established by Articles 242-243 of this Code.

# Article 241. Submission of a declaration

1. A single declaration on income tax and social tax on income in the form of wages of individuals, taxes on which are collected at the source of payment, including by separate divisions of legal entities, is submitted before the 15th day of the month following the reporting month.

2. A single declaration on income tax and social tax on income of individuals - citizens of the Republic of Tajikistan, working in diplomatic, consular offices of foreign states and representative offices of international organizations equated to them in the Republic of Tajikistan, is submitted before the 15th day of the month following the reporting quarter. Information about the above individuals is submitted to the authorized state body by the Ministry of Foreign Affairs of the Republic of Tajikistan on a quarterly basis until the 15th day of the month following the expired quarter.

3. A single calculation for income tax and social tax on income of citizens of the Republic of Tajikistan employed in diplomatic and equivalent organizations of the Republic of Tajikistan abroad is submitted quarterly before the 15th day of the month following the reporting quarter, by the authorized state body in finance and taxes on them are levied at the same time.

4. The following taxpayers are required to submit tax returns for income tax not taxable at source and (or) a declaration for corporate income tax before April 1 of the year following the reporting year:

- residents and permanent establishments of non-residents who are payers of income tax;

- resident individuals who have income not taxed at the source of payment in the Republic of Tajikistan, with the exception of persons paying taxes in accordance with Section XIV of this Code;

- resident individuals who have funds on accounts in foreign banks located outside the Republic of Tajikistan, as well as receiving income outside the Republic of Tajikistan;

- individuals who are required to file income tax returns in accordance with the laws of the Republic of Tajikistan. The procedure, deadlines for filing, as well as the form of declarations submitted by these persons, is determined by the Government of the Republic of Tajikistan;

- individuals who are entitled to a personal deduction from income in accordance with paragraph 8 of Article 191 of this Code;

- other non-resident legal entities and non-resident individuals with income from sources in the Republic of Tajikistan, which are subject to taxation, but are not subject to withholding tax.

5. When a legal entity is being liquidated, the liquidation commission or the taxpayer shall immediately send a written notice of this to the tax authority. The liquidation commission is obliged to submit a tax return to the relevant tax authority.

6. An individual who is not required to submit a tax return may, with supporting documents, submit a tax return requesting tax recalculation and refund of overpaid funds.

7. Calculation for the payment of current payments on income tax of legal entities, including information on persons whose tax is withheld at the source of payment, in the form established by the authorized state body, is submitted monthly (quarterly) subject to the requirements of parts 1 and 2 of Article 242 of this of the Code before the 15th day of the month following the reporting month (quarter).

8. Declaration on corporate income tax and annual accounting reports, including the balance sheet, is submitted before April 1 of the year following the reporting year.

# Article 242. Current tax payments

1. Legal entities - income tax payers legal entities , taking into account parts 2-4 of this article, are required to make monthly current payments to the budget no later than the 15th day of the month following the reporting month. The amount of each current monthly payment for the 12-month period beginning each April 15th cannot be less than each of the following amounts:

- one twelfth of the amount of income tax for the previous calendar year;

- 1 percent of the gross income of the reporting month.

2. If the taxpayer's income for the first quarter of the current year is less than 50 percent of the income for the same quarter of the previous year, the taxpayer may, by submitting monthly reports to the tax authorities, calculate and pay the current monthly payments based on the reports of the previous quarter, dividing them by 3, but not less than 1 percent of the total income for the reporting month.

3. Current income tax payments in accordance with this article shall be credited to the amount of tax payable for a calendar year. The excess of current tax payments on income tax over the tax liability for this tax for a calendar year is set off against other tax liabilities on other taxes or is reimbursed to the taxpayer.

4. Current payments on corporate income tax are obligatory payments, for the delay of which interest is charged.

# Article 243. Payment of taxes and administrative provisions

1. Individuals who are payers of income tax pay tax at the place of their registration within the time limits established for the submission of tax returns.

2. Citizens of the Republic of Tajikistan who receive income from work in diplomatic, consular organizations of foreign states and representative offices of international organizations equated to them in the Republic of Tajikistan are obliged, from their income, to independently pay income tax within the time limits established for submitting a declaration.

3. The distribution of the amounts of current tax payments from the income of legal entities, as well as the amounts of tax to be credited to the revenue side of the budgets at the end of the calendar year, is carried out by the enterprise between the budgets at the location of the head unit of the enterprise, as well as at the location of each of its separate divisions with taking into account the share of wage costs attributable to the head unit of the enterprise and for each of its separate subdivisions in the total wage costs for the enterprise (the head unit of the enterprise together with all separate subdivisions of the enterprise) in accordance with the accounting data of the enterprise. The share of wage costs specified in this part is determined taking into account the actual indicators of wage costs of the head unit of the enterprise and its separate divisions in accordance with the accounting data of the enterprise at the end of the reporting period.

4. Calculation of the amounts of current tax payments on the income of legal entities, as well as the amounts of tax payable to the revenue side of the budgets based on the results of the calendar year at the location of the head unit of the enterprise and each of its separate subdivisions, are carried out by the enterprise independently. Information about the amounts of current tax payments, as well as the amounts accrued at the end of the tax year, the enterprise reports to its separate divisions, as well as to the tax authorities at its location and at the location of separate divisions no later than the deadline established for making current payments in accordance with article 242 of this Code and for the submission of a declaration on income tax of legal entities in accordance with article 241 of this Code.

5. The enterprise pays the amounts of current payments and the amount of tax accrued at the end of the calendar year to the budgets at the location of the head unit of the enterprise and its separate subdivisions through the head unit of the enterprise or through each separate subdivision no later than the deadlines established by this Article and Article 242 of this Code .

6. Legal entities that are payers of income tax legal entities, make the final settlement and pay the tax at the place of their registration no later than April 10 of the year following the reporting calendar year.

7. Control over the payment of income tax is carried out by tax authorities.

8. Instructions for the calculation and payment of income tax, as well as the forms of the relevant declarations and calculations are approved upon submission of the authorized state body by the authorized state body in the field of finance .

# SECTION VIII. VALUE ADDED TAX

# CHAPTER 36. GENERAL PROVISIONS

# Article 244. The concept of value added tax

Value added tax is an indirect tax and is paid at all stages of the circulation of goods (performance of work, provision of services) in accordance with the provisions of this Code.

# Article 245. Taxpayers

1. The following persons are recognized as payers of value added tax:

- a person whose total income for a period not exceeding 12 full consecutive calendar months exceeds 1.0 million somoni ;

- a person whose activities comply with the provisions of Paragraph 2 of Part 2 of Article 375 of this Code;

- a foreign entity providing remote services in accordance with Chapter 43 of this Code;

- a foreign legal entity delivering goods, performing work on the territory of the Republic of Tajikistan, if the Republic of Tajikistan is recognized as the place of delivery of such goods, performance of work;

- a person who is the legal successor of the payer of value added tax;

- a person recognized as a tax agent in accordance with the provisions of Article 260 of this Code;

- a person carrying out taxable import of goods into the Republic of Tajikistan;

- a person who voluntarily applies to pay value added tax.

2. To determine the income of the persons specified in paragraphs one and eight of part 1 of this article, the total income of related persons shall be taken into account.

3. Voluntary registration of a person as a payer of value added tax is carried out by tax authorities only if the following requirements are met:

- if the place of permanent entrepreneurial activity of the person is determined;

- if the person is engaged in entrepreneurial activity and keeps accounting records in accordance with the legislation on accounting;

- if the person is not associated with companies that do not have activities of economic importance.

4. If the requirements of paragraphs one, two, three, five, six and eight of part 1 of this article arise, the registration of a taxpayer as a payer of value added tax on the basis of the taxpayer's request is carried out automatically by the tax authorities, and a certificate of this is sent to the taxpayer in electronic form.

5. If sufficient grounds are found, the tax authorities shall have the right to recognize several types of entrepreneurial activity belonging to one person as one economic entity and register this person as a payer of value added tax from the first day of the reporting period following the month in which such a case was discovered.

6. A person is recognized as a payer of value added tax from the following dates:

- in accordance with the first paragraph of part 1 of this article - from the first day of the reporting period following the month in which the taxpayer's gross income exceeds the registration threshold;

- in accordance with paragraph two of part 1 of this article - from the date of state registration;

- in accordance with paragraphs three and four of part 1 of this article - from the date of commencement of activities in the territory of the Republic of Tajikistan;

- in accordance with paragraph five of part 1 of this article - from the moment of acquiring the right to succession;

- in accordance with paragraph six of part 1 of this article - from the date of payment of income to a non-resident;

- in accordance with paragraph eight of part 1 of this article - from the date indicated in the registration certificate.

7. The following persons are not considered payers of value added tax, except for the cases specified in paragraph seven of part 1 of this article:

1) local and central government bodies - within the framework of the exercise of powers;

2) persons functioning in special regimes.

8. The taxpayers specified in part 1 of this article have the right to cancel the registration as a payer of value added tax, subject to the following conditions:

- the total income of the taxpayer, taking into account the provisions of part 2 of this article for a period not exceeding 12 full consecutive calendar months, is reduced from the threshold of 1 million somoni ;

- 36 calendar months have passed since the transition to the general taxation system.

9. In case of registration and cancellation of registration as a payer of value added tax, the taxpayer is obliged to conduct activities, respectively, in the general taxation system or in the special taxation system.

10. The procedure for registration and cancellation of registration as a payer of value added tax, maintaining the Register, issuing a certificate and its practical termination is developed and approved by the authorized state body in agreement with the authorized state body in the field of finance.

**CHAPTER 37. OBJECTS OF TAXATION**

# Article 246. Objects of taxation

1. The objects of taxation of value added tax are:

- supply of goods (performance of works and provision of services) on the territory of the Republic of Tajikistan;

- performance of work and provision of services by non-residents on the territory of the Republic of Tajikistan;

- import of goods into the territory of the Republic of Tajikistan.

2. Taxable transactions, in accordance with Article 258 of this Code, do not include the provision of services or performance of work outside the Republic of Tajikistan.

3. If a taxpayer purchases goods (works, services) taking into account value added tax and receives the corresponding amount as a offset, the subsequent use of such goods (works, services) for non-entrepreneurial activities is considered a taxable transaction.

4. The supply of goods (performance of work or provision of services) by a taxpayer to his employees and any other persons who are not payers of value added tax, including on a gratuitous basis, is considered a taxable transaction, except for cases where the calculation of value added tax is not allowed during the purchase of goods (performance of work or provision of services). In this case, the value of the taxable transaction is the difference between the purchase price of goods, works or services and their market value.

5. Notwithstanding the other provisions of this article, the supply of goods by a payer of value added tax, with the exception of a user of a reduced rate, shall not be considered a taxable transaction if these goods were acquired as a result of a taxable value added transaction, but the offset of the amount of value added tax in accordance with Article 266 of this Code is not allowed. If the offset was partially not allowed when purchasing goods, then the size of the taxable transaction is reduced in proportion to the share of the not allowed offset.

6. If the packaging (containers) are to be returned in accordance with the terms and conditions established by the agreement, they are not considered to be an object of taxation, except in cases where they are not returned within the period established by the agreement.

7. If the taxpayer uses the customer's raw materials and materials in the production of goods (performance of work and provision of services), and the final product remains in the possession of the customer, the performance of such work and provision of services shall be considered a taxable transaction for the taxpayer.

8. Import into the customs territory of the Republic of Tajikistan of goods and vehicles subject to declaration in accordance with the customs legislation of the Republic of Tajikistan, with the exception of goods exempt from value added tax, in accordance with Article 251 of this Code, is considered taxable import.

# Article 247

1. The sale or assignment of rights to an entrepreneurial activity or its separate subdivision by one payer of value added tax to another payer of value added tax within the framework of one transaction shall not be considered a taxable transaction if the entrepreneurial activity or its separate subdivision is functioning on a permanent basis.

2. When a transaction is performed in accordance with the provisions of paragraph 1 of this article, the rights and tax obligations of the seller or the person ceding the right to engage in entrepreneurial activity shall be transferred to the buyer or recipient of the right to engage in entrepreneurial activity.

3. The provisions of this Article shall apply if the following conditions are met:

- the persons specified in part 1 of this article, no later than 30 calendar days after the sale or assignment of the right to entrepreneurial activity, notify the tax authorities in writing of the decision to apply the provisions of this article;

- the seller or the person ceding the right to entrepreneurial activity will function until the day of the transaction;

- the buyer or recipient of the right to entrepreneurial activity from the moment of the transaction will not use tax benefits in relation to the acquired entrepreneurial activity or cannot use it for their own purposes.

4. The seller or the person assigning the right to trade shall be liable for any obligation to pay value added tax that arose prior to the transfer.

# CHAPTER 38. TAX BASE

# Article 248. Cost of a taxable transaction

1. The tax base is the value of a taxable transaction, determined on the basis of the amount (value, including in kind) that a taxpayer receives or is entitled to receive from a client or from any other person, including any duties, taxes and (or) other fees but excluding value added tax. Allowed from the ummah of the discount, taken into account by the taxpayer at the time of the taxable transaction, is reduced from the value of the taxable transaction. A discount or price change made after a taxable transaction shall be adjusted in accordance with Article 249 of this Code.

2. If, in exchange for a taxable transaction, a taxpayer is supplied with goods (works or services) or the taxpayer has the right to receive them, the value of the taxable transaction includes the market price of these goods (works and services), including any duties, taxes or other fees excluding value added tax.

3. If the taxpayer does not receive any assets (goods, performance of works or services) in exchange for a taxable transaction, the value of the taxable transaction includes the market price of these goods (works and services), including any duties, taxes or other fees, excluding value added tax.

4. If goods (works or services) are used for non-commercial purposes, as well as when goods (works or services) are supplied to any persons (including their employees), the cost of a taxable transaction includes the market price of these goods, works and services, including including any duties, taxes or other charges, excluding value added tax.

5. In the case of delivery of goods on installment terms, the cost of the taxable transaction includes the total amount payable, regardless of the payment schedule established by the agreement.

6. In case of sale (alienation) of the pledged property, the cost of such taxable operation of the pledgor includes the market value of the pledged (or alienated) property, including any duties, taxes and other fees, excluding value added tax.

7. The value of the taxable transaction of imported goods on subsequent delivery may not be lower than the value of the taxable import. In the event of a negative difference in the value of a taxable transaction of imported goods, such a difference is assumed to be zero for the calculation of value added tax.

8. If a taxpayer indicates a taxable transaction with value added tax in accordance with paragraphs one, two and four of part 13 of Article 269 of this Code separately without specifying the amount of tax, the value of the taxable transaction and the tax share, except for cases when the preparation of an invoice is mandatory, calculated according to the formulas:

1) the cost of a taxable transaction:

A - AhB / (100 + B ),

where: A - the total amount of taxable transactions;

B - percentage tax rate for the operation.

2) the amount of value added tax in a taxable transaction:

AhB / (100 + B),

where: A - the total amount of taxable transactions;

B - transaction tax percentage.

9. If a payer of value added tax performs a taxable value added transaction to another payer of such tax without distributing the amount of tax, the amount of value added tax subject to calculation shall be determined in accordance with the provisions of part 8 of this Article.

# Article 249. Adjustment of taxable turnover

1. The provisions of this article shall apply to a taxable transaction of a taxpayer after the completion of the taxable transaction in the following cases:

- cancellation of the operation or change of its conditions;

- change in the cost of taxable transactions;

- change in the agreed compensation for the transaction due to price changes and or for any other reason;

- full or partial return of goods to the taxpayer;

- non-acceptance of works or services performed by the taxpayer.

2. In the cases provided for by part 1 of this article, the taxpayer is obliged to issue an additional (corrective) VAT invoice and submit a corrective declaration in accordance with the requirements of part 2 of article 265 and part 8 of article 266 of this Code.

3. A taxable transaction shall be adjusted on the basis of a value added tax invoice or other documents confirming the occurrence of the circumstances provided for in paragraph 1 of this article after the completion of the taxable transaction.

# Article 250. Value of taxable import

1. The customs value of goods determined in accordance with the customs legislation of the Republic of Tajikistan, including taxes, customs duties, special payments and fees established when goods are imported into the Republic of Tajikistan, excluding value added tax, is considered the value of taxable import. In any case, the customs value of the goods cannot be higher than the wholesale value of the goods, approved in accordance with the official statistics.

2. If goods are exported from the territory of the Republic of Tajikistan for the purpose of repair, restoration or improvement, in the case of re-importation, the value of taxable imports is the amount by which the value of the exported goods is increased, unless the form or nature of the goods and the ownership of the goods change since the moment of export.

# CHAPTER 39. TAX EXEMPTIONS

# Article 251. Exemption from tax

1. If the supply of goods (performance of work or provision of services) is exempt from value added tax in accordance with the provisions of the legislation of the Republic of Tajikistan and other international legal acts recognized by Tajikistan, such an operation is not considered a taxable transaction and their value is not included by the taxpayer in a taxable transaction. Also, imports of goods exempt from value added tax, except for their subsequent sale and delivery within the country, are not included in the value of taxable imports.

2. The following deliveries of goods (except for the export of goods), performance of work and provision of services carried out in the Republic of Tajikistan are exempt from value added tax:

1) sale, transfer or lease of real estate, except for the following cases:

a) sale or transfer of hotel premises or accommodation for vacationers;

b) sale or transfer of newly constructed residential premises;

c) sale or lease of immovable property used for business purposes, except for the sale or assignment of rights in accordance with Article 247 of this Code;

2) provision of financial services for remuneration, the list of which is determined by the National Bank of Tajikistan in agreement with the Ministry of Finance of the Republic of Tajikistan and the authorized state body, including the transfer of depreciable tangible property under financial lease (leasing) operations, except for the supply of the subject of financial lease (leasing) ;

3) supply of national and foreign currency (except for numismatic purposes);

4) services of religious institutions;

5) provision of medical services by state institutions, with the exception of cosmetic, dental and sanatorium services;

6) provision of the following services by state institutions financed from the budget in the field of education:

a) preschool education;

b) primary, general basic and general secondary education;

c) primary vocational and secondary vocational education;

d) higher professional education;

e) vocational education after a higher educational institution;

f) additional and special education;

7) gratuitous transfer (renunciation) of goods in favor of the state, supply of goods (performance of work and provision of services) as humanitarian aid;

8) supply of goods (performance of works, provision of services) produced directly by institutions for the execution of criminal penalties of the Republic of Tajikistan or state enterprises that are part of the system for the execution of criminal penalties of the Republic of Tajikistan;

9) supply of specialized products for individual use for disabled people according to the list determined by the Government of the Republic of Tajikistan;

10) supply (sale) of a single school and preschool uniform of domestic production, the list of which is approved by the Government of the Republic of Tajikistan on the proposal of the Ministry of Education and Science in agreement with the Ministry of Finance of the Republic of Tajikistan, the Ministry of Industry and New Technologies of the Republic of Tajikistan and the authorized state body;

11) supply (sale) of medical products of domestic production, the list of which is approved by the Government of the Republic of Tajikistan on the proposal of the Ministry of Health and Social Protection of the Population in agreement with the Ministry of Finance of the Republic of Tajikistan and the authorized state body.

3. Supply of precious metals and precious stones, jewelry made of precious metals and precious stones, primary aluminum, concentrates of natural resources , marketable ore, ferrous and non-ferrous metal scrap and other metals produced in the Republic of Tajikistan, precious metal ingots of the National Bank of Tajikistan , cocoon, cotton fiber, cotton yarn and raw cotton, including for export, is exempt from value added tax.

4. The following imports are exempt from value added tax:

- import of national and foreign currency (except for numismatic purposes), as well as securities;

- import of precious metals and precious stones by the National Bank of Tajikistan and the Ministry of Finance of the Republic of Tajikistan for the State Depository of Values;

- import of goods donated to state bodies of the Republic of Tajikistan, import of goods as humanitarian aid, import of goods donated to charitable organizations in order to eliminate the consequences of natural disasters, accidents and catastrophes;

- import, including on the terms of financial lease (leasing), production and technological equipment and components for it to form or replenish the authorized capital (capital) of enterprises or technical re-equipment of existing production, provided that this property will be used directly for production goods, performance of work and provision of services in accordance with the constituent documents of the enterprise, and will not be classified as excisable goods. In case of liquidation of such an enterprise or non-use of the above-mentioned production and technological equipment and components imported into the Republic of Tajikistan within two years from the date of receipt in the Republic of Tajikistan or delivery by this enterprise to another person, the amount of value added tax not paid in accordance with this paragraph, is subject to collection to the budget without making a set-off in accordance with Article 266 of this Code, except for the import of such equipment on a financial lease (leasing);

- import of materials and accessories for the production of medicines, medical, pharmaceutical equipment and medical instruments, the latest technology for pharmaceutical enterprises and modern diagnostic and medical equipment, medicines, with the exception of medicines produced within the republic, the procedure and list of which is determined by the Government of the Republic of Tajikistan;

- import of goods for the implementation of state investment projects of the Government of the Republic of Tajikistan within the framework of grant and loan agreements;

- import of goods for the construction of especially important facilities, with the exception of goods produced in the republic, the list of which is determined by the Government of the Republic of Tajikistan;

- import of equipment, machinery, building materials and other materials to meet the needs of tourist facilities (including hotels, medical sanatoriums and resorts, tourist centers and other tourist facilities), with the exception of goods produced in the republic. The list of tourist sites, the name and quantity of imported equipment, machinery and building materials and other materials are approved by the Government of the Republic of Tajikistan;

- import of goods (except for excisable goods) for the production of primary aluminum directly by producers in accordance with the list and volume determined by the Government of the Republic of Tajikistan;

- import of primary aluminum;

- import of military equipment, basic units, weapons, ammunition, defense aircraft, as well as spare parts for them, the cost of maintenance and repair;

- import of specialized products for individual use for disabled people according to the list determined by the Government of the Republic of Tajikistan;

- import of technology, equipment and materials to meet the needs of poultry farming, fish farming and (or) import of goods directly for the own needs of economic entities in the fields of poultry farming, fish farming and the production of combined feed for birds and animals;

- import of raw materials for processing and production of final products, with the exception of raw materials produced within the country, and excisable goods, the procedure and list of which is determined by the Government of the Republic of Tajikistan **;**

- import of vehicles driven only by electric motors, including electric cars, electric buses and trolleybuses.(as amended by the Law of the Republic of Tajikistan dated March 18, 2022 [*No. 1867*](vfp://rgn=141762) );

- import of fuel, chemicals and lubricating oils for aircraft (airplanes, helicopters) directly by domestic aviation companies (as amended by the Law of the Republic of Tajikistan dated December 24, 2022 [*No. 1 934*](vfp://rgn=141762) );

- import (temporary import) of aircraft (airplanes, helicopters), engines, main units and spare parts for aircraft (airplanes, helicopters) directly by domestic aviation companies (as amended by the Law of the Republic of Tajikistan dated 24.12.2022 No. 1 [*934 )*](vfp://rgn=141762) .

5. Import and subsequent supply of the following machinery and equipment, spare parts and components are exempt from value added tax, except for the import of spare parts and components produced in the republic, the list of which is determined by the Government of the Republic of Tajikistan:

- agricultural machinery;

- spare parts and components of machinery and agricultural machinery by assembly and assembly enterprises (manufacturers) for the production and sale of the final product;

- spare parts and components for cars, trucks and loading vehicles by assembly and installation enterprises (manufacturers) for their own needs.

6. Import and further supply of new cars (the date of issue of which does not exceed 1 (one) year, with a mileage of up to 10 (ten) thousand kilometers) of headings 8702, 8703, 8704 and 8705 directly by legal entities and individual entrepreneurs operating in on the basis of the certificate, are exempted from paying 50 percent of the value added tax rate established by paragraph 1) of part 1 of Article 264 and part 4 of Article 397 of this Code.

