(Unofficial translation)

Tax code of the Republic of Tajikistan (excluding Chapter 33 of this Code)
entered into force on 1 January 2022.
The provisions of Chapter 33 of this Code entered into force on 1 January 2023.
The value-added tax (VAT) rate specified in subparagraph 1), paragraph 1, Article 264 of this Code for taxable transactions and taxable imports is established at 14 percent for the period from 1 January 2024 to 31 December 2026, and at 13 percent starting from 1 January 2027 (paragraph 4, Article 397 of this Code).

TAX CODE OF THE REPUBLIC OF TAJIKISTAN

Adopted by the Resolution of the Majlisi Namoyandagon
of the Majlisi Oli of the Republic of Tajikistan
on 3 November 2021, No. 549

Approved by the Resolution of the Majlisi Milli
of the Majlisi Oli of the Republic of Tajikistan
on 17 December 2021, No. 217

(Amended by the Laws of the Republic of Tajikistan: No. 1867 of 18.03.2022, No. 1934 of 24.12.2022, No. 1956 of 15.03.2023, No. 2000 of 13.11.2023, No. 2066 of 20.06.2024, No. 2143 of 11.02.2025, Nos. 2158, 2159, 2160, 2161 of 15.04.2025, and No. 2168 of 14.05.2025)

This Code defines the organizational, legal and economic basis for the establishment, change, cancellation, calculation and payment of taxes, as well as relations between the state and the taxpayer related to the fulfillment of tax obligations (hereinafter - tax relations), and is aimed at the formation, development and stimulation of economic activity. (Law of the Republic of Tajikistan dated February 11, 2025, No.2143)

GENERAL PART

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

CHAPTER 1. GENERAL PROVISIONS

Article 1. Tax legislation of the Republic of Tajikistan and the scope thereof

1. Tax legislation of the Republic of Tajikistan (hereinafter - tax legislation) is based on the Constitution of the Republic of Tajikistan and consists of this Code, other normative legal acts of the Republic of Tajikistan, as well as international legal acts recognized by Tajikistan, regulating tax relations.

2. Taxation shall be carried out in accordance with the tax legislation in force at the time of tax liabilities, unless this Article provides for other provisions.

3. Concepts and terms of civil, family and other branches of 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. The relations on payment of customs duties and taxes on goods and means of transport conveyed across the customs border of the Republic of Tajikistan shall be regulated by this

Code and the customs legislation of the Republic of Tajikistan.

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

6. Contradictions between the provisions of this Code and other normative legal acts of the same level shall be 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 position of taxpayers and (or) establishing liability for tax offenses, determining new obligations of taxpayers and other participants of relations regulated by tax legislation, shall not have retroactive effect.

8. Acts of tax legislation, excluding or mitigating liability and (or) obligation for violation of tax legislation, or providing additional guarantees to protect the rights of taxpayers, tax agents and their representatives, shall be given retroactive force.

9. In the presence of ambiguity (different interpretation of 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 necessary provisions to regulate tax relations, tax and (or) judicial authorities shall make a decision in the interest (favor) of the taxpayer.

10. It shall be prohibited to include norms regulating tax relations in other legislative acts, except for provisions:

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

2) on tax offenses provided for by the criminal legislation;

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

4) on taxes provided for by the customs legislation;

5) provided for by the legislation on state duty;

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

7) stipulated by the Law of the Republic of Tajikistan on the State budget of the Republic of Tajikistan for the relevant fiscal 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 of Majlisi Oli of the Republic of Tajikistan.

11. For foreign states and governments, international organizations, diplomatic and consular representations of foreign states and governments and their diplomatic and consular employees, as well as representations of international organizations, their employees and family members of the above-mentioned persons, tax exemption and application of other tax benefits provided in accordance with this Code, or provided for by international legal acts recognized by Tajikistan, shall be provided in accordance with the procedure established by the Government of Tajikistan.

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

1) the principal shareholding or other interest of the person is regularly traded on a stock exchange in that foreign country;

2) both of the following conditions are met:

a) the person is active in the given foreign country through its employees and facilities in

the given country;

b) the person's income from sources in the Republic of Tajikistan received by the person is related to the person's active operations in the given foreign country;

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

Article 2. Basic concepts used in this Code

The following basic concepts shall be used in this Code:

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

2) **special tax regime** - a special procedure of taxation established for certain groups of taxpayers, providing for simplified ways and methods of calculation and payment of certain types of taxes, as well as submission of tax reporting;

3) **general tax regime** - the procedure for calculation and payment of national and local taxes established by this Code, except for special tax regimes;

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

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

a) the term of their operation is more than one year;

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

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

d) are subject to amortization;

6) **Tax arrear**- calculated (accrued) amounts of taxes, accrued interest and imposed penalties recognized by the taxpayer, but not paid within the established and (or) amended term, to the budget;

7) **winnings** - any type of income, remuneration and benefits in kind and in cash received by taxpayers at contests, competitions (olympiads), festivals, lotteries, drawings, including drawings on deposits and debt securities;

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

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

c) international and foreign organizations, foreign non-governmental public organizations and foundations, whose activities are of charitable and (or) international nature and do not contradict the Constitution of the Republic of Tajikistan to 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 a taxpayer** - a special cryptographic means of ensuring 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 digital signature in the exchange of electronic documents through the personal account of the taxpayer;

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

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

a) income received by a shareholder (participant) from the issuing legal entity in the distribution of annual profit remaining after taxation. If within the period provided for by the applicable sectoral legislation, a relevant decision is made on the targeted use of these contributions to the funds in accordance with the established norms and its targeted 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 order of redemption by a legal entity-issuer of its shares (stake) and income received by a shareholder (participant) from the division of property in the liquidation of a legal entity minus (in both cases) the value of property (shares, stake) made by a founder (participant) as a contribution (stake) 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 (participant) or a person related to the shareholder (participant) shall be 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 for prevention and elimination of consequences of emergency situations of military, ecological, natural, man-made and other nature and improvement of living conditions and everyday life of the population;

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

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

17) **bad debt** - an amount due to the taxpayer, but which the taxpayer is unable to fully collect 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 is recorded as written off in the taxpayer's accounting in accordance with International Financial Reporting Standards. In any case, a bad debt is a debt that is considered uncollectible in the financial accounts of the taxpayer and for the repayment of which no payment has been made to bank settlement and treasury accounts within three years from the date when such payment should have been made and or regardless of other circumstances, the taxpayer has been liquidated;

18) **location of a separate subdivision of a legal entity** - the place where this legal entity carries out activities through its separate subdivision (the place of actual location of the separate

subdivision);

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

20) **industrial processing of agricultural products** - technological operations related to 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 to be:

a) operations to prepare agricultural products for sale (sorting and packaging);

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

c) slaughtering and cutting of livestock;

d) cleaning and drying of grain, cereals and technical crops (except cotton) accepted in original weight;

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

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

21) **commodity** - any material property (for the purposes of value added tax, money, land and (or) products that are transported by means of wires (except for electrical energy), cables, radios, optics or other electromagnetic or similar technical systems are not considered as commodities);

22) **credit financial organization** - credit organization and Islamic credit organization, carrying out on the basis of the license of the National Bank of Tajikistan the 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 on the basis of the license of the National Bank of Tajikistan all or certain banking operations stipulated 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 of description and coding of goods;

25) **royalty** - payment for:

a) the right to use natural resources in the process of extraction of minerals and (or) processing of technogenic formations;

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

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

d) use of know-how;

e) the use of motion pictures, video films, sound recordings or other means of recording, or the assignment of the right of use to others;

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

26) **hospitality expenses** - expenses on reception and servicing of any persons, including expenses incurred for the purpose of establishing or maintaining mutual cooperation, as well as participants attending a meeting of the Board of Directors, Audit Commission, Shareholders' Meeting. Hospitality expenses include expenses on holding an official reception for the above

persons, their buffet service during negotiations;

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

a) trading activities;

b) financial services;

c) lease of tangible and intangible property;

d) product transmitted by means of transmitters, cables, radio receivers, optics or other electromagnetic systems, or similar technical systems;

28) **financial services (for the purposes of value added tax)** - services of credit organization, Islamic credit organization and other organizations according to the list approved by the National Bank of Tajikistan in coordination 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 electronic signature, having the force of reporting after its acceptance and confirmation of reliability;

30) **insurance payment (insurance indemnity)** - an amount paid by an insurance organization to an insured person under property and liability insurance to cover damage due to insured events;

31) **activity on 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 arrear recognized by the taxpayer** - the unpaid amount of tax liability determined (accrued) in the following form:

a) by the taxpayer in its tax reporting;

b) in the decision on granting tax deferral;

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

d) by an effective court decision;

33) **indirect tax** - tax (value added tax, excise tax and primary aluminum sales tax), 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 rights to 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 transfer of ownership rights to goods placed in pledge to the pledgee;

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

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

37) **operation on revaluation of foreign currency, precious metals and stones** - an operation performed with the purpose of regulating the respective balance sheet of an organization (enterprise, institution), regardless of its desire, due to the change of the exchange rate of the national currency against foreign currency, precious metals and stones and refers

either to income or to expenses of the organization depending on its positive or negative final result (final difference between income and expense of revaluation);

38) **cash register devices** - electronic devices with fiscal memory and data transmission devices, which record and store fiscal information on mutual settlements in cash, bank payment cards and other forms of electronic payments when selling goods, performing works and services and ensure its direct submission to tax authorities through operators (online);

39) **virtual cash register** - software or package that contains information on cash and non-cash settlements with consumers at wholesale trade (service) outlets 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 the operator, prints fiscal data or transmits them electronically to the tax authority;

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

41) **Pre-trial dispute resolution council** - an advisory body for pre-trial consideration of tax disputes between a taxpayer and a tax authority;

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

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

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

45) **owner (ultimate beneficiary)** - one or more individuals or legal entities directly or indirectly owning the property;

46) **authorized capital** - an aggregate of financial and monetary funds (shares, stocks) of founders (participants), formed for the establishment of a legal entity and ensuring its activities;

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

48) **responsible taxpayer** - a taxpayer that ensures fulfillment of its tax obligations under the tax legislation, not included in the list of irresponsible taxpayers;

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

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

51) **electronic invoice** - a document issued using any electronic channels without or with an electronic signature, submitted through means of electronic data exchange. The said document, accompanied by an electronic copy of a paper invoice, is transmitted through the taxpayer's personal account or any electronic network, which creates a reliable basis for verification between the invoice and the delivery of goods (performance of work and rendering of services);

52) **cashback** - a type of incentive that is returned when paying for the cost of goods, works and services through non-cash settlement (including means of electronic payments, bank

payment cards and electronic wallets) in certain percentages of the amount paid, or a fixed amount by a credit financial organization and (or) seller to the buyer;

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

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

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

56) **functional currency** - a currency distinguishable from the national currency.

Article 3. Procedure for the establishment, exemption, amendment and abolition of the tax

1. Establishment, exemption, change and abolition of tax shall be carried out by means of introduction of amendments and additions to this Code and (or) to legislative acts provided for in part 10 of Article 1 of this Code.

2. Drafts of normative legal acts on making amendments and additions to the tax legislation, exemption from tax shall be submitted in the prescribed manner by the authorized state body in the field of finance.

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

Article 4. Procedure for the calculation of time limits established by tax legislation

1. Time limits established by tax legislation shall be determined by a calendar date, an indication of an action to be performed or to be performed after the expiration of a period of time, which is calculated in years, quarters, months or days.

2. The beginning of calculation of the term established by tax legislation shall be the day following the calendar date or the event that must occur.

3. A term calculated in years shall expire in the corresponding month and number of the last year of the term. In this case, a year shall be recognized as any period of time consisting of twelve consecutive months other than a calendar year.

4. A term calculated by quarters shall expire on the corresponding day of the last month of the term. In this case, a quarter is equal to three calendar months, and the countdown is counted from the beginning of the calendar year.

5. The term calculated by months shall expire on the last day of the respective month.

6. Deadlines calculated by days shall be calculated by calendar days, if days are not calculated as working days in this Code. A working day shall be a day which is not recognized as a day off or a non-working day in accordance with the legislation.

7. If the last day of the term falls on a day that is considered to be a holiday or a non-working day, the end of the term shall be considered to be the working day following that holiday or non-working day.

8. An action for which a deadline has been set may be performed until 24 hours of the last day of the deadline.

9. The deadline shall not be considered expired if the documents (reports) have been submitted to the communication organization and (or) the funds, relevant payment documents have been submitted to the credit financial organizations before 24 hours of the last day of the deadline.

Article 5. Receipt of taxes and their distribution in the budget

1. Taxes shall be paid in the volume and in the order established by this Code and subordinate normative legal acts adopted on its basis.

2. Customs duties shall be paid in the volume and in the order established by the Custom Code of the Republic of Tajikistan, this Code and by-laws adopted on their basis.

3. Funds from national taxes shall be 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 relevant financial year. Payments on local taxes go to the respective local budgets.

4. Administrative procedures on tax revenues, state duties and fees, as well as customs payments, shall be carried out by the relevant authorized bodies and tax authorities in accordance with the established procedure.

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

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

1. Application of international treaties of the Republic of Tajikistan on taxation and general legal international tax norms shall be carried out in the order established by this Code.

2. Provisions of international treaties regulating the issues of avoidance of double taxation and prevention of tax evasion, one of the parties to which is the Republic of Tajikistan, shall apply to tax residents of one or both states that have concluded such a treaty. For this purpose, the tax resident is determined in accordance with the treaty.

3. 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. The 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 this income, or a person in whose interests another person is authorized to dispose of such income. It does not matter whether this right has arisen due to direct and (or) indirect participation in this legal entity, or control over it, or due to other circumstances.

5. In accordance with the procedure established by paragraph 4 of this Article, the actual right to income of a person carrying out his activity without formation of a legal entity shall be determined.

6. When determining the person having the actual right to income, the functions performed by the persons specified in part 4 of this Article, as well as the risks assumed by them, shall be taken into account.

7. A foreign person is not recognized as having an actual right to income from sources in the Republic of Tajikistan, if it has limited powers to dispose of these incomes, carries out in respect of the specified incomes intermediary functions in the interests of another person, and without assuming any financial risks, directly or indirectly pays such incomes (fully or partially)

to another person.

8. At payment of incomes from sources in the Republic of Tajikistan to the foreign person who has no actual right to such incomes, if the person who has an actual right to such incomes (their part) is known, taxation of the paid income is made in the following order:

1. if the person having the actual right to the paid income (its part) is a tax resident of the Republic of Tajikistan, taxation of the paid income (its part) shall be made in accordance with the provisions of this Code in respect of tax residents of the Republic of Tajikistan. Thus, the payer does not withhold tax at the source of payment in respect of paid income (its part) on condition that he notifies the tax authority at the place of registration. The order of such notification is determined by the state authorized body;

2. if the person who has the actual right to the paid income (its part) is a tax resident of the state (jurisdiction) with which there is an existing international agreement of the Republic of Tajikistan on taxation issues, in this case with respect to taxation of paid income (its part) the provisions of the said international agreement shall be applied.

3. if the person who has the actual right to receive income (or its part) 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 its part) received by a non-resident shall be carried out in accordance with the provisions of this Code.

9. The above rules apply provided that the place of permanent location of the person to whom income is paid, and who does not have an actual right to this income, is a state (jurisdiction) with which there is an existing international agreement of the Republic of Tajikistan on taxation.

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

11. The competent authority of the Republic of Tajikistan, defined in the international agreement, shall have the right to send a request to the competent authority of a foreign state to assist in the fulfillment by a taxpayer of a foreign state of a tax obligation not fulfilled in the Republic of Tajikistan.

12. The provisions of paragraphs 4-11 of this Article shall be applied for the purpose of determining the person who has the actual right to receive income from the source of payment in accordance with an international treaty.

CHAPTER 2. PRINCIPLES OF TAXATION

Article 7. Principles of taxation

Taxation shall be based on the principles of legality, obligation, reasonableness of taxation and cooperation of tax authorities with the taxpayer, fairness, unity of the tax system and transparency.

Article 8. Principle of legality

1. Tax shall be established in accordance with this Code and norms of tax legislation may not contradict the principles established by this Code.

2. No one may be obliged to pay a tax not stipulated by this Code or established in violation of its norms.

Article 9. Principle of obligatoriness

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

Article 10. Principle of reasonableness of taxation and cooperation of tax authorities with the taxpayer

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

2. Within the framework of tax relations tax authorities shall be obliged to cooperate with the taxpayer in order to ensure the fulfillment of tax legislation of the Republic of Tajikistan. In this case, tax authorities shall not have the right to create artificial obstacles to the legitimate activities of the taxpayer, and the taxpayer shall assist the tax authorities to fulfill their powers.

Article 11. Principle of fairness

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

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

Article 12. Principle of unity of the tax system

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

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

Article 13. Principle of transparency

1. Normative legal acts regulating tax legal relations shall be subject to mandatory publication.

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

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

Article 14. Subjects of tax relations

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

2. Residents of the Republic of Tajikistan for the purposes of taxation shall be recognized:

1. if an individual has been on the territory of the Republic of Tajikistan for a period or periods cumulatively exceeding 182 days in any 12-month period beginning or ending in the current calendar year, shall be considered a resident of the Republic of Tajikistan (hereinafter - resident) for the current calendar year, but subject to 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, shall be 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 the subsequent tax period, shall be 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 during the calendar year was in the civil

service of the Republic of Tajikistan outside the Republic of Tajikistan, shall be considered a resident in the current calendar year, regardless of the duration of such service;

3. natural persons who are citizens of the Republic of Tajikistan;

4. natural persons who have applied for citizenship of the Republic of Tajikistan or for permission for permanent residence 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, shall be recognized as residents if the person does not have a permanent place of residence outside the Republic of Tajikistan.

3. A natural person who is not a resident in accordance with this Article shall be considered a non-resident of the Republic of Tajikistan.

4. A citizen of a foreign state shall not be considered a resident of the Republic of Tajikistan regardless of the period of his stay on 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 civil service of a foreign state (or a family member of such a person).

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

6. An individual recognized as a non-resident must submit to the tax agent or tax authority at the place of stay (residence) not later than the date of receipt of income or the date of filing tax returns a document confirming the resident status in a foreign country of this person or stateless person and a notarized translation into the state language of the identity document (passport).

7. Individual entrepreneur - a natural person carrying out entrepreneurial activity without forming a legal entity on the basis of a patent or a certificate.

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

1. a legal entity - resident - 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 (governing 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 shall be considered as a legal entity in the Republic of Tajikistan, even if it is not a legal entity in accordance with the legislation of the state in which it is established.

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 shall meet the following conditions:

1) carry out entrepreneurial or non-entrepreneurial activities;

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

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

10. Taxpayer - a natural person, individual entrepreneur, legal entity, branches and their representative offices engaged in economic activity, regardless of the organizational and legal form, type of activity, subordination and form of ownership, or object of taxation, on which the tax legislation imposes the obligation to pay taxes, state duties and fees.

11. State bodies - a constituent part of the state apparatus, exercising state powers with appropriate organizational and legal forms, in accordance with the competence and structure

established by normative legal acts:

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

2) authorized state body - a 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, except for 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. A tax agent is an organization or an individual entrepreneur who, in accordance with this Code, has the obligation to calculate, withhold and transfer to the relevant budget taxes withheld from a taxpayer or from the source of payment.

13. A tax agent shall be obliged to:

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

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

3) submit tax reporting 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 - 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 - 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, sale of goods, performance of works or rendering of services.

2. Entrepreneurial activity by the size of gross income shall be subdivided into the following types:

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

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

3) large-scale entrepreneurial activity - activity of a legal entity whose total income for 12 consecutives (continuous) past calendar months is more than 25,000,000 (twenty-five million) somoni.

3. Charitable activity shall mean the activity carried out in accordance with the Law of the Republic of Tajikistan “On Charitable Activity”.

4. For taxation purposes, the provision of any assistance is not considered charitable activity in the presence of one of the following conditions:

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

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

5. The following activities shall not be considered as entrepreneurial activity:

1) activities of state authorities of all levels and self-government bodies of settlements and villages, directly related to the fulfillment of state powers entrusted to them;

2) charitable activities;

3) religious activities;

4) activities of public organizations;

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

6) performance by an individual of work for hire.

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

1) placement of funds in financial and credit organizations;

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

3) transfer of property into 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) acquisition (sale) or transfer to another person of bonds or any other bills of exchange;

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

7) employment carried out on the basis of conclusion of civil law contracts or without conclusion of contracts.

7. In the part where the persons performing the types of activities specified in paragraph 5 of this Article are engaged in entrepreneurial activity, entrepreneurial activity of such persons shall be subject to taxation, their assets and activities directly related to entrepreneurial activity shall be subject to separate (separate from the main activity) accounting.

8. The activity of a legal entity, which is a state institution, part of the special funds of which is levied to the budget in the amount and in the manner determined by the legislation, shall not be considered entrepreneurial activity.

Article 16. Employment

1. For the purposes of this Code, the term “work for hire” shall mean:

1) performance by a natural person of obligations within the framework of relations regulated by civil legislation of the Republic of Tajikistan, labor legislation of the Republic of Tajikistan or legislation of the Republic of Tajikistan on public service;

2) fulfillment by a natural person 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) employment of an individual in a managerial position in an enterprise or organization.

2. An individual who has worked, is working, or who will work for hire shall be referred to as an “employee” for the purposes of this Code. The person paid for services rendered by such individual shall be referred to as the “employer” and the payment shall be referred to as “wages”.

3. For the purposes of this Code, the main place of work of an employee shall be the place of work for which, in accordance with the labor legislation of the Republic of Tajikistan, the employer is obliged to keep the employee's labor book.

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

1.. A permanent establishment of a non-resident (foreign enterprise or non-resident person) in the Republic of Tajikistan (hereinafter - permanent establishment), unless otherwise established by this Article, shall mean a permanent place of activity through which this foreign person fully or partially carries out entrepreneurial activity, including activity carried out through an authorized person.

2. The permanent place of business referred to in paragraph 1 of this Article shall be deemed to be:

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

2) a place of production, processing, completion, packing and packaging of goods;

3) any place, including a store or warehouse used as a retail outlet;

4) places used for construction, construction work sites, assembly or other places associated with supervisory activities;

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

a) a place where services are provided for more than 90 calendar days with employees during the entire continuous twelve-month period that ends in this reporting period;

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

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

7. a place of installation of equipment or structures used for geological study (exploration), development, or 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 where activities (including control or supervision) related to gas pipelines and other pipelines are carried out.

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 and (or) insurance broker;

2) is a participant of the contract on joint activity (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) delivers (sells) goods at them;

4) on the basis of contractual relations authorizes a person to represent its interests in the

Republic of Tajikistan, act and (or) conclude contracts on its behalf;

5) authorizes a person in the Republic of Tajikistan to keep stocks of goods and make regular deliveries on its behalf;

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

4. A non-resident may conduct its activities in the Republic of Tajikistan without establishing a permanent establishment specified in Part 1 of this Article, through a person authorized to act on its behalf, to perform actions on conclusion of civil law contracts. In such case, the place of activity of such non-resident shall be the place of activity of this authorized person (in cases when this person does not have a permanent place for carrying out activities, such place of activity of a non-resident shall be the place of permanent residence of its authorized person).

5. Subsidiary enterprise 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) branch office of a foreign enterprise is considered to be 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 shall be considered a permanent establishment from the date of commencement of such activity in the Republic of Tajikistan.

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

1) the date of conclusion of any contract for:

a) provision of services in the Republic of Tajikistan;

b) authorization to act on its behalf in the Republic of Tajikistan;

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

d) purchase of services in the Republic of Tajikistan;

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

3) the date of entry of a non-resident individual to the Republic of Tajikistan as an employee or hiring 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 foreign legal entity's activities are of a mobile nature (road construction project, mineral prospecting and other mobile activities), the entire project shall be treated 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 the non-resident, in such case the non-resident before commencement of such activity in the Republic of Tajikistan shall undergo state registration as a taxpayer and shall be registered with the tax authority at the place of activity.

11. 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, shall mean the establishment of a permanent establishment. A permanent establishment of a non-resident for the purposes of

taxation in the Republic of Tajikistan shall be recognized as a legal entity and shall calculate and pay taxes to the budget in accordance with the procedure established 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 accordance with the procedure established for non-residents.

12. For the purposes of taxation to establish the existence of a permanent foreign establishment of a resident outside the Republic of Tajikistan, the provisions of Parts 1-11 of this Article shall also apply, with references in these parts to a non-resident shall mean a resident, and references to the Republic of Tajikistan shall mean a foreign state.

Article 18. Financial lease (leasing) and leasing organization

1. The transfer of amortizable property to another person on the basis of a financial lease (leasing) agreement concluded for a term exceeding 12 months in accordance with the legislation on financial lease (leasing) is 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 operation (useful life) of the transferred property and (or) the residual value of the financial lease at the end of the lease term will be less than 25 percent of the initial value;

2. upon expiration of the term of the finance lease agreement, the object of the finance lease is transferred into the ownership of the lessee;

3. upon expiration of the term of the financial lease, the lessee has the right to purchase the leased property at the price established by the terms of the financial lease;

4. the present discounted value of the minimum payment for the weight of the financial lease term exceeds 90 percent of the market price of the property transferred under the financial lease;

5. the property transferred under the financial lease is on the order of the lessee and at the end of the lease term cannot be used by any person other than the lessee.

2. For the purposes of this Code, leasing shall be a special type of financial lease whereby one party (lessor) on behalf of another party (lessee) acquires from a third party (seller) the property stipulated in the leasing agreement and transfers it to the lessee for a fee for possession and use under an agreement that meets the requirements established by Part 1 of this Article.

3. For the purposes of the tax on income of legal entities in accordance with this Code, the lessee who received the leased property for possession and use under the financial rent (leasing) agreement shall be the purchaser of this property. For the purposes of value added tax, a financial lease is treated as a periodic supply, whereby each periodic transfer is partly a supply of goods and partly the provision of an interest in financial services.

4. For the purposes of this article, the lease term shall include an additional term for which the lessee has the right 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 envisaged 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 sphere of investments. This register shall also include projects on construction of social facilities, which are transferred on a gratuitous basis by individuals and legal entities to the relevant state body.

The order of keeping the register of investment projects on the proposal of the authorized state body in the sphere of investments in coordination with the authorized state body in the sphere of finance and the authorized state body in the tax sphere shall be approved by the Government of the Republic of Tajikistan.

2. Investment projects of the Government of the Republic of Tajikistan shall be realized with the use of privileges provided by this Code.

3. Credit (grant) agreements on financing (realization) of investment projects of the Government of the Republic of Tajikistan, providing for the provision of additional tax benefits, shall be subject to approval by the Majlisi Namoyandagon of Majlisi Oli of the Republic of Tajikistan. Such agreements may not contain provisions on exemption from income tax and social tax of citizens of the Republic of Tajikistan.

4. In case of worsening of taxation conditions for realization of investment projects of the Government of the Republic of Tajikistan, before completion of such projects, taxation conditions in force at the moment of signing of the relevant agreements shall be used in respect of them.

Article 20. Personal account of a taxpayer

1. Personal account of a taxpayer (hereinafter - personal account) is an information source placed on the official website of the authorized state body. The procedure for its maintenance shall be 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. Exchange of information between a tax authority and a taxpayer, including a non-resident without and or with the formation of a legal entity, as well as foreign persons providing remote services, shall be made only through a personal account, through which the taxpayer and the tax authority may exercise mutual rights and obligations, except in certain cases provided for by this Code.

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

5. After activation of the personal account and up to the suspension of its activity, 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 a taxpayer's personal account, information is received about the suspension of a taxpayer's personal account or the termination of the use of an electronic digital signature key, that document shall be sent to the taxpayer in paper form within three working days from the date of receipt of that information.

7. A taxpayer who, without a valid reason, fails to submit a tax return or other document in electronic form through the taxpayer's personal account shall be responsible for its written processing.

Article 21. Market prices

1. For the purposes of taxation, the actual price specified (fixed by valid documents, including contract, receipt, consignment notes) by the parties to the contract shall be accepted as the price for goods (work, services), unless otherwise provided for by this Article. If the indicated price for goods (work, services) differs from the market price in the cases provided

for by Part 9 of this Article, and the taxpayer does not provide justified reasons for the price discrepancy, the market price shall be used for taxation of such transactions.

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

3. The market price for goods (work, service) shall be determined on the basis of information on contracts concluded in the relevant market at the moment of delivery of such goods (work, service), and in case of absence thereof - on the nearest day preceding or following the moment of realization of such goods (work, service) for identical (homogeneous) goods (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 similar goods (work or service), the price shall be adjusted taking into account the differences between the similar goods (work or service) and the actual goods (work or service).

4. At realization of goods (work, service) prices (tariffs) for which are regulated in accordance with the legislation of the Republic of Tajikistan, for taxation purposes the specified prices (tariffs) are accepted.

5. The market of goods (works, services) is recognized as the sphere of circulation of these goods (works, services), determined for the seller (buyer) on the nearest territory for the seller (buyer) in the Republic of Tajikistan or beyond its borders of sale (purchase) of goods (works, services) based on the possibility of the seller (buyer).

6. In the absence of contracts on identical (homogeneous) goods (works, services) in the market of goods (works, services) or supply of such goods (works, services) to this market, the market price of goods (works, services) shall be determined by the prices formed on the basis of transactions concluded in respect of identical (homogeneous) goods (works, services) on the day nearest to the moment of realization of goods (works, services) or following the moment of realization of such goods (works, services) or prices of the last transaction, but not more than 30 calendar days before or after the moment of realization 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) shall be determined by the method of subsequent sale price and the “cost plus” method.

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

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

1) the agreement is signed between interrelated persons and their interconnectedness influenced the results of such 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 according to Article 223 of this Code;

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

5) the price used by the parties to the contract differs from the official statistical price

formed on the day nearest to the moment of realization of goods (works, services) or following it, but not more than 30 calendar days before or after the moment of realization of such goods (works, services) by 30 percent. This provision shall apply when comparing retail prices with retail prices and wholesale prices with wholesale prices.

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

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

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

3) professional traders - merchants, stock traders;

4) price determination period - a period during which the average (high and low) price for delivery of goods (performance of works and rendering of services) necessary for determination of the market price is established;

5) date of transfer of title to the buyer - the date of completion of delivery of goods (works, services) in accordance with the terms and conditions of the contract, in international agreements under long-term contracts from the moment of delivery of goods (works, services) to the buyer, the date of signing the contract on goods sold on the basis of long-term contracts, the date of conclusion of the credit contract for services on granting loans, the date of signing the contract on performance of other works and rendering 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 certain document;

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

8) final 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) subsequent sale (resale) price method - means a method of determining the market price, where the margin obtained during resale between related parties (controlled contract) is compared with the margin obtained during resale as a result of an uncontrolled transaction;

10) Cost-plus method - means a method of determining the market price whereby the mark-up on costs directly or indirectly incurred in supplying goods or services in a controlled operation is compared with the mark-up on those directly or indirectly incurred costs in supplying goods or services in a comparable uncontrolled operation;

11) wholesale price - the price of goods set by the seller to the buyer for a large batch (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 final consumers on a piece-by-piece or small lot basis.

11. Provisions of this Article and Chapter 33 of this Code shall not apply to the activities of credit financial organizations, including for loans attracted by them.

12. Taxation of property lease, except for objects, which are leased out by state bodies in accordance with the established procedure, shall be established at the actual cost of 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 relevant fiscal year, depending on its

location and other characteristics (Law of the Republic of Tajikistan dated December 24, 2022, No.1934).

13. This Article shall not be adopted in case of application of provisions of Chapter 33 of this Code.

14. The procedure for application of methods specified in this article shall be approved by the Government of the Republic of Tajikistan.

Article 22. Related parties

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

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

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

2. Two parties are not related by reason of the fact that one party is an employee or client of the other, or both parties are employees or clients of a third party, irrespective of the fact that their relationship complies with paragraphs 3 or 5 of this Article.

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

1) the parties who are directly at the managerial level and who are related have the right to make unilateral decisions;

2) the 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 person if the voting right of each of them is not less than 25 percent;

5) more than half of the board of directors, or more than one half of the board of directors, or more than one executive director, 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 more than one-half of the 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) to 4) of Part 3 of this Article, a party shall be deemed to hold an interest 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 low-tax country, as defined in Article 223 of this Code, shall be considered as transactions with related parties. At the same time, the provisions of this part shall not apply to taxpayers who provide the tax authorities with information on the identity of shareholders of the other party and prove that they are not interrelated.

6. For the purposes of this Article, relatives of a natural person shall be:

1) spouse of a natural person;

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

3) The spouse of any relative of an individual listed in paragraph 2) of this part;

4) a guardian of a natural person.

CHAPTER 4. TAX SYSTEM OF THE REPUBLIC OF TAJIKISTAN

Article 23. Taxes

A tax is a compulsory payment to the budget established by this Code, made in a certain amount, which is mandatory irrevocable and gratuitous in nature (except for social tax). Taxes shall be calculated in monetary terms and paid in the national currency, unless otherwise provided for by this Code.

Article 24. Types of taxes

1. National and local taxes shall be established in the Republic of Tajikistan. In appropriate cases and in accordance with the procedure stipulated by this Code, taxpayers shall use special tax regimes.

2. The 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 enacted by normative legal acts of local state authorities in cities and districts include property tax.

Article 25. Special taxation system

1. A special tax regime shall include special and simplified taxation regimes.

2. The special taxation regime includes:

- regime of taxation of activities of free economic zones;
- taxation regime for subjects of the securities market;
- taxation regime for individuals engaged in entrepreneurial activity on the basis of a patent or a certificate.

3. The simplified taxation regime includes:

- simplified regime of taxation of small business subjects;
- simplified taxation regime for agricultural producers (unified agricultural tax);
- simplified taxation regime for gambling business subjects;
- simplified taxation regime for poultry farming, fish farming and production of combined feed for birds and animals;
- simplified taxation regime for innovation and technological activities;

Article 26. Tax elements

1. A tax shall be deemed established only when the taxpayer, benefits and all elements of the tax are determined by this Code and subordinate normative legal acts adopted on its basis.

2. Tax elements include:

- object of taxation;
- tax base;
- tax rate;
- tax period;
- tax calculation procedure;
- procedure for filing tax returns;

- procedure of tax payment.

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

Article 27. Object of taxation

1. The object of taxation is property, action, result of action or other circumstance having cost, quantitative or physical characteristics, the existence of which in accordance with the tax legislation gives rise to a tax liability of a taxpayer.

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

Article 28. Tax base

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. Tax rate is the amount of tax charges per unit of measurement of the tax base, expressed in percent or absolute amount.

2. Tax rates shall be established by this Code, unless otherwise provided for in paragraph 3 of this Article.

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

Article 30. Tax period

1. The tax period is a calendar year or other period of time, after the expiration of 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 respect to taxes for which the tax period is a calendar year, the provisions of this Article shall be applied taking into account the peculiarities 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 that year to the date of completion of the liquidation (reorganization) procedure.

5. If a legal entity is created and liquidated (reorganized) within 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, the activity of which did not lead to the formation of a permanent establishment in the Republic of Tajikistan, applies for registration as a tax resident of the Republic of Tajikistan, the determination of the first tax period for the tax on income of legal entities for it is carried out in the following order:

- if a foreign legal entity submitted an application for registration of itself as a tax resident of the Republic of Tajikistan from January 1 of a calendar year, the first tax period for it is the calendar year in which the said application was submitted;

- if a foreign legal entity submitted an application for registration of itself as a tax resident of the Republic of Tajikistan, the first tax period for it is the period of time from the date of submission to the tax authority of the said application until the end of the calendar year in which

it was submitted. If the 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 of time 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 is submitted to the tax authority.

7. The provisions provided for in paragraph 6 of this Article shall not apply to legal entities from which one or more legal entities are separated or to which one or more legal entities are merged.

Article 31. Procedure for calculation and payment of taxes

1. The procedure for calculation of tax determines the rules for calculation of the amount of tax for a tax period on the basis of the tax base, tax rate and tax benefits, if any.

2. The taxpayer and the tax agent shall independently calculate and pay taxes, unless otherwise established by this Code.

3. In cases stipulated by this Code, the obligation to calculate taxes may be imposed on a tax authority or a tax agent.

4. Tax shall be paid in full, unless otherwise provided for in this Code.

5. If a tax period consists of several reporting periods, current payments shall be made based on the results of each of them. Current payments established by this Code may also be provided for certain types of taxes. The obligation to make current payments is equal to the obligation to pay tax.

6. Legal entities and individual entrepreneurs shall pay accrued taxes, penalties and interest in non-cash form.

Note: The procedure of calculation and terms of payment of taxes are determined by the special part of this Code.

Article 32. Tax benefits

1. Tax privileges are recognized as advantages provided to certain categories of taxpayers provided for by the tax legislation in comparison with other taxpayers, including the possibility not to pay tax or to pay them in a smaller amount.

2. Deferred (installment) payment of taxes is not a tax benefit.

3. Tax privileges shall be provided by this Code, unless other provisions are stipulated in Part 5 of this Article.

4. Tax benefits may not be individual in nature.

5. Additional tax benefits in priority industries in accordance with the regulatory legal acts listed in paragraphs 7) and 8) of Part 10 of Article 1 of this Code shall be granted in the form of a reduction of the tax rate established by this Code by 50 percent and for a period not exceeding 5 years.

6. The list of priority industries, for which tax benefits are provided in accordance with this Code, and additional benefits in accordance with the relevant normative legal acts, shall be 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 shall be carried out on the basis of analysis of the effectiveness of the proposed benefits for the development of the national and regional economy.

7. Unless otherwise provided for by this Code, taxpayers have the right to use tax benefits from the moment of occurrence of the relevant legal grounds during the entire period of their validity or to refuse to use tax benefits, except for the realization (export) of goods (works,

services) exempt from value added tax. If a taxpayer refuses to use tax benefits must notify the tax authority in writing at the beginning of the year (before January 20) and comply with it until the end of the year.

8. Tax exemptions may be granted subject to the condition that the funds exempted from taxation are directed to certain purposes. In case of misuse of such funds, they shall be subject to recovery in the budget with the accrual of penalties in accordance with the established procedure. The amount of funds released in connection with the provision of tax exemptions and unused during the term of validity of these exemptions, may be directed to the purposes specified in the provision of exemptions, within a year after the expiration of the term of validity of the provided exemptions. In this case, the funds unused within the specified period are subject to transfer to the budget.

9. Benefits on value added tax, including at importation into the territory of the Republic of Tajikistan, can not be provided on condition that the funds, exempted from taxation, will be allocated for specific purposes.

10. In case of natural disasters (earthquakes, floods) and emergencies (epidemics and pandemics), the Government of the Republic of Tajikistan may provide all taxpayers or a group of taxpayers with tax vacations.

11. The procedure for granting, assessment of effectiveness and expediency of tax benefits shall be approved by the Government of the Republic of Tajikistan upon presentation of the authorized state body in the sphere of finance in coordination with the authorized state body and other relevant state bodies.

CHAPTER 5. RIGHTS AND OBLIGATIONS OF A TAXPAYER. IRRESPONSIBLE TAXPAYERS

Article 33. Rights of a taxpayer

1. A taxpayer shall have the right:

1) receive free of charge consultation and information from tax authorities and other state bodies involved in tax legal relations related to the application of tax legislation, in particular on rules, procedures, regulations and instructions developed by an authorized state body;

2) to represent and protect their interests on issues of tax relations personally or through their authorized representative;

3) to apply to tax authorities, sectoral bodies for support of entrepreneurship and to the Council for pre-trial dispute resolution to protect their rights and legitimate interests on actions or inaction of an employee of the tax authorities;

4) within the time limits established by this Code, to receive the results of tax control and conducted audit by the tax authority;

5) to refuse to conduct a tax audit in case of failure to provide notification within the time limits established by this Code;

6) to participate in tax control and audits;

7) to receive in electronic form from the tax authority forms of tax applications and reporting forms in the prescribed manner to submit tax reporting;

8) on the results of tax control and audit to submit explanations to the tax authorities;

9) to receive from the tax authority in electronic form a confirmed act of reconciliation of calculation and payment of taxes;

10) to 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 to receive from the tax authority relevant information on the details of tax payment (current account, purpose of payment, type of tax, distribution to the relevant budget and so on), necessary for filling in the relevant document, as well as information on the method of payment;

12) to demand from an employee of the tax authority strict compliance with tax legislation in tax relations;

13) appeal acts of tax control, decisions, notifications, orders, instructions, orders, normative legal acts, as well as actions and inaction of an official of the tax authority in accordance with the provisions of this Code and other legislative acts of the Republic of Tajikistan;

14) to demand that the tax authorities observe the secrecy of commercial transactions;

15) request an extension of tax payment terms (deferral or installment) in the manner and on the terms established by this Code;

16) to demand timely credit or refund of overpaid or overcharged taxes;

17) in the prescribed manner to demand from the tax authority to compensate for damages caused as a result of illegal decisions and actions (inaction) of its officials;

18) not to fulfill the requirements of responsible persons of the authorized bodies of tax legal relations, not provided for by this Code and or other normative legal acts;

19) to 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 dispute resolution, appeal to the court the results of tax audits, tax control, actions (inaction) of tax officials;

21) a taxpayer shall also have other rights provided by this Code and other normative legal acts.

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

3. Failure to fulfill or improper fulfillment of obligations to ensure the rights of taxpayers shall entail liability of officials of state bodies involved in tax legal relations.

Article 34. Duties of a taxpayer

1. A taxpayer shall:

1) to register with the tax authorities as a taxpayer in the order established by the legislation of the Republic of Tajikistan;

2) to register as a payer of value added tax in the order established by this Code;

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

4) fulfill its tax obligations within the terms established by this Code;

5) to eliminate identified violations of tax legislation and not to interfere with the lawful activities of employees of the tax authority;

6) to allow on the basis of an order of tax authorities' officials to inspect the property that is the object of taxation;

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

8) to ensure the use of cash register devices and other devices of retail outlets;

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

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

11) take inventory of its 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 its separate subdivisions;

b) decision on reorganization, liquidation (cessation of activity) or bankruptcy;

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

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

14) the taxpayer shall fulfill other obligations established by this Code.

2. A taxpayer shall be obliged to prepare reconciliation acts in written or electronic form together with the tax authority within the following terms:

1) dekhkan farms without formation of a legal entity - once for the reporting year;

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

3) taxpayers carrying out their activities on the basis of a patent - once for the results of the reporting year;

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

3. Liability for non-payment or incomplete payment of taxes as a result of failure to include taxable income from the transaction in the tax base is imposed on the taxpayer.

4. The list of irresponsible taxpayers shall be compiled by the authorized state body on the basis of an official decision and posted on its website. After correction of the committed violations of the law and (or) provision of reasonable evidence, the name of an irresponsible taxpayer shall be removed from this list.

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

a) for more than 3 consecutive months does not ensure the submission of tax returns and (or) payment of the amount of tax(s) and (or) payment of recognized tax debt;

b) submitted an invoice for value added tax when in reality the taxable transaction was not performed

c) other actions (inaction) were performed, the list of which is established by the authorized state body in coordination with the authorized body in the field of entrepreneurship support.

CHAPTER 6. REGULATION OF TAX AVOIDANCE AND PREVENTION OF TAX EVASION

Article 35. Tax Avoidance Commission

1. The Tax Avoidance Commission shall be established by the authorized state body. The Commission shall be an advisory, independent body and shall not make decisions and its powers shall include provision of advisory opinions to tax authorities on tax avoidance issues in accordance with the requirements of Article 36 of this Code.

2. The Commission shall be established with at least 5 members. Each member of the commission shall 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 term of one year and may be reappointed. The chairman of the commission

shall be elected from among the members of the commission. The chairman of the commission shall determine the procedure of the commission's activities.

3. Tax authorities shall submit materials to the commission in the prescribed manner to obtain an advisory opinion in accordance with paragraph 2 of Article 36 of this Code. The commission shall take an advisory decision by a majority of votes and if one of the members of the commission has a dissenting opinion, it shall be reflected in the conclusion as a dissenting opinion. The advisory opinion of the commission shall be transmitted to the tax authorities within 28 calendar days.

4. Tax authorities in accordance with paragraph 4 of Article 36 of this Code shall make a final decision based on the opinion of the commission on tax avoidance.

5. Regulations on the commission on issues of tax avoidance shall be determined by the authorized state body in coordination with the authorized state body in the field of finance.

Article 36. Counteraction to tax avoidance actions

1. Tax avoidance is actions that are not tax evasion but allow a taxpayer to reduce tax liabilities within the framework of tax legislation.

2. The provisions of this Article shall be considered as tax avoidance counteraction if:

- the taxpayer has received a tax benefit as a result of tax avoidance actions;
- taking into account the essence of the implementation of the tax avoidance scheme or part thereof, a reasonable conclusion can be drawn 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 taxpayer's actions to be tax avoidance actions, the tax authority shall forward the 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 shall provide the taxpayer with a copy of the advisory opinion of the commission within 3 working days.

4. In case the commission recognizes the measures taken by the taxpayer as tax avoidance actions, the tax authority shall take the following measures:

- determine the tax liability of the taxpayer anew, without applying tax avoidance actions or in a way that reduces the tax benefit established by this Code;
- for the purpose of avoiding double taxation makes compensatory adjustments to the tax liabilities of other taxpayers who have incurred losses due to tax avoidance actions.

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

6. The tax authority shall be obliged to apply the provisions of paragraph 4 of this Article to taxpayers and other taxpayers who have incurred losses due to tax avoidance actions, based on the opinion 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. “tax avoidance action” means an agreement, transaction, promise, undertaking, undertaking, transaction or action actually performed or planned (including unilateral action), with (without) enforcement or voluntary compliance;

2. “tax benefit” means:

a) A reduction of a tax liability;

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

8. If the measures taken by the taxpayer are not recognized by the Commission as tax avoidance actions, the taxpayer shall be subject to taxation in accordance with the provisions of this Code.

Article 37. Tax evasion

1. Tax evasion is illegal and willful failure to fulfill tax obligations by individuals and legal entities.

2. The following actions shall be considered tax evasion if the taxpayer:

- does not keep accounting (tax) records and (or) does not ensure its requirements;
- destroyed accounting documents necessary for determining tax liability;
- failed to submit tax reports for a period of three reporting months;
- understated in tax reports the tax payable (taking into account the corrective declaration);
- failed to provide the tax authorities with information and documents required to determine 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 shall determine 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 act of tax evasion was committed.

4. With respect to a taxpayer who has committed tax evasion, the tax liability determined in paragraph 3 of this Article for an act of tax evasion shall be applied in double the amount.

5. If in the course of a tax audit it is revealed that there is no record of taxable objects or the taxpayer has not provided information about them, the tax authority, on the basis of the information available to it, may for the purposes of part 3 of this article calculate the estimated amount of tax, using, where appropriate, an estimate of the cost of sale of goods (works, services), the value of property, the average level of wages and profitability level of 10 percent.

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

7. Income (profit) received is subject to taxation in accordance with this Code, regardless of the grounds on which it was received. If in the order established by the legislation of the Republic of Tajikistan it will be determined that any income or its part is received illegally and is subject to conversion into the property of the state, in this case the amount of taxes previously withheld (paid) to the state budget from this illegal income shall be taken into account.

8. In order to apply additional measures against tax evasion, the procedure for application of alternative methods of taxation shall be approved by the Government of the Republic of Tajikistan.

Article 38. Advantage of content over form

The use of legal contracts to formalize transactions (operations) designed to conceal real transactions (operations) and change the procedure for tax collection will not be taken into account, as the real intention and purpose of the parties to the contract will prevail.

Article 39. Selection of counterparties

1. In tax relations taxpayers are responsible for the choice of counterparties.

2. Tax authorities shall provide taxpayers with access to information on the registration of counterparties with tax authorities as taxpayers, as well as to other information in accordance with the procedure determined by the authorized state body, and taxpayers using such procedure shall be recognized as taxpayers who have exercised due diligence when concluding a contract.

SECTION II. TAX ADMINISTRATION PROCEDURE
CHAPTER 7. CONTROL OF TAX PAYMENT
Article 40. Administrative provisions

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

Article 41. Tax control

1. Tax control is a form of state control and shall be exercised exclusively by tax authorities. Except for provisions of Paragraph 2 of this Article, tax control by other controlling and law enforcement bodies shall be prohibited.

2. Customs authorities shall exercise tax control within the limits of their authorities in compliance with this Code and customs legislation.

3. Tax control shall be exercised by tax authorities in the following forms:

1) desk control;

2) Time-based observational inspection;

3) additional control of excisable goods and other activities;

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

3) field tax audit;

4) raid inspection;

5) tax monitoring;

6) transfer and market pricing.

4. Control of compliance with tax legislation, except for field tax audits, shall be carried out on a regular basis.

Article 42. Desk control

1. Desk control is a form of tax control carried out in a tax authority without visiting the place of activity of a taxpayer, based on the study and analysis of the report of a 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 to prevent violations of tax legislation and allows the taxpayer to independently correct existing discrepancies.

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

3. It is prohibited to carry out desk control in the course of field tax audit and tax monitoring, as well as for the periods of these types of tax control conducted

4. In case of identification of discrepancies in tax reporting, the tax authority shall send to the taxpayer a notice in writing or electronically with the requirement 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 notice to ensure its fulfillment or has the right to provide appropriate explanations with substantiating documents. In the presence of valid reasons, such as illness of the responsible person or his children, close relatives, business trip, presence of the responsible person outside the Republic of Tajikistan and other similar cases, the period of execution of the notice shall be extended for 10 calendar days.

6. To protect its rights and interests with respect to desk control materials, a taxpayer may appoint a consultant or other person as a representative on the basis of a power of attorney in

accordance with the procedure established by law.

7. If, based on the results of consideration of the submitted documents and explanations, there was a change in the tax liability of the taxpayer, the tax authority that conducted the desk control shall send the taxpayer a certificate and a notice. If the taxpayer fails to fulfill its tax obligation within 5 working days after receipt of the second notification, such taxpayer shall be included in the risk criteria, on the basis of which an on-site tax audit on that subject of desk control shall be appointed.

8. Subject to the requirements of paragraphs 1-6 of this Article, if in the course of desk control, it is revealed that a taxpayer has made a mistake, no sanctions, including penalties and interest, shall be applied in respect of such taxpayer, and the results of control shall not be reflected on the taxpayer's personal account.

9. When conducting desk control, compliance with the following conditions is mandatory:

1) desk control of tax returns submitted to the tax authorities that have not been previously subjected to desk control shall be carried out in respect of a taxpayer not more often than once in six consecutive months and its repeated carrying out is prohibited.

2) desk control of tax reporting of dekhkan farms without formation of a legal entity, previously not subjected to desk control, is carried out once a year.

10. The desk control on refund (reimbursement) of the amount of value added tax related to export of goods (services) shall be carried out in accordance with the procedure established by the authorized state body within 30 days from the date of submission of the application by the taxpayer.

Article 43. Time-based observational inspection

1. Time-based observational inspection is a form of tax control carried out to establish the actual income and expenses of a taxpayer for the period subject to inspection.

2. Time-based inspection shall be conducted not more than once a year for up to 3 working days.

3. The objects of Time-based inspection are:

- compliance of data of fiscal memory of cash register devices with the balance of cash on the day of the inspection;
- accounting of financial and monetary operations;
- maintenance of the book of income and expenditures (in the case of activities under the simplified regime);
- number of employees.

4. Time-based inspection shall be carried out by order of the tax authorities in accordance with the procedure established by this Code for field audit.

5. Application of the results of time-based survey for the previous tax period shall be prohibited, except as provided for by paragraph 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 shall be carried out in the following order:

1) through labeling of excisable goods;

2) by organizing tax checkpoints on the territory (location) of the taxpayer or customs clearance points;

3) through the system of electronic labeling or quick response codes (QR codes).

2. Tax checkpoints shall be organized in the following cases if:

- the producer of excisable goods does not have an electronic system of goods labeling;

- the taxpayer systematically submits zero reporting;

- the tendency of decrease of financial economic indicators of the taxpayer covers 3 consecutive months;

- the period of non-payment of tax arrears are more than 6 months;

inconsistency of tax reporting with the official statistical report of natural resource users was revealed.

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

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

5. Customs authorities of the Republic of Tajikistan shall control labeling of excisable goods imported to the Republic of Tajikistan under the customs regime of release for free circulation, and or sold in the Republic of Tajikistan in compliance with other customs regimes.

Article 45. Control of the system of electronic labeling of goods

1. Control of the system of electronic marking of goods, including excisable goods, shall be carried out for the purpose of accounting of goods imported into the territory of the Republic of Tajikistan and excisable goods produced in the Republic of Tajikistan, as well as for tracking their further turnover.

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

3. Tax and customs authorities shall control compliance with the rules of labeling of goods.

4. The procedure of electronic labeling, activity of operators on tracking of goods turnover and the procedure of their control shall be established by the Government of the Republic of Tajikistan.

Article 46. Tax audit

1. Tax audits shall be carried out to control compliance with tax legislation, payment of state duty and other mandatory fees. Tax audit shall be conducted in the form of field tax audit and raid audit.

2 The basis for conducting a tax audit is a prescription of an authorized state body.

3. Only one tax audit may be carried out on the basis of one prescription, except for a raid audit.

4. A tax audit shall not suspend the activities of a taxpayer.

5. A tax audit shall be conducted only on working days and during working hours of the taxpayer.

6. Tax audit of the activities of economic entities, which is seasonal in nature, shall not be conducted in the following periods:

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

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

7. A raid inspection is conducted by tax authorities, on issues of compliance with the following requirements of the tax legislation:

1) registration with tax authorities as a taxpayer, reliability of information on the location

of the taxpayer;

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

3) availability and use of cash register devices or integrated three-component system;

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

5) availability of the consignment note and conformity 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 implementation of certain types of excisable activities.

8. A raid inspection is carried out by tax authorities at the place of entrepreneurs' activity not more often than once in six months.

9. With the introduction of labeling of goods, paragraphs 6) and 7) of Part 7 of this Article shall cease to apply.

10. A raid inspection shall be conducted on the basis of an order of the head of the tax authority, which shall be submitted to the taxpayer during the inspection and recorded in the register of inspections.

11. An official of a tax authority conducting a raid audit shall not have the right to request from a taxpayer information that is not relevant to the subject of the audit.

Article 47. Field tax audit

1. Field tax audit shall be conducted only for the purpose of determining the correctness of calculation of taxes and mandatory payments for a certain period of time at the place of taxpayer's activity and on the basis of risk management system, except for cases when the place of taxpayer's activity is the place of his residence. In such an exceptional case and in case of non-compliance of the taxpayer's registration address with the actual address of the place of business, the field tax audit shall be conducted at the tax authority.

2. Field tax audit shall be conducted at a high risk level determined by the risk management system on the basis of the relevant order of the authorized body. The order shall specify the name and identification number of the taxpayer, surname, name, patronymic and position of the auditing person, terms and purpose of the audit.

3. The tax authorities shall send a taxpayer a notice of an on-site tax audit at least 10 working days before the on-site tax audit. The notice shall be 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 specify the grounds for the field tax audit, including the subject of the audit, the tax period and the term of the audit.

5. On-site tax audit in case of voluntary liquidation of the taxpayer's activities shall be conducted from the date of the last audit, but not more than the limitation period.

6. The taxpayer is prohibited to make changes and additions to the tax reporting for the audited reporting period during the field tax audit.

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

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

9. In the following cases, without conducting an on-site tax audit, the relevant document shall be issued within up to 10 working days in accordance with the procedure established by the authorized state body:

- at termination of activity of a separate subdivision of a legal entity - resident of the Republic of Tajikistan;

- in case of liquidation, merger, unification of public organizations, associations, cooperatives of homeowners and other independent entities financed from the budget for public, charitable activities and (or) as an organization of local executive bodies of state power, if they are not engaged in entrepreneurial activities;

- in case of liquidation of individual entrepreneurs, including dekhkan (farm) farms - payers of the single agricultural tax (except for payers of the single agricultural tax engaged in industrial processing of agricultural products);

- in case of transition of individual entrepreneurs carrying out activities under the certificate to a legal entity.

10. Upon receipt of additional information, confirmed by documents, on the taxpayer's concealment of the amount of taxes, the tax authorities shall conduct an on-site tax audit of the activities of an individual entrepreneur only during the statute of limitations period on the basis of the conclusion of the commission on tax avoidance.

11. Instructions on conducting tax audits shall be approved by the authorized state body in coordination with the authorized state body in the field of finance.

Article 48. Term of tax audit, its extension and suspension

1. Field tax audit shall be conducted within the following terms, unless otherwise established by paragraphs 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 carrying out activities through permanent establishments - up to 30 working days;

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

2. The period of raid audit may not exceed 15 working days. A raid inspection of an individual taxpayer shall not exceed four working hours.

3. Extension of the term of a tax audit is prohibited for small and medium-sized entrepreneurs.

4. Extension of the tax audit period for large entrepreneurs may not exceed 30 working days.

5. The term of a tax audit shall be 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 within the framework of international treaties of the Republic of Tajikistan;

3) there was a need to conduct sectoral 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 extension of the term of tax audit is allowed not more than once, and suspension of the term of tax audit - not more than twice.

Article 49. Restrictions on the conduct of field tax audits

1. Conducting repeated audits for the tax period under audit shall be prohibited, except for the following cases:

- on the basis of a written application of a taxpayer;
- on the basis of an official application of law enforcement authorities on the taxpayer in respect of whom there are materials or criminal proceedings on the grounds of tax-related crimes;
- for internal control of the activity of the tax authority that conducted an on-site tax audit.

2. Repeated audits carried out in accordance with paragraph 1 of this Article shall be conducted only in respect of the period including the last on-site tax audit.

Article 50. Entry of an official to the place of activity (territory and administrative building) of a taxpayer for the purpose of conducting an audit

1. Entry of an official of tax authorities to the place of activity of a taxpayer (except for residential premises) shall be allowed only upon presentation by this official of an order of an authorized state body and official ID.

2. In case of obstruction by a taxpayer of access of a tax authority official to the place of his activity (except for residential premises), a tax authority official shall draw up an act and apply to the relevant law enforcement authorities. In such a case, access of a tax authority official shall be provided in cooperation with law enforcement authorities.

3. A taxpayer shall have the right not to allow officials of a tax authority to conduct a tax audit at its place of business if:

- the requirements of Articles 47 and 48 of this Code are not complied with;
- the terms of the audit, specified in the prescription, have not arrived or have expired;
- officials of tax authorities do not have the appropriate authorizations for admission to a place with a special regime of secrecy.

Article 51. Demand for documents during a tax audit

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

2. A requirement of a tax authority official to produce documents shall be handed over to a taxpayer to his legal or authorized representative in person against a receipt. If it is impossible to transmit a request for the submission of documents in this way, it shall be sent in the manner prescribed by this Code.

3. The requested documents shall be submitted to the tax authorities in electronic form via a telecommunication network or personal account of the taxpayer, 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 the tax authority (official), unless otherwise provided by the legislation of the Republic of Tajikistan.

5. Where accounting documentation is prepared in electronic form, a taxpayer must, in the course of a tax audit, at the request of tax officials, submit hard copies of such

documentation, except for invoices registered in the electronic invoice information system.

6. If necessary, the tax authority shall have the right to familiarize itself with the original documents.

7. Documents demanded in the course of a tax audit shall be submitted in compliance with the requirements of this article within 1 working 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 in writing the tax authority official.

8. A taxpayer must send a notice of inability to submit documents within the prescribed time limits, specifying the reasons why such documents cannot be submitted, within the day following the day of receipt of a request for the submission of documents. The notice shall specify the time limits within which the taxpayer may submit the required documents.

9. Within two days of receipt of a notice from a taxpayer, the tax authority shall have the right, on the basis of that notice, to extend the time limits for the submission of documents or to refuse to do so.

10. A taxpayer's refusal to submit requested documents shall be recorded in an act drawn up by an official of a tax authority. The act shall be signed by an official of the tax authority and the taxpayer. In case of refusal of a taxpayer to sign the act, a corresponding record shall be made. Refusal or failure of the taxpayer to submit the documents in due time is the basis for their seizure in the manner prescribed by Article 53 of this Code.

11. In the course of tax audit and other measures of tax control, tax authorities shall not have the right to demand from the taxpayer documents in the form of originals, previously submitted to the tax authorities in the course of desk control, field tax audits or in the course of tax monitoring of the taxpayer. Documents may be reclaimed from a taxpayer if they were previously submitted to the tax authority in the form of originals, returned subsequently to the taxpayer, as well as in cases where the documents submitted to the tax authority were lost due to force majeure circumstances.

Article 52. Seeking documents and information from third parties

1. An official of a tax authority conducting a tax audit shall have the right to demand from a counterparty or other persons documents and information (hereinafter referred to as information) relating to the activities of the taxpayer under audit. 2. The demand for information relating to the activities of the taxpayer under audit may be conducted also on the basis of a decision of a tax authority.

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

3. A tax authority carrying out tax audits or other tax control measures shall send an instruction to request information relating to the activities of the taxpayer under audit to the tax authority at the place of registration of the person from whom the 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 sought shall send to that person a request for the submission of information.

5. A copy of the order to request information shall be attached to the request.

6. A person who has received a request for the submission of information shall fulfill it within 5 days from the date of receipt or within the same period shall report that he does not

have the necessary information. If the taxpayer is unable to provide the necessary information within the specified period of time, the tax authority shall have the right to extend the period of submission of this information.

7. Requested documents shall be submitted taking into account the provisions of paragraphs 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 concerning members of a group of companies.

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

- to provide information on the taxpayer's income and expenses for the specified tax period and on expenses incurred in connection with relations with the taxpayer specified in the demand, except for information contained in electronic form in the programs of the tax authorities;

- to appear at the place and within the time specified in the demand 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 in order to collect information shall have the right in the order established by the legislation of the Republic of Tajikistan:

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

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

- seal accounting and other documents, prohibit their use for a period not exceeding half of the period of the given tax audit.

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 shall 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 shall have the right to refuse to provide information if the request contradicts the provisions of this Article.

14. In case of non-compliance by a taxpayer with the requirements of this Article, an authorized employee of the tax authority shall have the right of access to the premises and property of the taxpayer, in accordance with the provisions of Article 50 of this Code.

Article 53. Seizure of documents and items

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

2. It is not allowed to seize documents and items outside the working schedule.

3. Seizure of documents and items shall be carried out in the presence of witnesses and persons from whom the documents and items are seized. In necessary cases, a specialist shall be invited to participate in the seizure.

4. Before the beginning of the procedure of seizure of documents and items, an official of a tax authority shall present the ruling on seizure and explain to the present persons their rights and obligations.

5. The official of the tax authority shall offer the person from whom the seizure of documents and items is carried out to voluntarily hand them over, and in case of refusal, the official of the tax authority shall carry out the seizure in accordance with the procedure established by the legislation of the Republic of Tajikistan. In addition, the taxpayer is obliged to:

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

- provide access to the decryption information necessary to encrypt the data requested under this Article.

6. If the person from whom the seizure is made refuses to open premises or other places where the documents and items subject to seizure are located, to provide access of tax officials to such areas and premises, the tax authority shall apply to law enforcement authorities or to the court.

7. Documents and items not related to the subject of tax audit shall not be subject to seizure.

8. On seizure of documents and items an act shall be drawn up in compliance with the requirements stipulated by Article 59 of this Code and this Article.

9. Seized documents and items shall be listed and described in the act of seizure or in the attached inventories with an exact indication of the name, quantity, special features and, if possible, the value of the items.

10. If copies of documents of a taxpayer are not sufficient for carrying out tax control measures and the tax authorities have sufficient grounds to believe that the original documents may be destroyed, concealed, corrected or replaced, an official of a tax authority shall have 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 the copies to the person from whom the documents were seized within 5 days after the seizure.

12. All seized documents and items shall be presented to the witnesses and other participants and, if necessary, shall be packed at the place of seizure of documents and items.

13. Seized documents shall be numbered, numbered and sealed with the seal or signature of the person from whom they were seized. If this person refuses to seal or sign the seized documents, a special note shall be made in the act of seizure of documents.

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

Article 54. Participation of a witness

1. As a witness may be called any adult natural person who may be aware of any circumstances relevant to the implementation of tax control. The explanations of the witness shall be recorded in the act.

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

3. Employees summoned to the tax authority as witnesses shall retain their wages at the place of their main work, for the time of their absence from work in this regard.

Article 55. Expertise

1. Where necessary, an expert may be engaged to participate in specific actions for the

implementation of a tax audit.

2. Involvement of a person as an expert shall be carried out on a contractual basis between the tax authority and the expert. 3. Expert examination shall be appointed if clarification of arising issues requires clarification of arising issues.

3. An expert examination shall be appointed if special knowledge in the fields of science, technology, art or crafts is required to clarify arising issues. Availability of special knowledge of a tax authority official does not exempt from involvement of a qualified expert.

4. Questions put to the expert and his conclusion may not go beyond the special knowledge of the expert.

5. A ruling on the appointment of an expert examination shall be adopted by a tax authority on the basis of a petition of an official conducting a tax audit.

6. The ruling shall specify the grounds for appointing an expert examination, the name of the organization that is to conduct the examination, or the surname, name (patronymic) of the expert, the questions and materials provided to the expert. The expert shall have the right to familiarize himself with the audit materials related to the subject matter of the expert examination, to file petitions for submission of additional materials.

7. The expert shall give a written opinion. The conclusion shall set forth the conducted research, conclusions and substantiated answers to the questions posed.

8. The expert shall have the right to refuse to give a conclusion if the materials submitted to him are insufficient to give a reasoned conclusion.

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

10. When appointing and conducting an expert examination, a taxpayer shall have the right to:

- respond to the arguments of the expert;
- request the appointment of an expert from among the specified persons;
- ask additional questions to obtain an expert's opinion on them;
- to be present with the permission of a tax authority official during the expert examination and to give explanations to the expert;
- familiarize oneself with the expert's conclusion;
- submit a motivated opinion on the conclusion of the expert examination.

11. An expert engaged by a tax authority shall ensure the confidentiality of information related to the expert examination on an equal footing with an employee of the tax authority.

Article 56. Involvement of a specialist

1. Where necessary, a tax authority shall engage a specialist to participate in actions on application of tax control.

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

3. Involvement of a person as a specialist shall be 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 a tax authority shall ensure the confidentiality of information related to an audit, on a par with an employee of a tax authority.

Article 57. Participation of an interpreter

1. Where necessary, an interpreter may be engaged to participate in actions to implement tax control.

2. An interpreter may act as a person disinterested in the outcome of the case, who speaks the language, knowledge of which is necessary for translation, or understands the signs of an individual with hearing or speech problems.

3. Involvement of a person as an interpreter shall be carried out on a contractual basis between the tax authority and the interpreter.

4. The interpreter shall be obliged to appear at the call of an official of the tax authority and accurately perform the translation assigned to him.

5. An interpreter engaged by a tax authority shall ensure the confidentiality of information about the audit, as well as an employee of the tax authority.

Article 58. Participation of a witness

1. In necessary cases for participation in actions on realization of tax control in accordance with the provisions stipulated by this Code, witnesses shall be involved.

2. The witnesses shall be involved in the number of not less than two persons.

3. Any adult natural persons not interested in the outcome of the case may be involved as witnesses.

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

5. The witnesses shall be obliged to certify in the act the fact, content and results of actions performed in their presence.

6. The witnesses shall have the right to make comments on the actions taken, which shall be entered in the act.

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

8. Understanders engaged for participation in the actions of a tax audit shall ensure confidentiality of information related to the audit on an equal footing with a tax authority official.

Article 59. General requirements to the act drawn up during the conduct of measures within the framework of tax control

1. When conducting tax control measures, an act shall be drawn up, which shall contain the following information:

- the grounds, type and periodicity of the audit;
- place and date of realization of a particular action
- time of the beginning and end of the action;
- position, surname, name (patronymic) of the person who drew up the act;
- surname, first name (patronymic) of each person who participated in the action or was present during its conduct, and, where necessary, his address;
- content of actions, sequence of their performance;
- facts and circumstances revealed during the performance of the action necessary for the act.

2. The act shall be read to all persons who were involved or represented in the process. The said persons shall have the right to make comments to be entered into the act or to be attached to the materials.

3. The act shall be signed by the official of the tax authority who has drawn it up, as well

as by all persons who participated or were present during its conduct. The act shall be accompanied by photographic images, video recordings and other materials made in the course of tax control measures.

Article 60. Formalization of the results of field tax audit

1. Based on the results of any field tax audit, authorized officials of the tax authority, who conducted this audit, shall draw up an act on tax audit.

2. An act of a field tax audit shall contain the following information:

1) the date of drawing up the act of tax audit, i.e. the date of signing of the act by the persons who conducted the audit;

2) full and abbreviated name or surname, first name, patronymic of the audited person. In case of audit of a legal entity at the location of its separate subdivision, in addition to the name of the legal entity, the full and abbreviated name of the audited separate subdivision and its location shall be indicated;

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

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

5) list of documents submitted by the taxpayer during the field tax audit;

6) the period for which the field tax audit was conducted;

7) name of the tax in respect of which the field tax audit was conducted;

8) the date of the beginning and end of the field tax audit;

9) address of the taxpayer's location;

10) information on tax control measures carried out during the field tax audit;

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

12) conclusions and proposals on the results of field tax audit.

3. If the results of an on-site tax audit do not establish violations of tax legislation, a corresponding entry shall be made in the act.