7. Services of a non-resident to domestic aviation companies for the operational leasing (rent) of aircraft (airplanes, helicopters), their engines, main units and spare parts for domestic companies are exempt from value added tax (as amended by the Law of the Republic of Tajikistan dated 24.12.2022 No. [*1 934*](vfp://rgn=141762) );

8. Non-resident operations performed for domestic aviation companies in connection with the maintenance and repair of aircraft (airplanes, helicopters), their engines, main units and spare parts, as well as the import after maintenance and repair in foreign countries of aircraft (aircraft, helicopters ) their engines, main units and spare parts are exempt from value added tax (as amended by the Law of the Republic of Tajikistan dated December 24, 2022 [*No. 1 934*](vfp://rgn=141762) ).

# Article 252. Taxation of international and transit transportation

1. Provision of transport or other services, or performance of work related to international freight and passenger transportation, as well as the supply of fuels and lubricants and other products used in the performance of international flights on domestic and (or) foreign aircraft for the purpose of international transportation, exempt from value added tax. International transportation means freight and passenger transportation, one of the points of departure or destination of which is outside the Republic of Tajikistan.

2. For the purposes of this Article, international transportation shall mean the performance of the following works and services:

- works, services for transportation (transportation, transportation), loading, unloading (unloading), reloading, forwarding of goods transported from (to) the territory of the Republic of Tajikistan, as well as goods moving through the territory of the Republic of Tajikistan in transit;

- works, transport services, technical, air navigation, airport services for international flights, commercial services, as well as works and services related to the transportation of mail, passengers, luggage outside (from) the territory of the Republic of Tajikistan, with the exception of income from sales services in the territory of the Republic Tajikistan air tickets for international flights in accordance with commission agreements or other similar agreements.

3. In the case of performance of works and provision of services specified in the first paragraph of part 2 of this article, exemption from value added tax is carried out subject to the following conditions:

- the existence of a contract for the performance of work, the provision of services, concluded directly with the supplier of goods;

- registration of cargo and passenger transportation in accordance with the uniform requirements for international transportation;

- availability of a cargo customs declaration of goods imported into the territory of the Republic of Tajikistan, issued in the customs regime "International Customs Transit".

4. When performing works, rendering services specified in paragraph two of part 2 of this article, exemption from value added tax is carried out subject to the following conditions:

- the existence of a contract for the performance of work, the provision of services, concluded directly with the recipient (customer) of the named works, services;

- if the registration of the carriage of goods and passengers is carried out according to uniform documents for the international carriage of goods and passengers.

5. Transportation and servicing of transit cargo transportation, specified in the third paragraph of part 1 of Article 253 of this Code, are exempt from value added tax.

6. The provisions of this article shall apply only to states that apply the value added tax exemption regime in the provision of transport or other services, or the performance of work related to international freight and passenger transportation to the Republic of Tajikistan.

# Article 253. Features of taxation when moving goods across the customs border of the Republic of Tajikistan

1. Import of goods into the customs territory of the Republic of Tajikistan, depending on the choice of the customs regime and subject to its conditions, is subject to taxation in the following order:

- when goods are placed under the customs regime "Release for free circulation", value added tax is paid in full;

- when goods are placed under the "Re-import" customs regime, the amount of value added tax exempted from payment in accordance with this Code or returned to them in connection with the export of goods shall be paid by the taxpayer in accordance with the customs legislation of the Republic of Tajikistan;

- when placing goods under the customs regimes "International customs transit", "Customs warehouse", "Re-export", "Duty-free trade", "Processing under customs control", "Free customs zone", "Free warehouse", "Destruction", " Refusal in favor of the state”, “Movement of supplies” and special customs regimes, value added tax is not paid;

- when the imported goods are placed under the customs regime "Processing in the customs territory", the taxpayer is conditionally exempted from the full payment of value added tax in accordance with the customs legislation of the Republic of Tajikistan;

- when goods are placed under the customs regime "Temporary import", full or partial exemption from tax payment is applied in the manner prescribed by the customs legislation of the Republic of Tajikistan;

- when importing products of processing of goods placed under the customs regime “Processing outside the customs territory” outside the customs territory of the Republic of Tajikistan, full or partial exemption from payment of value added tax is applied in the manner prescribed by the customs legislation of the Republic of Tajikistan;

- when goods are placed under the customs regime "Processing for free circulation", value added tax is paid on the customs value of the processed product.

2. When exporting goods from the customs territory of the Republic of Tajikistan, taxation is carried out in the following order:

- when goods are placed under the customs regime "Export" outside the territory of the Republic of Tajikistan, value added tax is not paid, or the paid amounts of value added tax are returned or credited in the manner prescribed by the customs legislation of the Republic of Tajikistan and this Code. This procedure also applies to the export of goods outside the customs territory of the Republic of Tajikistan in accordance with the customs regime "Export" in relation to goods that at the time of export were placed under the customs regime "Customs warehouse", "Free warehouse" or "Free customs zone";

- when exporting foreign goods under the "Re-export" customs regime, the amount of value added tax paid when imported into the Republic of Tajikistan is returned to the taxpayer in the manner and on the terms established by the customs legislation of the Republic of Tajikistan and this Code;

- when exporting goods from the customs territory of the Republic of Tajikistan in accordance with other customs regimes not provided for in the first and second paragraphs of this part, the provisions on exemption from value added tax and (or) return of such tax shall not apply, unless the customs legislation of the Republic of Tajikistan provides for otherwise.

3. When moving goods by individuals across the customs border of the Republic of Tajikistan for personal use within the limits established by the Government of the Republic of Tajikistan, value added tax is not charged. In case of exceeding the established norms for goods transported for personal use, the excess value of such goods is taxed in accordance with the general established procedure and its registration is carried out in accordance with the provisions of the Customs Code of the Republic of Tajikistan. The procedure and norms for the importation of goods for personal use across the customs border of the Republic of Tajikistan are established by the Government of the Republic of Tajikistan.

4. In case of non-compliance with the conditions of the selected customs regime, the taxpayer is obliged to pay the accrued amount of tax and interest in the manner prescribed by the customs legislation of the Republic of Tajikistan.

# Article 254. Taxation of export of goods

1. Export of goods, except for precious metals and precious stones, jewelry made of precious metals and precious stones, primary aluminum, natural resource concentrates, commercial ore, ferrous and non-ferrous scrap, other metals produced in the Republic of Tajikistan, precious metal ingots of the National Bank Tajikistan , cocoon, cotton fiber, cotton yarn and raw cotton, goods produced in free economic zones, are subject to value added tax at a zero rate.

2. In case of non-confirmation of the export of goods within 90 calendar days from the date of registration of goods under the customs regime "Export" or when exporting goods through power lines, or using incomplete periodic declaration in accordance with Article 255 of this Code, the supply of such goods is taxed on value added at a positive rate specified in paragraphs 1) and 2) of part 1 and parts 3-4 of Article 264 of this Code.

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# Article 255. Confirmation of export of goods

1. Documents confirming the export of goods are:

- cargo customs declaration, drawn up in accordance with the customs legislation of the Republic of Tajikistan;

- contract for the supply of exported goods;

- a copy of the invoice, waybill, bill of lading with registration in the customs authorities located at the checkpoint of the Republic of Tajikistan. In the case of the export of goods in the customs regime "Export" through power lines, an act of acceptance and delivery of goods is also submitted;

- payment documents and an extract from a financial institution (copy of an extract) confirming the actual receipt of foreign exchange earnings from the export of goods to the taxpayer's accounts in the Republic of Tajikistan.

2. In the case of foreign economic transactions for the exchange of goods (works, services), the taxpayer shall submit documents confirming the importation of goods (performance of works, provision of services) received under these operations into the territory of the Republic of Tajikistan and their posting.

3. Documents confirming the export of goods to the member states of the Commonwealth of Independent States are the documents specified in parts 1 and 2 of this article, as well as a copy of the cargo customs declaration issued in the country of import of goods. In accordance with international tax treaties, a different procedure for confirming the export of goods may be established.

4. In case of further export of goods previously exported outside the customs territory of the Republic of Tajikistan in the customs regime “Processing outside the customs territory”, or products of their processing, confirmation of export is carried out in accordance with parts 1, 2 and 3 of this article, as well as on based on the following documents:

- cargo customs declaration, issued in the customs regime "Processing outside the customs territory";

- cargo customs declaration, in accordance with which the customs regime "Processing outside the customs territory" is replaced by the customs regime "Export";

- copies of the cargo customs declaration issued when goods are imported into the territory of a foreign state in the customs regime "Processing in the customs territory";

- copies of the cargo customs declaration, issued in the customs regime "Export" when exporting goods or products of their processing from the territory of the state of processing of goods and certified by the customs authority that carried out such registration.

5. Upon submission to the tax authority at the place of registration of documents confirming the export of goods within 120 calendar days from the date of the stamp of the customs authority specified in paragraph one of part 1 of this article, the taxpayer has the right to a refund of the tax paid in accordance with part 2 of article 254 of this Code. Otherwise, the taxpayer is not entitled to a refund of the tax paid in accordance with paragraph 2 of Article 254 of this Code.

# CHAPTER 40. DATE AND PLACE OF COMPLETION OF A TAXABLE TRANSACTION AND SPECIAL RULES

# Article 256. Date of making a taxable transaction

1. The date of a taxable transaction is the moment of issuing an invoice for value added tax and excises in respect of this transaction, unless otherwise provided by this article.

2. If an invoice for value added tax and excises is not issued before or at the time (day) of a taxable transaction, the provisions of paragraph 1 of this Article shall not apply and the following days shall be considered the moment of a taxable transaction:

- the day of acceptance, sale or transfer of goods, performance of work or provision of services;

- the day of shipment of goods, if, in accordance with the contract, the delivery of goods includes the carriage of goods.

3. If the amount for the supply of goods, performance of work or provision of services is paid in advance before the expiration of the period provided for by paragraph 2 of this article, and within five days after the advance payment is made, the supplier does not issue an invoice to the buyer for value added tax and excises, the provisions of paragraphs 1 and 2 of this article do not apply to this operation. In this case, the date of the advance payment is considered a taxable transaction.

4. For the purposes of part 3 of this article, if two or more advance payments have been made on a taxable transaction, each advance payment shall be treated as a separate taxable transaction, except for the cases provided for by part 5 of this article.

5. If the services are provided on a regular basis, then the date of the taxable transaction for each reporting period is one of the following dates when the transaction was previously performed:

- the date of issue of the invoice for value added tax and excises;

- the date of issuing an invoice for value added tax and excise duties for payment of the cost of goods on the basis of financial leasing;

- date of payment for services.

6. In any case, for the purposes of part 5 of this article, regardless of the provisions of this article, the supplier is obliged to issue an invoice for value added tax and excise taxes for each month no later than the 10th day of the month following the reporting month. If the invoice is not issued within the period specified in this paragraph and payment is not made, the date of service provision is considered to be the last day of the reporting month. The provisions of this part shall also apply to the supply of goods under financial lease (leasing) agreements.

7. In the case of application of the provisions of part 3 of Article 246 of this Code, the date of the taxable transaction is the moment of use of goods (works or services).

8. In the cases specified in paragraph 4 of Article 246 of this Code, the date of the taxable transaction is the moment of delivery of goods (performance of work or provision of services) to employees and other persons.

9. The date of completion of a taxable transaction for the supply of electricity, electricity, heat, gas, water and other services rendered on a regular basis shall be the dates specified in parts 5 and 6 of this Article.

10. For the purposes of this chapter, regardless of the provisions of part 3 of this article, the date of determination of a taxable transaction in the performance of construction and installation works is one of the following dates on which the transaction was previously performed:

- date of receipt (acquisition of the right to receive) the current payment from the customer;

- the date of partial (full) completion of construction and installation works, recorded in the accounting and reporting of the taxpayer.

11. The date of delivery of goods (works and services) by any automated payment device or other equipment, payment for which is carried out in cash, plastic cards and tokens, is the date of receipt of goods (works of services).

# Article 257. Place of delivery of goods

1. The place of delivery of goods is the location of the goods at the time of their release (transfer) or at the time of their receipt at the disposal of the buyer. If the goods are delivered by the seller's transport or a transport organization, then the place of delivery of the goods is considered to be the location of the goods at the time of commencement of transportation.

2. When supplying electricity, heat and gas, the place of receipt of such goods is the place of supply of goods. In case of export of such goods from the Republic of Tajikistan, the place of delivery is considered to be the Republic of Tajikistan.

**Article 258. Performance of works or provision of services in the Republic of Tajikistan**

1. Works or services are considered to be performed on the territory of the Republic of Tajikistan if the place of activity from which these works or services are performed is located in the Republic of Tajikistan, except for the cases specified in part 2 of this article.

2. If the performance of work or services is carried out by a person who is outside the territory of the Republic of Tajikistan and does not have a permanent place of activity in the Republic of Tajikistan, and the performance of work or the provision of services was carried out by a person who is not a tax agent in accordance with Article 260 of this Code, the performance of work or the provision of services is considered to be carried out on the territory of the Republic of Tajikistan, if one of the following provisions applies to this person:

1) works or services performed or rendered in the Republic of Tajikistan by a person located in the Republic of Tajikistan during the performance of these works or services;

2) the performance of work or the provision of services are carried out by remote services provided to a resident of the Republic of Tajikistan, in accordance with the provisions of part 3 of this article;

3) services include telecommunications services, and a foreign person actually located in the Republic of Tajikistan initiates the service in his own name or in the name of another person, with the exception of telecommunication services provided:

a) a telecommunications service provider;

b) a person using global roaming during a temporary stay in the Republic of Tajikistan;

4) services relate to immovable property in the Republic of Tajikistan;

5) the buyer of works (services) carries out activities on the territory of the Republic of Tajikistan.

3. For the purposes of paragraph 2) of part 2 of this article, a resident of the Republic of Tajikistan is considered a recipient of remote services if at least two of the following indicators indicate the territory of the Republic of Tajikistan:

- billing (payment) address of the recipient of remote services;

- network address or Internet protocol ( IP ) of the equipment used to receive remote services or another method for determining the geographic location ( geolocation ) of the recipient of remote services;

- data (details) of the beneficiary bank, including bank or billing account for payment;

- mobile code of the international identification number of the mobile subscriber, which is stored on the card of the subscriber identification block used by the recipient of remote services;

- location of the fixed line of the recipient of remote services, through which the service is provided to the recipient;

- any other commercial information indicating that the recipient is a resident of the Republic of Tajikistan.

4. If, according to the two indicators specified in part 3 of this article, the recipient of remote services is a resident of the Republic of Tajikistan, and the other two indicators indicate a location in another country, then the provider must determine the recipient's residence on the basis of more reliable indicators .

5. A foreign legal entity in relation to a recipient of remote services who is a resident of the Republic of Tajikistan shall not perform operations in accordance with the provisions of Article 260 of this Code, unless such a resident provides a certificate confirming his recognition as a tax agent. If a tax agent is considered to be a recipient of a remote service, the provisions of Article 259 of this Code shall apply to the provision of the remote service.

6. For the purposes of paragraph 3) of part 2 of this article, a person providing telecommunications services is a person identified as a person providing telecommunications services and controlling the start of the provision of such services. If the telecommunication service provider fails to identify the person controlling the provision of such services, then the person controlling the provision of services is one of the following persons:

- the person paying for the services;

- a person concluding a contract for the provision of services;

- the person to whom the invoice for payment of services was sent.

7. If the supplier as the initiator of the supply of the service is identified in more than one of the paragraphs of part 6 of this article, then the person supplying the service is the person who, in the order of the sequence of these paragraphs, is considered the first.

8. In this Article and Article 259 of this Code, the following concepts have the following meanings:

1) remote services are works or services performed or provided in the following places:

a) the place where services are actually provided or work is performed; and

b) the location of the recipient of services or works;

2) telecommunication services include the transmission or reception of signals, records, images, sounds or any other information via wires, radio, fiber optic cables, other electromagnetic systems or similar technical systems and must include:

a) an appropriate transfer of the right to such transmission, dissemination or receipt of information; or

b) providing access to global or local networks, which does not include deliveries, recordings, images, sounds or information through the network.

# Article 259. Provision of remote services through an electronic trading platform

1. In this article, “e-commerce platform” means a website, internet portal, gateway, online store, trading platform or other similar electronically operated platform through which the original provider provides remote services through another person (operator trading platform) to a third party (recipient), but does not include payment processing activities.

2. The provisions of this article shall apply if all of the following conditions are met:

1) the original supplier provides remote services through an electronic trading platform;

2) the electronic trading platform is managed by a person who does not have a permanent establishment in the Republic of Tajikistan and who performs the following actions:

a) authorize payment to the recipient;

b) authorizes the delivery of the goods to the recipient; or

c) establishes the terms of delivery; And

3) the recipient of the goods is a resident individual of the Republic of Tajikistan in accordance with the provisions of parts 3 and 4 of Article 258 of this Code.

3. In accordance with the terms of paragraph 2 of this article, the provisions of Article 258 of this Code shall apply if the operator of an electronic trading platform in the course of carrying out taxable activities is recognized as a provider of remote services.

4. If the original supplier and the operator of the electronic trading platform have agreed that the payment of value added tax on such transactions will be made by the original supplier, the provisions of paragraph 3 of this article shall not apply.

# Article 260. Reverse taxation

1. Reverse taxation is a special method of calculating value added tax, according to which the calculation and payment of tax is made by the buyer.

2. The provisions of this article shall apply in the following cases, if:

1) a person located outside the Republic of Tajikistan who does not have a permanent place of business in the Republic of Tajikistan (foreign supplier), provided services or performed work to a legal entity operating in the Republic of Tajikistan;

2) the provision of services or performance of work is carried out by a foreign supplier from the place of its activity outside the Republic of Tajikistan;

3) provision of services or performance of work by a foreign supplier is carried out from the place of its activity in the Republic of Tajikistan, and these operations are taxable operations.

3. In case of application of parts 1 and 2 of this article, the tax agent withholds value added tax at the source of payment from the amount payable to the foreign supplier. The amount of tax is determined by applying the rates established by paragraphs 1) and (or) 2) of part 1 of Article 264 of this Code to the amount payable to a foreign supplier after withholding the tax.

4. If a tax agent is registered for value added tax purposes, the withheld tax is payable to the budget and included in the value added tax return as an amount payable for the month in which the transaction is made (without the right to take into account the amount of value added tax) .

5. If the tax agent is not registered for value added tax purposes, he is obliged to pay the withheld tax to the budget within five days from the date of payment of the amount to the foreign supplier, and also submit a value added tax declaration to the tax authority before the 15th day of the month following the reporting month.

6. Subject to the conditions of paragraph 7 of this article, the provisions of paragraphs 3 and 4 of this article shall apply to a person on the basis that the service or work is a separate transaction, payment for which is carried out at a cost equal to the market value of the services or work performed.

7. The provisions of paragraph 6 of this article shall apply in the following situations if:

- the person is registered for value added tax purposes;

- a person carries out a part of entrepreneurial activity outside the Republic of Tajikistan (foreign part of the activity);

- part of the person's foreign activity is carried out to provide services or perform work within the framework of the person's activities in the territory of the Republic of Tajikistan;

- the provision of services and performance of work previously carried out between individuals who had a place of business in the Republic of Tajikistan are considered taxable transactions.

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# Article 261. Date of importation of goods and means of transport

The date of importation of goods and vehicles is determined in accordance with the customs legislation of the Republic of Tajikistan.

# Article 262. Mixed transactions

1. The supply of goods (performance of work, provision of services), which are of an auxiliary nature in relation to the main supply of goods (performance of work, provision of services), shall be considered as part of the main supply of goods, performance of work or provision of services.

2. If an operation has independent elements and includes two or more of the following operations, it is considered a separate operation:

- supply of goods (performance of work or provision of services) subject to value added tax at the standard rate;

- supply of goods (performance of work or provision of services) subject to value added tax at a rate (including a zero or reduced rate) different from the standard rate;

- supply of goods (performance of work or provision of services) exempt from value added tax.

3. The provision of services added to the value of imported goods shall be considered as part of the import, but only if the value of the import includes the value of such services.

# Article 263. Operations carried out through a trustee (agent)

1. Supply of goods, performance of work or provision of services carried out on behalf of or on behalf of a trustee through his trustee (agent) of such a person shall be considered an operation carried out by the trustee, unless otherwise provided by parts 2-3 of this article.

2. The provisions of paragraph 1 of this article shall not apply to remuneration for services rendered by a trustee (agent) to a principal.

3. The provisions of part 1 of this article do not apply to the supply of goods to the Republic of Tajikistan and from the Republic of Tajikistan by a trustee (agent) of a non-resident. In this case, for the purposes of value added tax, the supply of goods is considered to be an operation carried out by a trusted person (agent).

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# CHAPTER 41. PROCEDURE FOR CALCULATING AND PAYING TAX

# Article 264. Rates of value added tax and procedure for its calculation

1. For taxable transactions and taxable imports, the following value added tax rates are established:

1) standard rate - 15 percent;

2) reduced rate, except for taxable import and subsequent delivery of imported goods regarding construction work, hotel and catering services - 7 percent and sales of agricultural products of domestic production, processing of agricultural products, training services and activities for the provision of medical services in sanatoriums and resorts without the right to offset value added tax - 5 percent ;

3) zero rate.

2. The zero rate applies to taxable transactions established by Article 254 of this Code.

3. If the payer implements a reduced rate of value added tax, taxable import, the subsequent supply of such imported goods is subject to taxation at the rate specified in clause 1) of part 1 of this article. Such a taxpayer has the right to offset the amount of value added tax paid upon importation in accordance with Article 266 of this Code.

4. If the payer replaces the reduced rate of value added tax of imported goods with other goods, the taxation of the subsequent delivery of the share of replaced goods is taxed in proportion to the share of imported goods in the total volume of purchases at the standard rate and the remaining share of such goods (replaced) at a reduced rate .

5. A payer of a reduced rate of value added tax is obliged to keep separate records of objects of taxation for taxable turnover and taxable import in accordance with the requirements of Article 91 of this Code.

6. Taxable turnover consists of the total value of taxable transactions for the reporting period.

7. The amount of value added tax is determined by multiplying the value of the taxable turnover by the corresponding tax rate.

# Article 265. Value added tax paid to the budget

1. The amount of value added tax payable to the budget for the reporting period is a positive difference between the amount of tax calculated in accordance with paragraph 1) of part 1 of Article 264 of this Code, taking into account part 4 of Article 260 of this Code and the amount of tax allowed to offset in accordance with Article 266 of this Code.

2. If the amount of value added tax payable, taking into account the cases specified in Article 249 of this Code, subject to adjustment, exceeds the amount actually indicated in the taxpayer's declaration, the excess amount shall be considered as adjusted value added tax for the reporting period and for the same reporting the period is added to the amount of tax payable in accordance with paragraph 1 of this Article.

# Article 266

1. Unless otherwise provided by this article, when using the standard rate, the amount of value added tax creditable is the amount of tax payable or paid in the following cases, if:

- the taxpayer has been issued an invoice for value added tax and excises;

- for the reporting period, the date of the transaction for the import of taxable goods has come in accordance with the provisions of Article 261 of this Code and the amount of value added tax has actually been paid to the budget;

- taxable transactions for the supply of goods, performance of work or provision of services were made during the reporting period in accordance with the provisions of Article 256 of this Code;

- goods (works or services) specified in this part are used for the purposes of entrepreneurial activities of the taxpayer.

2. The accrual of the amount of value added tax in respect of the balance of goods acquired by a taxpayer who has switched from the simplified system to the general taxation regime is allowed if the amount of value added tax is not deducted from taxable income.

3. For the purposes of paragraph 1 of this article, the amount of value added tax shall be considered creditable in the following cases, if:

- the amount of value added tax payable is specified separately in the invoices of the supplier;

- the amount of value added tax is indicated in the cargo customs declaration, paid to the budget and is a non-refundable amount in accordance with the terms of the customs regime;

- the amount of value added tax is indicated in the payment documents for the purchase of tickets for vehicles, including railway, air and automobile;

- the amount of value added tax is indicated in the payment documents of utility providers and its calculations are made through financial institutions.

4. The offset of the amount of value added tax in accordance with the provisions of part 3 of this article is carried out in the reporting month in which the goods (works, services) are received.

5. The offset of value added tax when importing goods and taxable transactions used by the taxpayer partly for entrepreneurial activity and partly for other purposes is made on the basis of the share of their use in entrepreneurial activity.

6. The offset of the paid (payable) value added tax is not allowed in the following cases:

- when purchasing cars, with the exception of those offered for sale or rental by a person for whom such operations are considered the main type of entrepreneurial activity;

- if the expenses were made for charitable or social, as well as for entertainment or entertainment purposes;

- if the amount of value added tax is not specified in invoices separately from taxable transactions;

- if, during the customs clearance of goods, the payment documents for the amount of value added tax do not contain the details of the importer of goods and products (including the name, TIN, EIN);

- if the expenses were incurred for geological exploration and preparation for the extraction of natural resources;

- if the expenses were incurred for the acquisition, production, construction, assembly and installation, as well as for the restoration (repair) of depreciable fixed assets and depreciable intangible assets, regardless of the amount of expenses;

- if the expenses associated with the acquisition of goods (works, services) are registered with persons who actually did not carry out such operations, except for cases when the taxpayer submits documents confirming the payment of value added tax to the budget;

- if the expenses were made at a reduced rate of value added tax, with the exception of expenses related to taxable imports, for the persons specified in paragraph 3 of Article 264 of this Code;

- if a foreign person provides remote services on the territory of the Republic of Tajikistan without establishing a permanent establishment.

7. The offset of the amount of value added tax of the taxpayer, who in his activities has taxable transactions and transactions exempt from value added tax, is carried out in accordance with Article 268 of this Code. The offset of the amount of value added tax by a taxpayer who has only an exempt transaction is not allowed.

8. If the amount of value added tax payable by the buyer, taking into account the cases specified in Article 249 of this Code, exceeds the amount actually indicated in the taxpayer's declaration, it is allowed to offset the excess amount of value added tax for the reporting period.

9. Crediting the amount of value added tax on invoices for value added tax and excise taxes, drawn up on fraudulent or practically non-executed transactions, is prohibited, and previously credited amounts of value added tax are recognized as invalid.

10. In the cases and in accordance with the procedure established by Article 341 of this Code, the offset of the amount of sales tax on primary aluminum is allowed upon submission of supporting documents.

11. Regardless of the provisions of this article, the credit of value added tax for the importation of goods paid by payers of value added tax engaged in activities in wholesale and retail trade, procurement, supply and sale is allowed only upon the occurrence of taxable transactions for the reporting period.

# Article 267. Adjustment of creditable amounts of value added tax

1. The previously credited amount of value added tax shall be subject to exclusion from the subsequent amount of creditable value added tax in the following cases:

- when using goods (works, services) not for the purpose of taxable turnover;

- in case of invalidation of invoices for value added tax and excises in accordance with part 9 of Article 266 of this Code;

- when the cost of received goods (works, services) changes in the cases specified in paragraph 1 of Article 249 of this Code;

- in case of cancellation of registration of a taxpayer as a payer of value added tax in respect of the amount of value added tax previously charged on the balance of goods (works, services) of the taxpayer;

- in case of damage or loss of goods, including fixed assets, with the exception of cases of damage or loss of goods as a result of emergency situations and submission to the tax authorities of the conclusion of the authorized state body for emergency situations or the conclusion (act) of an independent examination and the act of customs inspection in accordance with the provisions of Article 363 of the Customs Code of the Republic of Tajikistan;

- in case of non-compliance with the provisions provided for in Article 269 of this Code.

2. For the purposes of this Code;

a) damage to goods (property) is the rendering of all or individual qualities (properties) of a product (property) into an unusable state, as a result of which this product (property) cannot be used for the purposes of taxable turnover.

b) loss of goods (property) is an event that resulted in the loss and (or) destruction of goods (property). Loss and (or) destruction of goods (property) incurred by the taxpayer within the limits of natural wastage established by regulatory legal acts of the Republic of Tajikistan is not a loss of goods (property).

3. Adjustment of the amount of value added tax, offset, is made in the tax period in which the cases specified in parts 1 and 2 of this article occurred.

# Article 268

1. If goods (works, services) are used in operations, exempted from paying value added tax, the amount of value added tax payable to suppliers upon import is not taken into account.

2. When carrying out taxable and tax-exempt transactions for one reporting period, the offset of the amount of value added tax is determined by the proportional method for the tax period.

3. The amount of value added tax offset by the proportional method is determined by the share of the taxable transaction in the total amount of the transaction.

# Article 269. Invoices for value added tax and excises

1. Unless otherwise provided by parts 9, 11, 12, 13 and 14 of this article, a person registered as a payer of value added tax and not included in the list of irresponsible taxpayers, carrying out a taxable transaction, is obliged, on the date of the taxable transaction, to present to the recipient (buyer) ) goods, works or services invoice for value added tax and excises.

2. An invoice for value added tax and excises is a document developed in the form established by the authorized state body and containing the following information:

- legal or company name and address of the taxpayer and the buyer (customer);

- identification number of the taxpayer and the buyer (customer);

- a single identification number of the taxpayer and the buyer (customer);

- the number of the certificate of registration for value added tax of the taxpayer (supplier) and the date of its registration;

- a list of delivered, shipped, transported goods (work performed or services rendered);

- advance operations;

- amount of taxable transaction;

- the amount of excise tax on excisable goods and services;

- amount of value added tax;

- date of issue of the invoice for value added tax and excises;

- serial number of the invoice for value added tax and excises.

3. An invoice for value added tax is drawn up in electronic form and issued to the payer of value added tax only in electronic form and to other persons who are not payers of value added tax, its printed copy or electronic form is sent to the personal account of such a taxpayer.

4. Printed copies of invoices by persons registered as payers of value added tax, in accordance with the provisions of this Code to offset the amount of value added tax, shall be attached to the declaration of value added tax.

5. Invoices for value added tax and excises are compiled electronically, provided to the buyer in direct mode (online) and stored in the electronic database of the tax authorities until the end of the limitation period . VAT invoices and excises are registered in the register electronically through the information program.

6. The form and procedure for maintaining the Register of invoices for value added tax of excises specified in part 5 of this article are determined by the authorized state body.

7. Invoices for value added tax and excises have the appropriate series and numbers and are issued in electronic form by the taxpayer in the manner prescribed by the authorized state body. The form of an invoice for value added tax and excises, including an additional invoice, is determined by the authorized state body.

8. The taxpayer is obliged to issue an invoice for value added tax and excises to the buyer of goods (customer of works, services) no later than the date of the taxable transaction (delivery of goods, performance of work, provision of services). The invoice for value added tax and excise is certified by an electronic signature of an authorized person of the supplier.

9. Taxpayers engaged in the supply of electricity, water and gas, providing communication services, utilities, rail transportation, freight forwarding services and banking operations subject to value added tax, have the right to draw up an invoice for value added tax based on the results of the tax period cost and excises within the period established by paragraph 5 of Article 256 of this Code.

10. The volume of a taxable transaction is indicated in the invoice separately for each item of goods (works, services).

11. Invoices for value added tax and excises are submitted only for taxable transactions. If the supply of goods, performance of work and (or) provision of services are exempt from value added tax in accordance with the provisions of this section, invoices for value added tax and excises are not issued. In this case, the taxpayer draws up the accounting form of the invoice provided for payment.

12. An invoice for value added tax and excises for export operations, subject to the provisions of part 2 of this article, includes the following information:

- a record confirming the purpose of the export operation;

- country and destination of export;

- the applicable value added tax rate for the export operation.

13. An invoice is not required in the following cases:

- making payments for the provided utilities (including the supply of electricity, heat, water and natural gas), communication services, educational and medical services to the population through credit and financial organizations, cash registers and (or) automatic payment devices, serving as the basis for accounting;

- issuance of transportation of passengers with travel tickets;

- when supplying goods (performance of works, provision of services) exempt from value added tax;

- when registering foreign persons as payers of value added tax in accordance with the provisions of Article 277 of this Code.

14. A payer of value added tax when selling goods, performing works or rendering services to end customers who are not payers of value added tax, instead of an invoice for value added tax and excises, issues a receipt of a credit and financial institution or a check of cash registers. devices and automatic payment devices. For the purposes of this part, retail sale means the supply to final consumers of goods, performance of works and provision of services intended for personal, residential or consumer use, at market prices.

15. Instructions on the use of invoices for value added tax and excises are developed and approved by the authorized state body in agreement with the authorized state body in the field of finance.

# Article 270

1. When adjusting the volume of a taxable transaction, an additional invoice is drawn up, which indicates the following information:

- serial number and date of drawing up the additional invoice;

- serial number and date of preparation of the invoice, in which the adjustment is introduced;

- name, address, single taxpayer number and taxpayer identification number of the supplier and recipient of goods (works, services);

- name of goods (works, services), units of measurement, quantity (volume) and cost of goods (works, services) before and after adjustment;

- the amount of the difference in the adjustment of a taxable transaction, excluding value added tax;

- amount of value added tax;

- excise tax on excisable goods.

2. An additional invoice is drawn up by the supplier of goods (works, services) and confirmed by the recipient of the specified goods (works, services).

# Article 271. Special rules

The tax base and other elements of taxation of the value added tax for the provision of Islamic banking services, insurance services, commission sales, sales of second-hand (partially used) goods and other types of activities, the direct (immediate) determination of which in accordance with this section is difficult, are determined in a different order established by the Government of the Republic of Tajikistan.

# CHAPTER 42. ADMINISTRATIVE AND FINAL PROVISIONS

# Article 272. Submission of declarations and payment of value added tax

1. The taxpayer, with the exception of part 2 of this article, is obliged for each reporting period no later than the 15th day of the month following the reporting period to submit a declaration on value added tax to the tax authority and pay tax to the budget.

2. Foreign persons providing remote services to individuals are required to submit a tax return, other documents (information) and information no later than the 20th day following the reporting period.

3. Regardless of the provisions of part 1 of this article, when importing goods, value added tax is charged and collected in accordance with this Code and the customs legislation of the Republic of Tajikistan.

4. Instructions for the calculation and payment of value added tax, as well as the forms of the declaration and annexes to it, are approved upon submission of the authorized state body by the authorized state body in the field of finance.

# Article 273. Tax period

1. The tax period for value added tax, with the exception of part 2 of this article, is a calendar month.

remote services to individuals , the tax period is a calendar quarter.

# Article 274

1. Exceeding the amount of excess value-added tax offset against the amount of accrued tax for the reporting period shall be returned by the financial authority together with the tax authorities within 30 calendar days from the date of receipt by the tax authority of the application of the taxpayer, taxable at a zero rate, from the relevant budget.

2. The refund of the amount of overcharged value added tax is made on the basis of the following documents:

- Declaration on value added tax for the tax period;

- documents provided for by Article 255 of this Code, confirming the export of goods;

- the conclusion of the authorized state body on the reliability of the amounts of value added tax to be refunded.

3. The refund of the excess value-added tax is transferred to the bank account of the taxpayer after the following steps have been taken in succession:

- repayment of tax debt, including debt on value added tax, for previous tax periods;

- repayment of the amount of value added tax payable upon import of goods.

4. The amount of excess value-added tax credited by taxpayers who do not have operations taxed at a zero rate shall be carried over to the next six tax periods. Any excess balance is refundable from the budget within 30 days of the expiration of these six tax periods.

5. If the tax authorities reveal cases of excessively returned amount of value added tax to the taxpayer by mistake, the tax authorities have the right to recover such amounts in the prescribed manner.

6. The procedure for refunding the excess of the amount of excess value-added tax over the amount of assessed tax for the tax period is approved by the Government of the Republic of Tajikistan.

# Article 275. Procedure for taxation of state investment projects

1. Goods (works, services) purchased at the expense of credit ( grant ) agreements on financing (implementation) of investment projects of the Government of the Republic of Tajikistan (hereinafter in this article - agreements) are exempt from value added tax on the basis of an application from the relevant authorized sectoral body of the borrower ( grantee ) or a person authorized by him, subject to the following conditions, if:

- goods (works, services) are purchased at the expense of agreements approved by the Government of the Republic of Tajikistan and (or) ratified by the Majlisi namoyandagon Majlisi Oli of the Republic of Tajikistan;

- goods (works, services) are purchased exclusively for the purposes specified in these agreements;

- the supply of goods (works, services) is carried out in accordance with an agreement concluded directly with the relevant body of the borrower ( grantee ) or a person authorized by him or a general contractor (supplier) for the implementation of the project.

2. The procedure for exemption from value added tax for goods (works, services) purchased at the expense of agreements for the implementation of state investment projects is approved by the Government of the Republic of Tajikistan.

# Article 276

1. The refund of the amounts of value added tax to diplomatic, consular and equivalent representations, the list of which is determined by the Government of the Republic of Tajikistan, as well as members of their staff accredited in the Republic of Tajikistan (hereinafter in this article - representations), is made provided that such a refund on the basis of reciprocity, it is provided for by international treaties to which the Republic of Tajikistan is a party.

2. The amounts of value added tax paid by representative offices to suppliers of goods (works, services) intended for the official use of these representative offices, as well as for the personal use of their diplomatic, administrative, technical and service personnel, including members of their families, are subject to refund, in case if such a refund is provided for by international tax treaties.

3. The refund of the amount of value added tax to representative offices is carried out at the conclusion of the tax departments for the Gorno-Badakhshan Autonomous Region, regions and the city of Dushanbe on the basis of consolidated registers compiled by these representative offices and certified copies of documents (invoices, checks and others) confirming the fact payment of value added tax.

4. Consolidated registers are compiled in the form established by the authorized state body and submitted by representative offices to the Ministry of Foreign Affairs of the Republic of Tajikistan to confirm the exchange of notes on compliance with the principle of reciprocity when granting incentives for indirect taxes (value added tax and excise tax) in accordance with the provisions of international tax contracts. After confirmation, consolidated registers are subject to transfer to the tax authority determined by the authorized state body for the return.

5. If in the documents attached to the final registers, the amount of value added tax is not indicated in a separate line, the refund of the amount is possible only if the supplier of goods (works, services) confirms the receipt of value added tax in the budget.

6. The return of value added tax to representative offices is carried out by the authorized state body in the field of finance in the manner prescribed by paragraph 4 of this article, within 30 calendar days after the authorized state body receives consolidated registers from the Ministry of Foreign Affairs of the Republic of Tajikistan. The amount of value added tax to be refunded is transferred from the state budget to the respective accounts of representative offices.

7. The procedure for the return of value added tax to representative offices, taking into account the provisions of this article, is determined by the Government of the Republic of Tajikistan.

# CHAPTER 43. FEATURES OF TAXATION OF REMOTE SERVICES OF FOREIGN PERSONS

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# Article 277. Taxpayers

1. Taxpayers are foreign persons without a place of business in the Republic of Tajikistan who provide remote services directly to individuals, as well as to individual entrepreneurs, and the place of provision of such services in accordance with Article 258 of this Code is the territory of the Republic of Tajikistan.

2. If such services are provided to legal entities of the Republic of Tajikistan and permanent establishments of foreign legal entities, persons purchasing such services, in accordance with Article 260 of this Code, are recognized as tax agents.

# Article 278 \_

Foreign persons providing remote services directly to individuals, to whom the provisions of Article 277 of this Code apply, are registered (removed from the register) in electronic form on the basis of the submission of an application and other documents in the form approved by the authorized state body. An application for registration (de-registration) of foreign persons is submitted to the authorized state body no later than 30 calendar days from the date of commencement (end) of the provision of remote services.

# Article 279. Representative of a foreign provider of remote services for value added tax

1. The tax authority may require a person providing remote services, which is subject to registration as a payer of value added tax, but does not have a permanent place of business in the Republic of Tajikistan, to perform one or both of the following actions:

- appoint a representative of a foreign supplier of remote services for value added tax in the Republic of Tajikistan;

- ensure the payment of value added tax for remote services to the budget of the Republic of Tajikistan.

2. The representative of a foreign distance value added tax service provider shall be responsible for performing all the work provided for in this chapter, including the application for registration, filing value added tax returns and payment of value added tax.

3. Registration of a representative of a foreign supplier of remote services for value added tax is carried out in the name of the person who represents him.

4. A person may be a representative of a foreign distance service provider for value added tax for more than one person he represents, but must be registered separately for each person.

5. A representative of a foreign provider of remote services shall be liable for the value added tax of the person he represents.

6. For the purposes of this chapter, electronic services include services provided through an information and communication network, including the Internet information and communication network (hereinafter referred to as the information and communication network) automatically using information technologies.

7. Electronic services include:

- granting rights to use software for electronic computers (including computer games), and an electronic database through an information and communication network, including by providing remote access to them, as well as their updates and additional functionality;

- implementation of advertising services in the information and communication network, including through the use of software for electronic computers or an electronic database used in the information and communication network, as well as the provision of advertising space in the information and communication network;

- provision of services for placing proposals for the acquisition (sale) of goods (works, services) and property rights in the information and communication network;

- provision through the information and communication network of services for the provision of technical, organizational, informational and other opportunities, carried out using information technologies and systems, to establish contacts and conclude contracts (transactions) between sellers and buyers (through trading platforms operating on the Internet, in real time, where potential buyers offer a price for goods (works, services) through an automated procedure and the parties are notified of the sale by an automatically generated message);

- ensuring and (or) maintaining economic activity, as well as supporting electronic resources of users, including sites and (or) pages of sites on the Internet, providing access to them for other users of the information and communication network;

- interactive bets on gambling in bookmakers;

- providing access to information and communication networks, as well as providing users with the opportunity to change them;

- storage and processing of information, provided that the person who submitted this information has access to it through the information and communication network;

- providing real-time computing power for placing information in the information system;

- provision of domain names, provision of hosting services;

- provision of services for the administration of information systems, sites on the Internet;

- the provision of services carried out automatically via the Internet when data is entered by the buyer of the service, automated services for searching for data, selecting and sorting them upon request, providing the specified data to users through information and telecommunication networks (in particular, reports of the stock exchange of securities in real time time, real-time automated translation);

- granting rights to use electronic books (publications) and other electronic publications, informational, educational materials, graphic images, musical works with or without text, audiovisual works, including by providing remote access to them for viewing or listening via the Internet ;

- provision of services for searching and (or) providing the customer with information about potential buyers;

- providing access to search engines on the Internet;

- maintaining statistics on sites on the Internet.

8. Electronic services do not include:

- sale of goods (performance of work, provision of services), if when ordering via the Internet, the delivery of goods (performance of work, provision of services) is carried out without using the Internet;

- implementation (transfer of rights to use) programs for electronic computers (including computer games), databases on tangible media;

- provision of consulting services by e-mail;

- provision of services for providing access to the Internet.

9. The tax authority shall establish the methods, procedures and requirements for appointing a representative of a foreign provider of remote services for value added tax and the obligations of the representative.

# SECTION IX. EXCISE TAX

# CHAPTER 44. EXCISE TAX

# Article 280. Taxpayers

1. Payers of excise tax, in accordance with this chapter, are individuals and legal entities, including separate subdivisions of legal entities, carrying out taxable transactions in the territory of the Republic of Tajikistan .

2. The following persons are recognized as payers of excise tax :

1) resident legal entities of the Republic of Tajikistan producing excisable goods in the Republic of Tajikistan;

2) resident legal entities of the Republic of Tajikistan providing telecommunication services (excisable services);

3) non-resident legal entities of the Republic of Tajikistan producing excisable goods on the territory of the Republic of Tajikistan through permanent establishments or providing excisable services;

4) subjects of foreign economic activity, importing excisable goods across the customs border of the Republic of Tajikistan.

3. In the case of the production of excisable goods in the territory of the Republic of Tajikistan from the customer's raw materials (commodity raw materials), the excise tax payer is the commodity producer.

# Article 281. Object of taxation

1. The object of taxation is excisable goods and taxable transactions with them, as well as excisable activities.

2. The following taxable transactions with excisable goods are subject to taxation:

1) export of excisable goods produced in the territory of the Republic of Tajikistan outside the enterprise (place of production), including:

a) the supply of excisable goods, unless the excise tax for these goods has been paid in advance;

b) transfer to another person of excisable goods (raw materials) for processing on a give-and-take basis;

c) supply (transfer) of excisable goods that are the product of processing of raw materials and (or) materials supplied by the customer, including customer-supplied excisable raw materials and (or) materials;

d) the introduction of excisable goods to form the authorized capital (capital) of a business entity as a contribution (share);

e) the use of excisable goods in mutual settlements in goods and in payment in kind;

f) release of excisable goods carried out by the manufacturer to its separate subdivisions;

g) sale of the bankruptcy estate of excisable goods during the bankruptcy procedure of the taxpayer, if the excise tax on the said goods in the territory of the Republic of Tajikistan was not previously paid in accordance with the legislation of the Republic of Tajikistan;

2) import of excisable goods into the territory of the Republic of Tajikistan and transportation of these goods across the border of the Republic of Tajikistan in accordance with the customs legislation;

3) sale of excisable goods confiscated, ownerless, transferred by right of inheritance to the state, and gratuitously transferred to the ownership of the state in the territory of the Republic of Tajikistan, if the excise duty on the said goods in the territory of the Republic of Tajikistan has not been previously paid;

4) use of excisable goods for own production needs and (or) for the production of other excisable goods or consumption of excisable goods at the place of production by employees or other persons;

5) assembly (packaging) of excisable goods specified in paragraph seven of part 1 of Article 282 of this Code, and their alienation;

6) damage, loss of excisable goods.

3. Excisable types of activities are the provision of certain types of services in the field of electrical communications, regardless of the type and form of their reflection in the license for the provision of electrical communications services, determined by Part 2 of Article 282 of this Code.

# Article 282. List of excisable goods and excisable activities

1. Excisable goods are:

- all types of alcohol, alcoholic, non-alcoholic and energy drinks, with the exception of clean drinking water ;

- processed tobacco, industrial tobacco substitutes, tobacco products;

- nicotine-containing products, nicotine-containing liquid, heated tobacco products, electronic cigarettes and smoke-producing devices;

- mineral fuels, all types of crude oil and products of its distillation, bituminous substances, mineral wax, liquefied gas;

semi-pneumatic tires and tires , tire treads and rubber rim tapes;

- passenger cars and other vehicles intended for the transport of people;

- finished carpet products imported into the Republic of Tajikistan;

- any imported water, including carbonated water, products for transportation or packaging of goods made of plastic: corks, caps, caps and other closures imported into the Republic of Tajikistan;

- jewelry made of precious metals and precious stones, as well as their parts made of precious metals and (or) covered with precious metals.

2. Types of activities for the provision of excisable services represent a range of services in the field of telecommunications, including:

- public mobile cellular communication services of all standards (mobile cellular communication services);

- data transmission services (including telegraph communications and IP telephony), including through a network of operators;

- telematic services , including via the Internet;

- services of international (long distance) telephone communication through a network of operators.

# Article 283. Tax base

1. The tax base for excisable goods are:

- physical volume of excisable goods;

- the amount of a taxable transaction, determined on the basis of the retail sale price of excisable goods less value added tax and excise tax;

- the amount of a taxable transaction in terms of customs value or in terms of the physical volume of excisable goods, determined in accordance with the Customs Code of the Republic of Tajikistan, less value added tax and excise tax;

- the amount of the taxable transaction of excisable goods when used as payment in kind, when excisable goods are donated, when the pledged goods are transferred to the ownership of the pledgee or an exchange transaction, as well as when excisable goods are transferred free of charge, determined on the basis of the retail price of the goods minus value added tax and excises.

2. Prices determined in accordance with paragraphs two and four of part 1 of this article, for calculating the tax liability for excises, cannot be lower than the current retail prices.

3. If, in accordance with paragraph 1 of Article 285 of this Code, different excise rates are established for various types of alcohol, non-alcoholic and alcoholic beverages, the tax base is determined separately for transactions taxed at different rates.

4. When determining the amount of a taxable transaction, the price of the package is taken into account, with the exception of returnable packaging.

5. Irrespective of whether the excisable goods are produced from own or give-and-take raw materials, the provisions of paragraphs 1-3 of this article are applied to determine the tax base.