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

5. The form and requirements for drawing up the act of field tax audit shall be established by the authorized state body.

6. The act shall be drawn up in an amount of not less than three copies.

7. All copies of the act shall be signed by the officials of the tax authority who conducted the field tax audit. One copy of the act shall be delivered to the taxpayer within three days after its preparation. The taxpayer shall be obliged to sign on all copies of the act indicating the date of receipt. The 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 receipt of the act, a tax authority official shall make a corresponding entry in the audit act. In such a case, one copy of the act shall be sent to the taxpayer by registered mail to the taxpayer's location.

10. The results of field tax audit shall be based on information about the taxpayer received from tax authorities, third party, and collected in the process of monitoring, inspection and accounting.

Article 61. Procedure for consideration of materials of field tax audit

1. The act of field tax audit, in the course of which violations of tax legislation were revealed, shall be considered by the tax authority that conducted the audit, within 15 days from the date of drawing up the act of this tax audit. A decision on the results of a field tax audit must be made not later than 20 days after consideration of the audit materials.

2. If a taxpayer (his representative) within the period provided for by the first sentence of paragraph 1 of this Article has submitted written objections to the act, these objections shall also be subject to consideration.

3. A tax authority shall notify a taxpayer of the date, time and place of consideration of audit materials within a period of at least 2 working days before consideration.

3. The tax authority shall notify the taxpayer of the date, time and place of consideration of audit materials within a period of not less than 2 working days prior to the consideration.

4. If the taxpayer notified the tax authority of the inability to appear at the consideration of materials of field tax audit for valid reasons, the tax authority shall postpone consideration of the materials of the audit for a period not exceeding 5 days, of which the taxpayer shall be notified.

5. A taxpayer in respect of whom an on-site tax audit has been conducted has the right to participate in the process of consideration of its materials in person and (or) through his legal representative.

6. Non-appearance of a taxpayer in respect of whom a field tax audit was conducted (his representative), duly notified of the time and place of consideration of the materials of the audit, shall not be an obstacle to the consideration of the materials of the audit, except in cases when the participation of this person will be recognized by the tax authority as mandatory for the consideration of these materials.

7. Before considering the materials of an audit, the tax authority shall be obliged to:

- determine the authorized person considering the case and the materials to be considered;
- ensure the attendance of persons invited to participate in the review. Taking into account the circumstances of non-appearance of these persons, the tax authority decides to consider the audit materials in their absence or to postpone this consideration;
- verify the authorization of participation of the person in respect of whom the field tax audit was conducted;
- determine and explain to the persons participating in the review procedure their rights and obligations.

8. When considering the materials of the field tax audit, the act of tax audit, and if necessary, other materials of the field tax audit, as well as written objections of the person in respect of whom the audit was conducted, may be announced.

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

10. When considering the materials of a field tax audit, the submitted evidence shall be examined, including documents previously requested from the person in respect of whom the audit was conducted, documents submitted to the tax authorities in the course of the tax audit of this person, and other documents available to the tax authority.

11. Evidence obtained in violation of the provisions of this Code shall not be used.

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

13. When considering the materials of field tax audit, if necessary, a decision may be made to involve a witness, expert, specialist to participate in this consideration.

14. When considering the materials of the field tax audit, a protocol shall be drawn up.

15. In the course of consideration of the act of field tax audit the tax authority shall establish:

- whether the person in respect of whom the act of audit was drawn up committed a violation of tax legislation;
- whether the identified violations constitute a tax offense;
- whether there are grounds for bringing a person to responsibility for a tax offense;
- the validity of the taxpayer's objections.

16. If the elements of a tax offense are present, the head (deputy head) of a tax authority shall identify circumstances that exclude the guilt of a person in committing a tax offense, or circumstances mitigating or aggravating liability for a tax offense.

17. Regardless of the provisions of paragraph 1 of this article, if there is a need to obtain additional evidence to confirm the fact of committing violations of tax legislation or the lack thereof, the head (deputy head) of the tax authority shall have the right to make a decision to conduct additional measures of tax control within a period not exceeding 1 month.

18. A decision on the appointment of additional measures of tax control shall set out the circumstances which have caused the need for such additional measures, specify the term and the specific form of their conduct.

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

20. The beginning and end of additional measures of tax control, information on additional measures of tax control, as well as obtained additional evidence to confirm the fact of violations of tax legislation or the lack thereof, conclusions and proposals of auditors to eliminate the identified violations and references to the articles of this Code in the event that this Code provides for liability for violations of tax laws, shall be recorded in an addendum to the act of field tax audit, as well as additional evidence to confirm the fact of violations of tax legislation or the lack thereof, conclusions and proposals of auditors to eliminate the identified violations and references to the articles of this Code in the event that this Code provides for liability for violations of tax legislation.

21. An addendum to the field tax audit report must be drawn up and signed by officials of a tax authority who have carried out additional tax control measures within 10 days of the end of such measures.

22. Addendum to the act of field tax audit with the attachment of materials obtained as a result of additional measures of tax control, within 3 days from the date of compilation of this addendum shall be handed to the person in respect of whom the audit was conducted (his representative), against a receipt or transferred in any other manner indicating the date of its receipt.

23. If the person in respect of whom the audit was conducted (his representative), evades receipt of an addendum to the act of field tax audit, this fact shall be reflected in an addendum to the act of field tax audit. In this case, an addendum to the act of field tax audit shall be sent by registered mail to the location of the organization (separate subdivision) or the place of residence of an individual and shall be considered received on the 5th day from the date of sending the registered mail.

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

Article 62. Adoption of a decision on the results of consideration of materials of field tax and raid audit

1. Based on the results of consideration of materials of field tax audit in accordance with the procedure established by Article 61 of this Code, the head (deputy head) of the tax authority shall take a decision (hereinafter - decision on the results of tax audit), providing for the following measures:

- additional tax and penalties or refusal to do so on the materials of the tax audit;
- bringing the taxpayer to responsibility for a tax offense or refusal to bring the taxpayer to responsibility.

2. In the presence of signs of corpus delicti of an administrative offense in respect of a taxpayer a protocol on administrative offense shall be drawn up. A case on administrative offenses and making a decision on an administrative offense shall be considered in accordance with the procedure established by the administrative legislation.

3. A decision providing for refusal of bringing to liability for tax offenses shall specify the circumstances that served as grounds for such refusal.

4. A decision on the results of a tax audit shall specify the period within which a person has the right to appeal against the decision and the procedure for appealing to higher tax authorities.

5. If in the course of a tax audit an amount of tax is revealed, which was excessively returned by the decision of the tax authority, in the decision on additional tax assessment this amount shall be recognized as a Tax arrear for this tax. If this amount of tax is returned to the taxpayer, it shall be recognized as a Tax arrear from the date of actual receipt of the amount of tax, and if the amount of tax is accepted for credit, then from the date of acceptance for credit of the amount of tax.

6. After making a decision on the results of a tax audit, the head (deputy head) of the tax authority shall have the right to take measures to execute this decision in the manner and on the conditions provided for by Article 121 of this Code.

7. Upon completion of a raid tax audit, in case of detection of offenses, the tax authority shall implement proceedings on tax offenses, carried out in accordance with the procedure established by Chapter 20 of this Code.

Article 63. Entry into force of the decision on the results of consideration of materials of field tax audit

1. The decision on the results of field tax audit, adopted in accordance with the procedure established by Article 62 of this Code, shall take effect from the date of its delivery to the person (representative of the person) in respect of whom it was adopted.

2. The decision on the results of field tax audit within 2 days from the date of its adoption shall be handed over to the person in respect of whom it was adopted (his representative) against a receipt or shall be handed over in any other way, indicating the date of receipt.

3 If the decision cannot be handed over or transmitted in any other way, indicating the date of receipt, it shall be sent by registered mail to the location of the legal entity (separate subdivision) or the place of residence of an individual. If the decision is sent by registered mail,

the date of its delivery shall be the fifth day from the date of sending the registered mail.

4. In case of filing an appeal against a decision of a tax authority, the decision shall come into force in accordance with the procedure established by Article 65 of this Code.

Article 64. Peculiarities of execution of decisions of tax authorities

1. On violations revealed by a tax authority, for which individuals or officials of legal entities, individual entrepreneurs and legal entities are subject to administrative liability, an authorized official of a tax authority who conducted a tax audit shall draw up a protocol on an administrative offense within the limits of his powers.

2. Consideration of cases on such offenses and application of administrative penalties against individuals, officials of legal entities, individual entrepreneurs and legal entities guilty in their commission shall be carried out in accordance with the legislation on administrative offenses.

3. If a tax authority after making a decision to hold an individual 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 individual liable for a tax offense.

4. When sending materials to the prosecution authorities shall suspend the execution of the decision on the recovery of an administrative fine from individuals and officials of legal entities or individual entrepreneurs. Such suspension shall be made by decision of the head (deputy head) of the tax authority not later than the day following the day of sending materials to the prosecutor's office. In this case, collection of tax arrears provided for by this Code shall be suspended for the period of suspension of execution of the decision on collection of this tax debt.

5. If on the materials sent to the prosecutor's office will be issued a ruling on refusal to initiate criminal proceedings or a ruling on termination of criminal proceedings against individuals or officials of legal entities, the action of suspended decisions of the tax authority shall be resumed. Resumption of action is made by decision of the head (deputy head) of the tax authority no later than the day following the day of receipt of notification from the prosecutor's office. A similar rule applies if an acquittal verdict is rendered in the relevant criminal case.

6. If the actions (inaction) of a person, which served as a basis for bringing him to responsibility for a tax offense, served as a basis for a conviction for this person, the tax authority shall cancel the decision to bring this person to responsibility for a tax offense.

7. On the results of consideration of materials received from the tax authorities, the prosecutor's office shall notify the tax authorities not later than 3 days after the relevant decision.

8. Copies of 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 was made within 5 days from the date of adoption of the relevant decision.

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

Article 65. Enforcement of decisions of tax authorities on appeal

1. When filing a written appeal against a decision of a tax authority made as a result of a tax audit, the execution of such decision in respect of the appealed part shall be suspended until the tax authority considers the appeal and sends a written notice to the taxpayer of the results of consideration of the appeal. The unappealed part of the decision of a tax authority, adopted on the results of a tax audit, shall come into force from the date of adoption of such decision.

2. If a higher tax authority, on the basis of a taxpayer's complaint, revokes a decision of a lower tax authority and adopts a new decision, such decision of the higher tax authority shall take effect 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 take effect from the date of the decision of the higher tax authority to refuse to consider that complaint, but not before the expiration of the period for filing that complaint.

Article 66. Enforcement of decisions of tax authorities

1. A decision on the results of a tax audit shall be subject to execution from the date of its entry into force.

2 Enforcement of the relevant decision shall be imposed on the tax authority that made the decision.

3. In case of consideration of an appeal by a higher tax authority, the effective decision of this higher tax authority shall be sent to the tax authority that made the original decision within 3 days from the date of entry into force of the decision of the higher tax authority.

Article 67. Adoption of decision on cases on tax offenses

1. Based on the results of consideration of the act and documents and materials attached thereto in accordance with the procedure established by this Code, the head (deputy head) of the tax authority shall make a decision providing for:

1) additional tax, penalty, fine or refusal thereof;

2) bringing the taxpayer to responsibility for a tax offense or refusal thereof.

2. The decision specified in paragraph 1 of this Article shall be made within 10 days after consideration of the act.

3. The decision on bringing a person to responsibility for a tax offense shall set forth the circumstances of the offense committed, specify documents and other information confirming the said circumstances, arguments brought in its defense by the person brought to responsibility, and the results of verification of these arguments.

4. The decision on bringing a person to responsibility for a tax offense shall also specify the articles of this Code and the Code of the Republic of Tajikistan on Administrative Offenses, providing for these offenses and application of measures of responsibility.

5. The decision on bringing a person to responsibility for a tax offense shall specify the period during which the person,

in respect of whom the decision is made, has the right to appeal this decision, and the procedure for appealing the decision to a higher tax authority.

6. On revealed violations of tax legislation, for which persons are subject to administrative responsibility, an authorized person of a tax authority shall draw up a protocol on administrative offence. Consideration of cases on these offenses and application of administrative penalties against persons guilty of committing them shall be carried out in accordance with the legislation on administrative offenses.

Article 68. Procedure for seeking recovery of the amount of a financial sanction

1. After making a decision to hold individuals, officials of legal entities, individual entrepreneurs and legal entities liable for a tax offense, the tax authority shall apply to the authorized state body in the field of enforcement for collection of the amount of financial sanctions imposed on these persons. The same procedure for collection of the amount of financial sanctions shall be applied in cases when out-of-court proceedings for collection of the

amount of financial sanctions are prohibited.

2. A tax authority shall be obliged 20 calendar days prior to the appeal to the authorized state body in the field of enforcement to notify in writing the persons held liable for a tax offense on voluntary payment of the relevant amount of financial sanctions.

3. Where necessary, simultaneously with the filing of an application for recovery of a financial sanction from a person held liable for a tax offense, a tax authority may submit to the court a petition to secure the claim in accordance with the established procedure.

Article 69. Consideration of cases and execution of decisions on recovery of financial sanctions

1. Recovery of amounts of financial sanctions on 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 accordance with the procedure established by Articles 144, 145 and 152 of this Code.

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

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

Article 70. Control of authorized bodies

An authorized state body shall exercise control over the fulfillment by authorized bodies of the requirements of tax legislation on the issues of accounting of tax objects, tax payments, duties and other mandatory payments, as well as their transfer to the state budget in due time.

CHAPTER 8. TAX MONITORING

Article 71. General provisions of tax monitoring

1. Tax monitoring is a voluntary action of a taxpayer and is carried out on the basis of a mutual agreement between tax authorities and a taxpayer in order to prevent cases of non-compliance with tax legislation.

2. Tax monitoring is conducted in respect of a taxpayer whose gross income for the expired reporting year is more than 15,000,000 (fifteen million) somoni.

3. Tax monitoring shall be carried out on the basis of a taxpayer's request, and shall start in the period from January 1 of the next reporting year and cover the period specified in the agreement. The tax monitoring period shall cover at least one full fiscal year.

4. During the tax monitoring period, desk control, time-based inspection and tax audit are prohibited.

5. The responsible person of the tax authority shall provide an official opinion (in written or electronic form) on a monthly basis regarding the information provided by the taxpayer within the framework of tax monitoring.

6. The taxpayer subject to tax monitoring shall not be subject to penalties for additionally assessed amounts, if the responsible person of the tax authority has not officially notified the taxpayer of the identified deficiencies.

Article 72. Information interaction

1. Information interaction between a tax authority and a taxpayer participating in tax monitoring shall be carried out on the basis of an agreement.

2. The agreement establishes mutual obligations of a taxpayer and tax authorities to

provide in electronic form documents and information mandatory for tax monitoring, as well as the procedure for access of a responsible person of a tax authority to the information system.

3. The standard form of an agreement on information interaction between tax authorities and a taxpayer shall be approved by the authorized state body in coordination with the authorized state body in the field of finance.

Article 73. Decision on tax monitoring

1. The decision to conduct tax monitoring shall be made by an authorized state body on the basis of an application of a taxpayer.

2. The form of application on tax monitoring shall be approved by the authorized state body.

3. Application for tax monitoring shall be submitted by a taxpayer not later than July 1 of the year prior to the beginning of the period of tax monitoring.

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 by November 1 of the year in which the application is submitted, the authorized state body shall make a decision to conduct tax monitoring or refuse it.

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

7. Grounds for making a decision to refuse to conduct tax monitoring shall be non-compliance with the following provisions stipulated in paragraph 2 of Article 71 of this Code.

8. The decision on tax monitoring or refusal thereof 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 shall be carried out by an official of a tax authority within the framework of his official duties and agreement on information interaction.

2. When conducting tax monitoring, an authorized person of a tax authority shall have the right to request from a taxpayer information, necessary documents, explanations related to the fulfillment of tax obligations 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 the authorized person of the tax authority is not required, unless otherwise provided by the legislation of the Republic of Tajikistan.

4. 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, which were requested during tax monitoring in accordance with paragraph 3 of this Article, shall be provided by the taxpayer within 5 days after the day of receipt of the relevant request.

6. If the request of an authorized person of a tax authority cannot be fulfilled within the established time limit, the taxpayer shall officially notify the authorized person of the tax authority of the impossibility of its fulfillment with an indication of the reasons and time limits within which it can provide the requested information, documents and explanations.

7. If the authorized person of the tax authority discovers a discrepancy or difference between the information provided by the taxpayer to the tax authority, in such case the authorized person of the tax authority shall officially notify the taxpayer to provide the necessary clarifications or appropriate corrections. The taxpayer is obliged to provide corrected

information or necessary explanations within 10 days from the date of receipt of the notification.

8. In the course of tax monitoring, the tax authorities shall not have the right to request documents previously submitted to them in the form of copies.

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

Article 75. Early termination of tax monitoring

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

1) the taxpayer has failed to fulfill the requirements of the agreement on information cooperation or its failure to fulfill prevents tax monitoring;

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

3) the taxpayer failed to provide the required documents (information) and explanations during tax monitoring more than three times.

2. A tax authority shall notify a taxpayer in writing of early termination of tax monitoring within 10 days from the date of establishment of circumstances provided for by paragraph 1 of this Article, but not later than June 1 of the year following the period for which tax monitoring is conducted.

Article 76. Conclusion of the tax authority

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

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

3. The form and requirements for drawing up the conclusion shall be approved by the authorized state body.

4. The conclusion of the tax authority shall be sent to the taxpayer within 5 days from the date of its drawing up.

5. The final conclusion of the tax authority on the results of the tax monitoring period shall be drawn up within 3 months, but not 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 Board of pre-trial dispute resolution.

7. The taxpayer shall submit to the tax authorities explanations on the submitted opinion not later than June 1 of the period following the tax monitoring period.

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

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

10. The legal entity shall notify the tax authority on the agreement with the reasoned opinion of the tax authority, which made this reasoned opinion within 1 month from the date of its receipt with the attachment of documents confirming the implementation of this reasoned

opinion (if any).

11. The taxpayer shall formalize the conclusion by submitting a revised tax reporting or otherwise taking into account the position of the tax authority in which accounting (tax) and tax reporting.

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

13. The tax authority shall notify the taxpayer about the presence (absence) of unfulfilled conclusions sent to this taxpayer in the course of tax monitoring within a period of not later than 2 months from the date of the end of tax monitoring.

Article 77. Mutual agreement procedure

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

2. Mutual agreement procedure shall be conducted in the authorized state body within 1 month from the date of receipt of materials on the results of the conducted tax monitoring, with the participation of the taxpayer (his representative) and the tax authority, which drew up the conclusion.

3. The authorized state body after the completion of the mutual agreement procedure, within 3 days sends its official position together with a notice to the taxpayer to change or leave unchanged the conclusion.

4. The taxpayer officially sends its official position to the tax authority and the authorized state body within 1 month from the date of receipt of the notification of the authorized state body on changing or leaving without changing the conclusion.

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 Council for pre-trial dispute resolution or to the judicial authorities.

CHAPTER 9. REGISTRATION OF TAXPAYERS AND THE UNIFIED AUTOMATED BASE OF REGISTRATION, CONTROL AND MONITORING OF TRANSACTIONS OF STATE BODIES AND TAXPAYERS

Article 78. registration of taxpayers

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

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

- 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 of other territorial tax authorities.

3. Registration of taxpayers in tax authorities shall include the following:

- registration of a natural person;
- registration of a legal entity;
- registration of 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. Maintenance of the Unified State Register of Taxpayers (hereinafter - the Register) shall be carried out by the authorized state body on the basis of electronic accounting data.

5. Maintenance of the Register includes:

- entering information on taxpayers;

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

- exclusion of information on taxpayers.

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

7. Taxpayer's registration with the tax authorities and deregistration shall be 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 the individual's application or information provided by the relevant state authorities;

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

3) a non-resident legal entity carrying out activities through a permanent establishment, without establishing a branch or representative office - at the place specified in the application for registration, including:

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

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

4) non-resident individual (including 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 treaties does not provide for the presence of a migration card, the place of stay of a non-resident individual is recognized as the place of location in the Republic of Tajikistan, specified in the application submitted to the tax authority;

5) an individual or legal entity, including a non-resident, whose activity is considered as a permanent establishment of a non-resident legal entity in accordance with the fourth paragraph of Part 3 of Article 17 of this Code, shall be obliged to submit to the tax authority an application for registration of its partner - non-resident legal entity within 10 working days from the date of conclusion of the relevant agreement with its partner or within 10 working days from the date of commencement of actual implementation of such activity with the purpose of assigning the legal entity to the tax authority.

6) the date of commencement of the non-resident's activity in the Republic of Tajikistan shall be recognized as one of the following dates:

a) the date of conclusion of a contract in the Republic of Tajikistan, including the purchase and sale of goods (performance of work and services), implementation of joint activities

(participation in a simple partnership) and granting authority to another person to perform actions on his behalf in the Republic of Tajikistan;

b) the date of conclusion of a labor contract or other contract of civil law nature with a natural person in the Republic of Tajikistan;

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

d) if there are several contracts, the date of the beginning of the non-resident's activity in the Republic of Tajikistan is recognized as the date of conclusion of the first of these contracts;

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

9. Registration of physical and legal entities of non-residents, carrying out activities in the Republic of Tajikistan without establishing a branch and (or) representation, cannot be the basis for their independent payment of taxes, unless otherwise established by this Code.

10. Tax authorities shall enter into the Register information about:

- a natural person, including a foreign citizen or stateless person - on the place of residence and (or) temporary stay;

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

- Non-resident legal entity carrying out activities in the Republic of Tajikistan through a permanent establishment without establishing a branch and representative office - on the location of the dependent agent of the person performing the functions of a permanent establishment of a non-resident;

- non-resident individual and legal entity acquiring (realizing) securities, shares, real estate in the Republic of Tajikistan - on the location of this property and (or) resident, who has the authority to maintain the Register of owners of securities and (or) shares of the specified resident in the Republic of Tajikistan, acquires (realizes) securities, shares and (or) immovable property;

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

- a non-resident carrying out activities without establishing a branch or representative office through a permanent establishment - the place of registration of the person performing the functions of a permanent establishment of the non-resident;

- non-resident opening a settlement account in resident credit and financial organizations - the location of the resident credit and financial organization (tax agent);

- natural person under 16 years of age - the place of residence and legal or authorized representative of this person;

- aircraft and other means of transportation - on the location of the owner;

- immovable property, land plots - on the actual location of the immovable property, owner, land plot and holder of the right to use the land.

11. The Register shall include information on persons who have undergone state registration in accordance with the Law of the Republic of Tajikistan “On state registration of legal entities and individual entrepreneurs”.

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

13. Application for change of 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 case of death or recognition of a natural person, incapacitated, reorganization, liquidation or termination of activities of persons not provided for in paragraph 13 of this Article, their exclusion from the Register shall be made by the relevant tax authority.

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

16. If a taxpayer has difficulties related to the determination of the place of registration, the relevant decision on the basis of the data submitted by him shall be made by the tax authority at the place of residence of a natural person or the location of the taxpayer-legal entity.

17. Tax authorities independently (until the moment of application by the taxpayer) shall ensure the registration of taxpayers in the tax authorities on the basis of available data and information provided to them by the relevant state authorities, as well as information that became known to them, necessary and sufficient for the purposes of registration.

18. Registration of individuals with tax authorities shall be 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 working days.

19. Activity without registration in the tax authorities as a taxpayer may serve as a basis for bringing to responsibility in the order established by the legislation of the Republic of Tajikistan.

20. Foreign persons providing remote (electronic) services directly to individuals are registered (deregistered) on the basis of submission of applications and other documents in the form approved by the Government of the Republic of Tajikistan. Application for registration (deregistration) by foreign persons shall be submitted to the authorized state body not later than 30 calendar days from the day of commencement of provision (termination) of electronic services.

Article 79. Taxpayer identification number

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

2. Taxpayer identification number, assigned to a natural person - citizen of the Republic of Tajikistan, shall be fixed in the passport of this natural person in the manner established by the relevant authorized state body.

3. Identification number is assigned to a taxpayer only once, and cannot be changed, transferred to another taxpayer (other individual or legal entity) even in case of liquidation of the same taxpayer - legal entity (its separate subdivision), termination of activity of a foreign legal entity or death of a taxpayer-physical person.

4. Individuals, legal entities, branches and representative offices of foreign legal entities

shall be issued a certificate of assignment of taxpayer identification number by the relevant tax authority. If there are separate subdivisions of legal entities, other objects of taxation and (or) objects related to taxation, these persons are also assigned codes of reasons for registration. 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. Individuals-residents of the Republic of Tajikistan under the age of 16 may voluntarily and persons who have reached the age of 16 must apply to the tax authorities to obtain a taxpayer identification number.

6. Irrespective of other provisions of this Code, non-resident individuals and legal entities with taxable objects in the Republic of Tajikistan shall be registered with the submission of an application from the moment the obligation to pay taxes arises, secured by the taxpayer identification number.

7. Taxpayers shall be obliged 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, checks of cash register devices, in business documents, contracts, forms and seals.

8. It is prohibited to carry out notarial operations, including operations with immovable property and vehicles, for which the state duty is charged, 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 in the territory of the Republic of Tajikistan and abroad, lending of goods (with payment of their cost in installments), granting loans to credit-financial institutions and other financial institutions.

9. Rules of registration, assignment of taxpayer identification number, codes of reasons for registration, as well as the rules of preparation of stamps, stamping and registration of taxpayer identification number in the passport of citizens of the Republic of Tajikistan shall be 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 shall be carried out by the authorized state body through the Integrated tax information system of accounting, control and monitoring of transactions of state bodies and the taxpayer (hereinafter - Integrated tax information system) in direct mode (online).

2. Information on transactions 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. Maintenance of the Integrated Tax Information System shall be carried out by the authorized state body together with the Internet portal “e-government” in accordance with the legislation on public services.

Article 81. Obligations of state bodies, institutions and organizations with the authorized state body on submission of information to the Integrated Tax Information System

1. State bodies, institutions and organizations shall be obliged under the contract to submit in direct mode (online) to the Integrated Tax Information System the following information:

1) on operations of state registration of legal entities, individual entrepreneurs, branches

and representative offices of foreign legal entities by the state registration authority;

2) on the use of tax benefits;

3) on issuance of general civil and foreign passports, including in case of change of surname and name of citizens, to replace lost or expired passports, annulled passports by the relevant authorities;

4) registration (re-registration) of rights to immovable property, taxation objects and transactions related to them, including their owners;

5) on availability of permit, license, certificate 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 real estate sale and purchase agreements, property lease agreements and lease amounts, on issuance of notarized certificates of inheritance and gift, on gift agreements containing information on the degree of kinship 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 on 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 at customs warehouses of the Republic of Tajikistan;

16) on transactions at the stock exchange of securities;

17) on state purchase of goods (works and services).

2. Information specified in Paragraph 1 of this Article shall be provided to tax authorities free of charge by state bodies, institutions and organizations directly in direct mode (online). In the absence of technical base for transfer of information to the authorized state body, it shall be sent in paper and electronic form (by e-mail).

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

4. Officials of relevant state bodies, institutions and organizations shall be directly responsible for submission of information provided for in paragraphs 1 and 3 of this Article.

CHAPTER 10. RISK MANAGEMENT

Article 82. Risk management system

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

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

3. Risk management system is applied by tax authorities in order to prevent:

1) reduction of tax revenues to the state budget;

2) reduction of tax sources due to reduction of domestic and foreign entrepreneurship and investments;

3) departure of taxpayers to the shadow economy;

4) reduction of competitiveness of the national tax system.

Article 83. Criteria for assessing the level of risk

1. Criteria for assessing the level of risk shall be developed by the authorized state body in accordance with which the level of risk of taxpayer's activity shall be assessed under a special program. Criteria for assessment of risk level shall be constantly improved by the authorized state body taking into account the emergence of new risks and (or) disappearance of existing risks.

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

3. When a taxpayer falls under a high level of risk, the authorized state body shall send to such taxpayer through the personal account information about it and about ways to eliminate the situation.

Article 84. Unified information system for management of tax audits

1. The unified information system of management of tax audits shall be created and maintained by the authorized state body for the purpose of effective management of the process of tax control, audits and ensuring transparency of activities of tax authorities in this direction.

2. The unified information system of management of tax audits shall consist of the following parts:

- risk assessment and management system, which is the basis for planning audits;
- annual plans of tax audits;
- information on the results of each conducted audit;
- a mechanism for feedback to the taxpayer on the results of tax audits;
- information on irresponsible taxpayers;
- statistics of tax violations by taxpayers.

3. Orders, notices and decisions on inspections, acts of inspections and decisions made on the results of inspections shall be registered in the Unified Information System for Tax Audit Management. Inspections may not be carried out without registration of orders to conduct inspections in the Unified Information System for Management of Tax Inspections.

4 Information from the Unified Information System of Tax Audit Management shall be sent in direct mode (online) with observance of confidentiality regime to the Unified System of Audit Management in the Republic of Tajikistan.

CHAPTER 11. APPLICATION OF CASH REGISTER DEVICES

Article 85. Application of cash control devices

1. All monetary turnovers at realization 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 settlements shall be made with mandatory use of cash registers.

2. The following requirements must be complied with when using cash register devices:

- registration of cash register devices in tax authorities at the place of taxpayer's activity

before the beginning of the activity;

- issuance of a cash register receipt for each transaction;
- connection to electronic accounting programs.

3. The cash register receipt shall contain the following information:

- name of a legal entity or surname, first name and patronymic of an individual entrepreneur;
- taxpayer identification number;
- serial number of the cash control device;
- registration number of the cash control device;
- serial number of the cash register receipt;
- date and time of issue of the cash register receipt;
- name of goods (works, services), unit of measurement, quantity, price, amount for each good (work, service), tax amount including differential rate of value added tax for cash and non-cash payments, discounts and total purchase amount;
- bar code of the check of the cash control device;
- fiscal sign of the cash control device.

4. The check of the cash control device, issued in currency exchange points, scrap metal, glassware acceptance points and pawnshops, shall additionally contain information on the amount of purchase and sale.

5. The provisions of this Article shall not be applied to monetary settlements of the following persons:

1) taxpayers in the part of rendering services to the population with issuance of documents equivalent to documents of strict accountability, including receipts, tickets, coupons, postal payment signs 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 homestead plots by individuals;

3) single agricultural tax payers 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 the use of cash register devices shall be established by the Government of the Republic of Tajikistan.

7. A taxpayer may use a virtual cash register enabling data to be transferred to the Unified Tax Information System.

8. The authorized state body together with other state bodies shall approve the State Register of cash register devices authorized for use in the territory of the Republic of Tajikistan.

9. It is prohibited to use automatic machines in retail outlets and payment terminals that are not equipped with fiscal memory and data transmission functions.

10. A taxpayer may simultaneously use a cash register device operating through the subscriber identification module (SIM-card), which has the function of accepting plastic bank cards (for cashless payments), quick response code (QR-codes) and other cashless payment methods, as well as performs the functions of an electronic accountant in automatic mode.

Article 86. Control over compliance with the procedure for the use of cash register devices

1. Control of compliance with the procedure for the use of cash register devices shall be exercised by tax authorities in the following areas:

- use of control cash register devices;
- data available in the unit or in the fiscal memory of cash control devices;
- registration of the control cash register device.

2. Control purchase shall be carried out by tax authorities without limitation of periodicity solely to control the use of cash control devices and issuance of cash control receipts to buyers in paper or electronic form. The procedure for conducting control purchase shall be established by the authorized state body.

CHAPTER 12. NOTIFICATION AND EXPLANATIONS ON FULFILLMENT OF TAX OBLIGATION

Article 87. Notification of tax authorities

1. A notification is a message sent by tax authorities to a taxpayer (tax agent) in written or electronic form.

2. Notifications shall be sent to a taxpayer (tax agent) by a tax authority of the following information:

- the amount calculated by the tax authority;
- the results of desk control;
- failure to submit tax returns;
- repayment of tax debts;
- elimination of tax offenses;
- inclusion of the taxpayer in the List of irresponsible taxpayers with indication of the grounds and the requirement to eliminate the identified offenses.

3. Unless otherwise provided by this Code, the notice shall contain the following information:

- taxpayer identification number;
- surname, first name, patronymic or full name of the taxpayer;
- name and address of the tax authority;
- date of registration of the notification;
- the reason for sending the notification;
- content of the notification;
- deadline for execution of the notice;
- procedure for filing a complaint.

4. A notice shall be sent to a taxpayer (tax agent) in electronic or paper form.

Article 88. Official interpretation of this Code and explanations on fulfillment of tax obligation

1. The official interpretation of this Code shall be adopted by the Majlisi Namoyandagon of Majlisi Oli of the Republic of Tajikistan.

2. Written explanations on execution of tax obligation shall be provided to a particular taxpayer by the head of the authorized state body in accordance with instructions and other normative 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, in the event that the taxpayer fully and correctly reflects the nature of all aspects of the economic transaction (contract) related to taxation and tax elements that are further explained to him.

4. Clarifications on the issues that are most often addressed by taxpayers are placed in the prescribed manner on the official website of the authorized state body.

SECTION III. ACCOUNTING AND REPORTING

CHAPTER 13. TAX ACCOUNTING AND REPORTING

Article 89. Compilation and storage of accounting records

1. Tax accounting is the process of keeping accounting documentation by a taxpayer in accordance with the requirements of this Code for the purpose of systematization of information on objects of taxation, as well as calculation of taxes and preparation of tax reporting.

2. Accounting documentation shall consist of accounting documentation and tax reporting.

3. A taxpayer shall be obliged to keep accounting and tax reporting documentation in the state language.

4. Taxpayers are obliged to keep accounting documentation in accordance with the legislation on accounting, regulatory acts of the authorized state body in the field of finance, the authorized state body and the National Bank of Tajikistan.

5. During the tax audit at the request of the tax authorities, the taxpayer shall be obliged to provide electronically developed paper copies of accounting documents.

6. Taxpayers must keep accounting documentation in the Republic of Tajikistan during the statute of limitations. If a tax audit or appeal of a tax liability begins before the expiration of the statute of limitations, taxpayers must keep accounting documentation until the completion of the audit and appeal procedures.

7. Non-resident, carrying out activities in the Republic of Tajikistan through a permanent establishment without the formation of a branch or representative office, must keep accounting documentation at the location of its office in the Republic of Tajikistan or, in the absence of an office - in the office of the tax agent of this non-resident in the Republic of Tajikistan.

8. At reorganization of a legal entity, obligations to keep accounting documentation of the reorganized legal entity shall be imposed on its legal successor.