6. The tax base for certain types of services in the field of telecommunications is determined by deducting value added tax and excise tax from gross income.

7. In case of damage or loss of excisable goods produced and (or) imported into the Republic of Tajikistan, excise tax is paid in full on the amount of damaged and (or) lost excisable goods, except for cases when damage or loss of goods occurred as a result of an emergency , which is confirmed in the manner prescribed by paragraph five of part 1 of Article 267 of this Code. This provision applies to excisable goods imported into the Republic of Tajikistan if the taxpayer has applied the procedure and (or) established customs procedures and (or) regimes for imported excisable goods, providing for non-payment of customs payments in accordance with the requirements of Article 363 of the Customs Code of the Republic of Tajikistan .

8. For the purposes of this article, damage and loss of excisable products means the events provided for in paragraph 2 of Article 267 of this Code.

# Article 284. Time of making a taxable transaction

1. With regard to excisable goods produced in the territory of the Republic of Tajikistan, the time of the taxable transaction is the date of delivery (transfer) of excisable goods, including the date:

- releases (places of production) of excisable goods outside the enterprise (deliveries, sales);

- transfer of excisable goods to another person for processing;

- return to the customer and (or) transfer to the person specified by the customer of excisable goods made from customer-supplied raw materials and (or) raw materials;

- transfer of excisable goods for their use in their own production needs;

- drawing up an act on the write-off of damaged excisable goods or the date of the decision on the use of damaged excisable goods in the production process;

- loss of excisable goods;

- making excisable goods into the authorized fund (capital) of a business entity as a contribution (share);

- implementation of mutual settlements and settlements of excisable goods;

- sale of excisable goods confiscated, ownerless, inherited by the right of inheritance to the state and transferred free of charge to the ownership of the state of excisable goods, if the excise tax on these goods in the territory of the Republic of Tajikistan has not been previously paid;

- realization of the bankrupt estate of excisable goods, if the excise tax on the said goods has not been paid earlier in the territory of the Republic of Tajikistan;

- assembly (assembly) of excisable goods specified in paragraph six of part 1 of Article 282 of this Code.

2. With regard to excisable goods imported into the Republic of Tajikistan, the time of the taxable transaction is the date of importation of such goods in accordance with the customs legislation.

3. When carrying out activities for the provision of excisable services, the date of the taxable transaction is the time specified in paragraph 5 of Article 256 of this Code.

# Article 285. Tax rates

1. Excise tax rates for excisable goods are established by the Government of the Republic of Tajikistan in accordance with the Commodity Nomenclature for Foreign Economic Activity of the Republic of Tajikistan.

2. Excise tax rates are established as a percentage (ad valorem) of the cost of excisable goods and (or) in a fixed (absolute) amount per unit of measurement of excisable goods in physical terms.

3. Excise tax rates for alcoholic products are determined depending on the volume of (one hundred percent) alcohol contained in it.

4. The rate of excise tax for the provision of excisable services in the field of telecommunications is set at 7 percent of the tax base.

# Article 286. Release

1. Exempted from payment of excise tax:

- production of alcoholic beverages by an individual for his own consumption in accordance with the list and standards established by the Government of the Republic of Tajikistan;

- import of two liters of alcoholic beverages and two blocks (400 pieces) of cigarettes, jewelry in the amount of 4 units (at a cost of not more than 150 indicators for calculations) by an individual for his own consumption (use), as well as motor fuel according to the standard capacity of the vehicle fuel tank funds for persons entering the Republic of Tajikistan by car;

- goods transported in transit through the territory of the Republic of Tajikistan;

- temporary importation of goods into the territory of the Republic of Tajikistan, with the exception of goods intended for re-export;

- excisable goods, except for alcohol and tobacco products, imported into the Republic of Tajikistan as part of humanitarian assistance, as well as imported for free transfer to charitable organizations for the purpose of eliminating the consequences of natural disasters, accidents, catastrophes and for free transfer to state bodies of the Republic of Tajikistan;

- export of excisable goods, if such export meets the requirements established by Article 287 of this Code;

- import of new cars directly by legal entities and individual entrepreneurs operating on the basis of a certificate (the date of issue of which does not exceed 1 (one) year, with a mileage of up to 10 (ten) thousand kilometers) of headings 8702, 8703, 8704 and 8705 in the amount of 50 percent of the rates established by the Government of the Republic of Tajikistan **;**

- import of vehicles driven only by electric motors, including electric cars, electric buses and trolleybuses(as amended by the Law of the Republic of Tajikistan dated March 28, 2022 [*No. 1 867*](vfp://rgn=141762) );

- import and subsequent supply of fuel, chemicals and lubricating oils for aircraft (airplanes, helicopters) to domestic aviation companies, regardless of the provisions of part 2 of this article (as amended by the Law of the Republic of Tajikistan dated 24.12.2022 No. 1 [*934 )*](vfp://rgn=141762) .

2. Exemption from excise taxes provided for in paragraphs three to seven of part 1 of this article shall apply only in cases where the conditions for exemption from customs duty are met under the relevant regimes in accordance with the customs legislation of the Republic of Tajikistan. In this case, if for the purposes of collecting customs duties, the import is subject to the customs regime “Refund of customs duties”, or payment of customs duties is required, if the conditions for exemption are not met, the same regime applies to the collection of excise.

# Article 287. Confirmation of export of excisable goods

1. When exporting excisable goods, in order to confirm the validity of the exemption in accordance with Article 286 of this Code, the taxpayer is obliged, within 120 calendar days from the date of the stamp of the customs authority that released the excisable goods in the "Export" mode, to submit the following documents to the tax authorities at the place of registration:

- cargo customs declaration or a copy thereof, certified by the customs authority, with marks of the customs authorities that released excisable goods in the "Export" mode, and in case of exportation of excisable goods in the "Export" mode through the system of main pipelines or using the procedure of incomplete periodic declaration, full cargo customs declaration with notes of the customs authority that carried out the customs clearance;

- contract for the supply of exported excisable goods;

- copies of shipping documents with a mark of the customs authority located at the checkpoint in the customs territory of the Republic of Tajikistan, and in the case of export of excisable goods in the "Export" mode through the system of main pipelines, the act of acceptance and delivery of goods;

- payment documents of a credit financial institution and a copy of an extract from them, confirming the actual receipt of foreign exchange earnings from the supply of excisable goods to the taxpayer's accounts in the Republic of Tajikistan.

2. In the case of foreign economic transactions for the exchange of goods (works, services), the taxpayer is obliged to submit documents confirming the importation of goods (performance of works, provision of services) received under these operations into the territory of the Republic of Tajikistan.

3. If the export of excisable goods is not confirmed in accordance with the provisions of parts 1 and 2 of this article, such export is subject to taxation in the manner prescribed by this section for taxing the supply of excisable goods in the territory of the Republic of Tajikistan.

4. Upon submission to the tax authorities at the place of registration of documents confirming the export of excisable goods, within 180 calendar days from the date of the mark provided for in part 1 of this article, the taxpayer has the right to receive a credit or refund of excise tax calculated in accordance with part 3 of this article except for accrued interest. In case of non-compliance with the time period established by this paragraph, the taxpayer shall not be entitled to a credit or refund of the tax paid in accordance with paragraph 3 of this Article, unless such an event is related to force majeure circumstances.

# Article 288. Excise tax offset

1. An excise tax payer, when paying excise tax to the budget, shall have the right to offset the amount of excise paid by him upon the acquisition (receipt) or importation of excisable goods into the customs territory of the Republic of Tajikistan, if the excisable goods are used as the main raw material for the production of excisable goods.

2. An excise tax payer providing excisable services in the field of electrical communications, in terms of the provision of Internet services, has the right to offset the amount of excise tax in respect of the complex of excisable services of used electrical communications by the proportional method, if these services are used by the taxpayer for the provision of excisable telecommunications services.

3. In accordance with paragraph 1 of this article, the offset of the amount of excise tax is allowed according to the amount of excisable raw materials actually used for the tax period for the production of excisable goods, if the production of excisable goods was carried out in accordance with established norms.

4. The provisions of paragraphs 1 and 3 of this article shall apply to the transfer of excisable goods made from give-and-take excisable raw materials used as raw materials, subject to confirmation of the payment of excise tax by the owner of give-and-take excisable raw materials.

5. Allowed to offset or refund in accordance with Articles 117 and 118 of this Code) excise tax paid for excisable goods used for medical purposes by medical institutions and pharmacies, as well as pharmaceutical enterprises in the production of medicines in accordance with the procedure and norms established by the Ministry of Health and social protection of the population of the Republic of Tajikistan in agreement with the authorized state body in the field of finance and the authorized state body.

6. The offset or refund of excise tax in accordance with this article is allowed only in the following cases, including when:

- submission of an invoice confirming the payment of excise tax upon the purchase of excisable goods (raw materials);

- confirmation of payment of excise tax by the owner of give-and-take excisable goods (raw materials);

- submission of documents confirming the import of raw materials. The list of documents confirming the payment of excise tax is established by the authorized state body.

7. In accordance with this article, the offset or refund of excise tax is allowed in relation to the volume (quantity, value) of goods (raw materials) actually used in the tax period for the production of other excisable goods for medical purposes by medical institutions and pharmacies, as well as pharmaceutical enterprises in the production of medicines .

# Article 289. Tax period

The excise tax tax period is a calendar month.

# Article 290. Payment of excise tax

1. In the case of production of excisable goods, excise tax shall be payable in respect of taxable transactions no later than the 15th day of the month following the month in which the taxable transaction was performed.

2. The taxpayer has no right to export excisable goods outside the production premises without paying excise tax.

3. In the case of importation of goods, excise tax is collected by the customs authorities in the manner prescribed by this Code and customs legislation.

4. Payment of excise tax on telecommunication services to the budget shall be made no later than the 15th day of the month following the month in which the taxable transaction was performed.

# Article 291. Tax control of excisable alcoholic, non-alcoholic and tobacco products

1. Tax control of accounting for the volume of production (bottling), storage, transportation and release outside the production premises, as well as the export of excisable, alcoholic, non-alcoholic and (or) tobacco products produced in the territory of the Republic of Tajikistan, taking into account the requirements of this article, is carried out in in the manner established by the Government of the Republic of Tajikistan.

2. The customs authorities of the Republic of Tajikistan exercise control over the volume, quantity and labeling of excisable goods imported into the Republic of Tajikistan under the customs regime “Release for free circulation”, as well as those sold in the Republic of Tajikistan under another customs regime.

3. In order to fully record the turnover of excisable goods, upon the occurrence of the circumstances provided for in Article 44 of this Code, a tax post is located on the territory (location) of producers of excisable goods.

4. Importation into the territory of the Republic of Tajikistan of excisable alcohol and (or) tobacco products in the "Release for free circulation" mode is allowed by the customs authorities after preliminary marking of these products with excise stamps in the manner established by the authorized state body.

5. Labeling of excisable alcohol and (or) tobacco products with excise stamps is carried out by the person importing these products. For labeling with excise stamps, excisable alcoholic and (or) tobacco products imported into the Republic of Tajikistan are subject to placement in temporary storage warehouses and (or) clearance in the "Customs warehouse" mode in accordance with the customs legislation of the Republic of Tajikistan.

6. Customs clearance of excisable alcohol and (or) tobacco products under the customs regime "Release of goods for free circulation" may be carried out in proportion to the amount of customs duties and taxes paid, established by the tax and customs legislation of the Republic of Tajikistan.

# Article 292. Place of payment of excise tax

1. Excise tax on excisable goods shall be payable to the relevant budget at the place of registration of the excise tax payer, except for the cases specified in parts 2 and 3 of this article.

2. Payers of excise tax on excisable goods that have separate subdivisions shall pay excise tax to the appropriate budget at the location of the separate subdivisions engaged in the production of excisable goods.

3. Excise tax on certain types of services in the field of electrical communications is payable to the appropriate budget at the place of the taxpayer's main registration (regardless of the presence of separate subdivisions).

# Section 293. Submission of an Excise Tax Declaration

1. Payers of excise tax submit tax declarations in the manner and in the form established by the authorized state body no later than the 15th day of the month following the reporting tax period.

2. Payers of excise tax, having separate subdivisions, are obliged to submit, simultaneously with the declaration, calculations for excise tax for separate subdivisions.

3. A declaration on the payment of excise tax on the provision of services in the field of electrical communications is submitted no later than the 15th day of the month following the reporting tax period to the tax authority at the place of registration (reporting) of the taxpayer (regardless of the presence of a separate subdivision).

4. Instructions for the calculation and payment of excise tax, as well as forms of declarations, are approved upon submission of the authorized state body by the authorized state body in the field of finance.

# Article 294. Refund of excise tax upon re-export of goods

1. In case of re-export of goods, the excise tax paid upon their importation shall be refunded in the actual amount of re-export in the manner prescribed by the customs legislation within 30 days after the submission of a written application by the taxpayer, if the excise tax was paid upon importation of such goods.

2. The provisions of part 1 of this article shall not apply to excisable goods, the import of which is exempt from payment of excise tax in accordance with paragraph five of part 1 of article 286 of this Code.

# Article 295. Excise stamps

1. An excise stamp is a document of strict accountability, having a certain degree of protection, and is put into circulation by the body implementing financial policy to record and control the production of certain excisable imported goods.

2. The procedure for the manufacture and circulation of excise stamps, drawing up a list of excisable goods of domestic production and imported goods subject to mandatory labeling, are approved by the Government of the Republic of Tajikistan.

3. The sale of excisable goods subject to labeling without excise stamps is prohibited. When selling excisable goods subject to labeling without excise stamps, such goods are confiscated in the manner prescribed by the legislation of the Republic of Tajikistan.

4. Manufacturers and persons importing excisable goods are responsible for labeling excisable goods.

5. Unless otherwise provided by this article, in case of damage or loss of excise stamps, excise tax shall be paid in the amount of the declared range of excisable goods.

6. Calculation of excise tax on damaged or lost excise stamps is carried out on the basis of the established excise tax rates applied to the volume of a container unit (tare, packaging) indicated on the stamp.

7. If the excise stamp does not indicate the volume of a unit of capacity (tare, packaging), the calculation of excise tax on damaged or lost excise stamps is carried out taking into account the largest volume of the unit of capacity (tare, packaging), excisable goods during the tax period preceding the period damage, loss of excise stamps.

8. In case of damage, loss of excise stamps, excise duty is not paid in the following cases:

- damage or loss of excise stamps occurred as a result of emergency situations confirmed by the relevant authorities in the manner prescribed by paragraph five of part 1 of Article 267 of this Code;

- damaged excise stamps transferred to the tax authorities on the basis of an act for write-off or destruction.

9. Labeling of excisable goods is not mandatory in the following cases:

1) export of excisable goods in the customs regime "Export" from the territory of the Republic of Tajikistan;

2) import of excisable goods by subjects of duty-free trade into the territory of the Republic of Tajikistan in the customs regime "Duty-free trade";

3) movement of excisable goods through the customs territory of the Republic of Tajikistan in the customs regime "International transit";

4) importation of alcoholic and tobacco products into the territory of the Republic of Tajikistan by an individual over 21 years of age within the limits established by the legislation of the Republic of Tajikistan.

# Article 296. Invoices for value added tax and excises

The taxpayer who supplies and (or) exports excisable goods is obliged, in accordance with the procedure established by Articles 269 and 270 of this Code, issue and issue to the recipient of the excisable goods an invoice for value added tax and excises.

# SECTION X. TAXES FOR NATURAL RESOURCES

# CHAPTER 45. TAXES FROM USERS OF NATURAL RESOURCES

# 

# §1. General provisions

# Article 297. Basic provisions

1. When using natural resources, including their use within the framework of an agreement on the use of natural resources and (or) the use of water for the generation of electrical energy, taxes are charged and paid.

2. Taxes for the use of natural resources consist of:

- signing bonus;

- commercial discovery bonus;

- royalties for production;

- royalties for water;

- export rent.

3. In this chapter, for the purposes of taxation, the following concepts are used:

- users of natural resources - persons involved in the search and discovery of deposits, extraction of minerals, extraction of minerals from mineral raw materials and (or) processing of technogenic mineral formations;

- deposit - a subsoil plot (or part thereof) containing a natural accumulation of minerals;

- minerals - mineral and organic minerals, the chemical composition and physical properties of which allow their use in the field of production (for example, as raw materials or fuel). Minerals are composed of solid, liquid, and gaseous minerals;

- mineral - natural mineral or organic substances formed in the earth's crust in a solid, liquid and (or) gaseous state, the chemical composition and physical properties of which allow them to be effectively used in production and (or) consumption;

- mining - a set of works related to the extraction of minerals from the bowels to the surface, as well as from technogenic mineral formations;

- processing of mineral raw materials and (or) technogenic mineral formations - works related to the extraction of useful elements from mineral raw materials and technogenic mineral formations, as well as the extraction of minerals from them ;

- commercial discovery - mineral reserves discovered within the permitted contractual territory of the user of natural resources, approved by the State Commission of the Republic of Tajikistan on mineral reserves and being economically efficient for extraction;

- subscription bonus - a one-time fixed tax of the user of natural resources for acquiring the right to use natural resources within the limits established by the license (permit);

- commercial discovery bonus - a one-time fixed tax paid by users of natural resources to acquire the right to use natural resources for each commercial discovery within the limits established by the license (permit) . The basis for its calculation is the value of the volume of renewable mineral resources, approved by the authorized state body in the field of geology. The provisions on the signature bonus and the commercial discovery bonus do not apply to state-owned enterprises engaged in the performance of work on the geological study of subsoil, financed from the state budget;

- placer minerals - natural mineral formations, including precious metals and precious stones, tin, tungsten, rare metals, ornamental stones and others, formed as a result of physical and chemical weathering of rocks, manifestations and deposits of primary and mineral resources;

- artisanal and free-bringing method - a method of organizing the extraction of alluvial minerals, carried out in accordance with the permission of the authorized state body in the field of finance by individual entrepreneurs and legal entities, in subsoil areas with uncalculated reserves and not put on the state balance of mineral reserves of the Republic of Tajikistan;

- technogenic mineral formations - the accumulation of formed minerals at the level of the earth's surface as a result of the extraction and processing of minerals stored in the form of waste from the mining, processing and metallurgical industries;

- royalties for extraction - a tax paid by the user of natural resources separately for each type of minerals extracted in the territory of the Republic of Tajikistan, regardless of whether they were delivered (shipped) to buyers (recipients) or used for their own needs.

4. A non-resident may use natural resources in the Republic of Tajikistan through a legal entity formed in accordance with the legislation of the Republic of Tajikistan.

5. The following persons are not tax payers for the use of natural resources:

- individuals for common minerals and groundwater extracted from land plots assigned to them for use, if these extracted minerals are not used for entrepreneurial activities;

- manufacturers of agricultural products, fish farming products and government agencies that extract groundwater for their own economic needs and to improve the reclamation state of agricultural lands;

- users of natural resources for the associated extraction of groundwater during their reinjection to maintain reservoir pressure;

- persons extracting drainage groundwater, not included in the state balance of minerals, in the development of mineral deposits, construction and operation of underground structures;

- persons involved in the extraction of water from wetlands;

- individuals engaged in the extraction of alluvial minerals by artisanal and free-bringing methods and complying with the conditions stipulated by the legislation on the extraction of alluvial minerals.

6. Taxes on natural resources are deductible for corporate income tax purposes from gross income.

7. Instructions for the calculation and payment of taxes on natural resources, as well as forms of tax declarations (calculations) are approved upon submission of the authorized state body by the authorized state body in the field of finance .

8. Payment of taxes by users of natural resources does not exempt users of natural resources from paying other taxes established by this Code, as well as from fulfilling tax obligations for other types of activities (not related to the use of natural resources) in accordance with tax legislation on the date such obligations arise ( not related to the use of natural resources).

# Article 298. Establishment of a tax regime in agreements on the use of natural resources

1. The conditions for the payment of taxes from users of natural resources (hereinafter in this section - the tax regime), established for each user of natural resources in accordance with this Code, are determined in an agreement on the use of natural resources (hereinafter in this section - an agreement) concluded between the user natural resources and the authorized body of the Government of the Republic of Tajikistan (hereinafter in this section, the competent authority) in agreement with the authorized state body in the field of finance and the authorized state body, in the manner established by the Government of the Republic of Tajikistan.

2. The agreement is concluded between the user of natural resources and the competent authority no later than 3 calendar months after obtaining a license (permit), unless other terms are provided by the Government of the Republic of Tajikistan.

3. The use of natural resources without a license (permit) and a contract for the use of natural resources is prohibited.

4. When using natural resources without a license and concluding an agreement on the use of natural resources , taxes for the use of natural resources (bonuses and royalties for extraction) for the entire period of such activity are collected at double rates established in accordance with this Code, and such a person is involved in liability in the manner prescribed by the legislation of the Republic of Tajikistan.

5. The tax regime established by the agreement must comply with the requirements of the tax legislation of the Republic of Tajikistan as of the date of signing the agreement.

6. It is prohibited to include provisions (requirements) related to the payment of taxes on the use of natural resources in licenses and other acts related to the use of natural resources , with the exception of agreements on the use of natural resources .

7. In cases where the use of natural resources is carried out under one agreement by several taxpayers in accordance with the legislation of the Republic of Tajikistan, the tax regime established in such an agreement is the same for all users of natural resources (taxpayers) specified in the agreement. For the purposes of taxation, taxpayers operating under such an agreement are considered a single taxpayer, obliged to maintain a single consolidated accounting and pay taxes on users of natural resources , established in the agreement, in accordance with the tax legislation of the Republic of Tajikistan.

8. The user of natural resources is obliged to keep separate accounting for the calculation of tax liabilities in accordance with the tax regime provided for by the agreement and the calculation of tax liabilities for activities that go beyond the scope of such an agreement (including those not related to the use of natural resources ).

9. The provisions of part 7 of this article regarding separate accounting do not apply to cases where the user of natural resources , along with activities under contracts for the extraction of common minerals and (or) groundwater, carries out activities that go beyond the scope of these contracts (not related to the use of natural resources ).

10. In the case of processing by-products and other minerals by the user of natural resources without making changes to the contract, taxes for the use of natural resources (bonuses and royalties for extraction) in accordance with the provisions of this chapter are calculated and paid at a double rate.

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# §2. Signature bonus

# Article 299. Taxpayers

The signature bonus is paid by the person who won the competition for the right to use natural resources or received the right to use natural resources on the basis of direct negotiations and (or) a license (permit) for the extraction of natural resources or geological exploration in accordance with the legislation of the Republic of Tajikistan.

# Article 300

The size of the signature bonus is set in accordance with the rules determined by the Government of the Republic of Tajikistan and is reflected in the contract for the use of natural resources .

# Article 301

1. The established amount of the subscription bonus is paid by users of natural resources after obtaining a license (permit) for the right to extract natural resources within the following terms:

a) for common minerals and minerals (with the exception of entities operating in the field of coal mining, oil, gas condensate and natural gas):

- thirty percent of the established amount of the subscription bonus within 30 calendar days from the date of issue of the license (permit) the right to extract natural resources ;

- the remaining seventy percent of the established amount of the subscription bonus from the date of commencement of mining within 1 (one) year in equal shares for each month of the reporting period. In some cases, for certain mineral deposits, the Government of the Republic of Tajikistan may establish equal shares for each month of the reporting period within 2 (two) years;

b) for the extraction of coal, oil, gas condensate and natural gas, depending on the size of the accrued subscription bonus:

- up to 200,000 indicators for calculations within 2 (two) years in equal shares for each reporting month;

- from 200,000 to 500,000 indicators for calculations within 4 (four) years in equal shares for each reporting month;

- from 500,000 to 1 million indicators for calculations within 6 (six) years in equal shares for each reporting month;

- from 1 to 5 million indicators for calculations within 10 (ten) years from the start of operations in equal shares for each reporting month;

- more than 5 million indicators for calculations within 20 (twenty) years from the start of activity in equal shares for each reporting month.

2. The user of natural resources, regardless of the provisions of paragraph 1 of this article, may immediately pay the full calculated amount of the subscription bonus.

3. The subscription bonus shall be paid by users of natural resources who have received a license (permit) for geological exploration within the following terms, unless otherwise established by the Government of the Republic of Tajikistan:

- fifty percent of the established amount within 30 calendar days from the date of issue of the document confirming the right to geological survey;

- fifty percent of the established amount no later than 30 calendar days from the date of entry into force of the contract for geological survey.

4. Signature bonus for common minerals and groundwater is paid to the budget of the location of the deposit.

5. For individual mineral deposits, the Government of the Republic of Tajikistan may establish a different deadline for paying the subscription bonus.

# Article 302. Tax declaration

The declaration on the subscription bonus is submitted by the user of natural resources to the tax authorities at the location of the deposit during the first payment period and is entered into the taxpayer's personal account within the time limits established for the payment of such a bonus .

# §3. Commercial Discovery Bonus

# Article 303. Taxpayers

1. Taxpayers of the commercial discovery bonus are users of natural resources who have applied to the authorized state body in the field of geology for the commercial discovery of minerals in the contractual territory in the course of operations on the use of natural resources within the framework of the obtained licenses (permits) for the use of natural resources .

2. The commercial discovery bonus is paid by users of natural resources on the basis of the following licenses (permits):

1) for the extraction of minerals in the following cases:

a) for each commercial discovery of mineral resources in the contractual territory, previously announced by this user of natural resources in the relevant territory under the license (permit) for exploration;

b) for the discovery in the course of additional exploration of a deposit, leading to an increase in the volume of extraction of minerals originally established by the authorized state body in the field of geology;

c) for each commercial discovery of other minerals in the course of additional exploration of a deposit of recoverable reserves approved by the authorized state body in the field of geology;

2) for combined exploration and production for each commercial discovery of minerals in the contractual territory, including for the discovery during additional exploration of deposits, leading to an increase in the recoverable mineral reserves initially established by the authorized state body in the field of geology.

3. Under licenses (permits) for exploration of mineral deposits that do not provide for their subsequent extraction, the commercial discovery bonus is not paid.

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# Article 304. Amount of commercial discovery bonus

The amount of the commercial discovery bonus is established in the manner determined by the Government of the Republic of Tajikistan and is reflected in the contract for the use of natural resources .

# Article 305. Terms for payment of the commercial discovery bonus

1. The amount of the commercial discovery bonus is paid by users of natural resources to the budget no later than the 15th day of each of the following three months following the month in which the license (permit) for the extraction of minerals was issued to the taxpayer, with an aggregate amount of at least 30 percent, 60 percent and 100 percent.

2. The commercial discovery bonus for common minerals and groundwater is paid at the place of registration of the taxpayer at the location of the deposit no later than the 15th day following the month in which the license (permit) was issued.

# Article 306. Tax declaration

The declaration on the bonus of commercial discovery is submitted by users of natural resources to the tax authorities at the location of the deposit within the time period for the first payment established in accordance with Article 305 of this Code for the payment of this bonus and is entered into the personal account of the taxpayer within the time limits established for the payment of such a bonus.

# §4. Royalties for mining

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# Article 307. Taxpayers

Mining royalty payers are users of natural resources who perform the following actions within the framework of each issued license (permit) for the use of natural resources :

- extraction of minerals, including from technogenic mineral formations;

- processing of minerals with the extraction of useful components from them.

# Article 308. Object of taxation

1. The object of taxation of royalties for extraction (hereinafter referred to as royalties) are the following volumes of extracted minerals, including the volumes of associated minerals extracted by technological means (hereinafter referred to as associated minerals):

- produced from deposits or subsoil plots allocated separately to the taxpayer in the territory of the Republic of Tajikistan;

- extracted from waste (losses), taking into account technological separation, if such extraction is subject to separate licensing (permission).

2. The object of royalties is determined separately for each type of extracted mineral.

3. The objects of taxation for royalties are:

- the volume of extracted minerals (including associated minerals extracted by technological means);

- useful components formed from minerals, mineral raw materials, technogenic mineral formations;

- produced hydrocarbons that have undergone primary processing, including associated minerals and their useful components;

- useful components extracted during the processing of hydrocarbons, not taxed as a finished product during previous extraction and processing as part of processed minerals;

- mined precious metals and precious stones, including from technogenic mineral formations;

- groundwater used for business activities, including those that have undergone primary treatment;

- other minerals, including mineral raw materials that have undergone primary processing.

# Article 309. Tax base

1. The tax base of the tax on royalties is the value of the volume of extracted minerals, including jointly produced minerals, calculated at the average supply price for the reporting period, unless otherwise provided by this article.

2. The average delivery price for each type of extracted mineral for the reporting period is determined separately by dividing the amount of sales in national currency (including value added tax and excises) by the volume of sales in physical terms. In case of non-sale of minerals for the reporting period, the tax base is determined based on the average price of the supply of minerals for the last reporting period in which the sale took place.

3. If there is no supply of extracted minerals and their full use for the taxpayer's own needs, the cost of minerals extracted during the tax period is determined based on the actual cost of extraction and (or) primary processing (enrichment, purification) attributable to these minerals. minerals in accordance with the requirements of this Code and the legislation of the Republic of Tajikistan on accounting, increased by 20 percent.

4. In cases where one part of the extracted mineral is sold, and the other part of the mineral is used for own needs, the tax base for the mineral is calculated on the basis of the average selling price of this mineral for the entire volume of the extracted mineral.

5. The tax base for royalties is determined by the user of natural resources independently, taking into account the technological division in relation to each extracted mineral, taking into account associated minerals extracted during the extraction of the main mineral.

6. The tax base for certain types of minerals, with the exception of precious metals, as well as precious stones, is determined as the amount of minerals extracted in physical terms.

7. The tax base for precious metals in pure chemical form is determined in initial terms in the amount of minerals extracted.

8. The tax base for the extraction of precious stones from ore, alluvial and technogenic deposits is determined based on the amount of minerals obtained after the initial extraction and initial evaluation of rough stones. In this case, rare gems are calculated separately, for which the source of royalty tax is separately determined. Valuation of mined precious stones is carried out on the basis of their initial assessment in accordance with the legislation of the Republic of Tajikistan on precious metals and precious stones.

9. The cost of precious metals (gold, silver and platinum) and other metals mined by the user of natural resources during the tax period is calculated based on the average price of such metals, formed on the London Metal Exchange, the London Precious Metals Exchange or other international (regional) exchanges .

10. The cost of certain types of common minerals mined by the user of natural resources for the tax period is determined on the basis of the average estimated cost of fixed construction funds, determined by the authorized state body in the field of architecture and construction.

11. Unless otherwise provided by other parts of this article, the cost of minerals extracted by the user of natural resources during the tax period, including associated minerals, is determined on the basis of the average supply price of such minerals formed during the tax period on the international (regional) exchange, or in another manner determined by the authorized state body in the field of finance and the authorized state body.

# Article 310. Rates of royalties for production

1. Royalty rates for the extraction of common minerals are established in the following amounts:

|  |  |  |
| --- | --- | --- |
| P / n | Name of common minerals | Rates (as a percentage and somoni of the taxable base) |
| 1. | Sand (except for molding, quartz (glass) sand for porcelain and faience and cement industry) | 5% |
| 2. | Molding sand, quartz (glass) for porcelain and faience and cement industry | 9%, but not less than 10% of the indicator for calculations per cubic meter |
| 3. | Sand and gravel mixtures | 5%, but not less than 10% of the indicator for calculations per cubic meter |
| 4. | Clay (except for refractory, refractory, molding for the porcelain and faience and cement industries, floridon , colorful, bentonite , acid-resistant and kaolin) | 5% |
| 5. | Refractory, refractory, molding clay for the porcelain and faience and cement industries, floridone , colorful, bentonite , acid-resistant and kaolin | 5 percent, but not less than 10 percent of the indicator for calculations per cubic meter |
| 6. | Loam (except for cement industry loam) | 7% |
| 7. | Loam for the cement industry | 6%, but not less than 10% of the indicator for calculations per cubic meter |
| 8. | Rubble stone | 5% |
| 9. | Sandstone (except for bituminous, facing, dinas and for the glass industry) | 5%, but not less than 10% of the indicator for calculations per cubic meter |
| 10. | Sandstone bituminous, facing, dinas and for the glass industry | 4% |
| eleven. | Chalk | 6% |
| 12. | Quartzite (except for dinas , flux, facing, ferruginous for the production of silicon carbide, crystalline silicon ferroalloys) | 6% |
| 13. | Dinas , flux , facing, ferruginous quartzite for the production of silicon carbide, crystalline silicon ferroalloys | 6% |
| 14. | Dolomite (except for bituminous and for the cement industry) | 6% |
| 15. | Dolomite bituminous and for the cement industry | 5%, but not less than 10% of the indicator for calculations per cubic meter |
| 16. | Marl (except for bituminous and for the cement industry) | 7% |
| 17. | Marl bituminous and for the cement industry | 10% |
| 18. | Limestone (except bituminous, facing, dusty for cement, metallurgical, chemical, glass, pulp and paper and sugar industries, as well as for the production of alumina) | 6% |
| 19. | Bituminous, facing, dusty limestone for the cement, metallurgical, chemical, glass, pulp and paper and sugar industries, as well as for the production of alumina | 6% |
| 20. | Shell rock for the cement industry | 10%, but not less than 10% of the indicator for calculations per cubic meter |
| 21. | Shell rock (except facing and decorative) | 6% |
| 22. | Marble and shell rock facing and decorative | 6% |
| 23. | Slate (except for fuel and roofing) | 6% |
| 24. | Oil shale and roofing | 5% |
| 25. | Mudstones and siltstones | 5% |
| 26. | Igneous, volcanic and metamorphic rocks (except for facing, decorative, for the production of refractory and acid-resistant materials, stone casting and mineral wool, and also except for those suitable for use in the cement industry) | 6% |
| 27. | Igneous, volcanic and metamorphic rocks for facing, decorative, for the production of refractory and acid-resistant materials, stone casting and mineral wool, and also suitable for use in the cement industry | 5% |
| 28. | Natural stone blocks | 5%, but not less than 10% of the indicator for calculations per cubic meter |
| 29. | Marble chips | 5%, but not less than 10% of the indicator for calculations per cubic meter |
| thirty. | construction gravel | 5%, but not less than 10% of the indicator for calculations per cubic meter |
| 31. | construction sand | 5%, but not less than 10% of the indicator for calculations per cubic meter |
| 32. | Gypsum | 6% |

2. Royalty rates for the extraction of groundwater are established by categories of groundwater in accordance with the table below in the following amounts:

|  |  |  |
| --- | --- | --- |
| P / n | Name of groundwater | Rates as a percentage of the tax base |
| 1. | For therapeutic underground waters (therapeutic mud) and pure mineral water for bottling (through industrial processing) | 10% |
| 2. | For groundwater used for other purposes (except for the purposes specified in paragraphs 3 and 4 of this table) | 8 % |
| 3. | For groundwater produced by public utilities to meet the needs of the population | 2% |
| 4. | For groundwater produced by public utilities, regardless of the form of ownership, to meet the needs of the rural population | 0.2 |

Note: In accordance with the requirements of part 1 of Article 309 of this Code, the calculation of the royalty tax base for the extraction of groundwater for bottling in containers (by industrial processing) is calculated based on the cost of the first commercial product.

3. Royalty rates for the extraction of minerals, with the exception of those specified in parts 1 and 2 of this article, are established in the following amounts:

|  |  |  |
| --- | --- | --- |
| P / n | Name of minerals | Rates (as a percentage of the tax base) |
| 1. | Oil, gas condensate and natural gas | 8% |
| 2. | Coal and peat | 4% |
| 3. | Ferrous metals (iron, manganese, chromium, vanadium) | 4% |
| 4. | Non-ferrous and rare metals (copper, lead, zinc, tin, nickel, cobalt, molybdenum, mercury, antimony, bismuth, cadmium, aluminum, strontium, titanium, zirconium, lithium, tungsten, tantalum, niobium, etc.) | 6% |
| 5. | placer minerals | 10% |
| 6. | Noble metals (gold, silver, platinoids) | 6% |
| 7. | Gems | 8% |
| 8. | Colored stones (gems) and (or) piezo-optical raw materials | 9% |
| 9. | radioactive raw material | 6% |
| 10. | Mining and chemical raw materials and thermal waters | 5% |
| eleven. | Mining raw materials (concentrate) and (or) non-metallic raw materials for metallurgy | 5% |
| 12. | Other minerals not listed in this table, as well as in parts 1 and 2 of this article | 3% |
| 13. | Extraction of minerals from technogenic mineral formations | 10 % mining tax rates |
| 14. | Alluvial minerals mined by artisanal and free-bearing methods | 0 |

4. The amount of royalties for the extraction of all types of minerals payable to the budget is determined as the sum of the derivative value (volume) of each of the natural resources extracted by the user for the tax period of minerals and the corresponding royalty rates for extraction.

5. An entity that has used natural resources in production, construction and sale, but does not have documents for their purchase or submitted documents that are not substantiated, tax on royalties from such natural resources is charged and paid to the budget at a double rate specified in this article .

# Article 311. Procedure for establishing and paying royalties for extraction in kind

1. In case of conclusion of an additional agreement between the user of natural resources and the authorized state body in the field of industry and new technologies on the payment of royalties for extraction in kind, such payment can be made in agreement with the authorized state body in the field of finance and the authorized state body .

2. The value of royalties paid in kind must be equivalent to the monetary amount of this tax.

3. The user of natural resources and the recipient, in accordance with the procedure established by the authorized state body, submit to the tax authority at the location of the deposit a report on the payment of royalties for extraction in kind within the established time limits.

4. The recipient is responsible in accordance with the legislation of the Republic of Tajikistan for the timely and full payment to the budget of the monetary amount of royalties for extraction (in accordance with the calculations of the user of natural resources), as well as for the products received.

# Article 312

1. The tax (reporting) period for determining and paying royalties for production is a calendar month.

2. The declaration (calculation) of royalties for extraction is submitted by the user of natural resources in the form and in the manner established by the authorized state body to the tax authority at the location of the deposit before the 15th day of the month following the reporting tax period.

3. Royalties for extraction of all types of minerals are paid no later than the 15th day of the month following the reporting period.

# §5. Royalties for water

# 

# Article 313. Taxpayers

Payers of royalties for water (hereinafter referred to in this chapter as taxpayers) are persons who use water in the Republic of Tajikistan to generate electricity.

# Article 314. Object of taxation

The object of taxation of royalties for water is the use of water bodies for the purpose of generating electricity at hydroelectric power plants.

# Article 315. Tax base

1. The tax base is determined as the amount of electricity produced during the tax period without taking into account losses during its further transmission (supply).

2. The tax base is determined by the taxpayer separately for each water body.

# Article 316. Release

Objects with a production capacity of up to 1000 kilowatts of electricity are exempt from the calculation and payment of royalties for water.

# Article 317. Tax period

The tax period for royalties for water is a calendar month.

# Article 318. Tax rate

The royalty rate for water is set at 0.06 index for each 1,000 kilowatt hours of electricity produced.

# Article 319

1. The amount of royalties for water at the end of each tax period is calculated as the tax base produced by the tax rate.

2. The amount of royalties for water is subject to payment to the budget no later than the 15th day of the month following the tax period.

# Article 320. Tax declaration

The tax return is submitted by the taxpayer to the tax authority at the place of its registration no later than the 15th day of the month following the tax period in the manner established by the authorized state body.

# §6. Export rent

# Article 321. Taxpayers

Export rent payers are persons exporting concentrates of precious, ferrous, nonferrous, rare, radioactive metals, mining and chemical raw materials, precious stones, raw materials from fake stones of primary processing, raw cotton, cotton fiber, cotton yarn and thread, cocoon, silk thread, wool and leather (hereinafter in this paragraph - goods) from the Republic of Tajikistan.

# 

# Article 322. Object of taxation

The object of export rent taxation is the volume of exported goods from the territory of the Republic of Tajikistan. For the purposes of this chapter, the term export means the following operations:

- export of goods outside the Republic of Tajikistan in the customs regime "Export";

- putting up for sale goods previously exported from the territory of the Republic of Tajikistan in the customs regime "Processing".

# Article 323. Tax base

1. The tax base of export rent for the reporting period is the value determined on the basis of the average price of delivery (export) of goods at the time of export, specified in export agreements.

2. The tax base is determined by the taxpayer for each type of object of taxation separately.

# Article 324. Tax period

The tax period for export rent is a calendar month.

# Article 325. Tax rate

The export rent rate is set in the following amount and in the order of the tax base:

* + from January 1, 2023 - 2 percent;
  + from January 1, 2025 - 4 percent;
  + from January 1, 2027 - 6 percent.

**Article 326. Procedure for calculating and paying export rent**

1. The amount of export rent at the end of each tax period is calculated as the derivative of the tax base by the tax rate.

2. The amount of the expert rent is payable to the budget no later than the 15th day of the month following the tax period.

# Article 327. Tax declaration

The tax return is submitted by the taxpayer to the tax authority at the place of its registration no later than the 15th day of the month following the tax period in the manner established by the authorized state body.

# SECTION XI. SOCIAL TAX

# CHAPTER 46. SOCIAL TAX

# Article 328. Taxpayers

1. Payers of social tax are:

- legal entities, their separate divisions, permanent establishments of non-residents and individual entrepreneurs-employers who pay wages, remuneration and other benefits to resident individuals employed by them on the basis of employment contracts or without them;

- legal entities, their separate subdivisions, permanent establishments of non-residents and individual entrepreneurs who reimburse for the services rendered in the Republic of Tajikistan (work performed) to resident individuals who are not registered as individual entrepreneurs, on the basis of civil law contracts or without them;

- individuals referred to in paragraphs one and two of this part who have received wages, remuneration, other benefits and compensation for services rendered (work performed);

- individuals engaged in individual entrepreneurial activities on the territory of the Republic of Tajikistan, including those operating as members of dehkan (farmer) farms without forming a legal entity.

2. If a taxpayer simultaneously belongs to several categories of taxpayers specified in part 1 of this article, he shall calculate and pay tax on each basis.

3. For the purposes of this chapter:

- taxpayers specified in paragraphs one and two of part 1 of this article are recognized as insurers;

- the taxpayers specified in the third paragraph of part 1 of this article are recognized as insured persons;

- the payers specified in the fourth paragraph of part 1 of this article are recognized simultaneously as policyholders and insured persons.

4. Citizens of the Republic of Tajikistan who are labor migrants have the right to apply with a written application to the tax authorities at their place of permanent residence in the Republic of Tajikistan, voluntarily become payers of social tax and pay it in the amount and in the manner determined by the Government of the Republic of Tajikistan.

# Article 329. Object of taxation

1. The object of taxation for the taxpayers specified in paragraphs one and three of part 1 of Article 328 of this Code are:

- wages, remuneration and other income determined in accordance with Article 186 of this Code, paid by taxpayers in favor of employees;

- payments, remuneration and other income paid in favor of individuals not specified in paragraphs one and two of part 1 of Article 328 of this Code.

2. The object of taxation for the taxpayers specified in paragraphs two and three of part 1 of Article 328 of this Code is wages, remuneration and other benefits under labor and civil law contracts for the performance of work, the provision of services, paid by taxpayers in favor of individuals who do not who are individual entrepreneurs, including payments and remuneration under copyright agreements.

3. The object of taxation for the taxpayers specified in the fourth paragraph of part 1 of Article 328 of this Code is the gross income from entrepreneurial activity.

4. In accordance with parts 1 and 2 of this article, the following incomes are not subject to taxation:

- amounts paid under civil law contracts, the subject of which is the transfer of ownership or other real rights to property (property rights);

- amounts paid under agreements related to granting the right to use property (property rights);

- amounts paid to foreign citizens and stateless persons under employment contracts concluded with branches and representative offices of resident legal entities located outside the territory of the Republic of Tajikistan;

- amounts paid to foreign citizens and stateless persons within the framework of concluded civil law contracts, the subject of which is the performance of work, the provision of services.

# Article 330. Tax base

1. The tax base for the taxpayers-insurers specified in the first paragraph of part 1 of Article 328 of this Code is the amount of wages, remuneration and other benefits paid by the insurers for the tax period to individuals.

2. The tax base of the taxpayers specified in paragraph two of part 1 of Article 328 of this Code is the amount of payments, remuneration and other benefits without deductions, reimbursed for the tax period to individuals.

3. The tax base of taxpayers - individuals, specified in paragraph three of part 1 of Article 328 of this Code, is the amount of wages, payments, remuneration and other benefits received for the tax period without deductions.

4. When determining the tax base of individuals, any payments and remuneration, including royalties, determined by the object of taxation, are taken into account, with the exception of the benefits provided for in Article 331 of this Code.

5. For resident individuals performing work and providing services to diplomatic and consular missions of foreign states, representative offices of international organizations in the Republic of Tajikistan under labor and (or) civil law agreements (contracts), the tax base is the amount of wages, payments and other remuneration paid to them for the tax period.

6. Information on the income of resident individuals specified in part 5 of this article shall be submitted to the authorized state body by the Ministry of Foreign Affairs of the Republic of Tajikistan on a quarterly basis by the 15th day of the month following the expired quarter.

7. The tax base of individual entrepreneurs, including members of dekhkan (farmer) farms without forming a legal entity, specified in paragraph four of part 1 of Article 328 of this Code, is the gross income without deductions received by such taxpayers for the tax period in monetary and (or) in kind from entrepreneurial activities.

8. When paying wages, payments and other remuneration in the form of goods (works, services), the tax base is determined by the cost of these goods (works, services) on the day they are paid, based on their market prices (tariffs), and in case of state regulation prices (tariffs) for these goods (works, services) - based on state regulated retail prices.

# Article 331. Release

The following incomes are exempt from paying social tax:

- income of individuals-foreign citizens performing work and (or) providing services in diplomatic and consular missions of the Republic of Tajikistan abroad;

- income of citizens of foreign states from employment as part of the implementation of state investment projects of the Government of the Republic of Tajikistan;

- income exempt from personal income tax in accordance with Part 1 of Article 189 of this Code.

# Article 332. Tax rates

1. The rate of social tax for policyholders is established in the amount of:

- for budgetary institutions - 25 percent;

- for other organizations – 20 percent.

2. The rate of social tax for the insured is set in the amount of:

- for budgetary institutions - 1 percent;

- for other organizations - 2 percent.

3. For individual entrepreneurs operating on the basis of a patent, and members of dekhkan (farmer) farms without forming a legal entity, the minimum amount of social tax is established by the Government of the Republic of Tajikistan.

4. For individual entrepreneurs operating on the basis of a certificate (dekhkan (farmer) farms without forming a legal entity), who are recognized as insured persons, the social tax rate is equal to 1.0 percent of the tax base, but not less than the highest (taking into account the regional coefficient ) the amount of social tax established for an individual entrepreneur operating on the basis of a patent. If such an entrepreneur does not have income for the reporting period, it is paid in the amount of two indicators for calculations, taking into account the regional coefficient established for an individual entrepreneur carrying out activities under a patent.

5. For resident individuals performing work and providing services in diplomatic, consular missions of foreign states, representative offices of international organizations in the Republic of Tajikistan, the social tax rate is set at 20 percent for insurers and 2 percent for insured persons.

# Article 333. Tax period

Unless otherwise established by Article 334 of this Code, the social tax tax period is a calendar month.

# Article 334. Procedure for calculation and payment of social tax

1. Unless otherwise provided by this Chapter, the amount of social tax shall be determined by multiplying the tax base by the relevant tax rate.

2. The social tax is transferred to the budget in the cases provided for in paragraphs one-three of part 1 of Article 328 of this Code, in the manner established in Article 236 of this Code, before the 15th day of the month following the tax period.

3. The social tax of citizens of the Republic of Tajikistan, who are in the public service in international organizations, diplomatic, consular missions and equivalent organizations of the Republic of Tajikistan abroad, is paid quarterly before the 15th day of the month following the reporting quarter, in the manner established by the Ministry of Finance Republic of Tajikistan.