9. In case of liquidation or other form of termination of activity of a legal entity, all managers, partners and controlling shareholders of this legal entity shall ensure storage of accounting documentation during the period corresponding to the limitation period, taking into account the provisions of paragraph 5 of this Article. In case of liquidation or other form of termination of activity of a legal entity, the said documents shall be transferred to the state archive in accordance with the procedure established by law.

Article 90. General rules of tax accounting

1. A taxpayer shall be obliged to keep records of its income and expenses on the basis of documented information for the relevant reporting periods using the accounting method established by this Code.

2. The taxpayer shall keep tax accounting in accordance with the procedure established by this Code, by the cash or accrual method.

3 A taxpayer shall be obliged to ensure accounting of all transactions related to its activities, allowing to determine their beginning, progress and end.

4. Taxpayers engaged simultaneously in different types of activities for which different conditions and regimes of taxation are established in this Code shall be obliged to keep separate accounting of taxation objects on the basis of accounting indicators in accordance with such conditions and regime.

5. Operations of exchange, payment through transfer of goods (performance of work or rendering of services), transfer of the pledge object to the pledgee in case of non-fulfillment by the debtor of the obligation secured by the pledge for taxation purposes shall be considered as

realization of goods (performance of work, rendering of services).

6. For taxation purposes, any transaction in foreign currency shall be recalculated in 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 translate taxable income and expenses related to it into the national currency at the average exchange rate of the National Bank of Tajikistan for the tax period.

7. The exchange rate of 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 - the US dollar).

8. A person who receives income and incurs expenses in the functional currency may decide to account for these amounts in the functional currency. A person 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 its financial statements in the functional currency in accordance with International Financial Reporting Standards.

9. Pursuant to paragraph 8 of this Article, a person shall 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 the tax return for the reporting period. The adopted decision on the use of functional currency shall remain in force until the person fails to fulfill the conditions of paragraph 8 of this Article or the person ceases to use the functional currency with the authorization of the tax authority.

10. A person who has chosen the functional currency, when receiving income or incurring expenses that are not expressed in the functional currency (including income and expenses expressed in somoni), shall translate to the functional currency at the conversion rate used in the financial statements of the taxpayer.

11 A person who elects to use the functional currency for a reporting period must calculate the taxable income and tax payable for that period in the functional currency and either:

- translate the amount of tax in the functional currency into the national currency at the average exchange rate of the National Bank of Tajikistan for that period; or
- with the written permission of the tax authority, pay the tax due in functional currency.

12. A legal entity that has made a justified decision to use the functional currency or ceases to use the functional currency shall comply with any transitional rules established by the Ministry of Finance of the Republic of Tajikistan.

Article 91. Procedure for accounting of income and expenses

1. Unless otherwise established in this Article, taxable income (profit) shall be calculated according to the same accounting method used by the taxpayer (tax agent) in its accounting.

2. Unless otherwise provided by this Code, for taxation purposes:

- legal entities and individual entrepreneurs taxed in accordance with Chapter 52 of this Code, except for legal entities and individual entrepreneurs carrying out activities in accordance with the provisions of Part 4 of Article 375 of this Code, shall keep accounting records according to the cash method;
- other persons not specified in the first paragraph of this part shall be obliged to keep

accounts on accrual basis.

3. Where the method of accounting used by a taxpayer is changed, amendments to the treatment of income, expenses and other elements affecting the amount of tax shall be made in the year of the change in the method of accounting so that none of the above-mentioned elements is omitted or double-counted.

4. With respect to value added tax and excise tax payers, income and expenses shall be recorded without value added tax and excise tax, except for expenses for which credit for value added tax is not allowed. The value of an asset acquired by a value-added tax payer shall not include the value-added tax amount paid, except for the cases where credit of this value-added tax amount is not allowed.

Article 92. Procedure for accounting of income and expenses under the cash method

1. In accordance with this Article, a taxpayer accounting under the cash basis method shall recognize income on the date of its receipt and deduct expenses on the date of their actual realization.

2. The moment of receipt of income shall be the moment of receipt of cash or the moment of crediting of funds to the taxpayer's bank account or other account which he can dispose of or from which he is entitled to receive the said funds.

3. If mutual settlement for delivered goods, performed work or rendered services is not made within a period exceeding 6 calendar months by cash method, regardless of the provisions of paragraph 1 of this Article, for taxation purposes the settlement shall be deemed to be made in the last full calendar month.

4. In case of fulfillment of the financial obligation of the taxpayer, in particular, in case of netting, the moment of receipt of income and expenses shall be considered the moment of fulfillment of the obligation.

5. The moment of realization of expenses shall be considered the moment of actual realization of expenses by the taxpayer, unless otherwise provided for in this Article.

6. Where a taxpayer makes a payment in cash, the moment at which expenses are incurred shall be deemed to be the moment at which the cash is actually paid, and in the case of a non-cash payment, the moment at which the credit and financial institution receives the taxpayer's instruction to carry out a transaction involving the transfer of funds.

7. When paying interest on a debt obligation or making payments for the lease of property, if the term of the debt obligation or lease agreement covers several tax periods, the amount of paid interest (rent) actually deducted for a tax period shall be the amount of interest (rent) due for that period.

Article 93. Procedure for accounting of income and expenses on an accrual basis

1. A taxpayer keeping accounts on an accrual basis shall take into account income and expenses, respectively, at the time of receipt of the right to income or the occurrence of the obligation to make a payment, irrespective of the time of actual receipt of income or making a payment in accordance with this Article.

2. The right to receive income shall be deemed acquired at the moment when the relevant amount is unconditionally payable to the taxpayer or the taxpayer has fulfilled its obligations under the contract. For these purposes, the right to receive income shall be preserved regardless of deferral and installment of performance of obligations.

3. If the taxpayer performs work or renders a service, the right to receive income is deemed to be acquired at the moment of final performance of the work or rendering of the

service provided for in the contract.

4. If the contract provides for the stage-by-stage performance of work or rendering of services, the right to receive income shall be deemed acquired at the time of performance of this stage of work or service, unless otherwise provided for by Article 96 of this Code.

5. Where a 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 shall be deemed to have been acquired at the time of expiration of the term of the debt obligation or lease agreement. If the term of the debt obligation or lease agreement covers several tax periods, the income shall be allocated to these tax periods in the order in which it accrues.

6. The moment when expenses related to a contract are incurred shall be deemed to be the moment when all of the following conditions are met, unless otherwise provided for in this Article:

- in case the taxpayer recognizes a financial obligation;
- in case of accurate assessment of the amount of the financial obligation;
- when the parties have fulfilled all their obligations under the contract and the relevant amounts are payable.

7. In connection with the terms provided for in paragraph 6 of this Article, a financial obligation means an obligation assumed by a taxpayer under a contract for the purpose of the fulfillment of which the other party to the contract is obliged to provide the taxpayer with corresponding income in cash or other form.

8. When paying interest on a debt obligation or making payments for leased property, the moment when expenses are incurred shall be deemed to be the moment when the term of the debt obligation or lease agreement expires. If the term of the debt obligation or lease agreement covers several tax periods, the expense shall be allocated to these tax periods in the order of its accrual.

Article 94. Taxation of joint ownership

Where a written contract for joint ownership of property or joint business or other written contract providing for at least two owners, without establishing a legal entity, is concluded without establishing a legal entity, they shall be taxed according to their shares of ownership. If the share of the owners in joint ownership cannot be determined, the owners of the property shall be deemed to have equal shares in the property.

Article 95. Specifics of determination of income and deductions for long-term contracts

1. A taxpayer entering into a long-term contract shall include in gross income for each tax period of the contract a percentage of the taxpayer's estimated total taxable income under the contract in proportion to the percentage of work completed under financial reporting standards, as determined by part 2 of this article. “Long-term contract” is a construction or engineering contract that will take more than 12 months to complete.

2. The taxpayer's percentage of completion of a long-term contract 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 contract.

3. The taxpayer's estimated total taxable income under a long-term contract is the total estimated income to be earned by the taxpayer over the term of the contract, less the total estimated deductible expenses incurred by the taxpayer over the term of the contract.

4. If a taxpayer incurred a loss in 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 cessation of commercial activity in the Republic of Tajikistan, the taxpayer may carry the loss back to the immediately preceding tax period and the loss is allowed as a deduction in that period. If a taxpayer cannot fully deduct a loss carried back to the immediately preceding tax period, the excess amount may be carried back to the next preceding tax period and allowed as a deduction for that period, but such loss may not be carried back 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 contract if the proposed total taxable profit to be realized under the contract referred to in paragraph 3 of this Article exceeds the actual total taxable profit under the contract and the amount of the excess exceeds the amount to be included in gross income under paragraph 1 of this Article for the tax period in which the contract was performed.

Article 96. Procedure for accounting for inventories

1. For the purposes of taxation, inventory shall be accounted for in accordance with the legislation on accounting.

2. When accounting for inventories, a taxpayer must reflect in a tax report the cost of manufactured or purchased goods determined accordingly on the basis of production costs (cost price, i.e. all costs associated with the production of goods) or purchase price, as well as the costs of their storage and transportation.

3 The taxpayer may assess and account for the value of defective or obsolete goods or products that for these or similar reasons cannot be sold at a price that exceeds the cost of their production (purchase price), based on the price at which they can be sold.

4. With respect to goods for which no individual records are kept, a taxpayer may use one of the following two methods to account for inventory:

- the inventory valuation method (FIFO), according to which, for the accounting period, the goods classified as inventory at the beginning of the accounting period are first considered to have been sold (used), and then the goods produced (purchased) during the accounting period in the order of their production (purchase);

- the method of valuation at the average cost of production.

5. Taxpayers are obliged to provide an electronic system of goods labeling in accounting records.

Article 97. Accounting under financial lease (leasing)

1. In cases when the lessor is the owner of the depreciable tangible property prior to the commencement of the financial lease (leasing), the transaction shall be considered as a sale of the property by the lessor and its purchase by the lessee.

2. The depreciable tangible property leased under a financial lease (leasing) agreement shall be accounted for on the lessee's balance sheet during the period of validity of the financial lease (leasing) agreement, which entitles the lessee (lessee) to make deductions related to the leased item (in particular, 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 accounted for on its balance sheet during the term of the financial lease (leasing) agreement;

- the lessee is entitled to deductions of expenses in respect of the leased property (especially depreciation and repair costs);

- for the lessee at the commencement of the lease, the purchase price of the leased property is equal to the value specified in the contract. If the lessor and lessee are related parties, at the commencement date the value of the property received under a finance lease (lease) should be equal to the fair market value;

- from the commencement date of the lease, the lessor is considered to be a creditor to the lessee and the amount of the credit is considered to be equal to the value of the leased property;

- each installment of the finance lease is treated as part of the repayment of the principal of the loan and a partial payment of interest on the loan. The percentage of each finance lease payment shall be calculated with 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 declaration on taxable regimes, each type of tax or on income paid, as well as annexes to the calculations and tax declarations prepared in accordance with the procedure established by this Code.

2. Tax reporting consists of:

- tax declarations with annexes, 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 value added tax payer;

- applications for refund of overpaid or erroneously paid tax, and (or) for refund of value added tax;

- applications for application of double taxation treaties and other international legal acts on taxation recognized by Tajikistan;

- annual financial statements, acts of audits of the taxpayer as provided for by audit standards;

- information on the opening of accounts in credit and financial organizations;

- copy 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 on obtaining a certificate of registration of the right to use land and (or) other document representing the right to use land.

Article 99. Procedure for preparation of tax reporting

1. A taxpayer (tax agent) or his representative, as well as a tax authority and (or) other authorized bodies involved in tax relations, shall prepare tax reporting in electronic or paper forms in the state language in the manner and according to the forms established by this Code.

2. The procedure, types and forms of tax reporting shall be determined by the authorized state body in coordination with the authorized state body in the field of finance.

3. Responsibility for the reliability of data specified in tax reporting shall be imposed on the taxpayer.

4. Tax reporting shall be submitted to the relevant tax authorities in accordance with the procedure and within the terms established by this Code.

5. Taxpayers with respect to the activities of which different conditions of taxation are established, as well as using different tax regimes, shall prepare and submit tax reporting for each type of activity and regime within the established deadlines.

Article 100. Submission of tax reporting

1. Tax reporting shall be submitted by a taxpayer to the tax authority at the place of taxpayer's registration within the terms established by this Code. Tax reporting on certain types of taxes in cases stipulated by this Code shall be submitted by the taxpayer also at the place of registration of taxable objects.

2. Individuals not engaged in entrepreneurial activity shall file a tax return to the tax authority at the place of residence.

3. A tax return is considered submitted to the tax authority if it contains the taxpayer's identification number, tax period, type and amount of tax, and (or) the date of submission of the tax return. If the tax authority discovers errors and (or) other inconsistencies in the submitted tax returns, it must immediately notify the taxpayer about this error and (or) inconsistency. In this case, the taxpayer submits a corrected or additional reporting or declaration and is not subject to penalties for late submission of the declaration.

4. Amendments and additions to tax returns within the statute of limitations period may be made by submitting additional tax returns for the tax period to which the amendments and additions relate.

5. When submitting tax returns with amendments and additions to the tax authority until the moment when the taxpayer in the prescribed manner received notification of the appointment of on-site tax audit, the taxpayer shall be exempt from the accrual and payment of fines for the offense committed. At the same time, interest for late payment of taxes shall be accrued and paid in accordance with the established procedure.

6. Taxpayers (tax agents) have the right to file tax returns by choice:

- electronically;
- by mail;
- in person or through a representative.

7. Notwithstanding the provisions of paragraph 6 of this Article, any taxpayer who is a payer of value added tax shall be 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 is not liquidated or an individual entrepreneur (separate subdivision of a legal entity) has not ceased entrepreneurial activity, the above persons shall submit tax declarations to the tax authorities in accordance with the requirements of this Code, regardless of the activity carried out by them.

9. Tax returns shall be accepted without preliminary desk control. The effect of this Article shall not apply to an additional tax return submitted by a taxpayer in accordance with Article 107 of this Code.

Article 101. Extension of the time limit for submission of tax returns

1. For bona fide taxpayers (conscientious taxpayers) who apply to the tax authority before the deadline for submission of tax declaration to extend the deadline for submission of tax declaration on income of a legal entity, if the taxpayer has paid the pre-assessed amount of tax, the deadline for submission of the declaration shall be extended for two months.

2. Extension of the deadline for submission of the declaration in accordance with paragraph 1 of this Article shall not change the deadline for payment of tax and shall not lead to suspension of accrual of interest for late payment of taxes.

3. The term for submission of declaration and payment of taxes in case of natural disasters (earthquake, flood) and emergency situations (epidemic, pandemic) for all taxpayers or a group of taxpayers shall be 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 representative office of a foreign legal entity, a permanent establishment of a non-resident and an individual entrepreneur who made payments in favor of other persons in a calendar year shall be obliged to submit to the tax authorities relevant information on payments in the manner and cases established by the authorized state body in coordination with the authorized state body in the field of finance.

Article 103. Submission of information to tax authorities

1. When exercising tax control, tax authorities on the basis of a written notification shall require from any person and relevant bodies within 10 days to submit information specified in the notification, including on the relationship of a particular taxpayer with other taxpayers, except for information existing in the electronic database of tax authorities.

2. For taxation purposes, the authorized state body shall have the right to request from credit and financial organizations, communication service and its structures, other legal entities and individuals information on transfer of funds to foreign persons providing remote services in the Republic of Tajikistan and receive a response within 5 working days. The procedure for obtaining information shall be determined by the authorized state body in coordination with the National Bank of Tajikistan and the Communication Service under the Government of the Republic of Tajikistan.

3. In the course of field tax audit in order to collect information, an authorized employee of the tax authority shall have the right in the order established by the legislation of the Republic of Tajikistan:

- make a copy of accounting and other documentation related to taxation;
- seize in the prescribed manner on the basis of the act of seizure of accounting and other documentation related to this field tax audit;
- seal accounting and other documentation and prohibit its use;
- remove readings of electronic labeling devices and production meters.

4. If an authorized employee of a tax authority seizes the originals of accounting and other documentation within the powers provided for in paragraph 3 of this Article, he undertakes to return the originals of these documents to the taxpayer not later than 10 working days.

5. Admission of employees of a tax authority to secret documents and objects shall be carried out in accordance with the legislation on state and commercial secrets.

Article 104. Retention period of tax reporting

1. For taxation purposes, tax reporting shall be kept with taxpayers (tax agents) for not less than the limitation period established by this Code.

2. In case of reorganization of a legal entity, obligations to keep tax reporting shall be imposed on its legal successor. In the event of division of a legal entity into several newly created legal entities resulting from such division, the custody of tax returns shall be imposed on the successor holding the largest share.

Article 105. Bank accounts and presentation of information

1. Credit and financial organizations shall be obliged:

- on the basis of the information letter of tax authorities to open bank accounts of individuals and legal entities, except for deposit accounts of individuals, and send this information to the tax authority within 5 days via electronic communication network;
- make all bank transactions with the indication of the taxpayer identification number;

- within 5 days to 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 on payment of taxes, to require indication of the taxpayer's identification number, types of taxes paid (tax codes), as well as to control the correctness of the bank details of the payee;

- to provide on the basis of a written request of the tax authority within 5 days information on bank accounts, on balances and turnover of money on the accounts of taxpayers in respect of whom the decision on extrajudicial collection of recognized Tax arrear and (or) on taxpayers recognized as irresponsible.

2. The procedure, form and terms of providing information shall be established by the authorized state body in coordination with the National Bank of Tajikistan.

3. For the purposes of this Article, accounts of state organizations (institutions) opened in the Main Treasury Department of the Ministry of Finance of the Republic of Tajikistan shall be equated to bank accounts.

CHAPTER 14. ACCOUNTING OF TAX OBLIGATION FULFILLMENT

Article 106. Basics of accounting of tax obligation fulfillment

1. Accounting of tax obligation fulfillment, including the following actions, shall be carried out by the tax authority by maintaining a 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, refunded amounts of tax, penalties and interest, the amount of deferral or installment payment of taxes, disputed and difficult to collect debts;

- closing of the 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 accrued tax (tax liability) in this Code shall mean the amount of tax, penalties and interest accrued by tax authorities for a given tax period. Accrual of amounts of taxes, penalties and interest, including increase or decrease of liabilities, shall be made by the tax authorities in the following cases:

- based on the results of an on-site tax audit;

- failure to comply with the deadlines for filing a tax return;

- as a result of desk control, time-based inspection or other forms of tax control;

- increase or decrease of tax liabilities as a result of consideration of a taxpayer's (tax agent's) complaint against a decision taken by a tax authority;

- submission of an additional (amended) tax return in accordance with Article 107 of this Code.

4. Tax liabilities not fulfilled within the established time limits and recognized as a hard-to-collect Tax arrear shall be separately accounted for by the tax authorities. The procedure for keeping and special conditions for execution of such tax liabilities shall be determined by the authorized state body in coordination with the authorized state body in the field of finance.

5. Accounting of paid, credited, refunded taxes, penalties and interest in the personal accounts of a taxpayer (tax agent) shall be kept on the basis of the following payment and other documents:

- on payment of taxes, penalties and interest;

- on offsets and refunds of overpaid taxes, fines and interest;

- on offsets and refunds of overcharged and (or) paid amounts of value added tax;

- recovered amounts of tax debt, fines and interest.

6. The personal account of the taxpayer shall reflect the changed term of fulfillment of tax liabilities. For the period of the changed term of fulfillment of tax obligations, including payment of taxes, fines and interest by the tax authority in relation to the taxpayer shall not apply liability and measures of compulsory collection.

7. The personal account of the taxpayer (tax agent) shall reflect the amount of interest accrued in accordance with the procedure established by this Code, indicating the period for which it was accrued.

8. If there is specific information about leaving the country, transferring assets to another person or taking other fraudulent actions with assets, which may hinder the collection of tax, the tax authority has the right to enter the assessed amount of tax in the personal account and demand immediate payment of the assessed tax, if this measure is necessary to ensure the collection of tax.

9. Accounting of tax revenues to the budget shall be carried out by tax authorities by reflecting the amounts of taxes, accrued and paid fees, as well as interest and penalties in the personal account of the taxpayer. The procedure for maintaining a personal account of a taxpayer shall be determined by the authorized state body in coordination with the authorized state body in the field of finance.

10. In the liquidation of a legal entity and individual entrepreneur, the amount of overpaid or collected taxes, fines and interest shall be credited to the Tax arrearfrom other payments. If the legal entity and individual entrepreneur being excluded from the Register did not submit an application for accounting and (or) refund of overpaid or collected taxes, fines and interest, this amount will be written off from the personal account of such taxpayer. Regardless of this, such taxpayers have the right to submit an application within the limitation period for the refund of overpaid or recovered taxes, penalties and interest debited from their personal accounts.

11. Customs authorities shall keep records of customs payments to the budget, as well as of interests and penalties paid in connection with conveyance of goods across the customs border of the Republic of Tajikistan. The procedure for accounting shall be determined by the Customs Service of the Republic of Tajikistan in coordination with the authorized state body in the sphere of finance.

12. The procedure for accounting of receipt of state duties and other payments to the budget levied by other bodies and state organizations shall be determined by the authorized state body in coordination with the authorized state body in the sphere of finance.

Article 107. Additional tax declaration

1. In case the tax authorities identify discrepancies with the tax return submitted by the taxpayer for the tax period, with the submission of a written notice, the tax authority may require the taxpayer to submit an additional tax return for the period specified in the notice. A tax authority may send a taxpayer a notice under this Part only within the statute of limitations period. A taxpayer shall 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 deliver to the taxpayer a notice of additional tax return in accordance with paragraph 4 of Article 111 of this Code within 30 days after submission of the return.

3. A taxpayer who has filed a tax return for a period in which the provisions of paragraph 1 of Article 99 of this Code apply 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 that period. The supplemental tax return must state the reasons for the changes.

4. If the taxpayer has filed an additional tax return in accordance with paragraph 2 of this Article, the tax authority shall, within 30 days of filing the additional tax return:

- accept the taxpayer's additional tax return in whole or in part and deliver to the taxpayer a notice of the additional (finalized) tax return in accordance with paragraph 4 of Article 111 of this Code;

- reject the taxpayer's additional (finalized) tax return by sending a written notice to the taxpayer.

Article 108. The location where taxes are paid and the budgets to which taxes are allocated

1. National taxes shall be paid to the republican budget, and local taxes shall be paid to local budgets, unless otherwise provided for by the legislation of the Republic of Tajikistan.

2. Calculated (accrued) taxes, fines and interest shall be paid:

- at the place established by the relevant tax legislative act of the Republic of Tajikistan;

- at the place specified in the notification of the tax authority on calculation (assessment) of tax and tax payment requirements;

- if notification of the tax authority on calculation (assessment) of tax is not required - in the place specified by the relevant tax legislative act of the Republic of Tajikistan;

- if the relevant tax legislative act of the Republic of Tajikistan does not specify the place - at the place of residence of a taxpayer-physical person, 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 relevant financial year establishes the percentage ratio of national taxes between the republican budget and local budgets.

4. Taxes, fines and interests, calculated (additionally accrued) in accordance with this Code, shall be paid within the terms established by this Code and shall be 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.

5. The taxes regulated in accordance with the Law of the Republic of Tajikistan on the State Budget of the Republic of Tajikistan for the relevant financial year, according to the established ratio, shall be automatically distributed between the appropriate levels of budgets by transferring them to the regulated accounts of the Central Treasury of the Ministry of Finance of the Republic of Tajikistan.

6. Collection of taxes on immovable property and land tax of individuals in rural areas can be carried out through an automatic system of electronic payment with the provision of a confirmation receipt, including by an authorized employee of the tax authority with the assistance of employees of local self-government bodies.

7. The authorized state body in the field of finance, the authorized state body in the field of taxes and financial institutions shall be obliged to regularly publish on their official websites 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 at separate subdivisions of legal entities shall be paid 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. The order of sequence of fulfillment of tax obligations

1. Tax liabilities of a taxpayer shall be fulfilled in the following sequence by:

- calculated (additionally accrued) amounts of taxes;
- calculated interest;
- calculated penalties.

2. Subject to the provisions of paragraph 1 of this Article, payment of the amount of taxes, penalties and accrued interest to cover the tax liability of a taxpayer shall be made in the following sequence:

- first - tax liabilities of previous years;
- next - tax arrears formed later;
- last - tax liabilities for the current year.

Article 110. General conditions for change of tax payment terms

1. Change of the term of payment of tax in accordance with the procedure established by this Chapter shall be recognized as postponement of its payment to a later date.

2. It shall be allowed to change the term of payment of tax depending on the total amount of tax payable or its part (hereinafter in this Chapter - the amount of debt) with accrual of interest on the amount of debt, unless otherwise provided by this Chapter.

3. Change of the term of payment of tax shall be carried out in the form of deferral of taxes (deferment) or installment (payment in installments).

4. Deferral is allowed from the first day of tax payment for the period established by Article 112 of this Code. Payments made in installments shall be made on the basis of an agreement between the tax authority and the taxpayer with the establishment of specific payment terms for a period not exceeding one year.

5. Deferral or installment payment may be granted on the basis of the taxpayer's application in respect of the amount of debt incurred before the decision on granting deferral or installment payment or in respect of Tax arrear that will arise in the future.

6. A change in the time limit for the payment of tax shall not cancel an existing obligation to pay tax and shall not create a new obligation thereunder.

7. It shall be allowed to change the time limit for payment of tax by decision of the bodies provided for in Article 112 of this Code, regardless of the provisions of this Article, upon offering a surety or bank guarantee in accordance with Articles 137-138 of this Code, unless otherwise provided for by this Chapter.

8. The provisions of this Chapter shall also apply when granting deferment or installments for payment of interest and fines.

Article 111. Circumstances precluding change of the time limit for payment of tax

1. The term of tax payment shall not be subject to change in the presence of one of the circumstances:

1) if criminal proceedings have been initiated against the taxpayer on the grounds of a crime in connection with violation of tax legislation;

2) if there are sufficient grounds for the application of such changes by the taxpayer to conceal money or other property in the territory of the Republic of Tajikistan, or this person is going to flee outside the country for permanent residence;

3) if the decision to change the term of payment of taxes in respect of this taxpayer was canceled within three years prior to the date of filing the application due to violation of the conditions for changing the term of payment of taxes;

4) if bankruptcy proceedings have been initiated.

2. The conditions specified in paragraph 1 of this Article shall not apply in cases provided for by paragraph 2 of Article 113 of this Code.

3. If there are cases provided for by paragraph 1 of this Article, the decision to change the term of tax payment shall not be made, and the decision made shall be canceled.

4. The authorized state body shall be obliged to notify in writing the taxpayer and the tax authority at the place of its registration within three days from the date following the day of cancellation of the decision to change the term of tax payment.

5. A taxpayer shall have the right to appeal against the adopted decisions in the manner prescribed by this Code.

Article 112. Adoption of a decision on deferral of payment of taxes

1. Decision on deferral of payment of national taxes shall be adopted by the Government of the Republic of Tajikistan upon submission of the authorized state body in the field of finance for a period not exceeding 1 year.

2. Decision on deferral of payment of local taxes shall be made by the Majlis of People's Deputies of the relevant city (district) upon submission of the relevant financial and tax authorities of the city (district) for a period not exceeding 6 months.

Article 113. Conditions for granting deferment or installment payment

1. Deferment or installment of tax payment shall be 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 case of deferment and installment, the taxpayer will ensure the payment of the stipulated tax.

2. Notwithstanding the provisions of paragraph 1 of this Article, deferral or installment of tax payment shall be granted to taxpayers in the presence of at least one of the following grounds:

1) causing damage to the taxpayer as a result of a natural disaster, man-made disaster or other force majeure circumstances;

2) probability of occurrence of signs of insolvency bankruptcy (insolvency) of the taxpayer in case of lump-sum payment of tax liabilities;

3) property status of an individual (without taking into account the property on which tax recovery cannot be made in accordance with the legislation of the Republic of Tajikistan) excludes the possibility of lump-sum payment of tax;

4) in the presence of provisions established by the customs legislation of the Republic of Tajikistan with regard to customs payments in connection with conveyance of goods across the customs border of the Republic of Tajikistan;

5) non-financing of the taxpayer within the contractual term in connection with fulfillment of the state order, performance of works and (or) rendering of services for state needs and needs of local public authorities from the state budget.

3. In the presence of the grounds specified in paragraphs 1) - 4) of Part 2 of this Article,

deferral or installment of tax payment shall be applied in accordance with the following requirements:

1) a legal entity - not higher than the value of net assets of the taxpayer in relation to tax liabilities;

2) to a natural person - not higher than the value of the taxpayer's property (except for the property on which the tax cannot be levied in accordance with the legislation of the Republic of Tajikistan) in relation to tax liabilities.

4. If deferral or installment of tax payment is granted on the grounds specified in paragraphs 1) or 5) of Part 2 of this Article, interest on such tax liabilities shall not be accrued.

5. In case of application of deferral or installment of tax payment on the grounds specified in subparagraphs 2) - 4) of paragraph 2 of this Article, interest shall be accrued on such tax liabilities at the rates effective during the period of deferral or installment of payment.

6. It is prohibited to grant deferral or installment payment in respect of taxes withheld at source of payment and social tax.

7. It shall be prohibited to assign the right to fulfill a tax obligation under the amended terms to another person, except for the cases established by this Code, in case of reorganization of a legal entity.

Article 114. Procedure for granting a deferral or installment of payment

1. An application for granting deferment or installment payment shall be submitted by a taxpayer to the authorized state body.

2. The following documents shall be attached to the taxpayer's application:

1) act of reconciliation between the tax authority at the place of registration and the taxpayer;

2) certificate of accounts of the taxpayer in credit financial organizations;

3) extracts from accounts in credit and financial organizations on the turnover and cash balances for 6 months prior to the application;

4) schedule of repayment of tax liabilities by the taxpayer for the period of deferment or installment payment;

5) documents confirming the existence of grounds for changing the terms of tax payment specified in paragraphs 3-8 of this Article.

3. According to the provisions stipulated in paragraph 1) of part 2 of Article 113 of this Code, the following documents shall be attached to the taxpayer's application for granting deferral or installment of payment:

1) conclusion of civil defense, protection of the population and territorial bodies for emergency situations, local public authorities on the fact of occurrence of force majeure circumstances in respect of the taxpayer;

2) act of civil defense, population protection and territorial emergency authorities, local authorities on assessment of damage caused to the taxpayer as a result of force majeure.

4. The existence of the basis established in paragraph 2) of part 2 of Article 113 of this Code shall be established by the authorized state body or its representative based on the results of the analysis of the financial situation of the taxpayer. The procedure for such analysis shall be approved by the Ministry of Finance of the Republic of Tajikistan in coordination with the Ministry of Economic Development and Trade of the Republic of Tajikistan, the authorized state body and the National Bank of Tajikistan.

5. To the application of a taxpayer for granting deferment or installment on payment on

the grounds specified in paragraph 3) of part 2 of Article 113 of this Code, information on movable and immovable property of an individual (except for property that cannot be foreclosed in accordance with the legislation of the Republic of Tajikistan) shall be attached.

6. To the application of a taxpayer for granting deferment or installment payment on the grounds specified in paragraph 5) of part 2 of Article 113 of this Code, a document of the financial authority on the existence of such grounds and the amount provided for in the state budget shall be attached.

7. In the application for granting deferment or installment payment, the taxpayer shall assume 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 bank guarantee or on surety, executed in compliance with the provisions of the legislation of the Republic of Tajikistan.

9. At the request of the taxpayer, the authorized bodies shall have the right to make a decision on temporary suspension (during the period of consideration of the application) of payment of the amount of tax liabilities and notify the taxpayer and the tax authority at the place of registration. The term of making such decision may not exceed 3 working days.

10. Adoption or refusal to make a decision on granting a deferral shall be 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 on granting deferral or installment payment of tax shall contain at least the following information:

1) name of the taxpayer;

2) the amount of tax debt;

3) the tax for payment of which deferment or installment is granted;

4) term and procedure for payment of the amount of the debt and accrued interest.

12. The decision on application of deferral or installment of payment shall take effect from the date specified in this decision.

13. The decision to refuse to grant deferment or installment payment shall be motivated.

14. The taxpayer has the right to appeal against the decision on refusal to grant deferral or installment payment in the order established by legislative acts of the Republic of Tajikistan.

15. A copy of the decision on granting deferment or installment of tax payment or refusal to grant 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 decision.

Article 115. Termination of deferred payment or installment payment

1. Deferred payment or installment payment shall be deemed terminated if:

- the accrued amounts of tax and interest are paid before the expiration of the established term;

- the term of validity of the decision on deferral or installment payment has expired;

- the taxpayer has not fulfilled the terms of deferral or installment payment within the allotted period.

2. Notification on cancellation of the decision on deferral or installment of tax payment shall be sent by the authorized bodies and authorized state body respectively to the taxpayer within 5 days from the date of the decision on cancellation, and a copy of such decision shall be sent to the tax authority at the place of registration of the taxpayer in accordance with the procedure established by this Code.

3. A taxpayer shall have the right to appeal against the decision on termination of deferment or installment of payment in accordance with the procedure established by the legislation of the Republic of Tajikistan.

Article 116. General provisions on set-off and return of overpaid and overcharged taxes

1. The overpaid amount of tax, fines and interests for a tax period, except for cases stipulated by Article 274 of this Code, shall be a positive difference between the amount paid and the amount of accrued (additionally accrued) taxes, fines and interests for this tax period.

2. The overpaid or overcharged amount of tax shall be refunded to the taxpayer. In this case, the taxpayer has the right to use the overpaid or recovered amount of tax against forthcoming payments for this type of tax.

3. Repayment of tax liabilities at the expense of overpaid or overcharged tax amount shall be carried out in the following sequence:

1) for payment of arrears of interest of overpaid tax or overcharged tax (if there is such a circumstance);

2) for payment of arrears on other types of taxes and interest on them to the respective budgets;

3) for payment of fines for tax offenses to the respective budgets.

4. The amount of overpaid or recovered tax shall be refunded to the taxpayer in full or in part on the basis of the taxpayer's application in compliance with the sequence established by paragraph 3 of this Article.

5. Refund to the taxpayer of overpaid or recovered amounts of tax shall be carried out in accordance with parts 1-3 of this Article and in accordance with the procedure established by Articles 117 and 118 of this Code.

6. Credibility of overpaid or recovered amounts of tax shall be determined by drawing up a reconciliation act between the tax authority and the taxpayer in accordance with the procedure established by this Code.

7. The rules established by this Chapter shall also apply to the offset or refund 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. Procedure for crediting or refunding overpaid amounts of tax

1. Set-off of the amount of tax overpaid by the taxpayer against repayment of his tax debt, provided for in paragraph 2 of Article 116 of this Code, shall be carried out by tax authorities independently within 5 days from the date of detection of the fact of overpayment of tax (reconciliation act) or from the date of entry into force of the relevant court decision.