4. Individual entrepreneurs carrying out their activities on the basis of a patent pay the social tax at the same time as paying the fee for the patent to the budget. Individual entrepreneurs operating on the basis of a certificate, as well as citizens of the Republic of Tajikistan specified in part 4 of Article 332 of this Code, submit a tax return and pay the amount of tax before the 15th day of the month following the tax period.

5. The taxpayers referred to in paragraphs one and two of part 1 of Article 328 of this Code shall submit a single declaration on social tax and income tax to the tax authorities at the place of their registration and pay the amount of taxes monthly before the 15th day of the month following the reporting month, in the manner prescribed by the authorized state body.

6. Dehkan (farmer) farms without forming a legal entity submit a declaration on social tax in respect of members of dekhkan (farmer) farms to the tax authorities at the place of their registration every calendar half-year before the 15th day of the month following the reporting half-year, in the form established authorized state body, and pay the amount of tax.

7. Citizens of the Republic of Tajikistan, specified in part 5 of Article 332 of this Code, quarterly submit a single declaration on social tax and income tax to the tax authorities at the place of their registration before the 15th day of the month following the reporting quarter, in the form established by the authorized government agency and pay the amount of tax.

8. Control over the payment of social tax is exercised by the tax authorities.

9. Instructions for the calculation and payment of social tax, forms of tax declarations (calculations) for the insurer and the insured person (indicating the last name, first name, patronymic and insurance identification number (SIN) are approved by the authorized state body in agreement with the Ministry of Finance of the Republic of Tajikistan, the Ministry of Labor , migration and employment of the population of the Republic of Tajikistan and the Agency for Social Insurance and Pensions under the Government of the Republic of Tajikistan.

# SECTION XII . SALES TAX

# CHAPTER 47. SALES TAX (PRIMARY ALUMINUM)

# Article 335. Basic concepts and provisions

1. The following concepts are used in this chapter:

1) taxable goods - primary aluminum;

2) the following taxable transactions (hereinafter referred to as sales for the purposes of this chapter):

a) the supply of taxable goods;

b) import of taxable goods into the Republic of Tajikistan and (or) export of taxable goods outside the customs territory of the Republic of Tajikistan;

c) processing of taxable goods by their producer, their transfer for processing, as a pledge and (or) as raw materials to be supplied by the customer;

d) supply (sale) of taxable goods under futures (forward) contracts or other transfer (alienation) of taxable goods;

e) transfer to another person of taxable goods resulting from the provision of services for the production of taxable goods in accordance with the customs regime of processing in the customs territory of the Republic of Tajikistan.

2. The sales tax on primary aluminum (hereinafter referred to as the sales tax) is paid when carrying out taxable transactions, while the value added tax is not charged when carrying out these transactions, with the exception of taxable transactions determined by subparagraph e) of paragraph 2) of part 1 of this article .

**Article 336. Taxpayers**

Sales tax payers are persons who have an object of taxation.

# Article 337. Object of taxation

1. The object of taxation is the implementation of taxable transactions with taxable goods.

2. Other types of taxable goods produced under the customs regime "Processing" in the customs territory and subject to sales tax are determined by the Government of the Republic of Tajikistan.

# Article 338. Tax base

1. Unless otherwise established by parts 2-4 of this article, the tax base is the value of taxable goods. When calculating the tax base, the price of a unit of taxable goods, taking into account quality, type and grade, is determined on the basis of prices prevailing on the date of the taxable transaction on the London Non-ferrous Metals Exchange.

2. Taxpayers reselling taxable goods shall pay sales tax in the form of the difference between tax amounts calculated based on the prices used for taxation on the date of sale of taxable goods to buyers and the date of their purchase from their suppliers.

3. The tax base for imported taxable goods using the customs regime "Release for free circulation" is determined in accordance with the customs legislation on the basis of the prices established by part 1 of this article.

4. The tax base for taxable goods produced under the customs regime "Processing in the customs territory" is the value (volume) of processed products, determined taking into account prices in accordance with part 1 of this article.

# Article 339. Tax rate

1. The sales tax rate for primary aluminum in relation to the tax base determined by parts 1-3 of Article 338 of this Code is set at 3 percent .

2. The sales tax rate in relation to the tax base determined by part 4 of Article 338 of this Code is set at 1 percent.

# Article 340

1. The amount of tax payable shall be calculated by taxpayers independently on the basis of the value (volume) of taxable goods and the tax rate. The tax payment documents indicate the type of taxable transaction.

2. When taxable goods are resold, the sales tax is determined taking into account the price of taxable goods on the date of purchase (receipt), sale (transfer) and the volume of the taxable transaction.

3. If there is no information on the exchange price on the day of sale (transfer), the tax is calculated on the basis of the latest available information on the exchange price of the taxable goods on the date closest to the day of sale. The tax amount is adjusted by the taxpayer upon receipt of data on the exchange price of the taxable goods sold on the date of sale.

4. The tax is paid before the delivery (transfer) of the taxable goods or no later than 3 days after the receipt of funds to the taxpayer's account in a financial institution or when paying in cash to his cash desk, and in case of other taxable transactions - until the moment of shipment, delivery or transfer taxable goods. Persons who, as a result of taxable transactions, have acquired taxable goods are obliged to submit copies of documents confirming the payment of tax to the tax inspectorate of large taxpayers within 10 days. In the absence of these documents, these persons are obliged to pay the entire amount of tax from their own funds.

5. When exporting taxable goods outside the Republic of Tajikistan, payment of tax is made before crossing the customs border of the Republic of Tajikistan at current prices at the time of export. Customs clearance of the export of taxable goods outside the Republic of Tajikistan is carried out on the basis of confirmation of the tax inspection of large taxpayers on the payment of sales tax.

6. Calculation of tax on taxable transactions when importing primary aluminum into the Republic of Tajikistan using the customs regime "Release for free circulation" is carried out taking into account the requirements of this chapter and the customs legislation of the Republic of Tajikistan .

7. Declaration on sales tax in the form established by the authorized state body, and supporting documents (calculations) on the payment of tax in respect of the tax base determined by parts 1-3 of Article 338 of this Code, shall be submitted by the taxpayer to the relevant tax authority within the time limits established for tax payment.

8. Declaration on sales tax in the form established by the authorized state body, and supporting documents (calculations) on the payment of tax in respect of the tax base determined by part 4 of Article 338 of this Code, shall be submitted to the relevant tax authorities by the supplier no later than the 15th day of the month following the reporting month .

# Article 341

1. In case of delivery to the domestic market of the Republic of Tajikistan of goods that are products of processing of taxable goods in the Republic of Tajikistan, the paid amount of sales tax may be credited against the tax base determined by parts 1-3 of Article 338 of this Code against value added tax.

2. In the case of deliveries of processed products of taxable goods to the domestic market of the Republic of Tajikistan, offset in accordance with part 1 of this article is made in the manner prescribed by article 268 of this Code.

3. When exporting processed products, the amounts of sales tax shall not be offset against the payable value added tax.

4. If the difference between the amount of value added tax payable on the supply of processed products to the domestic market and the corresponding amount of sales tax is negative, no refund (refund) from the budget of the amount of sales tax is made. The positive difference between the above amounts is payable to the budget.

5. Instructions on the procedure for calculating and paying sales tax, as well as forms of declarations (calculations) are approved upon submission by the authorized state body by the authorized state body in the field of finance .

6. Tax authorities control the payment of sales tax.

# SECTION XIII. LOCAL TAXES

# CHAPTER 48. TAXES ON PROPERTY

# Article 342. General provisions

1. Majlises of people's deputies of cities and regions establish local taxes on their territory, provided for in Article 24 of this Code.

2. The provisions of the general part of this Code shall apply to local taxes.

3. Decisions of the Majlises of people's deputies of cities and regions on local taxes must comply with the provisions of this Code and are officially published in publicly accessible periodicals in the relevant territory.

# Article 343. Basic provisions and tax period

1. For the purposes of this chapter, the following concepts apply:

- property - real estate, land plots and vehicles;

- real estate (hereinafter - immovable objects) - residential and non-residential buildings, construction projects in progress, structures, including dachas, garages, sheds, premises for keeping animals, other auxiliary buildings and property that cannot be moved without causing material damage;

- land plots - lands transferred in accordance with the legislation for use or actually used on the basis of supporting documents or without them;

- vehicles - road, rail, water and air transport.

2. This chapter establishes the following property taxes:

- tax on real estate objects;

- land tax;

- tax on vehicles.

3. The tax period for property taxes is a calendar year.

**§1. tax on real estate objects**

# Article 344. Taxpayers

Payers of the immovable object tax are individuals and legal entities - owners of immovable objects or persons using the immovable object.

# Article 345. Object of taxation

1. The objects of taxation are residential and non-residential buildings, construction projects in progress (from the moment of residence or use), structures, including penthouses (living area (apartment, structure) on the roof or a separate area of the upper floor of the building) cottages, garages, sheds, premises for keeping animals, auxiliary buildings and other property that cannot be moved without causing material damage.

2. For the purpose of taxation in this chapter, real estate objects also include containers, tanks, kiosks, sheds, wagons used for business activities and located immobile for at least 3 months in each calendar year at the place of business activities.

# Article 346. Tax base

1. The tax base is the total area occupied by the object of taxation, and for multi-storey buildings, the area of each floor of such a building is calculated separately.

2. For utility premises of individuals, including garages, sheds, premises for keeping animals and other utility premises not used for entrepreneurial activities, 50 percent of the area occupied by such buildings shall be considered the tax base.

3. The area of basements and attics of residential buildings not used for entrepreneurial activities is not included in the tax base. When such objects are used in business activities, the tax base of basements and attics of residential buildings is considered to be 50 percent of the occupied area.

4. The area of real estate objects is determined on the basis of relevant technical or other official documents.

5. In case of failure to submit the relevant documents, as well as the impossibility of external measurement of an immovable object, the area of such an object is determined by the tax authorities with the participation of the taxpayer based on the total usable area of the internal premises of the real estate object, increased by a factor of 1.25.

# Article 347. Benefits

1. The following properties are exempt from tax:

- real estate objects of state institutions directly used by these institutions to fulfill their statutory tasks and financed from budgetary funds;

- real estate objects in which the Hero of the Soviet Union, Hero of Socialist Labor, Navaramoni are registered Tojikiston , holders of the Sitorai Order Presidential Tojikiston ", the order of" Zarrinto ", the order of" Ismoili Somon ї ”, participants in the Great Patriotic War of 1941-1945, persons equated to them, participants in other military operations to protect the Union of Soviet Socialist Republics, including internationalist soldiers, participants in the liquidation of the consequences of the Chernobyl nuclear power plant disaster, disabled people of groups I and II;

- real estate objects of single pensioners who live alone or together with minor children or a disabled child in a separate house;

- real estate of large families in which one or both parents have died and five or more children under the age of 16 live;

- real estate objects of parents and widows (widowers), children of military personnel and employees of internal affairs bodies who died in the line of duty before they reached the age of 16;

- real estate objects of religious associations not used in business activities;

- duly leased areas of state-owned real estate objects, the rent for which is paid in full to the state budget;

- backyard seasonal greenhouses.

2. The benefits established by paragraphs three to five of part 1 of this article are applied on the basis of a pension certificate, a certificate of state award, a certificate from the civil registry authorities on the number of children and a death certificate of military personnel and employees of internal affairs bodies.

# Article 348. Tax rate

1. The tax rate on real estate objects is determined depending on the area occupied by the real estate object and the purposes of its use, as a percentage of the indicator for calculations, taking into account regional coefficients in the context of cities and regions, is established in the following amounts:

1) for real estate objects used as residential buildings (premises), as well as their auxiliary buildings:

- up to 90 square meters - 3 percent;

- from 90 to 200 square meters - 4 percent;

- more than 200 square meters - 6 percent;

2) for real estate objects used for trading activities, establishment of public catering establishments, other types of services and performance of works;

- up to 250 square meters - 12 percent;

- from 250 to 500 square meters - 15 percent;

- more than 500 square meters - 18 percent;

3) for real estate objects used for other activities:

- up to 200 square meters - 9 percent;

- from 200 to 500 square meters - 12 percent;

- more than 500 square meters - 15 percent;

4) for real estate objects located in the cities of Dushanbe, Khujand, Bokhtar and Kulyab, the rates specified in paragraphs 2) and 3) are applied at a double rate.

2. The following regional coefficients regulate the amount of tax payments on real estate:

|  |  |  |
| --- | --- | --- |
| Groups | Name of cities, districts and regions | Regional odds |
| 1. | The territory of the city of Dushanbe | 1.0 |
| 2. | The territory of the cities of Khujand, Bokhtar and Kulyab | 0.8 |
| 3. | Administrative territory of the cities of Guliston , Buston , Istiklol , Istaravshan , Isfara, Kanibadam, Penjikent, Vahdat , Hissar, Tursunzade, Rogun , Nurek, Levakant , Kushoniyon and Khorog | 0.6 |
| 4. | Territory of other settlements and administrative centers of districts not specified in groups 1, 2 and 3 | 0.4 |
| 5. | The territory of the villages belonging to the districts (cities) Istaravshan , Guliston , Buston , Bobojon Gafurov, Isfara, Kanibadam, Spitamen , Jabbor Rasulov , Penjikent, Vahdat, Rudaki, Tursunzade , Shahrinav , Gissar, Yavan, Vose , Dangara , Kulyab, Farkhor , Mir Sayyid Ali Hamadoni , Muminabad , Nurek, Vakhsh, Kubodiyon , Jayhun , Nosiri Khisrav , Panj, Sarband , Khuroson , Jaloliddin Balkhi , Dusti and Shahritus | 0.3 |
| 6. | The territory of villages belonging to other districts and not listed in groups 5 and 7 | 0.2 |
| 7. | The territory of the villages belonging to the city of Rogun , districts Devashtich , Aini , Kukhistoni Mastchogh , Shahristan, Nurobod , Rasht , Vanch, Darvaz , Ishkashim , Roshtkala, Rushan, Murghab and Shugnan | 0.1 |

3. For real estate objects located in tourism and recreation development zones and used for business purposes, tax rates are set at double the tax rates provided for by Part 1 of this Article.

# §2. Land tax

# Article 349. Taxpayers

* + - 1. Land tax payers are:
* land users to whom land plots have been transferred for unlimited and urgent lifelong inherited use;
* land users actually using land plots, with the exception of those using a unified agricultural system;
* producers of agricultural products operating under the general taxation system.

2. In case of transfer of a land plot for lease, the lessor is considered to be the payer of the land tax.

3. The taxpayer, subject to the provisions of Chapters 52-53 of this Code and after 36 calendar months, may switch from the general taxation system to the simplified taxation system for agricultural producers.

# Article 350. Object of taxation

* + - 1. The object of land taxation is land plots in settlements, lands outside settlements, taking into account the quality, cadastral zone of land, purpose of use and environmental features of land plots, the ownership of which is determined by the land legislation of the Republic of Tajikistan .

1. The object of taxation by land tax is determined in accordance with the land legislation of the Republic of Tajikistan, taking into account the quality, cadastral valuation of land, purpose of use and environmental features of the land.
2. Subject to the provisions of paragraph 2 of this article, the grounds for determining the land tax are the land use document and the cadastral zone of the land.

4. The amount of land tax, regardless of the results of the economic activity of the land user, is established per unit area of land in the form of fixed payments for a period of one year.

# 

# Article 351. Tax base

* + - 1. The tax base for calculating the land tax is the area of the land plot indicated in the documents confirming the right to land use, or the area of the land plot, which is actually used (disposed) by the land user, with the exception of land exempt from tax.
      2. The taxable area includes fixed lands, including lands occupied by buildings, structures, sanitary protection zones of objects, technical zones and other land plots necessary for their maintenance.
      3. For a separate subdivision of a legal entity, the tax base is the area of the land plot assigned to this subdivision (branch or representative office) on the territory of the corresponding administrative boundaries.

# Article 352. Land tax rates

1. Tax rates for each hectare of land in the context of regions and cities (districts), taking into account cadastral zones and types of land, including land of settlements, land under forest and shrubs of settlements and agricultural land every 5 years are established by the Government of the Republic of Tajikistan on the proposal of the authorized state body for the regulation of land relations, agreed with the authorized state body.

2. Land tax rates are annually indexed by the authorized state body in accordance with the inflation rate of the previous year. Indexed land tax rates for the calendar year are posted on the website of the authorized state body.

3. Lands used by individuals in settlements (cities, towns and villages) are subject to taxation in the following order:

1) the area of each land plot, assigned to the land user according to the supporting document, is taxed in accordance with subparagraphs a) and b) of paragraph 2 of this part;

2) the calculation of the amount of land tax depending on the area of the land plot and the purposes of its use is carried out in the following order:

a) for land plots, including land used for residential buildings (premises) and their auxiliary buildings :

- up to 0.12 ha of irrigated land and up to 0.15 ha of non-irrigated (rainfed) land - according to the established rates;

- from 0.12 ha to 0.20 ha of irrigated land and from 0.15 to 0.25 ha of non-irrigated (rainfed) land - with a double rate for the areas specified in the first paragraph;

- more than 0.20 hectares of irrigated land and more than 0.25 hectares of non-irrigated (rainfed) land - with a threefold rate for the areas indicated in the first paragraph;

b) for lands used for the purpose of carrying out entrepreneurial activities, with the exception of individual entrepreneurs carrying out activities under the simplified system for agricultural producers, with a fivefold rate for the areas specified in paragraph one of subparagraph a) of paragraph 2) of this part.

4. In relation to the lands used by legal entities, a five-fold land tax rate is applied, the five-fold rate established by paragraph one of subparagraph a) of paragraph 2) of part 3 of this article is applied.

# Article 353. Exemption from land tax

1. The following territories and lands are exempt from payment of land tax:

- the territory of reserves, national and dendrological parks, botanical gardens, historical, cultural and architectural monuments, the list and area of the territories of which are established by the Government of the Republic of Tajikistan;

- lands of state institutions used for carrying out activities under the charter (regulations) of such institutions, with the exception of lands of such institutions transferred (used) for entrepreneurial activities;

- lands recognized as damaged in accordance with the decree of the Government of the Republic of Tajikistan, as well as lands recognized by the official conclusion of the authorized state body for the regulation of land relations and the authorized state body in the field of agriculture, which are at the stage of agricultural development, for a period of 5 years after receipt (beginning development) of such lands;

- lands occupied by the tracking strip along the state border, not used for other purposes;

- lands of common use of settlements and public utilities, including religious associations, cemeteries, if no entrepreneurial activity is carried out on such lands;

- lands of a free state reserve, as well as lands occupied by glaciers, landslides, rivers and lakes, if no entrepreneurial activity is carried out on them;

- land for the installation of renewable energy sources (with a nominal capacity of 0.1 MW or more) for a period of 5 years from the date of commissioning;

- lands occupied by public roads, railways, as well as lands occupied by state power transmission facilities, water supply and hydraulic structures, if no other entrepreneurial activity is carried out on them;

- lands provided to ensure the defense and security of the Republic of Tajikistan in accordance with their location and size established by the Government of the Republic of Tajikistan, if no business activities are carried out on them;

- one personal plot of land and a land plot allocated to the persons specified in paragraph two of part 1 of article 347;

- personal plots of land allocated to voluntary and ecological migrants from one region of the Republic of Tajikistan to other regions determined by the Government of the Republic of Tajikistan for permanent residence - for a period of 3 years after the allocation of such lands;

- personal plots of land and land for housing construction allocated to teachers and doctors working in rural areas in general education and medical institutions - during the period of their work in such institutions;

- the area of land allocated for scientific and educational purposes, as well as for testing crops, ornamental and fruit trees to scientific organizations, experimental and research farms, research institutions and educational institutions in the field of agriculture and forestry, the list and users of which are determined by the Government Republic of Tajikistan, if such areas are not used for business purposes;

- household land plots and lands allocated for the construction of housing for all groups of disabled people (with the exception of disabled people of groups I and II ) within the limits established by the Land Code of the Republic of Tajikistan, if such families have a disabled person and a person recognized as disabled who does not have a job;

- lands of pastures, meadows, forests and other lands used for laying orchards and vineyards, for a period of 5 years from the date of laying orchards and vineyards, if such lands have not previously been used for agricultural production.

2. In order to use the tax benefits provided for by this article, the taxpayer is obliged to submit to the tax authority at the location of the land plot the relevant documents defining the right to land use and other supporting documents.

# Article 354

1. Calculation of land tax and (or) tax on real estate objects is carried out by multiplying the tax base by the corresponding tax rates separately for each object of taxation.

2. Land tax and (or) tax on real estate objects are calculated starting from the month following the month in which the taxpayer acquired (received) the right to use (or possess) the object of taxation.

3. In case of termination of the right to use (or possess) the object of taxation, land tax and (or) tax on real estate objects shall be calculated for the actual number of months of use (possession) of the object of taxation, including the month of termination of the above rights.

4. When transferring land (settlement) during a calendar year from one category of land (settlements) to another, taxes on real estate objects for the current year are paid by taxpayers at the rates previously established for these settlements (categories of land), and in the next year - at rates established for a new category of land (new settlements).

5. When a locality moves from one administrative-territorial territory to another, the new tax rate for real estate objects is applied from January 1 of the year following the year in which the territorial change took place.

# Article 355

1. Calculation of the amount of land tax and (or) tax on real estate of legal entities and individual entrepreneurs payable for the reporting year, based on information from authorized industry bodies, is formed by the tax authorities at the place of registration of the taxpayer through the information programs of tax authorities until February 1 of the reporting year about which a notification is sent electronically to the taxpayer's personal account.

2. In the event that additional information is received from the authorized sectoral bodies or clarifications (or explanatory documents) are provided by the taxpayer, the tax authorities, within one month from the date of receipt of such data, are obliged to consider them and enter the corrected report for the reporting period into the system of information programs of the tax authority and send a notification to the taxpayer. The form of this report is determined by the authorized state body.

3. The calculation of the amounts of land tax and (or) tax on real estate of individuals who do not use them in their business activities is carried out by tax authorities at the location of land plots and (or) real estate on the basis of information from industry authorized bodies through the system of information programs of tax authorities before February 1 of the reporting year and about which a notification is sent in electronic form to the taxpayer's personal account.

4. If for any reason the notice of the amounts of land tax and (or) tax on real estate objects is not brought to the attention of the taxpayer, such a person is obliged to apply to the tax authority at the location of this property and receive tax calculations and independently pay the due amount of taxes in the terms determined by this Code.

5. Taxpayers are obliged to submit the necessary information about new objects of taxation for newly allocated (acquired, received, built, changes in ownership) land plots and (or) real estate objects to the tax authority within 30 calendar days from the date of their withdrawal (acquisition, receipt, construction, changes in ownership).

# Article 356. Terms of payment

1. The amount of land tax and (or) real estate tax for the reporting year is paid by taxpayers no later than the 15th day of the second month of each quarter in the amount of one fourth of the annual tax amount.

2. A taxpayer may pay the full amount of land tax and (or) tax on real estate objects ahead of schedule.

3. The taxpayer is obliged to make payments on land tax and tax on real estate objects within the time limits established by part 1 of this article. If the taxpayer fails to make payments on land tax and tax on real estate objects within the established time limits, interest is charged for the delay in payment by the tax authority.

4. Instructions for the calculation and payment of land tax and (or) real estate tax, as well as forms of declarations (reports) are approved upon submission of the authorized state body by the authorized state body in the field of finance .

5. Control over the payment of land tax and (or) tax on real estate objects is carried out by tax authorities in cooperation with self-government bodies of settlements and villages.

# § 3. Vehicle tax

# Article 357. Taxpayers

Vehicle tax payers are persons who own and (or) use a vehicle recognized as an object of taxation.

# Article 358. Object of taxation

1. The objects of taxation are cars, motorcycles, motor scooters, buses and other self-propelled mechanisms on pneumatic and caterpillar tracks, airplanes, helicopters, railway locomotives, motor ships, yachts, sailing vessels, boats, snowmobiles, motor sledges, motor boats and other water and air vehicles (hereinafter in this chapter - vehicles), the list of which is determined by the Government of the Republic of Tajikistan.