2. When considering a written application of a taxpayer for the return of an overpaid amount of tax, the tax authority within 10 days after receipt of such application shall make a reasoned conclusion. In the presence of circumstances requiring additional study, the term for submission of the conclusion shall be extended by 5 days.

3. A taxpayer has the right to file an application for credit or refund of an overpaid amount of tax within the limitation period, unless otherwise provided by this Code.

4. Before the expiration of the period established by paragraph 2 of this Article, the tax authority shall send to the financial authority a relevant conclusion on the return of the overpaid

amount of tax in the manner prescribed by this Code.

5. The tax authority shall notify the taxpayer of the adopted conclusion, refusal to make a credit or refund within 3 days from the date of adoption of such conclusion.

6. If the tax authorities fail to comply with the provisions of paragraph 2 of this Article, in accordance with Article 139 of this Code in favor of the taxpayer shall accrue interest for each calendar day of the term of the refund.

7. The accrued interest shall be paid at the expense of the funds of the relevant budget.

8. The erroneously paid amount of tax, as well as interest and (or) penalties, shall be returned to the taxpayer on the basis of a written request of the taxpayer or financial institutions or financial authority, if the error was made on their part.

Article 118. Procedure for offsetting or refunding an overcharged amount of tax

1. A taxpayer shall have the right to submit to a tax authority an application for offset or refund of an overcharged amount of tax within the limitation period or from the date of entry into force of a court decision.

2. Excessively collected amount of tax and interest accrued in the interest (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 application, subject to the provisions of Article 116 of this Code.

3. Interest shall be accrued on the amount of overpaid tax if the taxpayer submits an application thereof within 60 days or from the date of entry into force of the relevant court decision.

4. Interest shall be accrued from the day of overcharged tax amount to the day of actual credit 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 effect for the period of collection.

6. When establishing the fact of excessive collection of tax, the tax authority shall make a decision on offsetting and (or) return of excessively collected tax, as well as interest accrued not in favor of the taxpayer, in accordance with the procedure established by parts 4-5 of this article.

7. Credit of the amount of overcharged tax to repay the Tax arrearof the taxpayer or to his upcoming payments on this or other taxes, established by paragraphs 2 and 3 of Article 116 of this Code, shall be carried out by the tax authorities in the manner established by paragraphs 1-3 of Article 117 of this Code for the credit of amounts of overpaid tax.

8. The procedure for refund of overcharged tax shall be similar to the procedure established by Article 117 of this Code for refund of amounts of overpaid tax.

CHAPTER 15. FULFILLMENT OF TAX OBLIGATIONS

Article 119. Tax liabilities

1. Tax obligations shall be the obligations of a taxpayer to calculate and pay taxes and fees within the time limits established by this Code.

2. Tax liabilities on calculation, withholding, payment of taxes to the budget within the terms established by this Code, and (or) return of taxes to the taxpayer, imposed on tax agents, shall be equated to tax liabilities of the taxpayer.

3. A tax obligation arises, changes and terminates in accordance with the provisions of this Code or other acts of tax legislation.

4. Fulfillment of a tax obligation for each tax shall be imposed on a taxpayer from the

moment such obligation arises in accordance with the tax legislation.

Article 120. Procedure and terms of fulfillment of tax obligations

1. A taxpayer shall independently fulfill his tax obligation, unless otherwise established by this Code.

2. A 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 shall not be recognized as taxable income. Amounts paid for this purpose are not subject to refund.

3. The tax obligation must be fulfilled within the time limit established by the tax legislation.

4. The term of fulfillment of a tax obligation shall be established by this Code by a calendar date or expiration of a period of time (year, quarter, month and day) in accordance with this Code.

5. The term of fulfillment of a tax obligation shall start from the day following the calendar date or from the day of performance of the act giving rise to the tax obligation.

6. If the last day of fulfillment of a tax obligation falls on a weekend and (or) holiday (non-working day), the day of termination of the term shall be the first working day following it.

7. The taxpayer has the right to fulfill the tax obligation ahead of time.

8. The term of fulfillment of a tax obligation shall be changed in accordance with the procedure established by Articles 110-115 of this Code.

9. In the event of non-fulfillment or improper fulfillment of tax liabilities by a taxpayer, the tax authority shall ensure the fulfillment of this obligation in accordance with the procedure established by Chapters 17-18 of this Code.

10. Fulfillment of tax liabilities in case of bankruptcy (insolvency) of a taxpayer shall be carried out in accordance with the provisions of the legislation of the Republic of Tajikistan.

Article 121. Temporary measures

1. Temporary measures shall be taken by tax authorities depending on the results of tax audits and, in the presence of sufficient evidence, failure to fulfill which complicates or makes impossible the execution of the decision on bringing to responsibility and collection of tax debts.

2. For taking temporary measures, the authorized state body shall adopt a relevant decision. The term of validity of such decision shall be valid from the date of adoption and until its execution, or until the date of annulment of the decision by the court.

3. In cases provided for by paragraph 11 of this Article, the tax authority shall have the right to make a decision to cancel or replace temporary measures.

4. The decision to cancel (replace) temporary measures shall come into force from the day of its adoption.

5. Temporary measures shall consist of:

- suspension of operations on bank accounts in accordance with the provisions of Article 140 of this Code;
- prohibition to alienate and (or) pledge property without the consent of the tax authority.

6. Prohibition on alienation and (or) pledge of property shall be carried out in respect of the following property:

- immovable property not used in the production of goods or provision of services;
- vehicles, securities, items of decoration of office premises;
- other property, except for finished goods and raw materials;

- finished products, except for raw materials and perishable products with a shelf life of up to three months.

7. In order to fulfill tax liabilities revealed in the course of a tax audit, the sequence of prohibition to alienate and (or) pledge property shall be carried out in accordance with the provisions of Part 6 of this Article, if the aggregate value of property from the previous groups is less than the total amount of tax debt. In this case, the value of the property shall be determined according to the accounting data.

8. Suspension of operations on bank accounts shall be applied before imposing a ban on alienation and (or) pledge of property.

9. At the request of the taxpayer, the tax authority shall have the right to replace temporary measures established by paragraph 6 of this Article with the following measures:

- bank guarantee of a financial institution for the payment of tax debts;
- pledge of securities traded on the organized securities market;
- a surety executed in accordance with the procedure established by Article 137 of this Code.

10. When a taxpayer submits a bank guarantee of a reliable credit financial organization for the payment of a tax liability, the tax authority shall not have the right to refuse the taxpayer's request for substitution of temporary measures established by paragraph 6 of this Article.

11. A copy of the decision to cancel temporary measures and the decision to cancel them shall be 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 tax obligation

1. Unless otherwise provided by this Article, a tax obligation shall be deemed terminated in the following cases:

1) fulfillment of tax obligations (interest and penalties);

2) under circumstances when tax legislation establishes termination of a tax obligation, including:

- expiration of the statute of limitations on the tax obligation;
- writing off a tax liability in accordance with the procedure established by this Code.

2. The tax obligation of an individual shall be terminated in the following cases when the requirements of paragraph 3 of this Article are met:

- fulfillment of tax obligations;
- in connection with the death of a natural person;
- declaration of an individual as deceased, missing or incapacitated by court decision, as well as insufficiency of his property.

3. Tax arrears of a deceased natural person or declared deceased shall be paid by heirs within the value of inherited property in accordance with the procedure established by Article 129 of this Code.

4. Tax obligation of a legal entity shall be terminated in the following cases:

- upon liquidation of a legal entity in accordance with Article 126 of this Code;

in case of reorganization of a legal entity in accordance with Article 127 of this Code.

Article 123. Statute of limitation on a tax obligation

1. The limitation period for a tax obligation shall be 5 years.

2. During the limitation period, the tax authorities shall have the right to calculate (additionally assess) the amount of tax payable by the taxpayer, revise and (or) recover the

amount of calculated (additionally assessed) tax for the relevant tax period.

3. The taxpayer has the right to recalculate and adjust its tax liabilities within the limitation period, as well as to request a refund or credit of overpaid or recovered amounts for the relevant tax period.

4. With respect to taxpayers applying preferential taxation, the limitation period shall be extended for the period of preferential taxation established in accordance with normative legal acts of the Republic of Tajikistan, also extended in accordance with Article 37 of this Code.

5. The limitation period shall be suspended for the period of moratorium on tax audits, the period of deferral or installment on payment of taxes.

6. Regardless of the provisions of paragraphs 1-5 of this Article, the limitation period for writing off bad tax debts, except for the provisions of paragraphs 1 and 2 of Article 131 of this Code, shall be 15 years (Law of the Republic of Tajikistan dated March 18, 2022, No. 1867).

Article 124. Payment of tax

1. The taxpayer's obligation to pay tax shall be recognized as fulfilled in the following cases, unless otherwise provided for in paragraph 2 of this Article:

1) from the moment of reflection of the money transfer operation in the payment order of the taxpayer submitted to the credit and financial organization for transfer of funds from the taxpayer's account to the relevant treasury account of the state budget - if there are sufficient funds on the account of the taxpayer and the credit and financial organization on the day of payment;

2) from the moment of depositing cash to the cash desk of a financial institution for transfer to the relevant treasury account of the state budget without opening an account with a financial institution. This rule applies only to the payment of tax by individuals, provided that there are sufficient funds to pay the tax;

3) from the date of issuance by the tax authority of a decision to set off overpaid or overcharged amounts of taxes, interest and fines against the fulfillment of the obligation to pay the relevant tax.

2. A taxpayer's obligation to pay tax shall not be recognized as fulfilled in the following cases:

1) withdrawal by the taxpayer or return to him by a credit and financial organization of an unexecuted order to transfer the relevant funds to the budget;

2) withdrawal of an unexecuted order by the taxpayer or return of an unexecuted order by the Treasury;

3) incorrect indication of bank details in the order for transfer of funds, which resulted in failure to transfer these funds to the relevant treasury account of the state budget;

4) if on the day of submission to a financial institution of an order to transfer funds on account of tax payment the taxpayer has other unexecuted claims against his account, which in accordance with civil legislation shall be executed as a matter of priority, and if there are not enough funds in this account to satisfy all claims.

Article 125. Execution by financial institutions of payment and collection orders

1. Credit financial organizations shall be obliged to:

1) execute the payment order of a taxpayer (hereinafter in this Article - payment order) and collection order of a tax authority (hereinafter in this Article - collection order) in the order of priority established by the civil legislation and this Code;

2) to execute collection order of the tax authority, if sent to the financial institution with

the decision of the authorized state body and reconciliation act approved in the prescribed manner by the tax authority and the taxpayer, which provides information on the validity of recognition of Tax arrear by the taxpayer, in written or electronic form;

3) on the payment order of the taxpayer or collection order of the tax authority to credit (transfer) to the account of the Central Treasury of the Ministry of Finance of the Republic of Tajikistan amounts of taxes not later than one day following the transaction.

4) if execution of the taxpayer's payment order and collection order of the tax authority is impossible within the established term due to the absence (insufficiency) of funds on the taxpayer's account, within the day following the day of expiry of the established term, to notify of non-execution (partial execution) of the taxpayer's payment order and collection order of the tax authority.

2. The form of electronic notification to a financial institution on 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 shall be established by the authorized state body in coordination with the National Bank of Tajikistan.

3. Credit and financial organizations shall bear responsibility for non-fulfillment or improper fulfillment of obligations provided by this Article in accordance with the legislation of the Republic of Tajikistan.

4. Application of liability measures shall not exempt credit financial organizations from the obligation to execute the taxpayer's payment order and collection order of the tax authority.

Article 126. Execution of a tax obligation in case of liquidation of a legal entity

1. The founder (founders) of a resident legal entity, its authorized body or the court within 5 working days from the date of the decision on liquidation shall be obliged to notify in writing the tax authority at its location.

2 A liquidated legal entity shall be obliged within 3 working days from the date of approval of the interim liquidation balance sheet to submit an application for tax audit and liquidation tax reporting to the tax authority at its location.

3. A liquidated legal entity shall be obliged to pay the taxes reflected in the liquidation tax statements not later than 10 calendar days from the date of submission of the liquidation tax statements to the tax authority.

4. The tax liability of the liquidated legal entity shall be settled 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 shall officially notify the tax authority at the place of location of the liquidator.

5. The tax authority shall be obliged to conduct a comprehensive tax audit not later than 20 working days after receiving the application of the liquidated legal entity.

6. Tax arrears of the liquidated legal entity shall be paid from the funds of the legal entity, including those received from the sale of property, in accordance with the procedure established by the civil legislation 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 the liquidated legal entity (any form of rural economy) is transferred, shall bear proportional (equal share) responsibility according to the share on the remaining amount of Tax arrear of the liquidated legal entity.

8. If monetary funds of a liquidated legal entity, including funds received from the sale of its property, are insufficient to repay its Tax arrear in full, the remaining outstanding debt may

be repaid by the participants of this legal entity in accordance with the procedure established by law, if the constituent documents establish joint and several obligations.

9. The sequence of fulfillment of tax liabilities of the liquidated legal entity at the expense of other creditors of this legal entity shall be carried out by mutual settlements in accordance with the civil legislation.

10. Amounts of taxes (fines, interest) overpaid by the liquidated legal entity or overcharged from it by the tax authority are subject to offset against payment of tax arrears on other taxes in the order established by this Code, or divided proportionally by the decision of the liquidated legal entity.

11. If the liquidated legal entity has no tax debt, the amount of overpaid or overcharged taxes (fines, interest) shall be refunded to this legal entity within 15 days from the date of filing an application in accordance with the procedure established by this Code.

12. The provisions stipulated by this Article shall also apply when paying taxes when conveying goods across the customs border of the Republic of Tajikistan.

13. Based on the results of the field tax audit and full payment of tax debts, the liquidated legal entity shall submit the liquidation balance sheet to the tax authority at its location.

14. Based on the request of the liquidated legal entity, tax authorities shall be obliged to issue a certificate on absence of debts of this person in the procedure and within the time limits established by this Code.

15. Fulfillment of tax obligations by a branch or representative office of a non-resident legal entity, permanent representative office of a foreign legal entity that has terminated its activity in the Republic of Tajikistan, shall be carried out in accordance with the procedure established by this Article.

Article 127. Execution of tax liabilities in case of reorganization of a legal entity

1. Tax obligation of a reorganized legal entity shall be fulfilled by its legal successor(s) in accordance with the procedure established by this Article.

2. A legal entity shall within 5 working days from the date of making a decision on reorganization by way of merger, consolidation, spin-off, division or transformation notify in writing the tax authority at its location.

3. A reorganized legal entity within 3 working days from the date of approval of the transfer act or separation balance sheet shall submit to the tax authority at its location an application for tax audit and liquidation tax reporting.

4. Liquidation tax statements shall be prepared for the types of taxes for which the reorganized legal entity is a taxpayer and (or) tax agent.

5. Tax audit shall be initiated not later than 20 working days after receipt by the tax authority of the application of the reorganized legal entity.

6. Fulfillment of the tax obligation of the reorganized legal entity shall be imposed on its successor (successors) regardless of whether before the completion of reorganization the successor (successors) was (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 legal successor (successors) of the reorganized legal entity is obliged to ensure full repayment of shared tax debts, including payment of fines for tax violations imposed on the reorganized legal entity before the completion of reorganization.

8. The legal successor (successors) of a reorganized legal entity shall enjoy the rights established by this Code for taxpayers.

9. Reorganization of a legal entity may not change the term of performance of a tax obligation by its legal successor (successors).

10. In case of merger (amalgamation) of several legal entities, the newly created legal entity shall be considered as their legal successor in terms of fulfillment of tax obligations. Tax documents (electronic data) of the merged legal entities shall be stored in the tax authorities at the location of the newly established legal entity.

11. In case of merger of one legal entity to another, the legal successor of the merged legal entity in terms of fulfillment of tax obligations shall be recognized as the legal entity that merged with it.

12. In case of division of a legal entity, legal entities created as a result of such division shall be recognized as legal successors in terms of fulfillment of tax obligations of the divided legal entity, according to the divided shares.

13. If there are several legal successors of the separated, divided or transformed legal entity, the share of participation of each of them in terms of fulfillment of tax liabilities of the reorganized legal entity shall be determined by the separation balance sheet drawn up in accordance with the civil legislation of the Republic of Tajikistan. If the dividing balance sheet does not allow to determine the share of each legal successor of the reorganized legal entity, tax liabilities of newly formed legal entities shall be determined by court decision.

14. Provisions of part 13 of this Article shall also apply in cases when the dividing balance sheet does not allow to execute in full at least one assignee of the part of the tax obligation of the reorganized legal entity, if such reorganization is carried out for the purpose of non-execution of the tax obligation.

15. In case of separation of one or more legal entities from a legal entity, legal succession in respect of the reorganized legal entity in terms of fulfillment of its tax obligation does not arise, unless otherwise provided for in part 12 of this Article.

16. If as a result of the spin-off of one or more legal entities from a legal entity, the spun-off legal entity is unable to fulfill in full its tax obligation, by court decision the spun-off legal entities shall jointly and severally fulfill the tax obligation of this reorganized legal entity.

17. In the transformation of one legal entity into another legal entity, including by changing the organizational and legal form, the legal successor of the reorganized legal entity in terms of the execution of the tax obligation is recognized as a newly created legal entity.

18. In case of spin-off from a legal entity, newly created legal entities resulting from such spin-off, as well as this legal entity in terms of fulfillment of tax obligations shall be 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 in the repayment of tax arrears of the reorganized legal entity. Such offset shall be made not later than 1 month from the date of completion of the reorganization procedure in favor of the legal successor (successors) of the legal entity.

20. If the reorganized legal entity has no tax debt, the amount of tax (fines, interest) overpaid or overcharged from it shall be refunded to its legal successor (successors) not later than 1 month from the date of application. In this case, overpaid or recovered 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 separation balance sheet.

21. The provisions of this Article shall also apply to the performance of the obligation to pay fees and other mandatory payments in the reorganization of a legal entity.

22. The provisions stipulated 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 stipulated by this Article shall also apply to payment of taxes when conveying goods across the customs border of the Republic of Tajikistan.

Article 128. Execution of a tax obligation when property is transferred into trust management

1. Tax obligation when property is transferred into trust management on the basis of an agreement between a trustee and an authorized person shall be executed by the authorized person in accordance with the provisions of this Code.

2. Authorizing person-founder of trust management (beneficiary) shall independently fulfill tax obligations arising for him in connection with the transfer of property into trust management, if the fulfillment of tax obligations (except for value added tax obligations) is not imposed on the trustee when transferring property into trust management to the trustee - non-resident of the Republic of Tajikistan. In the event that the founder of trust management is an individual who is not an individual entrepreneur, fulfillment of tax liabilities arising from the activities of the founder of trust management is carried out by the trustee.

3. The trustee is obliged to keep separate accounting of objects of taxation on trust management activities carried out in the interests of the founder of trust management (beneficiary), and other activities.

4. If the trustee is entrusted with the fulfillment of a tax obligation, as well as the obligation to prepare and submit tax and financial statements on behalf of the founder of trust management (beneficiary), the fulfillment of such tax obligation shall be carried out on behalf of the person who is the trustee in accordance with the procedure established by the special part of this Code.

5. If the trustee fails to fulfill the obligations provided by this Article on calculation or payment of taxes, or fulfills them in incomplete volume, the obligations on their fulfillment shall be imposed on the founder of trust management (beneficiary).

Article 129. Execution of tax obligations in case of death of a natural person or declaration by a court of his death

1. In case of death of a natural person who has a tax debt, the amount of accrued interest and penalties in respect thereof shall be recognized as uncollectible. The remaining Tax arrear of a deceased natural person shall be paid by his heir (heirs), who have 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 arrear of the deceased person exceeds the value of the inherited property, the remaining amount of the Tax arrear shall be recognized as uncollectible. The value of inherited property of heirs (legal successors) shall be determined in the order established by the legislation of the Republic of Tajikistan, and the document on assessment shall be submitted to the tax authorities.

3. In the absence of an heir or refusal of an heir (heirs) from the right of inheritance, the Tax arrear of a deceased natural person shall be recognized as uncollectible. Uncollectible Tax arrear shall be subject to write-off in accordance with the provisions of Article 131 of this Code.

4. In case of death of a natural person who has a tax debt, the tax authority at the place of his registration and (or) at the location of his property shall be obliged within 1 month from the date of receipt of information about the heir (heirs) to inform him (them) about the tax debt.

5. The heir (heirs) of a deceased individual shall be obliged to repay the remaining Tax arrear of the deceased individual not later than 6 months from the date of acceptance of inheritance.

6. The period of repayment of the debt of a deceased individual by decision of the tax authority may be extended if the notice of Tax arrear was received by the heirs (legal successors) less than 3 months prior to the expiration of the period for payment of the tax debt.

7. The provisions stipulated by this Article shall also apply to the Tax arrear of a natural person declared dead by a court decision in accordance with the procedure established by the civil legislation.

8. If the court decision to declare a natural person dead is canceled, the effect of tax liabilities previously written off in accordance with paragraph 3 of this Article shall be restored. In such case, for the period from the moment of declaring a natural person dead until the moment of making a decision to cancel the court decision on tax liabilities, fines and interest shall not be accrued.

Article 130. Execution of tax obligation of a natural person recognized as missing or incapacitated

1. The tax obligation to pay taxes of a natural person declared missing by a court shall be executed by an authorized person having the right to manage the property of this person in accordance with the law (hereinafter in this Article - authorized person), at the expense of this property of the missing person.

2. The authorized person shall be obliged to repay the Tax arrear of a missing natural person, arising on the day of his declaration by the court as missing, at the expense of money or other property of the missing person.

3. The tax obligation of a natural person declared incapable by a court shall be fulfilled by his guardian (custodian) at the expense of monetary funds or other property of this incapable person.

4. Unfulfilled tax liabilities on payment of taxes of an individual recognized by a court as missing or incapacitated, as well as on payment of penalties and interest in case of insufficiency (absence) of cash or other property belonging to such persons, in accordance with the procedure established by this Code, shall be written off as bad tax debts.

5. If a decision is made to cancel the recognition of an individual as missing or incapacitated, the fulfillment of tax liabilities shall be restored from the date of the decision. In this case, from the moment of the decision to recognize a citizen (individual) as missing or incapacitated until the decision to cancel the recognition of a person as missing or incapacitated, interest and penalties are not accrued.

6. Authorized persons, who in accordance with this Article are obliged to pay taxes from natural persons recognized by a court as missing or incapacitated, shall fulfill their tax obligations in accordance with the procedure established by this Code and this Article. Authorized persons shall be held liable for committing tax violations while fulfilling their tax obligations. In this case, authorized persons shall not have the right to pay fines provided for by this Code at the expense of the property of a person recognized by a court as missing or incapacitated.

Article 131. Recognition of Tax arrear as uncollectible and the procedure for writing it off

1. Tax arrear of individual taxpayers and tax agents shall be recognized as uncollectible in the following cases:

1) liquidation of a legal entity - in accordance with the provisions of Article 126 of this Code in case of insufficiency of the property of a legal entity and (or) impossibility of its payment by the founders (participants) of the legal entity, in accordance with the procedure established by law;

2) declaration of an individual entrepreneur and a legal entity as bankrupt in cases provided for by Article 150 of this Code, in case of insufficiency of property;

3) death of a natural person or declaration of a natural person dead, missing or declaration of a natural person incapable by a court in the manner provided for by Article 129 of this Code in cases of insufficiency of property of such persons or transfer of inheritance to state ownership;

4) adoption of a court decision in connection with which the tax authority loses the right to collect the Tax arrear due to expiration of the term for collection of the Tax arrear or rejection of the application for restoration of this term;

5) removal from tax registration of a foreign legal entity in the tax authority in accordance with the provisions of Article 78 of this Code in case of insufficiency of property of the permanent establishment of a foreign legal entity and impossibility of its repayment by a legal entity - non-resident of the Republic of Tajikistan within the limits and in accordance with the procedure established by the legislation of the Republic of Tajikistan. At new registration of this foreign legal entity in accordance with Article 78 of this Code, tax liabilities shall be restored;

6) in case of natural disasters (earthquakes, floods), emergencies (epidemics and pandemics) and other similar circumstances that make it impossible to pay the Tax arrear (Law of the Republic of Tajikistan dated March 18, 2022, No.1867).

2. Regardless of the provisions of this Code, the Government of the Republic of Tajikistan may recognize Tax arrear of a taxpayer as uncollectible.

3. The procedure for recognizing Tax arrear as uncollectible and writing off Tax arrear recognized as uncollectible shall be approved by the Government of the Republic of Tajikistan (Law of the Republic of Tajikistan dated March 18, 2022, No.1867).

4. (appealed by Law of the Republic of Tajikistan dated March 18, 2022, No.1867).

SECTION IV. COMPULSORY COLLECTION OF TAXES

CHAPTER 16. PROCEDURE AND TERMS OF FULFILLMENT OF TAX OBLIGATION

Article 132. Security of fulfillment of the obligation to pay tax

1. A taxpayer having an obligation to pay tax shall be obliged to submit a payment order to a servicing credit and financial organization not later than the due date established by this Code.

2. If a taxpayer has an outstanding tax debt, the tax authority shall be obliged to send a notice to the taxpayer on repayment of Tax arrear not later than 3 days after the expiration of the payment deadline.

Article 133. Notification of repayment of tax debts

1. Notification on repayment of Tax arrear is a notification of a taxpayer on the existence of tax debt, as well as on payment of the amount of this debt within the established time limit.

2. Notification on repayment of tax arrears shall be sent to a taxpayer when he has a Tax

arrear provided for in Article 119 of this Code.

3. The notice shall contain information on the amount of tax debt, the amount of interest accrued from the date of tax liabilities, the amount of penalties, as well as measures to ensure collection of tax debt.

4. The form of notification on repayment of tax arrears shall be approved by the authorized state body.

5. Provisions stipulated by this Article shall also apply to tax agents.

6. In cases established by this Code, the notification may be sent to other persons. In this case, all provisions stipulated by this Chapter shall apply to other persons.

Article 134. Procedure and time limits for sending a notice on repayment of tax debts

1. Notification on repayment of Tax arrear shall be sent to the taxpayer by the tax authority where the taxpayer is registered and (or) by a higher tax authority in writing or electronically.

2. A notification on the repayment of tax arrears shall be sent to a taxpayer from the date of the Tax arrear or from the date of entry into force of a decision on the repayment of tax debts, based on the results of an on-site tax audit.

3. In cases provided for by paragraphs 8 and 9 of Article 144 of this Code, a notice of repayment of Tax arrear shall be sent to other persons in the manner prescribed by paragraphs 1 and 2 of this Article. From the date of receipt of the notice on repayment of tax debt, other persons in terms of execution of this notice shall be equated to taxpayers with tax debt.

4. If necessary, the tax authorities when sending a notice, on the basis of a written request requires the taxpayer to provide the necessary documents (information), including the reconciliation act, details of the bank account, debtors (debtors), a list of property for the application of compulsory measures of Tax arrear collection.

5. If a taxpayer does not voluntarily fulfill such 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. Modification and execution of a notice on repayment of tax debts

1. If a tax authority after sending a taxpayer a notice on repayment of Tax arrear has found reasonable circumstances leading to a change in the amount of tax debt, penalties or interest, it shall be obliged to officially send to this taxpayer a revised notice and withdraw the previously sent notice. This provision shall not apply to cases of partial repayment by the taxpayer of the amounts of tax indebtedness, penalties or interest specified in the notice of repayment of tax indebtedness.

2. The corrected notice of repayment of debt and withdrawal of the previously sent notice 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 case of non-payment or partial payment of Tax arrear by the taxpayer within 20 calendar days from the date of receipt of the notice on payment of tax debt, the tax authority shall collect the Tax arrear by applying measures to enforce the tax obligation provided for in Chapters 17-18 of this Code.

CHAPTER 17. METHODS OF ENSURING FULFILLMENT OF TAX OBLIGATION

Article 136. Methods of ensuring fulfillment of a tax obligation

1. Fulfillment of overdue tax obligation of a taxpayer shall be secured by the following methods:

1) bank guarantee;

2) surety;

3) suspension of expenditure operations on bank accounts;

4) accrual of interest on unpaid taxes and payments to the budget;

5) restriction on disposal of the taxpayer's property;

6) seizure of taxpayer's property;

7) collection of tax arrears from bank accounts of the taxpayer;

8) collection of Tax arrear at the expense of funds in the bank accounts of debtors (debtors) of the taxpayer;

9) collection of Tax arrear from cash funds of the taxpayer.

2. Seizure of property and suspension of operations on accounts in financial institutions as security measures for the fulfillment of a taxpayer's tax obligation at his request may be replaced by:

1) submission of a bank guarantee executed in accordance with the procedure established by Article 138 of this Code;

2) pledge of securities in circulation on the organized securities market;

3) surety of a third party executed in accordance with the procedure stipulated by Article 137 of this Code.

3. If a taxpayer provides a bank guarantee, the tax authorities shall not have the right to reject the taxpayer's request to replace the security measures provided for by this Article.

4. If the taxpayer has not repaid the Tax arrear within 20 working days after receipt of the notice of tax payment, the tax authorities shall have the right to apply to the taxpayer methods of ensuring fulfillment of tax obligations established by paragraphs 3) and 5)-9) of Part 1 of this Article.

5. Decisions taken in accordance with paragraphs 3) and 5) - 9) of Part 1 of this Article shall be subject to annulment subject to the following cases:

1) from the date of entry into legal force of the court decision on declaring the taxpayer bankrupt;

2) full satisfaction of the taxpayer's complaint based on the court decision on the results of the act of tax audit;

3) from the date of entry into force of a court decision on forced liquidation of a financial institution;

4) elimination of circumstances that led to the application of methods of ensuring the fulfillment of tax obligations.

6. In case of conclusion of an agreement on deferral or installment of payment, application of methods of ensuring fulfillment of tax obligations provided for by paragraphs 3), 5) - 9) of part 1 of this Article shall be temporarily suspended.

7. In case of change by the tax authority of measures to ensure fulfillment of taxpayer's obligations by bank guarantee and pledge, the measures provided for in paragraph 1) of this Article shall be canceled or temporarily suspended.

8. After elimination of the grounds that led to the application of 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 of credit and financial organizations on recovered funds from the accounts of the taxpayer and (or its debtors and (or) the act of reconciliation of tax liabilities of the taxpayer with the tax authorities within one working day shall recognize earlier decisions as executed and at the same time send a notice to the relevant persons.

Decisions previously taken by the tax authorities shall be deemed executed for the relevant credit and financial institutions and the taxpayer from the date of sending a written notification of the tax authorities on their execution.

9. Methods of securing tax liabilities, procedure and conditions for their application shall be established by this Chapter and the Procedure for application of methods and measures to ensure fulfillment of tax liabilities, which shall be developed and approved by the authorized state body in coordination with the authorized state body in the field of finance.

10. Other measures to ensure fulfillment of tax obligations may be applied with regard to taxes payable in connection with conveyance of goods across the customs border of the Republic of Tajikistan, according to the procedure and in compliance with the terms established by the customs legislation.

Article 137. Surety

1. Surety shall be formalized in compliance with the civil legislation of the Republic of Tajikistan by concluding an agreement between the tax authority and the guarantor.

2. A guarantor may be a legal entity or an individual. Simultaneous use of several guarantors in respect of one tax payment obligation is allowed.

3. In case of non-payment by the taxpayer of the amount of taxes and interest within the established term, the guarantor shall be obliged on the basis of the signed agreement to fully pay the amount of overdue tax by the taxpayer.

4. If the taxpayer fails to fulfill the tax obligation secured by the surety, the taxpayer and the guarantor shall be jointly and severally liable for the payment of taxes.

5. In the event of non-payment or incomplete payment of tax within the established term, the obligation to pay which is secured by a guarantee, the tax authority shall, within 5 days from the date of expiry of the term for payment of tax, send to the guarantor a demand for payment of the sum of money under the guarantee agreement.

6. If the guarantor fails to fulfill within the established term the demand for payment of the sum of money under the contract of guarantee, the tax authority in the order and within the terms provided for by Chapters 17-18 of this Code shall apply measures for compulsory collection of amounts against the guarantor.

7. Legal relations arising in the determination of surety as a measure to ensure the fulfillment of a tax obligation shall be regulated in accordance with the provisions of civil legislation, unless otherwise provided for by tax legislation.

8. The provisions of this Article shall also apply to surety for payment of other mandatory payments and duties.

Article 138. Bank guarantee

1. A bank guarantee shall be executed in accordance with the procedure established by the legislation of the Republic of Tajikistan on the basis of a request of a taxpayer, according to which a financial institution (guarantor) shall pay the Tax arrear of a taxpayer in full in case of non-payment of taxes and interest by the taxpayer.

2. A bank guarantee must comply with the following requirements:

1) be irrevocable and not transferable to another person;

2) must not contain claims of other tax authorities on the execution of the bank guarantee provided by the guarantor financial institution or the taxpayer;

3) expire not earlier than 6 months from the date of expiration of the established term of fulfillment of the taxpayer's obligation to pay tax secured by the bank guarantee, unless

otherwise provided for by this Code;

4) contain the full amount of the taxpayer's obligation, including payment of taxes, penalties and interest, unless otherwise provided by this Code;

5) provide for a provision on compulsory collection of the monetary amount by the tax authority from the guarantor in case of non-fulfillment by the guarantor within the established term of the requirement to pay the monetary amount under this bank guarantee.

3. In the event of non-payment or incomplete payment of tax within the established term by a taxpayer, the fulfillment of the obligation to pay tax, which is secured by a bank guarantee, the tax authority shall, within 5 days from the date of expiry of the term for the fulfillment of the tax payment claim, send to the guarantor a demand for payment of the monetary amount under the bank guarantee.

4. The guarantor is obliged to fulfill the requirements of the tax authorities for payment of the monetary amount within 5 days from the day of receipt of the demand under the bank guarantee. The guarantor shall not have the right to refuse to satisfy the tax authority's demand for payment of a sum of money under a bank guarantee.

5. Recovery of funds from the guarantor shall be made in accordance with the procedure and within the time limits provided for by Articles 144 and 148 of this Code, if the said demand of the tax authority was sent to the guarantor prior to the expiration of the bank guarantee.

6. The provisions stipulated by this Article shall also apply to bank guarantees ensuring the fulfillment of the obligation to pay taxes and fines.

7. In the order and on the conditions determined by the authorized state body in the field of finance, the obligation to pay tax arrears by a legal entity of the Republic of Tajikistan or a foreign legal entity may be secured by a bank guarantee of a foreign credit and financial institution having high ratings of international rating agencies. Such guarantee of a foreign financial institution shall meet the requirements stipulated by paragraphs 1) - 4) of Part 2 of this Article.

8. A guarantor shall not have the right to refuse a request of a tax authority to fulfill an obligation secured by a bank guarantee if it is submitted within the period of validity of such guarantee.