2. Registration of objects of taxation is carried out by internal affairs bodies, authorized bodies in the field of transport, defense, agriculture and (or) other state bodies (hereinafter referred to as authorized bodies for registration of vehicles).

3. Regardless of the unsuitability of the vehicle or its non-use for various reasons, the presence or absence of state registration or registration of the vehicle, the taxpayer is obliged to pay the vehicle tax.

4. A vehicle is not recognized as an object of taxation if it is removed from the state registration and from the register in the manner prescribed by regulatory legal acts.

5. The authorized bodies specified in part 2 of this article are required to conduct an inventory of vehicles at least once every 3 calendar years and send information in electronic form to the authorized state body.

# Article 359. Tax base

The tax base of the tax on vehicles is the engine power, expressed in units of horsepower or units of electricity consumption, or kilogram - pressure of a jet engine.

# Article 360. Tax rates

1. Tax rates for vehicles are established depending on the engine power, jet engine pressure, name, seats, carrying capacity, field of activity based on one horsepower of engine power, 1 kWh of electric power of engine power and one kilogram of jet engine pressure in the following sizes:

|  |  |
| --- | --- |
| Name of objects of taxation | Tax rate as a percentage of indicators for calculations |
| Motorcycles and scooters (per horsepower) | 2.5 |
| Passenger cars (per horsepower):  - up to 250 horsepower  - 250 to 300 horsepower  - 300 to 350 horsepower  - over 350 horsepower | 7.5  10  12  15 |
| Buses (up to 12 seats) (per horsepower) | 7.5 |
| Buses (for 13-30 seats) (per horsepower) | 8.5 |
| Buses (over 30 seats) (per horsepower) | 9.5 |
| Trucks and other vehicles with a carrying capacity of up to 10 tons (per horsepower) | eleven |
| Trucks (10 to 20 tons capacity) (per horsepower) | 12.5 |
| Trucks (capacity 20 to 40 tons) (per horsepower) | 13.5 |
| Trucks (carrying capacity over 40 tons) (per horsepower) | 14.5 |
| Tractors, motor vehicles for construction, pneumatic and caterpillar self-propelled machinery, with the exception of those used in the agricultural industry (per horsepower) | 2 |
| Snowmobile and motor sled (per horsepower) | 1.8 |
| Boats, motorboats, yachts, sailboats, jet skis and other watercraft (per horsepower) | 15 |
| Locomotives used on the railway (per horsepower) | 1 |
| Airplanes, helicopters and other air vehicles (per kilogram of jet engine pressure) | 10 |

Note: For objects of taxation, the power of which is fully expressed in electricity, 50 percent of the rates set in the table for each 1 kWh are used. For vehicles with an internal combustion engine and with an electric motor, the tax is calculated for the engine with the highest power, and in the case of equal engine power - for the internal combustion engine.

2. Vehicle tax rates are posted on the official website of the authorized state body annually until February 1 of the calendar year.

# Article 361. Exemptions

The following vehicles are exempt from taxation:

- tractors, grain harvesters, cotton harvesters and special combines with engines used in agriculture;

- buses and trolleybuses used by public transport enterprises for the transportation of passengers;

- specialized medical vehicles;

- registered special military vehicles and special military equipment;

- one car owned by a disabled person in group I or II ;

- industrial railway transport (with the exception of locomotives);

- one passenger car, regardless of engine power, which is the property of the Hero of the Soviet Union, Hero of Socialist Labor , Ќa њramoni To љ ikiston , holder of the order " Sitorai Presidential To љ ikiston ”, order “ Zarrinto љ ”, order “ Ismoili Somon ї ”, a participant in the Great Patriotic War of 1941-1945, persons equated to him, a participant in other military operations to protect the Union of Soviet Socialist Republics, an internationalist soldier, a participant in the liquidation of the consequences of the Chernobyl nuclear power plant disaster.

# Article 362. Tax payment procedure

1. Tax on vehicles shall be paid to the appropriate budget at the place of registration of the vehicle no later than the date of registration or annual technical inspection of the vehicle.

2. In case of re-registration of a vehicle, including when buying and selling it, the vehicle tax shall not be paid if the previous owner paid the vehicle tax for the given calendar year.

3. Registration, re-registration and annual technical inspection of the vehicle are carried out only after payment of the tax for the tax year.

4. Calculation of the amount of tax for vehicles of legal entities is formed by the tax authority at the place of registration of vehicles on the basis of information from the authorized body for registration of vehicles before April 1 of the current year and sent about it notification in electronic form through the information system of the tax authorities to the personal account of the taxpayer. The form of calculation of the calculated amount of tax is established by the authorized state body.

5. In case of receipt of additional information by the authorized body for the registration of vehicles and or submission by the taxpayer of an explanation (or substantiated documents), the tax authority, within one month from the date of receipt of such information, is obliged to consider it, enter the corrected report into the information system of the tax authorities' programs and send a notification taxpayer.

6. The authorized bodies for the registration of vehicles are obliged to annually provide the following information to the authorized state body in the approved form in electronic form before April 1 of the year:

- about the owners of vehicles;

- on the number of vehicles put on state registration (registered) as of December 31 of the reporting year, taking into account the engine power of the vehicle;

- on the number of vehicles that have passed the annual technical inspection;

- on the amount of tax paid for the reporting year.

7. Control over the payment of tax is carried out by authorized bodies for the registration of vehicles.

8. In order to ensure the full payment of tax on vehicles , the tax authorities send notices to legal entities and their separate subdivisions of the accrued tax amounts within the following terms:

1) within 10 days after the preparation of a report by tax authorities on the calculated amount of tax payable by legal entities and their separate subdivisions;

2) not later than two months from the date of receipt by the tax authority of documents and (or) other information necessary for the calculation (recalculation) of the amounts of relevant taxes payable by the taxpayer for the previous tax period;

3) no later than one month from the date of receipt of the information contained in the Unified State Register of Legal Entities that the relevant organization is in the process of liquidation.

9. Instructions for the calculation and payment of tax on vehicles, as well as forms for calculating the tax on vehicles, are approved by the authorized state body in the field of finance on the proposal of the authorized state body .

**SECTION XIV. SPECIAL TAX REGIME**

# CHAPTER 49. TAXATION REGIME FOR ACTIVITIES IN FREE ECONOMIC ZONES

# 

# Article 363. Basic provisions

1. The regime of taxation of activities in the free economic zone establishes the procedure and conditions for taxation of the activities of subjects of the free economic zone, carrying out activities in isolated areas of the territory of the Republic of Tajikistan, which meets the requirements of the legislation of the Republic of Tajikistan.

2. Foreign and domestic goods imported into free economic zones are completely exempt from payment customs duties and taxes under the control of customs authorities on the terms determined by the customs regime “Free Customs Zone.

3. When exporting goods from the territory of the free economic zone, customs payments are not charged, except for the fee for customs clearance.

4. When moving goods from the territory of free economic zones to another part of the customs territory of the Republic of Tajikistan, customs payments are collected.

**Article 364. Tax system in free economic zones**

1. The tax system in free economic zones applies to legal entities, individual entrepreneurs operating on the basis of a certificate, branches of foreign legal entities registered in the territory of free economic zones as a subject of a free economic zone that meet the following requirements:

- duly registered and registered with the tax authorities;

- do not have separate subdivisions outside the territory of the free economic zone;

- carry out the types of activities provided for by the regulation on the free economic zone.

2. The subjects of the free economic zone and the administration of the free economic zone within the framework of activities carried out in the free economic zone, and the property used by them, are exempt from paying any taxes provided for by this Code, with the exception of taxes established by part 3 of this article.

3. Subjects of the free economic zone are payers of social tax and tax agents in relation to persons who are paid (should be paid) income, remuneration, payments, benefits and other payments in the manner prescribed by this Code.

4. The provisions of paragraph 2 of this article apply only to that part of the activity subjects of free economic zones, which is carried out on the territory of the free economic zone.

# Article 365. Procedure for calculation and payment of taxes

1. The calculation and payment of taxes, as well as the submission of tax declarations by the subjects of free economic zones, is carried out in accordance with the provisions of this Code.

2. The administration of the free economic zone on a quarterly basis no later than the 15th day of the month following the reporting quarter submits to the tax authority at the place of its registration information on the number and activities of subjects of the free economic zone in the form established by the authorized state body.

3. Subjects of the free economic zone are obliged to keep records of economic activities in the manner prescribed by the legislation of the Republic of Tajikistan.

4. Objects of taxation located on the territory of the free economic zone and not being the property of the subject of the free economic zone are subject to taxes in accordance with the tax legislation of the Republic of Tajikistan.

5. Relations between tax authorities and administrations of free economic zones are determined by an agreement concluded between them.

6. Control over the payment of taxes by subjects of free economic zones is carried out by tax and customs authorities.

**CHAPTER 50. TAXATION REGIME OF SUBJECTS**

**SECURITIES MARKET**

**Article 366. Regime of taxation of subjects of the securities market**

1. The provisions of this article shall apply to securities market entities - professional participants in the securities market (hereinafter referred to as professional participants), issuers and investors participating in the organized securities market.

2. The activities of professional participants include:

- brokerage and dealer activities;

- activities to determine mutual obligations (clearing) for operations with securities;

- depositary activity;

- activity on the organization of trade in the securities market.

3. Professional participants carrying out the activities specified in paragraph 2 of this article, in the course of carrying out this activity, are exempt from paying 50 percent of the following taxes:

- corporate income tax;

- value added tax.

4. Issuers-legal entities that are residents and non-residents, whose securities are traded on stock exchanges operating in the territory of the Republic of Tajikistan, are exempt from paying tax on income of legal entities (tax under the simplified regime) from income received related to the increase in value securities as of the date of placement of securities on the stock exchange of the Republic of Tajikistan.

5. Investors - individuals and legal entities, who are residents and non-residents, who receive income from an increase in the value of securities (coupon, discount, etc.) on the day of their circulation on the securities exchange, depending on such income, are exempt from tax on income from the growth of securities.

6. The provisions of part 5 of this article do not apply to investors who have purchased (paid the amount) of shares belonging to them.

7. In order to supervise the provision of benefits, include the persons specified in parts 3, 4 and 5 of this article in the special account of the authorized state body and the grounds for acquiring tax benefits by them, the stock exchange promptly provides reasonable information for registration with the authorized state body . The benefits listed in this article are used only after the specified registration and the provision of the appropriate certificate.

8. In the event that issuers and investors carry out transactions with securities on the unorganized securities market, such transactions are subject to taxation in accordance with the general procedure established by this Code.

9. For securities market entities taxed in accordance with this chapter, the period of storage of accounting documentation and tax reporting, as well as the limitation period is extended for the period (period) of granting tax benefits in accordance with parts 3, 4 and 5 of this article.

10. Instructions on taxation of securities market entities taxed in accordance with this chapter, as well as the form of declarations (reports, information) are approved upon submission by the authorized state body by the authorized state body in the field of finance .

# CHAPTER 51

# 

# §1. General provisions

# Article 367. General provisions

1. Taxation of individual entrepreneurs is carried out on the basis of a patent or certificate.

2. Individuals carrying out entrepreneurial activities on the basis of a patent, regardless of income, pay the tax established for such activities in a fixed amount.

3. Individuals carrying out entrepreneurial activities on the basis of a certificate are subject to taxation in accordance with the provisions of this Chapter and Chapter 52 of this Code.

4. It is prohibited to carry out entrepreneurial activity by an individual without state registration. When carrying out entrepreneurial activities without state registration, the income of such a person for the period of carrying out activities without registration is taxed at a double rate established for such activities.

5. It is prohibited to use the tax regime established by this chapter for the purpose of concealing or underestimating the tax obligations of individual entrepreneurs and (or) persons using their services, including:

- if an individual entrepreneur operating on the basis of a patent or certificate mainly provides services to one person and (or) receives income from one source and (or) it is intended to fulfill the signs of an employment contract;

- if the choice of a supplier of goods, a performer of works or services is mainly due to the use of the tax regime established by this chapter.

6. An individual entrepreneur acting on the basis of a certificate has the right to keep accounting records in accordance with the provisions of Article 89 of this Code or in accordance with the simplified accounting system established by the authorized state body in the field of finance .

7. Taxation of income from individual entrepreneurial activities of non-resident individuals is carried out in the manner determined by the Government of the Republic of Tajikistan, taking into account the income tax rate established by part 2 of article 183, and other provisions of this Code.

**§2. Taxation of individual entrepreneurs operating on the basis of a patent**

# Article 368

1. A patent is a document confirming the state registration of individuals - residents and non-residents as individual entrepreneurs acting on the basis of a patent.

2. Taxation of persons specified in part 1 of this article is carried out in accordance with the Rules for the taxation of individual entrepreneurs acting on the basis of a patent (hereinafter referred to as the patent regime), approved by the Government of the Republic of Tajikistan, subject to the following conditions:

- the activity of an individual entrepreneur is carried out without hiring labor and without carrying out foreign economic activity;

- the total income of an entrepreneur operating on the basis of a patent in a calendar year does not exceed 200 thousand somoni (hereinafter referred to as the threshold income for the patent regime).

3. An individual entrepreneur carrying out activities on the basis of a patent is not entitled to use other taxation regimes established by this Code.

4. It is not allowed to apply the taxation regime on the basis of a patent in case of non-fulfillment of one of the conditions provided for by Part 2 of this Article, as well as in cases provided for by Part 4 of Article 367 of this Code.

5. If an individual entrepreneur operating on the basis of a patent hires an employee and his gross income exceeds 200 thousand somoni for a period not exceeding twelve calendar months, such an entrepreneur is obliged, within 10 calendar days from the date of occurrence of such cases, to file an application for termination of activity for the basis of the patent and the transition to another mode.

6. An individual entrepreneur operating on the basis of a patent is exempt from:

- from the payment of taxes established in paragraph 2 of Article 24 of this Code on income from his individual entrepreneurial activity, with the exception of income tax and social tax included directly in the cost (price) of the patent;

- from the submission of tax reports, except for the submission of a declaration of gross income for the previous calendar year (or for the period from the beginning of the calendar year in case of termination of economic activity) with copies of bank documents on the payment of taxes.

7. In the event that an individual entrepreneur - patent owner fails to fulfill one of the conditions provided for by paragraph 2 of this article, such an individual entrepreneur is taxed at a fivefold monthly tax rate applicable to his activities.

8. To determine the maximum income of individual entrepreneurs operating on the basis of a patent, the tax authority, using the available information, conducts control measures.

9. Individual entrepreneurs operating on the basis of a patent shall pay other taxes established by this Code for individuals.

10. The tax liability of an individual entrepreneur operating on the basis of a patent remains until the official cancellation of state registration.

# Article 369. Taxpayers and their accounting

1. Resident and non-resident individuals who comply with the provisions of parts 1-3 of Article 368 of this Code are considered to be payers operating under the patent regime.

2. Individual entrepreneurs carrying out their activities on the basis of a patent shall be registered with the tax authority at the place of business. When such a taxpayer changes his place of business, his personal account is automatically sent to the appropriate tax authority.

3. The transition from a patent regime to another taxation regime, as well as from another taxation regime to a patent regime, is carried out after the execution of state registration procedures in the prescribed manner.

4. The tax liability of an individual entrepreneur acting on the basis of a patent shall be terminated from the first day of the month following the month of termination of the state registration of such an individual entrepreneur.

# Article 370. Tax rate

Tax rates for certain types of activities for individual entrepreneurs operating on the basis of a patent are determined by the Government of the Republic of Tajikistan in accordance with this chapter, taking into account regional normative coefficients.

# Article 371. Tax period

The tax period for individual entrepreneurs acting on the basis of a patent is a calendar month.

# Article 372. Tax payment procedure

1. Payment of taxes under the patent regime is made by the taxpayer independently in an advance payment by the 5th day of the month for one or several subsequent months to the budget at the place of activity of the taxpayer.

2. Individual entrepreneurs operating on the basis of a patent are obliged, no later than March 1 of the year following the calendar reporting year, to send to the tax authorities at the place of activity in electronic form a copy of the document confirming the payment of taxes for the previous calendar year.

# § 3. General principles of taxation of individual entrepreneurs acting on the basis of a certificate

# Article 373. General principles of taxation of individual entrepreneurs acting on the basis of a certificate

1. Gross income of resident and non-resident individuals registered as individual entrepreneurs operating on the basis of a certificate (hereinafter referred to as entrepreneurs operating on the basis of a certificate), from all types of activities carried out by them for the previous twelve consecutive full (one after another) calendar months cannot exceed 1 million somoni .

somoni for a period not exceeding twelve calendar months, such an entrepreneur must register as a legal entity and operate under the general taxation regime.

3. The transition of an entrepreneur acting on the basis of a certificate to the general taxation regime, as well as his state registration as a legal entity, is carried out without a tax audit. In this case, for tax purposes, the obligations of such individual entrepreneurs are transferred to the newly created legal entity.

4. Entrepreneurs acting on the basis of a certificate , depending on the type of activity and income received, apply the following special tax regimes in the prescribed manner:

- simplified tax regime for small businesses;

- simplified tax regime for agricultural producers;

- a special taxation regime for gambling business entities.

5. Entrepreneurs acting on the basis of a certificate , applying simultaneously 2 special tax regimes provided for in paragraph 4 of this article, are required to keep separate records of income, expenses and ongoing business transactions in accordance with the established procedure for each special tax regime used.

6. Special tax regimes are applied by entrepreneurs acting on the basis of a certificate if their income and activities comply with the conditions of these special tax regimes.

7. Unless otherwise provided by this chapter, entrepreneurs acting on the basis of a certificate shall pay other taxes in accordance with this Code.

8. Entrepreneurs acting on the basis of a certificate are not released from the duties of tax agents provided for by this Code.

9. Taxation rules for individual entrepreneurs acting on the basis of a certificate are approved by the Government of the Republic of Tajikistan.

10. Regardless of the provisions of this chapter, the Government of the Republic of Tajikistan has the right to establish taxation rules, types of activities and fixed rates of relevant taxes for entrepreneurs operating on the basis of a certificate, with special conditions.

# CHAPTER 52. SIMPLIFIED TAXATION REGIME FOR SMALL BUSINESSES

# Article 374. General provisions

1. The simplified tax regime (hereinafter referred to as the tax under the simplified regime) is applied to business entities whose gross income for the last twelve consecutive calendar months has not exceeded 1 million somoni .

2. Upon transition from the simplified taxation regime to the general one and from the general to the simplified regime, the taxpayer's gross income is determined on an accrual basis.

3. Subjects that are tax payers under the simplified regime shall pay tax on income in the simplified procedure.

4. Taxpayers operating under the simplified regime have the right to voluntarily calculate and pay tax under the simplified regime on gross income or the permitted difference between income and expenses.

5. A tax payer under the simplified regime is not a payer of the following taxes:

- tax on income of legal entities, with the exception of income, the tax on which is withheld at the source of payment;

- tax on the income of an individual entrepreneur acting on the basis of a certificate, with the exception of income, the tax on which is withheld at the source of payment;

- value added tax, with the exception of value added tax when goods are imported into the customs territory of the Republic of Tajikistan and value added tax of a non-resident withheld at the source of payment.

6. Tax payers under the simplified regime shall pay other taxes established by this Code, unless otherwise provided by this Chapter.

7. Tax payers under the simplified regime are obliged to fulfill the duties of tax agents provided for by this Code.

8. Regardless of the provisions of paragraphs 1-7 of this article, tax payers under the simplified regime have the right to voluntarily submit an application to the tax authorities for registration as a payer of value added tax in accordance with the requirements of the general taxation system.

# Article 375. Taxpayers

1. The following persons are recognized as taxpayers of the simplified regime:

- persons whose entrepreneurial activity was started during the calendar year, regardless of the state registration of these persons;

- persons who meet the requirements of Parts 1 and 3 of Article 374 of this Code and paragraph one of Part 3 of this Article.

2. Tax under the simplified system is not applied to the following taxpayers:

- individuals registered as individual entrepreneurs operating on the basis of a patent;

- investment funds, professional participants in the securities market - insurance and credit organizations, microfinance organizations, pawnshops, users of natural resources , suppliers of primary aluminum, manufacturers and importers of excisable products, as well as persons engaged in intermediary activities on the basis of commission agreements, commissions and other intermediary agreements ;

- applying a simplified taxation regime for agricultural producers, with the exception of income, the taxation of which is not regulated under the simplified system of taxation of agricultural producers;

- persons applying a special taxation regime for gambling business entities, with the exception of income not related to the gambling business.

3. The transition from the general tax regime to the simplified regime and from the simplified regime to the generally established one is carried out in the following order:

- if, based on the results of not more than 12 consecutive previous calendar months, the gross income of a taxpayer using the general tax regime is less than the amount established by paragraph 1 of Article 374 of this Code and if 36 calendar months have passed since the transition of such a person from the simplified regime to the general taxation regime, the taxpayer may, within no more than 10 calendar days from the date of occurrence of such cases, submit an application to the tax authority of the place of registration for the transition to a simplified tax regime;

- if, based on the results of no more than 12 consecutive calendar months, the gross income of a taxpayer using the simplified tax regime exceeds the amount established by paragraph 1 of Article 374 of this Code, the taxpayer, within a period of not more than 10 calendar days from the date of occurrence of such cases, is obliged to submit an application to the tax authority of the place accounting for the transition to the general taxation regime;

- if the taxpayer voluntarily applied for registration as a payer of value added tax, he is obliged to submit an application to the tax authority at the place of registration for the transition to the general taxation system within a period not exceeding 10 calendar days from the date of application;

- in case of non-compliance by the taxpayer with the requirements of the first or second paragraph of this part, the transfer of such a taxpayer from one regime to another is carried out by the tax authority and a notification is sent to the taxpayer about this.

4. The taxpayer has the right to voluntarily choose to pay tax under the simplified regime on the permitted difference in income and expenses, in cases where he submits an application in the prescribed form to the tax authority at the place of registration within the following terms:

1) a newly created taxpayer - within 5 working days after state registration;

2) the current taxpayer - until December 31 of the calendar year.

5. For taxpayers who choose to pay the simplified tax regime based on the difference between allowed income and expenses, tax is calculated and paid:

- for newly created taxpayers - from the date of submission of the application;

- for the current taxpayer after submitting the application - from January 1 of the next calendar year.

6. Taxpayers who have chosen one of the tax calculation methods under the simplified regime are required to adhere to this regime until the end of the current calendar year. Such taxpayers have the right to change the chosen regime from the beginning of the next year if they submitted an application to the tax authorities at the place of their registration before December 31 of the current year.

# Article 376. Object of taxation

1. Unless otherwise provided by parts 2, 3 and 4 of this article, the object of taxation under the simplified regime is gross income, including income from the supply of goods (performance of work and provision of services), as well as other income received.

2. The object of taxation for the taxpayers referred to in paragraph 4 of Article 375 of this Code is recognized as gross income minus the expenses provided for in Chapters 28 and 29 of this Code.

3. When a taxpayer chooses the method of calculating tax under the simplified system from gross income without deductions, the object of taxation is determined by the cash method of accounting.

4. When a taxpayer chooses the method of calculating tax under the simplified system from gross income minus expenses, the object of taxation of such a taxpayer is calculated on an accrual basis.

5. Accounting for income and expenses on an accrual basis is carried out in accordance with the provisions of Article 93 of this Code.

6. Gross income received by a foreign legal entity operating in the Republic of Tajikistan through a branch and (or) representative office is determined on the basis of its income received from sources in the Republic of Tajikistan.

# Article 377. Tax base

1. The tax base of the tax under the simplified regime shall be the monetary expression of the gross income received during the tax period, unless otherwise provided in this article.

2. In case of failure to make payment for the goods (works performed or services rendered) supplied by the taxpayer for a period of more than 6 months, for the purposes of calculating the tax, these goods (works, services) are considered paid to the taxpayer. In case of non-payment by debtors of bad debts to the taxpayer, previously included in his taxable profit, they are deducted from the taxable profit of the taxpayer.