Article 139. Interest

1. Interest is a monetary amount accrued to a taxpayer in case he fails to comply with the terms of payment of taxes established by the tax legislation.

2. Interest shall be accrued and transferred to the state budget irrespective of the amount of taxes paid, application of other measures to ensure fulfillment of tax obligations, as well as measures of liability for violation of tax legislation.

3. Interest shall be accrued for each calendar day of delay in fulfillment of tax obligations, starting from the day following the day of tax payment established by the tax legislation, unless otherwise established by this Code.

4. The filing of an application for deferment or installment payment shall 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, which the taxpayer could not repay due to the adoption of security 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 cash desk of the taxpayer shall not be accrued. In such case, interest shall not be accrued for the entire period of action of the said circumstances.

6. Interest shall be accrued for each day of delay at the rate of 0.04% in the following cases:

1) on the amount of tax not paid in due time;

2) on the amount of tax overpaid in accordance with the requirements of Article 117 of this Code;

3) on 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 shall be collected compulsorily at the expense of the taxpayer's monetary funds on accounts in credit and financial organizations 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 shall be 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 shall not be accrued:

- on the amount of penalty and interest;

- on the amount of Tax arrear of a deceased individual, upon presentation of a document confirming the death of this person.

- on the amount of Tax arrear of a person recognized missing by a court decision from the date of adoption of such decision until its revocation;

- on the amount of Tax arrear of a person recognized missing by a court decision - from the date of adoption of such a decision until its revocation;

- on the amount of Tax arrear of individual entrepreneurs and legal entities in respect of which a court decision on bankruptcy (insolvency) has been made - from the date of the court decision on bankruptcy;

- on the amount of Tax arrear on one type of tax, if there is an overpaid amount of tax on other types of taxes - from the day of completion of the transaction;

- on the amount of hard-to-collect debt - from the date of making a decision on inclusion in such category of debt in accordance with the provisions of this Code;

- on the amount of tax debt, the term of payment of which is postponed or installmented in accordance with paragraph 4 of Article 113 of this Code - from the date of adoption of the relevant act.

11. The provisions provided for in this Article shall also apply to tax agents.

Article 140. Suspension of debit operations with bank accounts of legal entities and individual entrepreneurs

1. Suspension of debit operations with bank accounts of legal entities and individual entrepreneurs (tax agents) in credit and financial organizations means termination of all debit operations with accounts, except for correspondent accounts of credit and financial organizations, payment of wages and other payments and taxes equivalent thereto.

2. Decision on suspension of debit transactions with bank accounts of legal entities and individual entrepreneurs shall be adopted by the authorized state body.

3. A decision to suspend operations with bank accounts shall be sent by an authorized state body in writing or electronically to a financial institution and to a taxpayer's personal account.

4. Suspension of debit operations with bank accounts of legal entities and individual

entrepreneurs by the authorized state body shall be carried out to ensure fulfillment of tax obligations of these legal entities and individual entrepreneurs in the following cases:

1) non-submission by the legal entity and individual entrepreneur of tax and (or) reporting to the tax authority within two reporting months, the presence of specific information about the risk of non-payment of tax arrears 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 taking other measures preventing the collection of taxes, as well as the taxpayer's failure to respond to the notification of the tax authority, including in the case of practical non-payment of tax debts.

2) in case of non-compliance by the taxpayer with the requirements of Articles 50 and 51 of this Code.

5. Suspension of debit operations with bank accounts of legal entities and individual entrepreneurs shall be carried out in compliance with the sequence established by the Civil Code of the Republic of Tajikistan in respect of payments.

Article 141. Procedure for cancelation of decision on suspension of debit transactions with bank accounts of a taxpayer (tax agent)

1. Decision on suspension of debit transactions with bank accounts of legal entities and individual entrepreneurs in credit and financial organizations shall be canceled on the following grounds:

1) under paragraph 1) of part 4 of Article 140 of this Code - not later than one day after the submission of financial and (or) tax reporting by the taxpayer (tax agent), as well as not later than the date of recognition by the tax authority of the validity of the absence of the taxpayer at the declared address. For such recognition legal entities and individual entrepreneurs or their representatives must officially (in writing or electronically) provide the necessary explanations to the tax authority at the place of registration;

2) under paragraph 2) of part 4 of Article 140 of this Code - after the day following the day when the tax authority official receives access to the documents necessary for the audit and the place of business activity.

2 Absence of legal entities and individual entrepreneurs (tax agents) at the official legal address is considered justified if information on the change of 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 when the branch or separate subdivision is liquidated.

4. The decision on cancellation of 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 electronically not later than one day after the adoption of such decision.

5. The procedure for sending the decision of the authorized state body on suspension and (or) cancellation of suspension of debit transactions with bank accounts of legal entities and individual entrepreneurs (tax agent) to the credit financial organization in electronic form shall be established by the authorized state body in coordination with the authorized state body in the field of finance and the National Bank of Tajikistan.

6. If a tax authority violates the term for cancellation of the decision on suspension of debit transactions with bank accounts of a taxpayer (tax agent) or the term for sending such

decision to a credit financial organization, or adopts a decision contrary to the provisions of this Code, for each calendar day of non-compliance with the specified term and the effect of the term of the contradictory decision, in respect of which the suspension procedure was implemented, interest shall be accrued in favor of the taxpayer, at the rates used in this period. In such cases, the accrued interest shall be credited to cover the taxpayer's subsequent tax liabilities.

Article 142. Procedure for execution by financial institutions of decisions on suspension of debit transactions with bank accounts

1. Financial institutions shall be obliged to execute the decision of a tax authority on suspension of debit transactions with bank accounts of a taxpayer (tax agent).

2. Financial institutions shall not be liable for losses incurred by a taxpayer (tax agent) as a result of suspension of its expenditure transactions with bank accounts by decision of a tax authority.

3. Suspension of debit transactions with bank accounts of a taxpayer (tax agent) shall be carried out from the moment of receipt by a financial institution of a decision to suspend transactions until the cancellation of this decision, unless otherwise provided for by this Code.

4. When sending to a credit financial organization in electronic form a decision on suspension of debit transactions with bank accounts of a taxpayer (tax agent), the date and time of receipt by a credit financial organization of such decision shall be deemed to be from the moment of receipt in the information system of the credit financial organization.

5. Credit and financial organizations shall be obliged to execute the decision of a tax authority or a court on suspension of operations with the accounts of a taxpayer (tax agent) and shall not be entitled to open new accounts, deposits and deposits, issue cash from his accounts, except for the accounts for which, in accordance with the law, collection is not allowed. Financial institutions are obliged to provide information to the tax authorities until they receive written notification of the cancellation of the decision to suspend the taxpayer's expenditure transactions. A tax authority has the right to verify compliance with the requirements set out in this section and (or) the reliability of information provided by a financial institution.

6. Credit financial organizations shall bear responsibility for non-fulfillment or improper fulfillment of obligations stipulated by this Article in accordance with the legislation of the Republic of Tajikistan.

Article 143. Restriction in disposal of property of a taxpayer (tax agent)

1. An authorized state body shall have the right to restrict disposal of property of a taxpayer (tax agent) on the basis of a decision after application of provisions of paragraph 4 of Article 140 of this Code and its non-execution.

2. A decision on restriction in disposal of property of a taxpayer (tax agent) shall be made by an authorized state body.

3. The decision on restriction in disposal of property of a taxpayer (tax agent) by the authorized state body shall be sent in writing or electronically to the relevant state bodies on registration of immovable property, pledge of property, state notary and customs authorities on prohibition of alienation, pledge and prohibition of export operations with this property. The decision to restrict the disposal of property of a taxpayer (tax agent) does not mean imposing a ban on the use of such property by the taxpayer, except for alienation, pledge and prohibition of export operations with such property.

4 Enforcement of the decision of the authorized state body on restriction in disposal of

the property of a taxpayer (tax agent) shall be obligatory for the bodies specified in paragraph 3 of this Article, which are authorized to register actions on alienation, pledge and export operations with this property.

5. The bodies specified in part 3 of this Article shall be responsible for compliance with the requirements of this Article in accordance with the legislation of the Republic of Tajikistan.

6. The authorized state body shall be obliged to send a decision on restriction in disposal of property to a taxpayer (tax agent) in written or electronic form.

7. The decision on restriction in disposal of property of a taxpayer shall be canceled on the grounds specified in paragraph 1 of Article 141 of this Code:

8. A decision to cancel restrictions in the disposal of property of a taxpayer (tax agent) shall be sent to the authorities specified in paragraph 3 of this Article in writing or electronically no later than the day following the day of signing the letter or taking such decision.

9. The restriction in disposition does not apply to:

- facilities necessary for health and life;
- energy, heating facilities and other types of energy;
- foodstuffs or raw materials whose consumption and (or) storage period does not exceed one year;
- property taken or leased under financial lease (leasing), as well as pledged property until the expiration of the term of the leasing agreement and pledge.

10. Objects necessary for health and life for the purposes specified in the first paragraph of part 9 of this Article shall be technological devices and units of gas, power, heating, water and sewerage supply organizations, the limitation of which may lead to the destruction of engineering infrastructure of settlements.

CHAPTER 18. COMPULSORY COLLECTION MEASURES TAX ARREARS

Article 144. General provisions on compulsory collection of tax arrears

1. In case of partial or incomplete fulfillment of the notice on repayment of Tax arrear within the established time limit, compulsory collection of this debt shall be made in accordance with the procedure stipulated by this Chapter.

2. Tax arrear recognized by the taxpayer shall be forcibly collected from the taxpayer and other persons in cases provided for by this Code.

3. If the taxpayer's obligation to pay taxes is secured by a bank guarantee or surety of a third party, in case of non-fulfillment of tax obligations by the taxpayer, the tax authority shall collect the Tax arrear from the financial institution-guarantor or guarantor.

4. Tax arrear shall be forcibly collected from a legal entity or individual entrepreneur in the manner prescribed by Articles 145-149 and 152 of this Code.

5. Tax arrears of a natural person who is not an individual entrepreneur shall be forcibly collected in the manner prescribed by Article 151 of this Code.

6. Tax arrear shall be forcibly collected from a legal entity or an individual entrepreneur first of all at the expense of funds on its accounts in a financial institution, and in case of their insufficiency, at the expense of other property of this person.

7. If it is impossible to collect the Tax arrear of a taxpayer or another person at the expense of funds on his accounts in a financial institution, then in cases provided for by this Article, the Tax arrear shall be forcibly collected from other persons.

8. If a taxpayer's proceeds from the sale of goods (performance of work, rendering of services) or other income went to the bank accounts of other persons, compulsory collection of

the Tax arrear of the taxpayer may be made from these persons.

9. If from the moment when the taxpayer learned about the tax audit and transferred his cash or other property to other persons, the forced collection of Tax arrear may be made from these persons.

10. Provisions of parts 8 and 9 of this Article shall also apply in cases when the transfer from the sale of goods (performance of work, rendering of services) or other income, or the transfer of funds and other property to other persons were made through a combination of transactions.

11. In cases provided for by paragraphs 8-10 of this Article, the forced collection of Tax arrear from other persons shall be made within the limits of proceeds received by them from the sale of goods (performance of work, rendering of services), other income of the taxpayer, money transferred by them, as well as the value of other property. On the basis of available information and depending on the amount of Tax arrear of the taxpayer, the tax authority has the right to independently determine the number of other persons and the ratio of the amount of Tax arrear to each person and to recover this debt.

12. Recovery of tax debt, not recognized by the taxpayer, from the bank accounts of the taxpayer shall be made in accordance with Article 152 of this Code only in court. In case of recognition by the taxpayer of the amount of tax debt, the Tax arrear shall be collected by tax authorities from the bank accounts of the taxpayer in the manner prescribed by Article 145 of this Code.

13. Provisions of this Chapter shall also apply to recovery of tax arrears in connection with conveyance of goods across the customs border of the Republic of Tajikistan, as well as to tax agents.

Article 145. Forced collection of tax arrears from bank accounts

1. In case of partial or incomplete fulfillment of the requirement of the notification on repayment of tax arrears within the established time limit, the amount of Tax arrear shall be forcibly recovered from bank accounts (including funds on corporate cards) of the taxpayer.

2. Provisions of this article shall apply exclusively to legal entities and individual entrepreneurs.

3. The procedure of compulsory collection of Tax arrear of a taxpayer or tax agent provided for by this Article, Articles 146-149 and 152 of this Code shall also apply to other persons.

4. Recovery of Tax arrear from the bank account of the taxpayer shall be made by sending to the financial institution the decision of the tax authority, collection order and reconciliation act approved in the prescribed manner by the tax authority and the taxpayer in written or electronic form. Collection of Tax arrear from the accounts of taxpayers included in the list of irresponsible taxpayers, or taxpayers in respect of which for the collection of Tax arrear adopted judicial acts is carried out by sending the decision of the tax authorities and collection order to the financial institution.

5. The procedure for execution and cancellation of the decision, the form and procedure for signing the reconciliation act approved by the tax authority and the taxpayer in written or electronic form, the form and procedure for sending to the financial institution of the collection order of the tax authority shall be approved by the authorized state body in coordination with the authorized state body in the field of finance and the National Bank of Tajikistan.

6. A financial institution shall be obliged to execute a collection order of a tax authority

to write off Tax arrear from the taxpayer's accounts in accordance with the procedure established by the civil legislation.

7. Revocation of unexecuted decisions and collection orders shall be carried out through an official application of the authorized state body to a financial institution in the following cases:

1) repayment of tax debts, including through offsetting of overpaid or overcharged amounts in accordance with Chapter 15 of this Code;

2) granting deferral and installment of Tax arrear in accordance with Chapter 15 of this Code;

3) recognition of Tax arrear as uncollectible in accordance with Article 131 of this Code;

4) reduction of amounts of tax and interest on revised tax returns submitted in accordance with Article 100 of this Code.

8. Tax arrear shall be collected from the demand deposit account in the national currency, and in case of insufficiency of funds on such accounts - from the demand deposit account in foreign currency of the taxpayer. Tax arrears shall be collected from the taxpayer's account in foreign currency at the exchange rate of the National Bank of Tajikistan in the amount sufficient to repay the tax arrears.

9. It is prohibited to collect tax arrears from term deposit accounts of a taxpayer before the expiration of their validity.

10. When collecting tax arrears from the taxpayer's foreign currency account, the authorized state body shall simultaneously with the collection order send to the financial institution a decision containing information on the sale of the taxpayer's foreign currency. The financial institution shall be obliged to execute this order not later than the next business day. Payment of operating expenses related to the sale of foreign currency shall be borne by the taxpayer.

11. A financial institution shall be obliged to execute 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 the national currency not later than one business day after receipt of the collection order, and when writing off funds from accounts in foreign currency, not later than two business days.

12 If on the day of receipt by a financial institution of a collection order of a tax authority on the taxpayer's accounts there are insufficient funds for its execution, it shall be executed as funds are received on these accounts not later than one or two business days after receipt of the order, depending on the currency of the account. Collection order of the authorized state body is executed by financial institution in the order established by the civil legislation of the Republic of Tajikistan.

Article 146. Forced collection of tax arrears from bank accounts of debtors (obligors) of a taxpayer

1. If it is impossible to collect Tax arrear from bank accounts of a taxpayer, a tax authority shall have the right to collect the amount of Tax arrear of a taxpayer from accounts of his debtors (obligors), but the amount collected may not exceed the tax liability of a taxpayer.

2. The amount of Tax arrear shall be collected from the bank accounts of debtors of the taxpayer's debtors based on the decision of the authorized state body.

3. A taxpayer (tax agent) shall be obliged to submit a list of debtors (obligors) with an indication of the amount of receivables within 10 working days from the date of receipt of a

request for submission of documents to the tax authority that submitted such a request.

4. Based on the list of debtors (obligors) and (or) documents confirming such debts, the tax authority shall send a notice to the debtors (debtors) of the taxpayer.

5. Debtors (obligors) of the taxpayer shall be 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 its debtors (obligors) shall contain the following information:

1) name and single identification number of the taxpayer (tax agent) and its debtors (obligors);

2) the amount of debtors' (obligors') debts to the taxpayer (tax agent);

3) personal data, stamp and signature of the taxpayer (tax agent) or digital signature of the taxpayer and its debtors (obligors);

4) bank details of the taxpayer and debtors (obligors);

5) date of the reconciliation act.

7. The act of reconciliation of mutual settlements between the taxpayer and its debtors (obligors) must be drawn up after the date of receipt of the notice.

8. In case of non-compliance with the requirements of this notification 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 recover the amount of Tax arrear from the bank account of debtors (obligors) of the taxpayer shall be drawn up and sent in writing or in electronic form to credit and financial organizations and debtors (obligors) for execution.

10. A financial institution shall be obliged to execute a decision and collection order of a tax authority for the recovery of tax arrears from the bank account of a creditor of debtors (obligors).

11. In case of full repayment of the amount of debt by debtors (obligors), the decision on collection of Tax arrear and collection order of the tax authority shall be revoked within 2 working days.

12. If from the bank accounts of debtors (obligors) of the taxpayer in credit and financial organizations recovered an excessive amount, the excessively recovered amount on the basis of the taxpayer's application shall be returned by the tax authority to debtors (obligors).

13. Suspension and cancellation of the decision to collect the amount of Tax arrear from bank accounts of debtors (obligors) of the taxpayer shall be carried out in accordance with Articles 136 and 145 of this Code by decision of the authorized state body.

Article 147. Forced collection of tax arrears from cash funds of a taxpayer

1. If there are no funds in the bank accounts of the taxpayer or if there are no funds to pay the tax debt, the tax authority may collect the amount of the Tax arrear in the amount not exceeding the tax liability from the cash on hand of the taxpayer. If there are insufficient funds in the bank accounts of the taxpayer to cover the tax liabilities of the taxpayer or the tax authority reasonably believes that there may be a delay in the collection of tax from his bank accounts, the tax authority shall have the right, in addition to any actions taken in accordance with Article 144 of this Code at the same time to collect the Tax arrear in the amount not exceeding the tax liability from the cash on hand of the taxpayer.

2. Adoption or cancellation of the decision on collection of tax arrear from cash funds of

a taxpayer shall be carried out by an authorized state body in accordance with the provisions of this Code.

3. After adoption by the authorized state body of the decision on collection of Tax arrearfrom cash funds of the taxpayer, a copy of the decision shall be transferred to the taxpayer for execution. From the moment the decision is made, the taxpayer shall be obliged to use all cash funds received in the cash office of the taxpayer (except for cash funds for payment of wages and equivalent payments) only to cover tax debts.

4. An official of the tax authority shall conduct an inventory of cash available in the cash office of the taxpayer in the presence of the cashier.

5. When executing a decision on collection of Tax arrearfrom cash funds of a taxpayer, an employee of a tax authority shall draw up an act on the balance of cash in the cash office of a taxpayer. In this case, the taxpayer or his responsible person confirms in writing and undertakes to fulfill this requirement.

6. Withdrawal of cash of the taxpayer from his cash office shall be carried out by the tax authority on the basis of the requirements of this Article, of which an act in three copies shall be drawn up in the presence of the taxpayer or his representative, witnesses, indicating the total amount found. The specified amount shall be transferred by the tax authority on the same day to a credit financial organization for transfer to the appropriate budget.

7. Until the coverage of this debt, the taxpayer shall not be entitled to make other payments, except for the payment of wages and equivalent payments.

Article 148. Seizure and sale of property

1. Seizure of property and its realization is an action of a tax authority to restrict the ownership right of a taxpayer and collection of tax debt.

2. Seizure of property and its realization for repayment of tax arrears recognized by the taxpayer shall be carried out by decision of the authorized state body. In case of non-recognition of Tax arrear by the taxpayer, seizure of property of the taxpayer and its realization shall be carried out in court.

3. Partial or full seizure of property is a restriction of the taxpayer's right to dispose of the seized property. In this case, 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 realization shall be carried out only in case of insufficiency or absence of funds on the taxpayer's bank account or cash on hand to fulfill tax liabilities (tax debts, interest and penalties).

5. Seizure of property and its realization shall be carried out after the tax authority sends a notice to the taxpayer in accordance with Article 133 of this Code.

6. Only those assets, the value of which is sufficient to repay the tax debt, shall be subject to seizure and realization.

7. All seized property may be subject to realization to ensure the fulfillment of tax liabilities.

8. Seizure of fixed assets of state enterprises is prohibited.

9. Seizure and realization of immovable property of a foreign legal entity, carrying out activity in the Republic of Tajikistan without formation of a permanent establishment, shall be carried out in respect of property of this foreign entity in the Republic of Tajikistan.

10. Seizure of property of the taxpayer shall be carried out with the participation of the taxpayer (his authorized representative), witnesses and in case of evasion of the taxpayer, with

the involvement of a representative of the internal affairs bodies.

11. Persons participating in the process of arrest of property as witnesses, the taxpayer or authorized representative of the taxpayer shall be explained their rights and obligations.

12. Before the arrest of property, officials of the tax authority shall be obliged to provide the taxpayer (his representative) with the decision on the arrest and documents confirming their powers.

13. When arresting a tax authority official shall draw up a protocol on the arrest of property.

14. The protocol on seizure of property and the list of items attached thereto shall contain a list of the seized property with indication of the name, quantity and individual properties of the items and, if possible, their value.

15. The witnesses and the taxpayer (his representative) shall familiarize themselves with all arrested items.

16. The decision on arrest and realization of property shall establish the place of storage of the arrested property.

17. It is not allowed to alienate (except for cases when alienation is carried out under the control or with the written or electronic authorization of the tax authority, which carried out the arrest of property), or embezzlement of the arrested property.

18. At the request of a taxpayer, in respect of whose property a decision on arrest and its realization has been made, the tax authority shall have the right to replace the arrest 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 taxpayer's intentions to conceal or take other actions that may make it difficult or impossible to execute the decision of the tax authority to seize property, the tax authority shall have the right to seize the property of such taxpayer outside of working hours.

20. The tax authority shall be obliged to notify other relevant state bodies of the prohibition to perform any actions in respect of the arrested property of the taxpayer.

21. The prohibition to perform any actions with respect to the seized property shall be 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 by part 20 of this article shall entail administrative responsibility, in accordance with the legislation of the Republic of Tajikistan.

23. In case of full payment of tax debts, provision of bank guarantee or surety, the decision on arrest of property shall be canceled by the authorized state body.

24. The tax authority shall notify the taxpayer of the cancellation of the decision on arrest of property within 3 days from the date of such decision.

25. The decision to arrest property shall be valid from the moment of arrest until the decision is canceled by an authorized state or judicial body.

26. Provisions of this Article shall also apply to the arrest of property of a legal entity-tax agent.

27. Assessment of seized property shall be carried out by state authorized bodies in the field of assessment, as well as by individuals and legal entities licensed to carry out assessment activities.

28. Realization of seized finished products (goods), agricultural products (except for perishable products), as well as other tangible assets not intended for direct use in production shall be carried out through auction.

29. Determination of the value of securities, jewelry and other items made of precious metals and precious stones, antiques, works of fine art and sculpture, in respect of which the arrest has been made, shall be made with the mandatory involvement of specialists in these fields.

30. Arrested property of a taxpayer shall be realized by tax authorities at auction in accordance with this Code, relevant legislation and the procedure for implementation of methods and measures to ensure the fulfillment of tax obligations.

Article 149. Agreement on the procedure and terms of payment of tax debts

1. A taxpayer, in respect of whom measures provided for in Chapters 17 and 18 of this Code are taken, may submit a plan for repayment of Tax arrear and conclude an agreement with the tax authority on the procedure and terms of repayment of the amount of Tax arrear for a period of up to 6 consecutive calendar months.

2. In case of signing an agreement on the procedure and terms of repayment of the amount of tax debt, implementation of earlier decisions on application of measures provided for in Chapters 17 and 18 of this Code shall be suspended for the period of validity of the agreement.

3. The head of the authorized state body may additionally extend the said agreement with the taxpayer once for a period of up to six consecutive months.

4. The terms of execution of the said agreement and suspension of earlier decisions of the tax authority on application of measures for compulsory collection of taxes may not be extended beyond the terms specified in paragraphs 1 and 3 of this Article.

Article 150. Bankruptcy of a taxpayer (tax agent)

In case of non-payment by a taxpayer (tax agent) of tax arrears to the budget after taking all measures provided for in Chapters 17 and 18 of this Code, or if the taxpayer has no money in its bank account and (or) property, and (or) accounts receivable, if there are signs of bankruptcy, the tax authority shall have the right to apply to court with a petition to declare the taxpayer bankrupt in accordance with the legislation of the Republic of Tajikistan on bankruptcy.

Article 151. Compulsory collection of Tax arrear from a natural person

1. If a natural person (except for an individual entrepreneur) has not fulfilled the obligation to pay taxes within the term established by this Code, the tax authority shall apply to the court for collection of Tax arrear from the property of a natural person hereinafter in this Article - application for collection).

2. A tax authority also has the right to apply to a court to seize the property of an individual to enforce a notice.

3. A copy of the application for tax collection shall be sent by the tax authority to the individual not later than the day of its submission to the court.

4. An application for tax collection shall be submitted to the court if the total amount of Tax arrear of an individual is more than 250 calculation indicators.

5. The Tax arrear of an individual shall be recovered at the expense of property on the basis of a court decision and the provisions of this Article.

6. Collection of Tax arrear of a natural person shall be carried out in the following sequence:

1) from the bank account of a natural person;

2) at the expense of cash of a natural person;

3) at the expense of property of a natural person, except for cases when arrest and sale are prohibited by the legislation of the Republic of Tajikistan.

Article 152. Recovery of tax arrears by judicial procedure

1. In case of non-recognition of Tax arrear (amount of accrued taxes (additional taxes), interest and penalties) by the taxpayer, the authorized state body in accordance with the procedure established by the legislation and the provision of paragraph 3 of Article 151 of this Code shall file a statement of claim in court and send a copy of the statement of claim to the taxpayer.

2. Statement of the authorized state body on recovery of Tax arrear from a legal entity or individual entrepreneur shall be considered by the economic court.

3. Application of the authorized state body on collection of Tax arrear from an individual shall be considered by the court at the location of the taxpayer - individual.

4. The decision of the court on forced collection of Tax arrear after coming into legal force shall be executed in the manner prescribed by the legislation of the Republic of Tajikistan.

CHAPTER 19. CONSULTATIONS ON TAX MATTERS

Article 153. Consultation on tax matters

1. Consulting on tax matters is rendering qualified and professional assistance by independent tax consultants to taxpayers on application of provisions of this Code and other normative legal acts regulating tax matters.

2. Consulting shall be carried out on the basis of an agreement on the following issues:

1) consulting taxpayers on tax matters, including accounting and reporting, and development of documents and tax reports;

2) consulting in terms of refund of overpaid and collected tax amounts, interest and penalties and compensation of losses caused by tax officials;

3) consulting on tax issues considered by 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 accordance with the procedure established by the legislation of the Republic of Tajikistan;

2) a legal entity - economic entity, in the composition of which at least 3 persons have a qualification certificate of an independent tax consultant;

2. It is prohibited to carry out activities as an independent tax consultant without a qualification certificate.

3. A taxpayer's consultant shall have the right to participate in judicial and other bodies as an independent expert on tax disputes.

4. The procedure and conditions of activity of independent tax consultants of their qualification certification, shall be established by the authorized state body in the field of finance.

Article 155. Rights and duties of an independent tax consultant

1. An independent tax consultant shall have the right to be called a “tax consultant” when carrying out his professional activities.

2. Independent tax consultants are independent from state authorities, taxpayers and third parties.

Article 156. Responsibility of a tax consultant

1. A tax consultant shall be responsible for protection of commercial secrets and information about the taxpayer's activities, revealed by him in the course of fulfillment of

contractual obligations with taxpayers, for unprofessional provision of consulting services on tax issues, which caused material damage to the taxpayer as a result of improper consultation, for provision of illegal consultation with the purpose of tax evasion by the taxpayer.

2. A tax consultant may not be involved by tax authorities and other state bodies as a witness on issues that became known to him in the course of fulfillment of contractual assignments with a taxpayer.

CHAPTER 20. LIABILITY

Article 157. Tax offense

1. A tax offense shall be a wrongful act (actions or inaction) of taxpayers, tax agents and their officials, as well as officials of authorized bodies, which resulted in non-fulfillment or improper fulfillment of the requirements of this Code and other normative legal acts of the Republic of Tajikistan, the control of which is entrusted to the tax authorities.

2. Committing by taxpayers, tax agents, their officials and officials of authorized bodies of violations of tax legislation shall entail liability provided by this Code and other normative legal acts of the Republic of Tajikistan.

Article 158. Circumstances precluding liability for a tax offense

1. In addition to cases stipulated by the legislation of the Republic of Tajikistan, it shall not be allowed to bring a person to responsibility in case of:

- fulfillment by the taxpayer (tax agent) of written explanations of the authorized state body on fulfillment of tax obligations;
- independent elimination by the taxpayer (tax agent) of the tax violation before the date of receipt of the notice of tax audit.

2. Unless otherwise established by the legislation of the Republic of Tajikistan, a person shall not be liable in the presence of at least one of the following cases:

- absence of the event of a tax offense;
- absence of guilt of a person in committing a tax offense;
- commission of an act containing the elements of a tax offense by a natural person who has not reached the age of 16 by the time of commission of the act;
- expiration of the limitation period for bringing to responsibility for a tax offense.

CHAPTER 21. DISPUTE RESOLUTION

Article 159. Appeal

1. Every taxpayer shall have 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 limiting or prohibiting the rights and legitimate interests of taxpayers shall have no legal force.

2. Appeal of acts of a tax authority shall mean simultaneous appeal of decisions taken on the basis of these acts.

3. A taxpayer may file a complaint with a higher tax authority and (or) in court.

4. Complaints (statements of claim) of a taxpayer filed in court shall be considered and resolved in the order established by the legislation of the Republic of Tajikistan.

5. An appeal against an act of a tax audit, the assessment of the amount of tax, penalties and interest, and other decisions of a tax authority may be lodged within 30 calendar days from the date of receipt by the taxpayer of the decision of the tax authority.

6. In case of missing for a valid reason the deadline for filing an appeal to a tax authority, the period established by paragraph 5 of this Article, upon a reasonable request of a person,

shall be restored by a higher tax authority within the limitation period established by this Code.

7. A tax authority shall consider a taxpayer's complaint, make a decision on it and officially (in writing or electronically) notify the applicant within a period not exceeding 30 calendar days from the date of receipt of the complaint to the tax authority. Where necessary, the period of consideration of the complaint shall be extended to 10 calendar days, if the change of the term is not related to the fulfillment of the provisions of paragraph 10 of this Article.

8. If a taxpayer has not received an official response from a territorial tax authority within the period established by Part 7 of this Article, he shall appeal to a higher authority or to the court.

9. A tax authority has the right, at the request of a taxpayer, to extend the deadline for filing a taxpayer's complaint for up to 30 days.

10. A tax authority, when considering a taxpayer's complaint, shall have the right to:

- in the prescribed manner to 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 to provide additional information or clarification on the issues set forth in the complaint;
- send requests to the relevant state authorities, as well as to the competent tax authorities of foreign countries on issues related to the thematic audit;
- to consider the submitted appeal with the participation of the taxpayer (his authorized person) and the person responsible for the tax authority that conducted the tax audit.

11. According to the results of consideration of a complaint, a higher tax authority or authorized state body shall make the appropriate decision and a copy shall be sent to the taxpayer and the tax authority, in respect of the decision of which the complaint is submitted.

12. A taxpayer shall have the right to appeal to the court against actions (inaction) of tax officials in the manner prescribed by the legislation of the Republic of Tajikistan.

Article 160. Council for pre-trial resolution of disputes

1. The Council of pre-trial dispute resolution (hereinafter - the Council) shall be an interagency advisory body on pre-trial consideration of tax disputes under the authorized state body, the composition of which shall be formed from the representatives of bodies in the field of finance, justice, support of entrepreneurship, taxes, sectoral bodies, experts and independent consultants.

2. The activity of the Council within the framework of the set tasks and professionalism of its participants shall be carried out free of charge.

3. The activity of the Council consists of pre-trial consideration of issues related to 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 shall submit to the authorized state body a recommendatory opinion on the adoption of an appropriate decision.

Article 161. Consequences of filing an application (complaint) regarding the assessment of amounts of tax, penalties and interest

1. Pending the completion of consideration of the application (complaint) of the taxpayer regarding an act or decision of the tax authority, only a part of the recognized tax liabilities shall be paid or collected in accordance with the provisions of Chapters 17 and 18 of this Code.

2. Interest for non-payment within the established time limits shall be charged only in respect of the amount of recognized taxes additionally charged, including the amount of tax recognized by the taxpayer after consideration of the taxpayer's appeal.

SECTION V. TAX AUTHORITIES

CHAPTER 22. TAX AUTHORITIES

Article 162. The core responsibilities of the Tax authorities

1. Tax authorities shall carry out their activities in accordance with this Code and other normative legal acts of the Republic of Tajikistan in cooperation with other state bodies, self-government bodies of settlements and villages, as well as tax authorities of other states.

2. The core responsibilities of the Tax authorities are:

- ensuring fulfillment of tax legislation of the Republic of Tajikistan by participants of tax relations;
- ensuring receipt of taxes and other obligatory payments to the budget in due time by the participants of tax relations;
- participation in the process of development and improvement of tax legislation of the Republic of Tajikistan within the framework of its powers;
- participation within the framework of its powers in the process of development and improvement of the legislation of the Republic of Tajikistan on state registration of economic entities;
- assistance to taxpayers in fulfillment of their tax obligations and compliance with tax legislation;
- determination of procedures and methods of analysis of corruption risks in tax authorities and their implementation;
- development and implementation of the state policy on state registration of economic entities within its powers;
- fulfillment of other tasks assigned to tax authorities by normative 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) shall consist of an authorized state body and territorial tax authorities, which as a whole form a single centralized system of tax authorities of the Republic of Tajikistan.

2. Structure, management plan and the list of enterprises (organizations) of the system of tax authorities, the order of their activities and structural units, as well as the relationship of tax authorities with other bodies, organizations, institutions and citizens shall be established by the regulations of tax authorities.

3. The territorial tax authorities are accountable and subordinate to the respective higher tax authorities. Territorial tax authorities consist of the tax department on taxation of large taxpayers with inspectorates in Mountain Badakhshan Autonomous Region, regions and Dushanbe city, tax departments of Mountain Badakhshan Autonomous Region, regions and Dushanbe city, tax inspectorates in cities (districts), as well as regional bodies of the authorized state body on state registration of legal entities and individual entrepreneurs.

4. Financing of the activities of tax authorities shall be carried out at the expense of the republican budget.

5. Tax authorities are legal entities, 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, 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 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 shall be public servants, their legal status and social guarantees shall be regulated by the Law of the Republic of Tajikistan "On Public Service".

2. Employees of tax authorities in confirmation of their powers shall be issued service certificates, the sample of which shall be approved by the authorized state body.

3. Employees of tax authorities shall be awarded qualification ranks in the established order. 4.

4. Samples and criteria for issuance of special forms by tax authorities in accordance with their ranks shall be approved by the Government of the Republic of Tajikistan.

5. Qualification ranks of tax officials shall be established by Majlisi Namoyandagon of Majlisi Oli of the Republic of Tajikistan. Regulations on the procedure for assigning qualification ranks to employees of tax authorities shall be approved by the President of the Republic of Tajikistan.

6. When carrying out tax control and inspections of employees of tax authorities shall be prohibited to cause by illegal actions damage to taxpayers or property in their use or disposal.

7. For non-performance or improper performance of their duties, as well as failure to comply 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 legislation of the Republic of Tajikistan, employees of tax authorities shall be brought to disciplinary, administrative or criminal liability.

8. Damages caused to taxpayers by unlawful decisions of tax authorities or actions of their officials during tax control and tax audits shall be determined by court decision and shall be subject to compensation in full in the order established by the legislation of the Republic of Tajikistan.

9. Damage caused to taxpayers or their representatives by lawful actions of officials of tax authorities, except as provided by the legislation, shall not be subject to compensation.

Article 165. Interaction of tax authorities with other state bodies

1. Tax authorities shall carry out their activities independently of other central and local bodies of state power, self-government bodies of settlements and villages. Execution of decisions taken by tax authorities within the framework of their powers shall be binding on all natural and legal persons.

2. Central and local bodies of state power, self-government bodies of settlements and villages shall be obliged to assist tax authorities in the implementation of tax legislation of the Republic of Tajikistan, ensuring the completeness and timeliness of tax revenues to the budget. These bodies are prohibited to interfere in the activities of tax authorities, unless otherwise established by the legislation of the Republic of Tajikistan.

3. Exchange of information between tax authorities and other relevant state bodies shall be carried out in accordance with the legislation of the Republic of Tajikistan.

4. Customs authorities, bodies of social protection of the population, other state bodies and credit and financial organizations shall be obliged regularly in the prescribed manner to provide tax authorities with the information available to them, necessary for the implementation of tax legislation of the Republic of Tajikistan.

Article 166. Reports

1. The authorized state body within 6 months after the end of each calendar year shall

publish a report on the activity of tax authorities on its official website.

2. The annual report of the authorized state body shall contain the following information:

- detailed analysis of the realization of tax revenues, including for each type, taking into account their belonging to regions, cities and districts;
- information on application of tax benefits to taxpayers and deferral of tax payment in accordance with normative legal acts;
- analysis of causes and factors of tax arrears by types of taxes in regions, cities and districts, their ratio to the total annual tax revenues;
- analysis of the state registration of legal entities and individual entrepreneurs;
- information on supervisory work of authorities and its results;
- information on complaints of taxpayers and the results of their consideration;
- on 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;
- on the existing problems and prospects of the tax authorities for the medium term.

3. The authorized state body shall place on its official website and constantly update the list of taxpayers whose tax has been calculated (assessed), but remains unpaid in the amount exceeding 5000 calculation indicators, indicating the amount of underpayment.

Article 167. Rights of tax authorities

1. Tax authorities in accordance with this Code shall have the right:

- participate in the process of development and improvement of tax legislation;
- to develop and approve normative legal acts arising from this Code in accordance with the procedure established by this Code and other normative legal acts;
- exercise control over compliance with the provisions of tax legislation
- to carry out international cooperation on taxation issues;
- to have electronic access to the information system containing primary accounting documents of taxpayers (tax agents) for viewing data of automatic accounting and tax accounting software;
- in accordance with the provisions of this Code, seize the taxpayer's documents, as well as information in electronic media related to tax transactions;
- in accordance with this Code, calculate the amount of tax liability (using direct and indirect valuation methods, market prices or time-based inspection data);
- to carry out during tax audits inspections of financial documents, accounting books, reports, estimates, cash, securities and other valuables, calculations, declarations and other documents related to the calculation and payment of taxes, to receive from officials and other employees of organizations and individuals information, data and written explanations on issues arising in the course of these audits;
- to conduct inspection 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;
- to inspect production, trade, warehouse and other premises of enterprises and individuals used for income generation or maintenance of taxable objects during a tax audit;
- to give mandatory instructions to managers and other officials of organizations, as well as individuals to eliminate tax offenses and control their implementation;
- apply for suspension (revocation) of licenses for certain types of activities;

- apply for tax offenses sanctions and fines provided for by this Code and the legislation of the Republic of Tajikistan;

- collect taxes, accrued penalties and interest from taxpayers, their officials and individuals in accordance with the provisions of this Code, including by filing lawsuits in court;

- to apply in case of violation by the taxpayer of the requirements of the tax legislation, the types of liability established by the legislation;

- require from the taxpayer (tax agent) to submit documents confirming the correctness of calculation and timeliness of payment of taxes, made by the taxpayer (tax agent) tax returns, financial statements of the taxpayer with the attachment of the auditor's report in the event that for such person legislative acts of the Republic of Tajikistan established mandatory audit;

- to apply in the order determined by this Code, the legislation of the Republic of Tajikistan on enforcement proceedings and other normative legal acts of the Republic of Tajikistan, measures on forced collection of taxes, fines and interest, to collect amounts of tax arrear sand control their execution in the activities of taxpayers and credit and financial organizations;

- attract (invite) for tax control consultants, specialists, experts, witnesses and interpreters;

- notify taxpayers on fulfillment of tax obligations within the terms and in the cases stipulated by this Code;

- request in accordance with the provisions of this Code from state bodies, institutions, organizations of the Republic of Tajikistan and competent authorities of foreign countries information related to taxation operations;

- exercise other rights established by this Code and other normative legal acts.

2. Higher tax authorities shall have the right to cancel decisions of lower tax authorities in case of their inconsistency with the tax legislation of the Republic of Tajikistan.

Article 168. Duties of tax authorities

1. Tax authorities shall be obliged:

- to comply with the Constitution of the Republic of Tajikistan, this Code, constitutional laws and other laws of the Republic of Tajikistan, joint resolutions of Majlisi Milli and Majlisi Namoyandagon of Majlisi Oli of the Republic of Tajikistan, resolutions of Majlisi Milli, resolutions of 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 calculation, completeness and in due time payment of taxes to the budget, fully and accurately comply with the tax legislation of the Republic of Tajikistan;

- to observe and protect the rights and legitimate interests of taxpayers;

- ensure publication of acts of tax legislation on the official website of the authorized state body and access of taxpayers to other issues related to taxation;

- to assist taxpayers in the application of tax legislation;

- regularly introduce new types of electronic services for taxpayers in order to optimize the execution 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”;

- provide full and timely accounting of taxpayers, including payers of value added tax, objects of taxation, accounting of calculated (accrued) and paid taxes and arrears;

- prepare reports on tax revenues to the budget;

- keep records and prepare reports on the amounts of tax exemptions by taxpayer groups, types of taxes and exemptions, and regions;

- collect fines and interest provided for by this Code and other normative legal acts of the Republic of Tajikistan;

- exercise tax control in accordance with normative legal acts of the Republic of Tajikistan;

- exercise tax control in accordance with normative legal acts of the Republic of Tajikistan;

- develop rules, procedures, methodological guidelines and instructions in accordance with the provisions of this Code;

- regularly conduct explanatory work on the issues of fulfillment of tax obligations through mass 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 on the fulfillment of tax obligations;

- apply measures of compulsory collection of Tax arrear of the taxpayer in accordance with this Code and other normative legal acts of the Republic of Tajikistan;

- to provide taxpayers with the second copy of the act of tax audit and the relevant decision of the tax authority on the results of the tax audit;

- keep records of cash register devices with fiscal memory;

- consider in the prescribed manner requests, applications, complaints and proposals on issues within the competence of the tax authorities;

- to submit to the financial authorities on a monthly basis the necessary information on accrued and paid tax and non-tax amounts, tax arrears, tax benefits, sources of taxation and the number of taxpayers within the framework of a bilateral agreement;

- collect, analyze and evaluate information on violations of tax laws, make recommendations to the relevant state authorities to eliminate the causes and conditions leading to the occurrence of such cases;

- credit and (or) refund to taxpayers the amounts paid in excess of the accrued tax in accordance with the provisions of Article 117 of this Code;

- to ensure the confidentiality of the secrecy of the taxpayer's activities;

- to carry out explanatory work on the application of tax legislation of the Republic of Tajikistan, to provide taxpayers with tax reporting forms and explain the procedure for their completion, to give explanations, including written ones, on the procedure for calculating and paying taxes;

- ensure during the limitation period the safety of tax returns, payment documents, acts of tax audits and other documentation related to a particular taxpayer;

- prepare personal files of taxpayers in respect of legal entities, individual entrepreneurs, as well as individuals obliged to submit tax returns in accordance with this Code;

- to send in case of identification of signs of crime in the activities of the taxpayer related to the fulfillment of tax obligations, within 10 working days in accordance with paragraphs 2 and 6 of Article 170 of this Code materials to the appropriate law enforcement authorities for action;

- to control the activities of lower territorial tax authorities and other subordinate enterprises, institutions and organizations.

2. Tax authorities shall also fulfill other duties provided for by the tax legislation of the Republic of Tajikistan.

Article 169. Conflict of interests

An employee of a tax authority shall be prohibited to perform official duties in relation to taxpayers with whom he is related or has direct or indirect interest.

Article 170. Secrecy of information (tax secrecy)

1. Tax authorities, tax authority substructures, tax agents and their employees (during employment or after dismissal) shall keep confidentiality of any information on taxpayers, except for the following information:

- about the taxpayer's identification number;
- on shareholders and participants of legal entities;
- on the tax regime of the taxpayer;
- on the number of employees indicated in the declarations;
- on amounts paid and tax arrears;
- on the amount of income and expenses in the accounting statements;
- on the taxpayer's violation 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 shall have the right to provide information on the taxpayer in the manner prescribed by this Article only to the following persons:

- to the authorized state body in the field of finance and employees of tax authorities in order to perform their official duties;
- law enforcement authorities 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 determination of tax liabilities of a taxpayer or liability for 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 realization of sectoral powers;
- authorized state body on public service for implementation of statutory powers with regard to persons obliged to submit income declaration;
- customs authorities for fulfillment of the customs legislation of the Republic of Tajikistan;
- other authorized bodies having the right to collect taxes in compliance with this Code.

3. Transfer of information received from the authorized state bodies to third parties shall be prohibited, except for cases, if the taxpayer himself gave his consent to disclose information to third parties.

4. Disclosure of information about the 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 formed in the course of activities of tax authorities, including personal files of taxpayers, acts of tax audits, notifications and other documents received for tax control, except for cases provided for by paragraph 2 of this Article, shall be prohibited.

6. Original documents specified in part 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 part 1 of this Article when a criminal case is initiated against a particular taxpayer.

7. Original documents received in accordance with paragraph 6 of this Article shall be returned to the appropriate tax authorities within 30 calendar days from the date of termination of the criminal case or entry into legal force of the court decision.

SECTION VI. REGULATION OF INTERNATIONAL TAXATION

CHAPTER 23. SPECIAL PROVISIONS ON INTERNATIONAL TREATIES IN THE FIELD OF TAXATION

Article 171. Procedure for application of international treaties in the field of taxation

1. International treaties in the field of taxation shall be applied in order to elimination of double taxation and evasion of taxes 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 eliminate double taxation and evasion of taxes on income and property (capital) shall be approved upon submission of the authorized state body by the authorized state body in the field of finance.

Article 172. Taxation of income of non-residents from activity in the Republic of Tajikistan without formation of a permanent establishment

1. Taxation of income of a non-resident, which does not lead to the formation of a permanent establishment, shall be carried out in accordance with the provisions of international treaties in the field of taxation, except for income specified in Articles 173-177 of this Code.

2. Non-residents receiving income from sources located in the Republic of Tajikistan without establishing a permanent establishment have the right to pay taxes in accordance with international treaties recognized by Tajikistan.

3. In case of non-application of the provisions of this article to non-residents provided for in part 2 of this article, and to residents of foreign states that have not concluded with the Republic of Tajikistan international treaties on prevention of double taxation and tax evasion, tax agents shall be obliged to withhold tax at the source of payment and make payment in accordance with the established procedure.

4. Non-residents who receive income from sources located in the Republic of Tajikistan, without establishing a permanent establishment, in the case of application of the international treaty on the prevention of double taxation and tax evasion, are obliged in the prescribed manner to submit to the tax authorities an application, the original document confirming residency in a contracting state for the relevant calendar year (with a notarized or apostilled translation).

5. When paying income to a non-resident, a tax agent shall comply with the provisions of international treaties in the field of taxation. In case the tax agent fails to fulfill the provisions of this article, the tax agent shall be obliged to withhold tax at the source of payment, as well as to pay penalties and interest for failure to fulfill tax obligations in due time.

6. The tax authority shall keep records of the following:

- the amount of income from sources located in the territory of the Republic of Tajikistan, regardless of the place of payment, paid by tax agents to non-residents;
- the amount of taxes paid (returned) to non-residents who have the right to apply the provisions of international treaties;
- amount of taxes withheld by tax agents from income of non-residents in the Republic of Tajikistan and paid to the budget.

Article 173. Procedure for application of international treaties in the sphere of taxation of

income from transportation services in international transportation

1. Income of a non-resident legal entity from the activity of transportation services in international transportation, one of the parties to which is the Republic of Tajikistan, shall be exempt from taxation without filing an application on the basis of a document confirming residency, if the following conditions are met:

- the provisions of international treaties in the field of taxation are applied to the non-resident legal entity;
- a non-resident legal entity in the Republic of Tajikistan has a permanent establishment to carry out such activities.

2. Taking into account the provisions of Part 1 of this Article, a non-resident legal entity shall be obliged to keep separate records of income from transportation services in international transportation, not taxable in accordance with international treaties, and from transportation services in the territory of the Republic of Tajikistan, and include gross income in the declaration on income tax of legal entities.

3. When calculating tax on income of legal entities, income not subject to taxation in accordance with an international treaty shall be deducted from the total amount of income specified in paragraph 2 of this Article.

4. In case of non-compliance with the provisions of international treaties, resulting in partial or full non-payment of taxes to the budget of the Republic of Tajikistan, a non-resident legal entity (permanent establishment) shall be held liable in accordance with the legislation of the Republic of Tajikistan.

5. Income of a non-resident legal entity engaged in rendering 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 fulfill the provisions of international treaties, shall be subject to exemption from taxation in accordance with the procedure established by Article 172 of this Code.

Article 174. Procedure for application of an international treaty in the field of taxation with respect to taxation of dividends, interest and royalties

1. When paying income to a non-resident in the form of dividends, interest and royalties, the tax agent shall have the right to apply the provisions of international treaties in the sphere of taxation to the non-resident on the basis of the following documents and conditions:

- application of the non-resident for application of the provisions of international treaties in the field of taxation;
- a document confirming residency;
- if the non-resident is the ultimate recipient of income;
- if the non-resident has the right to apply the provisions of international tax treaties.

2. The tax agent must 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 residency of the non-resident when calculating tax at source of payment, submitted to the tax authority.

3. In case of non-compliance with the provisions of international treaties, which resulted in partial or full non-payment of taxes to the state budget of the Republic of Tajikistan, the tax agent shall be held liable in accordance with the legislation of the Republic of Tajikistan.

Article 175. Procedure for application of international treaties in the field of taxation with

regard to taxation of net profit from activities through a permanent establishment

1. A non-resident shall have the right to apply the provisions of international treaties in respect of taxation of net profit from activities in the Republic of Tajikistan through a permanent establishment without submitting an application on the basis of a document confirming residency, if such non-resident is the ultimate recipient of net profit and has the right to apply the provisions of the relevant international treaties in the field of taxation.

2. A non-resident legal entity is obliged to indicate in the tax return on 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 relevant tax rate was applied.

3. In case of non-compliance with the provisions of international treaties, resulting in partial or full non-payment of taxes to the budget of the Republic of Tajikistan, the tax agent shall be held liable in accordance with the legislation of the Republic of Tajikistan.

Article 176. The order of application of international treaties in the field of taxation in respect of taxation of other income from sources located in the Republic of Tajikistan

1. A non-resident receiving income from sources located in the Republic of Tajikistan shall have the right to apply with an application for 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 cases provided for by Articles 173-175 of this Code.

2. Tax authorities within 5 calendar days shall provide a substantiated 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 paragraph 2 of this Article, a non-resident shall have the right to apply to the authorized state body with involvement of competent authorities of the resident's country for reconsideration of the application.

Article 177. General requirements for submitting the application on implementation of provisions of the international treaties in the field of taxation

1. A non-resident together with the application for implementation of provisions of international treaties in the field of taxation shall submit the following documents to the tax authorities:

- a legalized document confirming the residency or apostille of a non-resident, unless otherwise provided by international treaties recognized by Tajikistan;
- copies of constituent documents
- copies of contracts for performance of works (rendering services) or other activities (actions);
- documents confirming the fulfillment of works (services and other activities (actions) by a non-resident;
- data on income from transportation services in international transportation and on the territory of the Republic of Tajikistan.

2. The tax agent shall submit to the tax authorities accounting documents confirming the amounts of accrued and (or) paid income and withheld taxes.

3. The documents specified in paragraphs four and five of part 1 of this Article shall be submitted not later than 10 working days after performance of works and rendering of services.

Article 178. Certificate on the amounts of taxes paid in the Republic of Tajikistan

At the request of a non-resident, tax authorities shall submit a certificate on income and taxes paid from sources located in the territory of the Republic of Tajikistan in accordance with

the procedure established by the authorized state body.

CHAPTER 24. EXCHANGE OF INFORMATION

Article 179. Exchange of tax and financial information

1. The authorized state body shall have the right to receive information necessary for calculation and collection of taxes, examination of complaints related to taxation and criminal prosecution, including information disseminated within the framework of international practice, which is not contrary to other laws, and to provide such information to other contracting states.

2. A request by an authorized state authority to the competent authorities of another contracting state shall contain the following financial information:

- calculation of the tax liability;
- verification of property received by inheritance or gift;
- verification of information or evidence of tax evasion;
- on the property of a taxpayer who has failed to fulfill tax obligations.

3. The authorized state body shall have the right to request from credit and financial institutions submissions of financial information on financial transactions of residents, local companies, non-residents and foreign companies responsible for the calculation of taxes, fees and tax administration of the other contracting state and, if necessary, to carry out regular exchange of financial information with the other contracting state on the principle of reciprocity in accordance with an international treaty.

4. Irrespective of the request of the authorized state body, financial institutions may store information on taxpayer identification number, participants in financial transactions and other information necessary for the exchange of financial information between contracting states.

5. The authorized state body and the competent authorities of the other contracting state shall be obliged to ensure the process of receiving, exchanging and providing any tax or financial information on financial transactions referred to in the third paragraph of point 2 of this Article.

6. Every employee of a financial institution and other persons shall refrain from providing financial information by accepting a request contrary to paragraphs 2 or 3 of this Article.

7. No person in possession of financial information pursuant to paragraphs 2 and 3 of this Article shall transfer or disclose such information to third parties, other than to the competent authorities of the other Contracting State, or make unlawful use of such information, and no one shall have the right to demand financial information from a person in possession of such information.

8. Any person who has received financial information provided or disclosed in violation of paragraphs 2, 3 and 4 of this Article becomes aware of the violation shall not be entitled to provide or disclose such information to third parties.

9. Notwithstanding paragraph 3 of this Article, an authorized public 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 finance company and other persons intending to provide financial information in accordance with Part 3 of this Article, or to verify financial information in accordance with the requirements of this Article, may require information from the counterparty to a 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 shall be legal entities and individuals residents and non-residents who have objects of taxation, except for persons who meet the conditions of special tax regimes.

2. In cases established by this Code, the duties on collection of income tax at source of payment shall be performed by a tax agent.

3. Any foreign entity that is not an individual shall be treated for purposes of this section as an entity taxpayer unless it proves that it is acting as a participant in a joint tenancy under section 94 of this Code.

4. The National Bank of Tajikistan, except for the provisions of Part 2 of this Article, is not an income tax payer.

Article 181. Object of taxation of 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 income taxation of a resident taxpayer shall be the income received from all sources in the Republic of Tajikistan and outside the Republic of Tajikistan.

3. The object of taxation of income tax of a non-resident taxpayer is only income received from sources in the Republic of Tajikistan.

4. Gross income of a taxpayer is divided into:

- income taxable at source;
- income not taxable at the source of payment.

Article 182. Tax base

1. The income tax base of a resident taxpayer for a reporting period shall be the difference between gross income and deductible expenses allowed in accordance with this Section for such period.

2. The income tax base of a non-resident taxpayer who carries out entrepreneurial activity through a permanent establishment in the Republic of Tajikistan for a reporting period shall be the difference between the gross income from sources in the Republic of Tajikistan attributable to the permanent establishment and the 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 are not applied and which is received from sources in the Republic of Tajikistan, shall be subject to withholding taxation without deduction of 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 such reporting period. If 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 a non-resident taxpayer shall withhold and pay the tax without deductions.

Article 183. Rates of tax

1. Taxable income of an individual resident at the main place of employment in excess of the amount of personal deduction shall be taxed at the rate of 12 percent.

2. Taxable income of a non-resident individual from employment received from sources in the Republic of Tajikistan shall be taxed at the 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 by Article 191 of this Code, except for social tax for the insured person.

4. Taxable income of a legal entity shall be taxed at the following rates:

- for activities on production of goods - 13 percent;
- for the activities of financial and credit organizations and mobile companies - 20 percent;
- for the activity of extraction and processing of natural resources, as well as for all other types of activity, except for the first and second paragraphs of this part - 18 percent.

CHAPTER 26. GROSS INCOME

Article 184. Gross income

1. All types of income and remuneration in monetary, tangible and intangible form paid in favor of a taxpayer, including other benefits received by a taxpayer, except for income exempt from income tax in accordance with Chapter 27 of this Code, shall be recognized as gross income of a legal entity and an individual, including:

- income from entrepreneurial activity;
- income in the form of wages and salaries;
- any other income from activities other than employment or business.

2. Gross income of a taxpayer is the income determined without taking into account deductions.

Article 185. Gross income from entrepreneurial activity

Gross income from entrepreneurial activity is any income, remuneration and benefits received by the taxpayer in monetary, tangible and intangible form from entrepreneurial activity, including:

- income from the sale, transfer or alienation of assets used by the taxpayer in entrepreneurial activity in accordance with Article 213 of this Code;
- exchange rate difference of 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 salary

Any payments, remuneration, bonuses or benefits, including in cash, in kind and intangible form (based on the restrictions on goods, items and size established by law), received by an employee from an employer within the framework of the employment relationship (with or without an employment contract), regardless of the form and place of payment, shall be 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 forthcoming employment.

2. The following types of income paid to an employee by an employer in tangible or intangible form (based on the goods, items, and amount limitations set by law) are recognized as wage income, including:

- the value of property paid in lieu of wages;
- the value of property (works, services) paid to an employee in accordance with the procedure established by paragraph 2) of part 3 of this Article;
- the value of goods (work performed, services rendered) paid by the employer for the

employee to third parties;

- amount of allowance or cost of reimbursement of expenses paid by the employer to the employee for reimbursement of expenses for material, social benefits, including expenses for food, accommodation, education of children in educational institutions, expenses related to recreation, including travel of their family members during labor leave;

- travel expenses or reimbursement of travel expenses in excess of the established norms of travel expenses set forth in paragraph 4 of this Article.

3. For the purposes of paragraph 1 of this Article, the amount of the employee's remuneration shall be equal to the following amount, less any payment to the employee for such remuneration:

1) the difference of the amount of the loan received by the employee from the employer in relation to the interest weighted average 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 works or rendering of services) by the employer to the employee:

a) in case of delivery (or gratuitous transfer) of goods (performance of works or rendering of services) by the employer to the employee - 75 percent of the usual price of sale of goods (works or services) to other buyers, if the employer is a producer of goods, performs works or renders services;

b) in other cases - the value for the employer of goods (works or services) received by the employee from the employer;

3) the value of assistance provided to the employee or his dependents for education, except for a training program directly related to the performance of the employee's duties;

4. The amount of reimbursement to the employee for expenses not directly related to the employee's employment;

5. The amount of the employee's forgiven debt or obligation to the employer;

6) the cost of insurance premiums (insurance premiums) paid under life and health insurance contracts and other similar amounts by the employer, if the insurance contract 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 the employee's use of the employer's vehicle for personal use, determined according to 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 reimbursement for 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 agencies, foundations, non-resident public organizations.

5. Income related to the payment of hospitality expenses and other similar income, including income for celebrations, accommodation of guests and other income received by an individual shall not be included in his gross income, if the value of such income does not exceed the rates established by Part 3 of Article 192 of this Code.

6. The value of tangible (intangible) payments, benefits and other payments listed in paragraphs 2 and 3 of this Article made in favor of natural persons shall include the amount of excise tax, value added tax and any other tax payable by the employer in connection with the contract being assessed.

Article 187. Gross income from activities other than employment or entrepreneurial activity

1. The following income of a taxpayer from activities other than employment or entrepreneurial activity shall be 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 activity, determined in accordance with Article 213 of this Code;
- income in the form of royalties;
- the amount of forgiven debt of a taxpayer by a creditor, except for the debt of a taxpayer recognized as insolvent or debt forgiven under a debt renegotiation agreement to restore the taxpayer's sustainable financial position;
- any benefits and income received by an individual, except for income in the form of wages and (or) income from self-employment.

2. The provisions of this Article shall not apply to income included in the gross income of a taxpayer 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 a tax period shall be adjusted to determine the final amount of income tax by deducting from income or adding to income if income is taxed at source in the Republic of Tajikistan.

CHAPTER 27. TAX EXEMPTIONS

Article 189. Tax exemptions

1. The following types of income of individuals shall not be 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 treaty;

2) the value of property in kind (intangible) and (or) monetary forms received from individuals by inheritance or as a gift, except for:

- income received by the heir from the sale (alienation) or lease of the property received as inheritance;
- remuneration (premium) paid to heirs (legal successors) of authors of scientific works, literary works, works of art, as well as discoveries, inventions and industrial designs; (Law of the Republic of Tajikistan dated February 11, 2025, No. 2143).

3) the value of gifts received from legal entities, as well as prizes (winnings) received at contests and competitions, including in monetary form, if:

a) the value of gifts received from legal entities does not exceed 100 calculation indicators per year;

b) the value of prizes (winnings) received at international contests and competitions does not exceed 500 calculation indicators per year;

c) the value of prizes (winnings) received at national contests and competitions does not exceed 100 indicators for calculations per year;

4) state and insurance pensions, state prizes and awards, state scholarships, state allowances and state compensations;

5) the amount of alimony from persons receiving them;

6) remuneration given to donors for blood donation, breast milk donation and other donor assistance;

7) 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 an individual resident for business travel expenses;

9) amount of reimbursement of travel expenses paid by international organizations and their agencies, foundations, non-resident public organizations;

10) funds paid in the form of humanitarian and charitable aid, including in case of natural disasters;

11) the difference of increase in the value of immovable property upon sale or other form of alienation (except for immovable property used for business purposes), if it was in the possession of a natural person for at least 2 years prior to the moment of alienation; (Law of the Republic of Tajikistan dated February 11, 2025, No. 2143).

12) the difference of value increment 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 activity;

b) if the value increment from the sale of property, historical values (antiques), works of art, jewelry and other collectibles is more than 200 calculation indicators. These provisions shall not apply in cases of sale of historical properties (antiques), works of art, jewelry and other collectibles by two or more operations to one or related person. In this case, the aggregate value of the property referred to in this subparagraph shall be taken into account;

c) sale, transfer, assignment and other alienation of shares and interests 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 repayment contracts within the limits of payments made by an individual on account of such contracts;

14) insurance payments (insurance indemnity) in accordance with the insurance contract on types of insurance, as well as insurance payments received in case of death of the insured person;

15) the amounts of monetary allowances, monetary rewards and other payments received in connection with the service (performance of official duties) by military personnel, ordinary and commanding officers of the ministries of Defense, Internal Affairs, state bodies of national security, emergency situations and civil defense, law enforcement units of state bodies for state financial control and combating corruption; customs authorities, the Agency for Drug Control under the President of the Republic of Tajikistan, the National Guard, the system of execution of criminal penalties of the Ministry of Justice of the Republic of Tajikistan;

16) winnings from state bonds and state lotteries of the Republic of Tajikistan, issued by the authorized state body in the sphere of finance in the amount not exceeding two indicators

for calculations per one bond or lottery;

17) amounts of targeted social assistance, allowances and compensations, except for payments related to wages, paid at the expense of the state budget in the amount and manner established by relevant normative legal acts;

18) the amount paid in accordance with the legislation of the Republic of Tajikistan in case of death of an employee, physical harm, or other harm to the health of an employee in the performance of his labor duties;

19) cost of issued special and (or) uniform clothing, 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 insurance of the employer's liability (at the expense of the employer) for causing (in case of causing) harm to the life and health of an employee in the performance of his labor (official) duties;

21) amounts of compensation for material damage, established by court decision;

22) income from the sale of agricultural products grown (produced) on the homestead plot without industrial processing;

23) amounts of bonuses, cashbacks and other incentive mechanisms for clients when conducting transactions with the use of electronic means of payment;

24) scholarships provided to a person for full-time education in pre-school, primary, general basic, general secondary, primary vocational and secondary vocational, higher vocational, postgraduate vocational and specialized educational institutions;

25) income received in the form of wages by disabled persons from childhood and disabled persons of group I;

26) insurance compensations and other payments received by depositors, made by or on behalf of the Deposit and Savings Insurance Fund of Tajikistan (Law of the Republic of Tajikistan dated March 15, 2023, No.1956);

27) the amount of salaries, remunerations and other payments received by foreign coaches, specialists, employees and players of football teams of Tajikistan; (Law of the Republic of Tajikistan dated February 11, 2025, No.2143).

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, except for income received by them from entrepreneurial activity. Such institutions and organizations are obliged to keep separate records of their main 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 Deposit and Savings Insurance Fund of Tajikistan (Law of the Republic of Tajikistan dated March 15, 2023, No. 1956);

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 newly created enterprises from the supply of manufactured goods, starting from the month in which the production of goods began, if their founders, within 12 calendar months from the date of initial state registration, invest the following amounts in the authorized

capital of such enterprises within the following time limits: (Law of the Republic of Tajikistan dated April 15, 2025, No. 2161)

a) 2 years, if the volume of investment is more than 200 thousand US dollars up to 500 thousand US dollars;

b) 3 years, if the volume of investments is more than 500 thousand US dollars up to 2 million US dollars;

c) 4 years, if the volume of investment is more than 2 million to 5 million US dollars;

d) 5 years, if the volume of investments exceeds 5 million USD;

7) income received from tourism activities, within 5 years from the date of state registration, if there are licenses for tourism activities (Law of the Republic of Tajikistan dated December 24, 2022, No.1934);

8) non-resident's income from operational leasing (rent) of aircrafts (airplanes, helicopters), their engines, main units and spare parts, as well as for maintenance and repair of aircrafts (airplanes, helicopters), their engines, main units and spare parts in accordance with the relevant contracts with domestic aviation companies (Law of the Republic of Tajikistan dated December 24, 2022, No.1934);

9) enterprises, except for enterprises engaged in trade, intermediary, supply and sales and procurement activities, in which simultaneously in the tax reporting year: (Law of the Republic of Tajikistan dated February 11, 2025, No. 2143).

a) at least 50 percent of the number of employees are disabled; (Law of the Republic of Tajikistan dated February 11, 2025, No.2143).

b) at least 50 percent of wages and other material support, including in-kind support, is spent on the needs of persons with disabilities. (Law of the Republic of Tajikistan dated February 11, 2025, No.2143).

10) Income of sub-actors in the sphere of football in Tajikistan. (Law of the Republic of Tajikistan dated February 11, 2025, No. 2143).

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 organizational and legal form, merger, lease of existing production enterprises (with regard to income received from production of goods of leased or joint ventures).

4. Any losses during the tax relief period in accordance with paragraph 2 of this Article shall not be carried forward to another tax period at the end of the tax relief period.

5. The provisions of paragraph 6) of part 2 of this Article shall not apply to enterprises engaged in mining or operations in the oil and gas sector.

CHAPTER 28. DEDUCTIONS FROM GROSS INCOME

Article 190. Deduction of expenses related to the receipt of income

1. All confirmed actually incurred expenses provided for by this Code and (or) other regulatory legal acts not contradicting this Code, related to the reporting period, associated with the receipt of such income shall be deducted from gross income, including:

- documented expenses on tax liabilities, taking into account the restrictions established by subparagraph n) of paragraph 8 of Article 192 of this Code;

- documented expenses on wages, 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 costs actually

used during the tax period, except for the costs of construction, acquisition of fixed assets and their installation (including expenses from negative currency exchange rate differences, fines and interest on loans, which 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 non-deductible expenses, in accordance with Article 192 of the Tax Code

- income from the sale, transfer or disposal of an asset used by the taxpayer in entrepreneurial activity determined in accordance with Article 213 of this Code;

- exchange rate difference received by the taxpayer for the reporting period defined by Article 212 of this Code.

2. Deductions of expenses shall be allowed in the presence of duly executed documents confirming actual expenses related to the receipt of such income.

3 Any expense must be confirmed by an appropriate document on the made expense in monetary terms, provided by the legislation of the Republic of Tajikistan, including the Law of the Republic of Tajikistan "On Accounting and Financial Reporting". The document confirming the expenses is also a civil law contract, disclosing the nature of the taxpayer's expenses and explaining its economic feasibility.

4. If the same expenses are stipulated in several expense items, when calculating taxable income, the said expenses shall be deducted only once.

5. The awarded or recognized fines, interest (penalties), penalties related to the receipt of gross income, payable (paid) at the expense of the taxpayer, except for those to be paid to the budget, shall be deductible.

6. Value added tax and excise taxes, offsetting of which for the purposes of value added tax and excise taxes is not allowed, shall be accounted for in the cost of goods (performance of work and rendering of services).

Article 191. Personal deductions of natural persons

1. A personal deduction shall be made from the gross income of an employed resident individual salary in the amount of two calculated indicators for each calendar month.

2 From the 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 calculations for each calendar month:

- Heroes of the Soviet Union, heroes of socialist labor, heroes of Tajikistan, participants of the Great Patriotic War (Second World War) and persons equated to them, participants of other military operations to defend the Union of Soviet Socialist Republics, including military personnel who served in military units, headquarters and institutions that were part of the active army, former partisans, warriors-internationalists, as well as disabled persons of group II;

- citizens who became 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. One largest personal deduction shall be allowed from the income of an individual employee in the form of wages on the basis of supporting documents in accordance with paragraphs 1 and 2 of this Article.