3. Taxpayers applying the tax under the simplified regime, for the purposes of determining the tax base, may apply the simplified accounting system established by the authorized state body in the field of finance .

4. For the taxpayers specified in paragraph 4 of Article 375 of this Code, the tax base is the gross income received for the tax period, minus the permitted deductions.

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# Article 378. Benefits

1. Benefits provided for by paragraphs 6) and 7) of part 2 of Article 189 of this Code shall not apply for the purposes of this chapter.

2. Subsidies received by state institutions at the expense of budgetary funds to maintain their activities are not included in their gross income.

# Article 379. Tax period

The tax period for taxpayers under the simplified regime is a calendar year, and the reporting period is every quarter.

# Article 380. Tax rates

The tax rate under the simplified regime is set in the following amounts:

1) for the activities of taxpayers provided for in Article 375 of this Code, with the exception of taxpayers specified in paragraph 4 of Article 375 - 6 percent;

2) for the activities of taxpayers provided for in paragraph 4 of Article 375 of this Code, the rates established by paragraph 4 of Article 183 of this Code.

# Article 381. The procedure for calculating and paying tax under the simplified regime

1. Tax under the simplified regime for taxpayers whose tax base is established in accordance with paragraph 1 of Article 377 of this Code is calculated by multiplying the relevant amount of gross income by the appropriate tax rate.

2. If a taxpayer carries out several types of activities, the accounting of gross income and expenses for each type of activity, as well as the calculation of the corresponding amounts of tax, is carried out separately.

3. For taxpayers whose tax base is established in accordance with Part 4 of Article 377 of this Code, the amount of tax under the simplified regime is calculated in accordance with the procedure established by Section VII of this Code for income tax.

4. Taxpayers who, prior to the transition from the general tax regime to the simplified regime, used the accrual method when calculating taxes, shall comply with the following rules when paying tax under the simplified regime:

- the tax base of the simplified regime includes the amount received before the transition to the tax under the simplified regime, according to which the supply of goods, performance of work and provision of services under the contract after the transition to the tax under the simplified system is carried out;

- the amount received for the supply of goods, performance of work and provision of services after the transition to a tax under the simplified regime is not included in the tax base, if, according to the accrual method, these funds were added to income under the general tax regime.

5. Income from the sale of goods (performance of works, provision of services, property rights) during the period of application of the simplified taxation regime, the payment (partial payment) of which was not made before the date of transition to the general taxation regime, are included in income in the last declaration of the simplified taxation regime when transition to the general tax regime.

6. The amount of tax received under the simplified system before the transition to the general taxation system, in connection with which the supply of goods, performance of work and provision of services under the contract after the transition to the general taxation system, is deducted from the amount of income tax in the general taxation system .

7. When transferring from the general taxation regime to the tax under the simplified regime and from the tax under the simplified regime to the general taxation regime, taxpayers in connection with the value added tax shall comply with the following rules:

- when switching to a tax under the simplified regime, the amounts of value added tax calculated and paid to the budget from the amounts of payment (partial payment) received before such a transition on account of the forthcoming deliveries of goods (works, services) carried out in the period after the transition to the tax under the simplified regime, are subject to offset for value added tax in the last tax period;

- when switching to the general tax regime, the amounts of value added tax paid by the taxpayer applying the tax under the simplified regime in respect of the balance of goods purchased by him are accepted by this taxpayer for offsetting the value added tax in the first tax period after the transition to the general taxation regime .

8. The tax declaration in the form approved by the authorized state body shall be submitted quarterly no later than the 15th day of the month following the tax period.

9. Payment of tax under the simplified regime is made quarterly at the place of registration of the taxpayer until the date specified for filing the declaration to the local budget.

10. Instructions for the calculation and payment of tax under the simplified regime, as well as forms of declarations (calculations) are approved upon submission by the authorized state body by the authorized state body in the field of finance .

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# CHAPTER 53. SIMPLIFIED TAXATION REGIME FOR PRODUCERS OF AGRICULTURAL PRODUCTS

# Article 382. General provisions

1. The simplified tax regime for agricultural producers (hereinafter referred to as the unified agricultural tax) is a special tax regime for the activities of entities engaged in the production of agricultural products, without subsequent industrial processing.

2. The unified agricultural tax applies to dekhkan (farm) and other legal entities producing agricultural products .

3. The payer of the unified agricultural tax, carrying out the production of agricultural products without subsequent industrial processing, exempt from the following taxes:

- income tax (tax under the simplified regime for small businesses), with the exception of income taxed at the source of payment;

- value added tax, with the exception of value added tax payable upon importation of goods into the customs territory of the Republic of Tajikistan, and (or) in the case of transactions subject to withholding tax;

- land tax.

4. Income of members of a dekhkan (farm) economy, paying a single agricultural tax, from agricultural activities carried out without establishing a legal entity, shall be exempt from income tax for individuals.

5. The instruction on determining the norms for the use of equipment and labor (including manual labor) for one hectare of land for agricultural producers is approved by the Ministry of Agriculture of the Republic of Tajikistan in agreement with the Ministry of Labour, Migration and Employment of the Republic of Tajikistan.

6. When conducting non-agricultural activities simultaneously, payers of the unified agricultural tax are additionally tax payers under the simplified regime or under the general taxation regime. Such a taxpayer is obliged to keep separate records of income and expenses for the production of agricultural and non-agricultural products.

7. Payers of the unified agricultural tax shall pay other taxes in accordance with the procedure established by this Code and perform the duties of tax agents.

8. Payers of the unified agricultural tax have the right to switch to the general taxation regime.

# Article 383. Taxpayers

1. Producers of agricultural products that comply with the provisions of Article 382 of this Code are recognized as payers of the single agricultural tax.

2. For the purposes of this chapter, agricultural products include any type of agricultural product that has not been subjected to industrial processing.

3. The following taxpayers cannot be payers of the unified agricultural tax:

- government agencies;

- taxpayers involved in the production of excisable goods;

- land users who lease land plots from dekhkan (farm) and other legal entities-producers of agricultural products for agricultural activities;

- taxpayers using the simplified taxation regime for gambling business entities.

4. The transition from the general tax regime to the unified agricultural tax and from the unified agricultural tax to the general tax regime is carried out from January 1 of the calendar year following the reporting year in the following order:

- producers of agricultural products subject to the unified agricultural tax have the right not later than January 10 of the calendar year following the reporting year to submit an application to the relevant tax authority for the transition to the general tax regime;

- producers of agricultural products taxed under the general tax regime, only after 3 calendar years can submit an application before January 10 of the corresponding calendar year to the tax authority for the transition to the single agricultural tax regime.

5. In order to transfer from one tax regime to another, the taxpayer must fully fulfill all his tax obligations under the current (previous) tax regime.

# Article 384. Object of taxation and tax base

1. The object of taxation of the single agricultural tax is the land plot of the producer of agricultural products, with the exception of lands exempt from the single tax in accordance with Article 385 of this Code.

2. The tax base is the area of the land plot indicated in the documents confirming the right to use it, or actually (without documents) used by the taxpayer.

3. The amount of the unified agricultural tax does not depend on the results of the taxpayer's activities and is established in the form of a stable payment for the fixed land area for the year.

4. The gross income of a single agricultural tax payer for the past calendar year is determined by the accrual method in the same manner as for tax payers under the general regime.

5. Payers of the unified agricultural tax are obliged to keep accounting records, the form of which is approved by the authorized state body in the field of finance in agreement with the authorized state body.

# Rate 385. Tax incentives

The following land plots are exempt from paying the unified agricultural tax:

- land plots of the territories of reserves, botanical gardens, national and dendrological parks, the list of organizations and the area of the territory of which are established by the Government of the Republic of Tajikistan, if the allocated land plots are not used for entrepreneurial activities;

- land plots recognized as violated in accordance with the Decree of the Government of the Republic of Tajikistan, as well as lands recognized in accordance with the official conclusion of the authorized state body for the regulation of land relations and the authorized state body in the field of agriculture as being at the stage of agricultural development;

- lands occupied by the tracking strip along the state border, if such lands are not used for entrepreneurial activities;

- lands of the state reserve, if these lands are not used for entrepreneurial activities;

- lands of pastures, meadows, forests and other lands allocated for laying orchards and vineyards, if such lands have not been previously used for agricultural production - for 5 years from the date of allocation of the land plot. The taxpayer is obliged, within 45 calendar days after the planting of orchards and vineyards, to officially submit information to the tax authority at the place of their location on the actual area of the planted orchards and vineyards. In case of failure to submit the specified information within the established time limits, these lands are subject to taxation as lands occupied by perennial plantations.

# Article 386. Single agricultural tax rates

1. The annual rates of the unified agricultural tax on land cadastre zones are established by the Government of the Republic of Tajikistan for each hectare of land every 5 years on the proposal of the authorized state body for the regulation of land relations, agreed with the authorized state body.

2. The rates of the unified agricultural tax for lands not determined by the provisions of Part 1 of this Article shall be the rates of land tax established by Part 1 of Article 352 of this Code.

3. For irrigated sown lands actually used for growing raw cotton, single tax rates are set at half the rates determined in accordance with part 1 of this article. Information on the amount of land actually used for growing raw cotton is reported by the taxpayer to the tax authority at the place of its registration before June 1 of the calendar (reporting) year.

4. The authorized state body shall annually index the rates of the unified agricultural tax in accordance with the inflation rate for the previous year. Indexed rates of the unified agricultural tax for the current year are posted on the official website of the authorized state body.

# Article 387. Tax period

The tax period of the unified agricultural tax is a calendar year.

# Article 388

1. Payers of the unified agricultural tax are required to annually submit a tax declaration for the current calendar year to the tax authority at the location of their lands by March 1 of the current year.

2. The amount of the unified agricultural tax for the current calendar year shall be paid by the taxpayer no later than the 10th day of the third month of each quarter in the following amounts from the annual tax amount:

- the first quarter of the current calendar year - 15 percent;

- the second quarter of the current calendar year - 15 percent;

- the third quarter of the current calendar year - 35 percent;

- the fourth quarter of the current calendar year - 35 percent.

3. The full amount of the unified agricultural tax may be paid by the taxpayer ahead of schedule and in full.

4. Instructions for the calculation and payment of the unified agricultural tax, as well as the forms of declarations (calculations) are established upon submission of the authorized state body by the authorized state body in the field of finance.

5. Control over the payment of the unified agricultural tax is carried out by the tax authorities in cooperation with the self-government bodies of settlements and villages.

# CHAPTER 54. SIMPLIFIED TAXATION REGIME FOR GAMBLING BUSINESS ENTITIES

# Article 389. Concepts used in this chapter

1. The simplified taxation regime for gambling business entities (hereinafter referred to as the gambling business tax) is a special tax regime in accordance with which gambling business entities, with the exception of the income of gambling business entities, which are taxed at the source of payment, are subject to taxation.

2. For the purposes of this chapter, the following concepts are used:

- gambling business - activities for the provision of services in connection with making bets with game participants, based on the risk of winning or losing and (or) organizing work on making such bets between two or more game participants;

- bet - a risk-based agreement on winning, concluded by two or more participants in the gambling business between themselves or with the subject (owner, representative of the owner) of the gambling business, the outcome of which depends on an event that is not known to occur or not;

- gaming table - a place specially equipped by the subject (owner) of the gambling business with one or more playing fields, intended for playing games (with and without winnings), in which the subject (owner) of the gambling business through its representatives participates as a party or as an organizer, for except for cases of gambling;

- gaming machine - special equipment (mechanical, electrical, electronic or other technical equipment) and (or) a personal computer used to play games (with and without winnings) without participation in these games of the subject (owner, representatives of the owner) of the gambling business, for except for cases of gambling;

- point of acceptance of bets in the totalizator - equipment for counting game money, which determines the amount of the bet and the winnings paid out;

- bet acceptance point in a bookmaker's office - a specially equipped place of the owner of the gambling business, where the amount of the bet is taken into account and the amount of winnings to be paid out is determined;

- gambling site - any Internet site through which the gambling business is conducted;

- playing track - a special track designed for bowling (bowling alley);

- billiard table - a special table designed for playing billiards;

- loto - a game on special cards with numbers (pictures or other symbols) that are closed with chips;

- lottery - an organized mass game, in which the distribution of profits and losses depends on the random extraction of one or another ticket or number (lot, lot) and the size of the prize fund for each lottery issue. Part of the funds contributed by the players goes to the organizers of the lottery, the other part is paid to the state in the form of taxes;

- other objects of the gambling business used to generate income, determined by local government bodies;

- lottery issue - the number of lottery tickets prepared for sale by the lottery organizer;

- registration card for accounting of objects of taxation - a document certifying the registration of objects of taxation related to the gambling business in the tax authorities, the form of which is approved by the authorized state body.

3. The application of the simplified taxation regime for gambling business entities exempts from paying the following taxes, with the exception of income taxed at the source of payment:

- tax on income from gambling business;

- tax on income directly from the income from the gambling business of an individual entrepreneur operating on the basis of a certificate;

- value added tax, with the exception of value added tax for services (works) supplied to non-residents and in connection with the import of goods into the Republic of Tajikistan.

4. Persons applying the gambling business tax are not released from the duties of tax agents provided for by this Code.

# Article 390. Taxpayers

Taxpayers of tax on gambling business are legal entities, their branches, branches and representative offices of foreign legal entities and individual entrepreneurs engaged in entrepreneurial activities in the field of gambling.

# Article 391. Object of taxation

1. The object of taxation for the gambling business tax are:

- gambling site;

- point of acceptance of bets in the totalizator;

- point of acceptance of bets in the bookmaker's office;

- game table;

- slot machine without cash prize;

- game track (when playing bowling (bowling alley);

- billiard table (when playing billiards);

- organization of lotto (when playing loto);

- sale of the lottery;

- other objects of the gambling business, determined by local government authorities .

2. For the purposes of this chapter, each object of taxation specified in part 1 of this article (except for the release for sale of lotteries), no later than 10 calendar days before the date of application (use) is subject to registration with the tax authority at the place of installation of this object of taxation.

3. Each issue for the sale of lottery tickets specified in part 1 of this article and the nominal volume of their sales in monetary terms are subject to registration with the relevant tax authority no later than 10 calendar days before the date of sale of lottery tickets.

4. Registration is carried out by the tax authority on the basis of the taxpayer's application for accounting for the object (objects) of taxation with the obligatory issuance of the relevant certificate within 10 calendar days. Application forms and certificates are approved by the authorized state body.

5. The taxpayer is obliged to register with the tax authority at the location of the taxable objects any change in the number of taxable objects not later than 10 calendar days before the date of installation or termination of the application (use) of each object of taxation, including each issue for the sale of lottery tickets.

6. Upon termination of activities in the field of gambling and (or) disposal of all objects of taxation (completion of the sale of lottery tickets), the registration card for accounting objects must be submitted to the tax authority within 10 calendar days.

7. Implementation of gambling business without registration of objects of taxation is not allowed.

# Article 392. Tax base and tax rate

1. For the purposes of calculating the tax base of the gambling business tax, the income expected from each unit of the object of taxation (each release of lotteries for sale) is applied.

2. The amount of tax on the gambling business for the tax period, taking into account parts 3 and 4 of this article, regardless of the amount of income received in a fixed amount, from each unit of the object of taxation (each issue for the sale of lotteries), is established by local government bodies of cities (districts) in agreement with the authorized state body .

3. The tax rate for the website of the bookmaker's office is set in the amount of at least 5,000 indicators for calculations for each tax period.

4. The tax rate for other types of gambling sites is determined by local government authorities.

5. The tax rate for a betting shop, bookmaker's office and lottery sales is set at a fixed rate set by local government authorities.

6. Payers of tax on gambling business are obliged to keep records of income and expenses in the manner determined by the regulatory legal acts of the Republic of Tajikistan.

# Article 393. Tax period

The tax period is a calendar month.

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# Article 394. Tax payment procedure

1. The amount of tax is calculated by the taxpayer independently, taking into account the base and tax rate established for each object of taxation.

2. The tax return is submitted by the taxpayer to the tax authority at the place of registration of objects of taxation no later than the 15th day of the month following the reporting period.

3. When issuing a certificate of registration of an object (objects) of taxation, the amount of tax is determined as the sum of the total number of relevant objects of taxation (including new objects of taxation) and the tax rate established for these objects of taxation, in the following order:

- the full amount of tax on objects for the reporting period is paid if such objects were put into operation before the 15th day of the reporting month;

- 50 percent of the tax amount on objects for the reporting period is paid if such objects are put into operation after the 15th day of the reporting month.

4. Gambling business tax is paid by the taxpayer (his authorized person) to the local budget at the location of the object of taxation, no later than the 15th day of the month following the reporting period.

5. In the event that the subject of the gambling business carries out other types of activities, accounting for the activities of the gambling business and other activities, as well as their taxation, is carried out separately.

6. Instructions for the calculation and payment of gambling business tax, as well as forms of declarations (calculations), are approved upon submission of the authorized state body by the authorized state body in the field of finance .

# CHAPTER 55

# Article 395

1. Economic entities in the field of poultry farming, fish farming and the production of combined feed for birds and animals are exempt from paying the following taxes:

- corporate income tax;

- value added tax;

- real estate tax;

- land tax.

2. In cases of delivery of imported goods to the domestic market of the Republic of Tajikistan, such operations are subject to value added tax, customs duty and other taxes in the general manner established by this Code and the Customs Code of the Republic of Tajikistan.

3. Instructions on taxation of activities taxed in accordance with this chapter, as well as forms of declarations (reports, information) are approved by the authorized state body in agreement with the authorized state body in the field of finance.

# CHAPTER 56. SIMPLIFIED TAXATION REGIME

**INNOVATIVE AND TECHNOLOGICAL ACTIVITIES**

# Article 396 \_

1. The simplified regime of taxation of innovation and technological activities is a special regime of taxation of the activities of subjects of innovation and technological activities.

2. The list of types of innovative and technological activities is determined by the Government of the Republic of Tajikistan.

3. Subjects of innovative and technological activity in the course of carrying out their activities shall be exempt from paying any types of taxes provided for by this Code, with the exception of paying social tax as an insured taxpayer, paying personal income tax and social insurer tax, as well as at the time payment of income at the source of payment, including dividends as a tax agent.

4. The import of innovative and technological equipment by subjects of innovative and technological activities, which will be used directly for their own needs of this subject, is exempt from paying value added tax. In the case of the sale of imported innovative and technological equipment by subjects of innovative and technological activities, such operations are subject to value added tax and other taxes in the general manner established by this Code.

# SECTION XV. FINAL PROVISIONS

# CHAPTER 57. FINAL PROVISIONS

# Article 397. Transitional provisions

1. Until the regulatory legal acts of the Republic of Tajikistan are brought into line with the Tax Code of the Republic of Tajikistan, the regulatory legal acts of the Republic of Tajikistan shall be valid to the extent that they do not contradict this Code.

2. The Tax Code of the Republic of Tajikistan is implemented in legal relations arising after its entry into force. In legal relations that arose before its entry into force, the Tax Code of the Republic of Tajikistan applies to those rights and obligations that arise after its entry into force, if the established limitation period has not expired .

3. Prior to the adoption of decisions by the Majlis of People's Deputies of cities (districts) on local taxes, the calculation and payment of local taxes is carried out in accordance with the Tax Code of the Republic of Tajikistan dated September 17, 2012 and other regulatory legal acts.

4. The rates of value added tax established by paragraph 1) of part 1 of Article 264 of this Code for taxable transactions and taxable imports are established from January 1, 2024 to December 31, 2026 - 14 percent and from January 1, 2027 - 13 percent.

5. Payers of value added tax taxed at the standard rate, when switching to a reduced rate of value added tax in accordance with clause 2) of part 1 of Article 264 of this Code, are obliged to cancel the amount of value added tax credited as of the date of entry into force of this Code , excluding the amount of value-added tax paid in respect of taxable imports.

6. The effect of chapters 46-48, with the exception of chapter 47 1 of the Tax Code of the Republic of Tajikistan dated September 17, 2012, in relation to entities that applied them before December 31, 2021, in accordance with the provisions of this chapter, are applied until the expiration of these benefits.

7. The provisions of chapter 47 1 of the Tax Code of the Republic of Tajikistan dated September 17, 2012 and chapter 55 of this Code are valid until December 31, 2023.

8. The provisions of Chapter 56 of this Code are valid until December 31, 2026.

9. The Ministry of Finance of the Republic of Tajikistan is obliged, together with the Ministry of Economic Development and Trade of the Republic of Tajikistan, the Ministry of Industry and New Technologies of the Republic of Tajikistan, the Ministry of Agriculture of the Republic of Tajikistan, the Tax Committee under the Government of the Republic of Tajikistan, the Customs Service under the Government of the Republic of Tajikistan, the Statistics Agency under the President Republic of Tajikistan, the National Bank of Tajikistan to develop by March 31, 2022, to implement the provisions of this Code, regulatory legal acts and take measures to introduce a single integrated electronic form for accounting for transactions performed by a taxpayer, electronic marking, electronic fiscal receipt, electronic invoice for the cost of goods (works , services) and non-cash form of payment.

10. Users of natural resources and the Ministry of Finance of the Republic of Tajikistan, representatives of the authorized state body in the field of geology, the authorized state body, are obliged to bring existing contracts for the use of natural resources in line with the provisions of this Code. Such adjustment or modification of the terms of the contract must be made within sixty days from the date of entry into force of this Code.

11. The provisions of paragraphs five, eight, thirteen and fourteen of part 4 of Article 251 of this Code are valid until December 31, 2026.

12. The provisions of paragraph 10) of part 2, parts 5 and 6 of article 251, paragraph seven of part 1 of article 286 and chapter 50 of this Code are valid until December 31, 2026.

13. The rate established in the first paragraph of part 4 of Article 183 of this Code is valid until December 31, 2025, from January 1, 2026 the tax rate is set at 18 percent.

14. The concept of "profit tax", previously used in regulatory legal acts on taxes, is now recognized as a "tax on income of legal entities".

15. The provisions of Chapter 11 of this Code shall apply to individual entrepreneurs operating on the basis of a certificate, with special conditions in non-stationary places, and to individual entrepreneurs operating on the basis of a patent, from January 1, 2023.

16. From January 1, 2022 to December 31, 2031, land plots used for mulberry plantations are not subject to land tax and unified agricultural tax.

# 17. From January 1, 2022 to December 31, 2031, legal entities processing cocoons, silk fabrics, atlases, adras and other weaving products made from them are not subject to taxation for these types of activities, with the exception of personal income tax and social tax a (as amended by the Law of the Republic of Tajikistan dated March 28, 2022 [*No. 1 867*](vfp://rgn=141762) ).

# 18. The provision of paragraph 8) of part 2 of Article 189, paragraphs sixteen and seventeen of part 4, parts 7 and 8 of Article 251 and paragraph nine of part 1 of Article 286 of this Code are valid until September 1, 2027.

# Article 398

Recognize as invalid the Tax Code of the Republic of Tajikistan, adopted on September 17, 2012 ( Akhbori Majlisi Oli of the Republic of Tajikistan, 2012, No. 9, art. 838; 2013, No. 12, art. 889, art. 890; 2015, No. 3, Art. 210, No. 11, art. 965, art. 966; 2016, No. 3, Art. 150, No. 11, Art. 883; 2017, No. 1-2, Art. 21, No. 5, part 1, art. 280; 2018, No. 2, Art. 66, art. 67 , No. 7-8, Art. 529; 2019, No. 4-5, Art. 227, No. 6, art. 322, No. 7, art. 473; 2020, No. 1, art. 21, Art. 22, No. 7-9, art. 614, No. 12, Art. 918, Art. 919 ) subject to the provisions of Article 397 of this Code from January 1, 2022 .

# Article 399. Entry into force of the Tax Code of the Republic of Tajikistan

1. Enact the Tax Code of the Republic of Tajikistan (with the exception of Chapter 33 of this Code) from January 1, 2022.
2. The provisions of Chapter 33 of this Code shall enter into force on January 1, 2023.

**The president**

**Republic of Tajikistan Emomali Rahmon**

**Dushanbe**

**December 23, 2021**

**№1844**