4. If an individual was a hired employee for less than sixteen calendar days during a month, no personal deduction shall be made in determining the taxable income of the employee in accordance with paragraphs 1 and 2 of this Article.

5. Personal deduction from taxable income in accordance with paragraphs 1 and 2 of this Article shall be allowed for income received only at one (main) place of employment of the employee. If an individual is not a salaried employee and an individual entrepreneur, the personal deduction established by paragraphs 1 or 2 of this Article shall be allowed only at one place of payment of income, determined on the basis of an application submitted by the individual. The provisions of this part shall also apply to income of disabled persons of group I not received in the form of wages and from entrepreneurial activity. (Law of the Republic of Tajikistan dated February 11, 2025, No.2143).

6. When calculating the taxable income of an individual, the amount of social tax for insured persons, which is withheld in accordance with the provisions of Article 332, paragraph 2 of this Code, shall be deducted from his income.

7. The person paying income to an individual shall be responsible for the proper implementation of the personal deduction. In case of violation of the provisions established in this Article, the tax not received to the budget due to improper deduction shall be subject to reimbursement by this person.

8. Individuals when incurring expenses in non-cash form, including through bank accounts, bank payment cards on 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 order approved by the Government of the Republic of Tajikistan.

Article 192. Expenses not subject to deduction

1. Deductions shall not be allowed in respect of expenses not related to entrepreneurial activity, 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 respect of expenses for the construction, operation and maintenance of facilities, as well as other expenses not related to entrepreneurial (main production) activities.

2. The deductions provided for in this chapter shall not be allowed unless they comply with the requirements of Article 190 of this Code.

3. Deductions shall not be allowed with respect to the following expenses:

1) hospitality and other similar expenses (celebrations, accommodation of guests and other) exceeding 1 percent of the taxpayer's gross income for the reporting period;

2) advertising (marketing) expenses exceeding 5 percent of the taxpayer's gross income for the reporting period;

3) regardless of the requirements of paragraphs 1) and 2) of this Part, a newly established taxpayer in the first year of its activity may allocate up to 300 figures for the calculation of representation, advertising and other similar expenses (celebrations, accommodation of guests and other) to deductible expenses, provided that there are supporting documents.

4. Paragraph 1) of Part 3 of this Article shall not apply to a taxpayer whose business activity is of an entertainment nature, if the expenses are incurred as part of such activity.

5. Deductions to contributions to reserve funds shall be made only in accordance with the provisions of this Code.

6. The cost of gratuitously transferred (humanitarian) property, work and services rendered on a gratuitous (charitable) basis shall not be deductible, except in the case provided for by Article 193 and paragraph three of Part 2 of Article 206 of this Code.

7. No deductions shall be allowed in respect of expenses related to light motor vehicles at the disposal of employees or shareholders (participants of the taxpayer) for personal use during the entire tax period, including its use for transportation of employees to and from work, except in cases where the employee is subject to income tax on the value of the benefit in accordance with paragraph 7) of part 3 of Article 186 of this Code.

8. Deductions shall also not be allowed with respect to 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) investment in the authorized capital of another taxpayer;

c) expenditures of financial aid (subsidies) received by public institutions at the expense of budgetary funds to support their activities;

d) amounts received by a taxpayer-issuer from the issuance of shares;

e) amounts received by the taxpayer under commission, order or other similar contracts payable in favor of the commissioner, principal, except for payment and expenses for repayment of commission;

f) payment (repayment) of principal;

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 the use of catering companies;

i) expenses considered as 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 a staff member for official purposes, to the extent that the excess is not included in the employee's income;

k) damages for theft and shortages if the perpetrators are unknown;

m) the following amounts:

- income tax imposed under this Code and any income and profits taxes paid or payable in a foreign country;

- 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 authorized for accounting;

- identified taxes established by the results of additional tax audits;

n) expenses related to delivery of goods, performance of works and services, which were not actually performed and are determined by court decision.

Article 193. Deduction for charitable payments

1. A taxpayer shall be allowed a deduction for payments made to charitable organizations and for charitable activities during the reporting period. The amount of such payments may not 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 is considered equal to the lower of two values - either the market value of the property at the time of transfer or its cost price.

3. A taxpayer is allowed a deduction for payments or other assistance for preventing the consequences of, or providing assistance in connection with, man-made or natural disasters or epidemics.

Article 194. Limitation of deductions in respect of interest

1. Unless Paragraph 2 of this Article provides otherwise, a taxpayer is allowed to deduct actually paid interest for each loan in the reporting period, but in the amount not exceeding three times the amount of interest accrued (to be accrued) using the refinancing rate of the National Bank of Tajikistan effective in the tax period. This provision shall also apply 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 the costs affecting the change in their value before commissioning, shall not be deducted from the gross annual income, but shall increase the value of such fixed assets.

3. The restrictions on the deduction of interest specified in this Article shall apply prior to the application of Article 224 of this Code.

Article 195. Deductions in respect of bad debts

1. Taxpayers shall be entitled to deductions for bad debts arising in connection with the supply of goods, performance of work and rendering of services, if the income related thereto was previously included in the gross income derived from entrepreneurial activity.

2. A deduction in respect of bad debt is allowed at the time the debt is written off as having no value, in the books of the taxpayer, provided that the write-off complies with international financial accounting standards.

3. The provisions of this Article shall not apply to credit and financial organizations to which the provisions of Article 204, paragraph 2 of this Code apply.

Article 196. Deductions in respect of expenses for scientific research, design development and experimental and development work

1. A taxpayer is allowed to deduct expenses incurred for scientific research, design development and development work related to the receipt of gross income, except for expenses for the acquisition of fixed assets, their installation and other expenses of a capital nature. The basis for the deduction of such expenses are technical assignment, design and estimate documentation, act of completed works and acceptance certificates of completed stages of such works.

2. Provisions of Part 1 of this Article shall not apply to expenses for scientific research, design development and (or) experimental development in organizations performing these types of activities as an executor (contractor or subcontractor). These expenses shall be considered as expenses for the performance by these organizations of activities aimed at obtaining profit (income).

3. In this article, scientific research is defined as 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 through a systematic research process based on established scientific principles. Scientific research does not include the search for natural resources. The costs of scientific research shall include any contribution made by the taxpayer to a research institution and used to conduct research for the purpose of developing the taxpayer's business.

Article 197. Loss carryforward, losses on sale or transfer of property

1. The excess of the taxpayer's allowed deductions on gross income (business losses) for the accounting period shall be carried forward to the next period up to and including 3 years, and shall be covered from the pre-tax income of the future period.

2. Losses arising from the sale, transfer or alienation of property (except for 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 in paragraph 2 of this Article cannot be compensated in the same year, they shall be carried forward for a subsequent period up to and including 3 years and shall be compensated by the income received from the sale or transfer of such property. Losses provided for in paragraph 2 of this Article shall not be deductible from gross income for income tax purposes.

CHAPTER 29. DEDUCTIONS ON FIXED AND INTANGIBLE ASSETS

Article 198. Deduction of depreciation charges and other deductions on depreciable fixed assets

1. Depreciable assets for the purposes of this Article shall mean fixed assets and intangible assets used in entrepreneurial activity.

2. The taxpayer shall be entitled 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 entrepreneurial activity shall not be allowed.

4. Deductions from depreciation deductions shall not be allowed for the following assets:

- land, livestock, artwork, merchandise, tangible property, including construction in progress and unassembled equipment, and property whose value is fully deductible in determining the source of taxation for the taxable year;
- highways, sidewalks, alleys and avenues of public use, objects of improvement at the disposal (maintenance) of the state authority;
- fixed assets received free of charge;
- fixed assets, the cost of which has already been fully deducted;
- fixed assets of non-profit organizations, government agencies and public associations, including fixed assets used by them to generate income.

5. Depreciable fixed assets, except for intangible assets, shall be divided into groups with the following depreciation rates:

Group	List of fixed assets	Straight-line depreciation rate (percent)
1	Instruments, tools and accessories; devices and local data processing facilities; electronic equipment and servers	12.5
2	Trucks, buses, road construction machinery, special vehicles and trailers; machinery and equipment for all branches of industry, foundries, forging equipment and presses, construction equipment, agricultural machinery and equipment, railway, sea, river and air vehicles; containers	9
3	Passenger cars; office furniture, computers, connected equipment and parts thereof	10

4	Power machinery and equipment, technical equipment; turbine equipment, electric motors and diesel generators; power transmission equipment; electronic and communications equipment; pipelines	8
5	Buildings, structures and constructions	7
6	Depreciable assets not classified in other categories	4

6. The taxpayer shall determine the amount of the depreciation deduction allowed under Part 1 of this Article for all classes of assets on an individual asset basis using the straight-line method.

7. Depreciation deductions for each fixed asset of group 5 shall be made separately for the entire period of use.

8. Depreciation deductions for fixed assets and (or) intangible assets that are received (disposed of) during a calendar year shall be made (ceased) from the next calendar month after actual use (actual disposal) but in case of a building, not earlier than the regulatory body issues a certificate of completion of its construction.

9. The cost of fixed assets obtained under a financial lease (leasing) agreement is included in the cost balance of the respective tenant group, and the depreciation charge is calculated depending on the criteria established for the respective groups.

10. The principal amount paid to a lessor for a finance lease of property, plant and equipment is considered to be the amount received on the sale of such property, plant and equipment if the property, plant and equipment is transferred to the group's financial balance sheet before it is transferred under a finance lease. For the lessee, the principal amount paid to the lessor is treated as the purchase price of the fixed assets.

11. The taxpayer shall be entitled to use investment deductions in addition to the depreciation deductions allowed under paragraph 1 of this Article for individual assets.

Article 199. Linear method of depreciation deduction

1. This Article shall apply when, for the purposes of paragraph 1 of Article 198 of this Code, a taxpayer calculates depreciation deductions for depreciable fixed assets of separate assets by the straight-line method.

2. The taxpayer shall calculate the depreciation deduction allowed for the accounting period for depreciable fixed assets using the straight-line method, applying the depreciation rate applicable to the fixed asset relative to its value (without taking into account the increase in the value of assets as a result of revaluation) as specified in Article 198, paragraph 5 of this Code.

3. If the taxpayer uses depreciable fixed assets subject under this Article partly for taxable income and partly for other purposes, the allowed depreciation deduction in accordance with paragraph 5 of Article 198 of this Code shall be allowed only in proportion to the proportion of taxable income for the reporting period.

4. If the taxpayer does not use the depreciable fixed assets to which this Article applies during the entire reporting period for taxable income, the depreciation deductions for this period shall be calculated in accordance with the following formula:

$$A \times {}^{B}/_{C},$$

where A: - depreciation deduction calculated in accordance with paragraph 2 of this Article, taking into account paragraph 4 of this Article;

B - number of days in the reporting period during which the taxpayer used depreciable fixed assets to receive taxable income;

C - number of days in the reporting period.

Article 200. Procedure for calculation of depreciation charges by the linear method

1. Depreciation of fixed assets by the straight-line method shall be calculated on the basis of the original cost of fixed assets in proportionally equal installments for the entire period of their use.

2. When switching from the residual method to the linear method, depreciation charges shall be calculated on the basis of the book value of fixed assets.

Article 201. Investment deductions

1. A taxpayer who puts into operation fixed assets specified in paragraph 2 of this Article during the reporting period shall be entitled to an additional deduction for that period in accordance with the procedure established in paragraph 2 of this Article.

2. Investment deductions shall be made at the following rates:

1) 10 percent of the value:

- 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 changes in 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 performance of fixed assets or individual parts by introducing 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 of:

- 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% renovation of buildings and structures by area) aimed at improving the technical and economic performance of fixed assets within the framework of the project for re-equipment of 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 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 the production process, and software for domestic production within the framework of investment projects for the creation of information systems are carried out.

4. Investment deductions shall be allowed for investments made in accordance with the requirements of this Article after December 31, 2021.

Article 202. Deduction of repair cost of depreciable fixed assets

1. Deductions shall be allowed in respect of each group for the repair costs of fixed assets included in that group, in the amount of the actual amount of such costs, 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 expenses in excess of 10 percent of the value balance of a group shall be included in the increase of the value balance of that group.

Article 203. Deduction of amortization deductions on intangible assets

1. The cost of intangible assets shall include expenses on intangible objects (intangible property objects such as licenses, patent for inventions, trademark, service mark, copyrights, contract for use of trade name, software and other intellectual property objects) with a limited period of use and which are used for at least twelve months.

2. The taxpayer shall calculate the amortization deduction allowed by Article 198 of this Code for an intangible asset, taking into account that the amortization rate is:

- 10 percent for an intangible asset with a useful life of more than 10 years or for which it is impossible to determine the useful life;

- for any other intangible asset, a 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 intangible assets referred to in Article 196 of this Code.

CHAPTER 30. PECULIARITIES OF TAXATION OF INCOME OF CERTAIN SECTORS

§1. Taxation of credit organizations

Article 204. Income and expenses of credit organizations

1. The object of income taxation for credit organizations shall be the positive difference between their income and expenses, subject to the following requirements:

1) the income of credit organizations shall consist of the income provided for in this Article, taking into account the requirements established by Article 182 of this Code, including:

a) in the form of interest on placement of funds and issuance of loans, including the amount of fines and forfeits under the loan agreement;

b) in the form of fees for services on opening and maintenance of bank accounts, clearing, crediting, mutual settlements and money transfers, including the use of electronic means of payment, issuance or maintenance of means of payment, provision of statements and other documents on accounts and search of funds;

c) in the form of service fees for acquiring operations and from e-commerce participants;

d) from operations in foreign currency, including payment for services on purchase and sale of foreign currency, including at the expense and on behalf of clients;

e) from operations with precious metals and stones, foreign currency reserves, including operations on purchase and sale of foreign currency for itself or its customers;

f) from the positive difference of operations on revaluation of foreign currency, precious metals and stones, including precious metal bullions, securities;

g) from purchase and sale of money market instruments (including checks, promissory notes, obligations and certificates of deposit), shares and other transferable securities, for themselves or their clients;

h) 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 itself or its clients;

i) from issuing guarantees, accounting for contingent liabilities, including guarantees and credentials (letters of credit) for themselves and their clients, issuing sureties providing for the fulfillment of monetary obligations to third parties;

j) from safe deposit operations, storage and management of assets (money, securities, metals, jewelry, etc.);

k) from providing services on the basis of trust (management of money, securities, etc. in favor of the trust and on the basis of its instructions);

l) from cash operations: acceptance, recalculation, exchange, formation and storage of banknotes and coins;

m) from transportation (encashment), receipt and dispatch of banknotes, coins and valuables;

l) from contracts related to the purchase and sale of commemorative (collectible) coins as a difference in price between purchase and sale;

n) in the form of the amount of 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;

o) from factoring and forfeiting operations;

p) from financial rent (leasing);

q) from services as a financial agent, services as a consultant or financial advisor, financial and credit information services;

r) in the form of the recovered amount of the reserve (fund) to cover possible losses on assets, the cost of which was previously included in the expenses reducing the source of corporate income tax;

s) from remote services and via the Internet;

t) other income;

2) taxable income of credit organizations does not include the following income:

a) when purchasing bad or doubtful (inactive) loans from another credit organization - the principal amount of the loan or previously accrued interest that may be received in excess of the purchase price, if such inflated amount is not actually received;

b) accrued interest, fines and penalties on bad or doubtful (inactive) loans that have not been paid to the credit organization, except for cases related to related parties;

c) insurance payments under the insurance contract for death or disability of the debtor of the credit organization, as well as insurance payments under the insurance contract for property accepted as collateral for the loan, within the amount of the borrower's outstanding loan, accrued interest, penalties recognized by the court, shall be paid to the credit organization at the expense of insurance funds;

d) income received in the form of increase in net assets as a result of increase in the authorized capital of subsidiaries of a credit institution.

2. Expenses of credit organizations shall include 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 expenses provided for by this Article shall be determined subject to the following requirements:

1. For the purposes of this section, the following types of expenses related to banking activities shall be included in the expenses of credit organizations:

a) on accrued interest of attracted monetary funds (including deposits, savings and loans), on monetary funds in bank accounts, on securities and on deposited monetary funds kept in special accounts of clients;

b) commission fees for opening and maintenance of bank accounts, clearing, credits, settlements, cashing and money transfers, including electronic money transfers, issuance and (or) servicing of payment instruments, receipt of statements and other documents on accounts, and search for funds;

c) on foreign currency transactions, including commission fees on foreign currency purchase and sale transactions, including at the expense and on behalf of the client;

d) on operations of purchase and sale of precious metals and stones, currency valuables, including operations of purchase and sale of foreign currency for itself and for clients;

e) on the negative difference of operations on revaluation of foreign currency, precious metals and stones, including precious metal bullions, securities;

f) on purchase and sale of money market instruments (including checks, promissory notes, letters of guarantee and certificates of deposit), shares and other transferable securities for oneself or clients;

g) for forward contracts, swap agreements, futures, options and other derivatives related to currencies, stocks, bonds, precious metals and stones or relating to exchange rates and interest rates, for themselves or clients;

h) for obtaining guarantees, opening letters of credit for themselves and clients;

i) for safe deposit operations, storage and management of assets (cash, securities, metals, jewelry and other);

j) for cash operations: acceptance, exchange, storage and examination of banknotes and coins;

k) for transportation (encashment), acceptance and dispatch of banknotes, coins and valuables;

l) losses on operations of purchase and sale of commemorative coins (collector coins) in the form of difference between purchase and sale prices;

n) for operations on issuance and maintenance of traveler's checks, electronic and other means of payment, including payment bank cards;

o) fees and other charges for registration of pledge (including mortgage), amendments to registration registers and notarized contracts;

p) rent of buildings and structures, vehicles and other related expenses, as well as other expenses related to banking activities;

q) losses from sale, discounting and (or) writing off from the balance sheet of securities, loans, interbank loans, term placements and their derivatives;

r) on factoring and forfeiting operations;

s) on financial rent (leasing);

t) on financial agent, advisor or financial consultant services, financial information services and credit;

u) on payment of bonuses, cashback and other incentive mechanisms to customers when using electronic means of payment;

v) on calendar payments for deposit (savings) insurance to the Deposit and Savings Insurance Fund of Tajikistan (Law of the Republic of Tajikistan dated March 15, 2023, No.1956);

w) on deductions to the reserve (fund) for covering possible losses on assets according to the instruction of the National Bank of Tajikistan, except for assets issued to interrelated parties or in accordance with the obligations of interrelated parties to third parties and unsecured loans in the amount exceeding 2,500 settlement indicators;

x) on remote services and through internet networks;

y) other expenses.

§2. Taxation of Islamic banking

Article 205. General provisions

1. Taxation of Islamic banking shall be applied to the operations of credit and financial organizations that carry out operations in accordance with the principles, standards of Islamic finance, as well as agreements within the framework of the Law of the Republic of Tajikistan "On Islamic Banking Activity" (hereinafter - Islamic banking activity).

2. Credit and financial organizations, carrying out activities on Islamic banking, shall pay tax on income 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 according to the requirements of the financing agreement in accordance with the instruction of the National Bank of Tajikistan.

4. Credit and financial organizations, carrying out activities on Islamic banking, shall be obliged to keep accounting of income and expenses in accordance with the Law of the Republic of Tajikistan "On Accounting and Financial Reporting" and on the accrual method, as well as for certain operations (muzarab, musharak and wakala) on the cash method.

5. If a financial institution simultaneously with common banking operations also performs Islamic banking operations, it shall be obliged to keep separate accounting records on banking operations and Islamic banking operations.

Article 206. Income and expenses of credit and financial organizations engaged in Islamic banking activities

1. The object of taxation of profit tax of credit and financial organizations engaged in Islamic banking activities shall be a positive difference between their income and expenses, taking into account the requirements established by this Article.

1) Income of credit organizations engaged in Islamic banking activities shall consist of income provided for by subparagraphs b) - u) 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 with other banks, deposited placement, subordinated financing, interbank financing, Islamic repo transactions, overdraft, hasan credit financing, trade transactions (murobaha), tawarruq, rent, wakalah, muntahiya bittamlik rent, muzaraba, musharaka, musharaka mutanakis, salam, istisna unlimited or limited investment accounts, mortgages, letters of credit and other financing;
- other income.

2) The following income shall not be included in the income of financial institutions engaged in Islamic banking activities:

- Islamic financing income, unpaid fines and penalties for unpaid penalties on passive Islamic financing that have not been paid to the Islamic credit organization;
- fines and accrued penalties on Islamic financing;

- insurance payments under the contract of insurance in case of death or disability of the debtor of the financial institution, as well as insurance payments under the contract of insurance of property taken as collateral for Islamic financing;

- fines recognized by the court, paid to the financial institution at the expense of insurance funds;

- the value of property used by the financial institution as the subject of transactions concluded within the framework of Islamic banking activities;

- income received in the form of increase in net assets by increasing the authorized capital or the value of shares of subsidiaries of the financial institution.

2. Expenses of financial institutions engaged in Islamic banking activities consist of expenses stipulated by Articles 190, 192-193, paragraphs 1 and 2 of Article 194, Articles 196-203, 208, 214, 215, and expenses stipulated by this Article, and shall be determined taking into account the requirements of this Article. Expenses of credit and financial institutions engaged in Islamic banking activities shall consist of expenses stipulated in subparagraphs b) - u) of paragraph 1) of part 2 of Article 204 of this Code and the following expenses, including:

- expenses on demand deposits, savings, time, restricted and unrestricted investment accounts, other deposits and similar obligations;

- rent of buildings, structures, transportation and other related expenses, as well as other funds related to Islamic banking activities;

- the amount of fines payable on Islamic financing for charitable purposes;

- losses on the sale, discounting or write-off of securities, Islamic investments and derivatives;

- the services of a financial agent, advisor or financial consultant, the 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, except for assets of interrelated parties or assets transferred to third parties, on obligations of interrelated parties, and uncollateralized financing - more than 2,500 indicators for calculation;

- other expenses.

§3. Deductions for insurance organizations

Article 207. Deductions of deductions for insurance reserve funds for insurance organizations

1. A legal entity operating in the field of general insurance shall be allowed to deduct during the accounting period the balance of the risk reserve formed in accordance with the insurance contract in force at the end of the accounting period. The amount of deduction in connection with the formation of the reserve may not exceed the amount established by the Law of the Republic of Tajikistan “On Insurance Activity”.

2. A legal person carrying out general insurance activities shall be obliged to include in the income of the legal person for the accounting period the amount deducted in accordance with paragraph 1 of this Article for the previous accounting period.

3. A legal person engaged in life insurance business 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 the period, but the amount of the allowed deduction shall not exceed the amount determined for the creation of the initial reserve in accordance with the

insurance law;

- the amount of the annual increase in reserves for the life insurance policy shown in the organization's financial statements, but the amount of the deduction allowed shall not exceed the amount required for the annual increase in reserves under insurance legislation.

4. If, during the reporting period, a legal entity engaged in life insurance business cancels a life insurance policy, the amount of the deducted reserves in respect of the canceled policy shall be included in the income of the legal entity for the current period.

5. An entity engaged in the business of life insurance shall make the following claims payments for a reporting period:

- If the total claims payments made during the period are less than the total deducted reserves in respect of those payments, the excess is included in the entity's income for the current period;

- if the total claims payments made during the period are less than the total deducted reserves in respect of those payments, the entity is allowed a deduction for the year for the excess.

6. No deduction shall be allowed for the amount transferred to the reserve of a legal entity conducting general insurance or life insurance business, except as provided in this Article.

7. In this Article, the terms “general insurance” and “life insurance” mean the terms defined in the Law of the Republic of Tajikistan “On Insurance Activities”.

Article 208. Deduction of insurance premium (payment) expenses

1. Insurance premium (payment) paid by a legal entity under a general insurance contract to insure the risk associated with the legal entity's business activities shall be allowed for deduction. The deduction is allowed regardless of whether the insurance is compulsory or voluntary.

2. The insurance premium (benefit) paid by a legal entity under a life insurance contract is allowable as a deduction if:

- the insurance is a key person insurance and the insurance benefit under the contract is payable to the legal entity;

- the insurance relates to an employee of the 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. Deduction of costs for users of natural resources

Article 209. Deduction of exploration and production costs of natural resource user

1. The provisions of Article 203 of this Code shall be applied to exploration costs incurred by the user of natural resources during the reporting period, assuming that these costs are intangible costs with a 100% rate of amortization.

2. In accordance with Article 198 of this Code, the depreciation rate for machinery and equipment acquired by the user of natural resources exclusively and specifically for the purposes of geological exploration work and used for these purposes shall be 100 percent of the cost of the machinery and equipment.

3. Article 203 of this Code shall be applied to production costs incurred by the user of natural resources during the reporting period, on the basis that these costs are intangible costs with an amortization rate equal to the highest of the following values:

- a percentage calculated by dividing 100 by the expected number of years of production based on the natural resource use right to which the costs relate; or

- 10 percent of the costs.

4. If a user of natural resources incurs costs of extraction or acquisition of fixed assets for use in the activity under the extraction license prior to the commencement of the activity, the provisions of this Code shall be applied on a cost basis as of the commencement of the extraction activity.

5. The amount of depreciation deductions to which the provisions of paragraph 4 of this Article shall be applied for the accounting period in which the extraction activity began shall be calculated according to the following formula:

A x B/C,

where: A - volume of expenditures for extraction or cost of property, plant and equipment;

B is the number of days in the period beginning on the date extraction activities commenced and ending on the last day of the reporting period in which extraction activities commenced; and

C is the number of days in the reporting period in which the mining activity commenced.

Article 210. Basic provisions for calculation of exploration and production costs of natural resource users

For the purposes of this paragraph, the following basic concepts shall be used:

- commencement of extraction activity - the first day of the first period of 30 consecutive days;

- exploration costs - capital expenditures on prospecting, including costs incurred in acquiring the right of natural resource users, except for the costs of acquisition of fixed assets;

- extraction costs - capital expenditure incurred in extracting resources, including expenditure incurred in acquiring the rights of natural resource users, excluding expenditure on the acquisition of property, plant and equipment.

Article 211. Limitations on deductions to users of natural resources

1. Deductible expenses incurred by a natural resource user in the implementation of a contract for the utilization of natural resources shall be allowed depending on the gross income obtained under such contract during the accounting period.

2. If the sum of the total allowable deductions made during the reporting period exceeds the gross income received under a natural resource contract, such excess shall be carried forward for more than three years and deducted.

§5. Profit and loss on currency exchange

Article 212. Gains and losses on currency exchange

1. The gross income of the taxpayer from entrepreneurial activity for the reporting period shall include the foreign currency exchange gain received by the taxpayer for the reporting period.

2. The taxpayer's allowable deductions for the reporting period include foreign exchange loss incurred by the taxpayer during the reporting period.

3. Foreign exchange losses shall be calculated in accordance with paragraph 2 of this Article only if the taxpayer has substantiated the amount of the losses.

4. Foreign exchange gain or loss of a non-resident shall be accounted for only if they are related to entrepreneurial activity carried out through a permanent establishment of the non-resident.

5. For the purposes of this Article, a 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. Foreign currency transactions - one of the following transactions carried out for the purpose of gross income:

- foreign currency transactions;
- liabilities on lending and borrowing in foreign currency;
- any other transactions in foreign currency.

7. In determining a taxpayer's income or loss from exchange rate differences on foreign currency transactions, the provisions of a risk insurance or hedging agreement shall be taken into account.

CHAPTER 31. ASSET REGULATION RULES

Article 213. Gains and losses on sale or transfer of assets

1. The profit from the sale, transfer or other type of disposal of assets shall be the positive difference between the proceeds from the sale or transfer of assets, determined in accordance with Article 215 of this Code, and the value of the assets, determined in accordance with Article 214 of this Code.

2. Losses from the sale, transfer or other disposition of assets shall be the negative difference between the proceeds from the sale or transfer and the value of the assets determined in accordance with Article 214 of this Code.

3. The provisions of Parts 1 and 2 of this Article shall not apply to assets subject to group depreciation and to inventories.

4. In this Code, reference to “disposal” of assets includes:

- destruction of assets;
- the annulment, redemption, expiration or abandonment of an intangible asset.

Article 214. Value of assets

1. The cost of assets shall include expenses related to their acquisition, production, construction, assembly and installation, as well as other expenses increasing their cost, except for 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 depreciation provided for such assets.

3. If only part of the assets is sold, transferred or alienated, the value of the assets shall be calculated according to the following formula:

$$A \times B / (B + C),$$

where: A - the value of the asset;

B - the amount received from the sold, transferred or alienated part of the asset;

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 paragraph 3 of this Article:

- the remaining part of the asset shall be 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 the part of the assets sold, transferred or disposed of in accordance with paragraph 2 of this Article.

5. When two or more assets (original assets) are combined into one asset (combined asset), the following criteria apply:

1) the original assets are deemed to be disposed of at the time of the combination;

2) no gain or loss is recognized on the disposal of the original assets;

3) the person at the moment of combining the assets is recognized as the buyer of these 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 combination;

b) the costs incurred by the person in converting the original assets into the combined asset.

6. If the asset is damaged, the value of the asset shall be reduced by the amount received under the insurance contract, compensation or other agreement, or by court order. If the amount received exceeds the value of the asset, the excess amount shall be treated as income received at the time of receipt of the said amount, and the value of the asset shall be equal to zero.

Article 215. Rules for determining the amount received by the seller upon sale or transfer of assets

1. The price of an asset sold means the total amount received or receivable for the asset by a person, including the market value of any asset received in kind on the date of sale of the asset.

2. If an asset is destroyed, the amount received for the asset, including the amount of compensation, restoration, or reimbursement received or receivable by the person is determined to have resulted from the destruction of the asset.

3. If two or more assets are disposed of in a single transaction and the value of each asset is not separately determined, the total amount received shall be divided between the two or more assets on the basis of the market value on the date of disposal of such asset.

4. If the collateral transferred to the asset owner remains fully or partially in the possession of the asset owner and there is no intended sale or transfer of the asset, the amount of the collateral remaining with the asset owner is recognized as income.

5. If a person cannot provide a document confirming the amount received for an asset, the value of the asset shall be 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 the asset shall be determined as follows:

- for the transferor - the value of the transferred asset shall be calculated based on the market value of the assets at the time of alienation;

- for the transferee - the value of the received asset shall be 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 loss

1. In determining taxable income, income or loss shall not be recognized in cases of:

- transfer of assets between spouses, but only if the spouse acquiring the asset in the

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 will be taxed in accordance with this Code upon subsequent alienation of the asset;

- the transfer of an asset upon the death of the taxpayer to an heir, but only if the heir would be subject to tax under this Code with respect to the subsequent disposition of the asset;

- unintentional destruction of the asset or its disposal with reinvestment of the proceeds (e.g., insurance compensation received for the unintentional destruction of the asset) in a similar asset or in an asset with the same characteristic (replacement asset) before the end of the second year following the year in which the asset was destroyed or disposed of.

2. In applying the provisions of the fourth paragraph of paragraph 1 of this Article, if the acquisition cost of the replaced asset exceeds the amount received for the replaced asset, the value of the replaced asset shall be increased by the amount of the excess value of the replaced asset.

3. In applying the provisions of paragraph three of paragraph 1 of this Article, if the value of the replaced asset exceeds the value of the acquired asset replacing the replaced asset, the value of the replaced asset shall be reduced from the value of the replaced asset on the date of alienation by the amount of the excess, but not below zero. Any excess that is not used to reduce the cost of the replaced asset shall be included in the taxpayer's gross income for the tax period during which the replacement asset was acquired.

4. The value of an asset for a spouse or former spouse acquired as a result of a contract, whereby profit is not taken into account for taxation purposes in accordance with paragraphs one and two of paragraph 1 of this Article, shall be the value of the asset for the transferring spouse or former spouse as of the date of the transaction.

5. The value of the property acquired by the heir in accordance with paragraph three of part 1 of this Article shall be the value of the property of the deceased taxpayer as of the date of his death.

6. The provisions of this Article shall not apply to assets subject to depreciation by groups, except for paragraphs one, two and three of paragraph 1 of this Article, which shall apply when all assets of a group are transferred to a spouse, former spouse or heir at the same time.

Article 218. Turnover of assets 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 fixed assets shall be referred to as the “transferring company” and the company receiving these assets shall be referred to as the “receiving company”;

- all assets of the transferring company in the group shall be transferred to the receiving company if the transferred assets are fixed assets that are depreciated by the transferring company in accordance with Article 198 of this Code for the group;

- the amount of liabilities related to fixed assets of the transferring company may not exceed the net book value of the transferred fixed assets;

- the receiving company is subject to income tax in case of subsequent realization of the assets;

- the transferring company is a group company in relation to the receiving company;

- the transferring company and the receiving company agree in writing before the date of transfer of assets that this Article shall apply to the transfer of fixed assets.

2. In the following cases, the turnover of assets within a company shall not be subject to taxation:

- no income (gain) or loss arises in the case of the transferring company transferring the assets;

- 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 transfer.

3. When applying the provisions of paragraph two of paragraph 1 of this Article, the receiving company shall be deemed to acquire 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 shall be 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 paragraph 1 of this Article to "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 shall be deemed to be received from sources in the Republic of Tajikistan, if the income in monetary, tangible or intangible 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 of payment of income, including:

a) Income from employment specified in Article 186 of this Code, if one of the following conditions applies:

- the work is performed in the Republic of Tajikistan;

- the cost of the 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 activity carried out by a resident, except for income related to a permanent foreign establishment of the resident;

c) income from entrepreneurial activity carried out by a non-resident, which can be attributed to a permanent establishment located in the territory of the Republic of Tajikistan, including:

- income from the sale of goods of the same or similar type as the goods supplied (sold) through such permanent establishment in the Republic of Tajikistan;

- income received from any other entrepreneurial activity carried out in the Republic of Tajikistan, which is of the same or similar nature as the activity carried out through such 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 an interest in such legal entity;

e) income in the form of pensions, interest, winnings, prizes, royalties, technical fees and other paid income;

- a resident, except when the payment is the expenses of the resident's foreign permanent establishment;

- a non-resident, if the payment is the expenses of a non-resident's permanent establishment 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 the interest in such immovable property;

g) income from the sale or transfer to another person of shares or participatory 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 participatory interests directly or indirectly, determined mainly from the value of immovable property located in the Republic of Tajikistan;

h) other income from the sale or transfer to another person of property by a resident, not related to the implementation of entrepreneurial activity, except for;

- immovable property located outside the Republic of Tajikistan;

- shares or other participatory interests in a non-resident legal entity.

i) income paid in the form of premiums on insurance or reinsurance of risks in the Republic of Tajikistan;

j) income from telecommunication or transportation services in the course of international communication or transportation between the Republic of Tajikistan and other states;

k) management fees and (or) other payments received by members of the supreme management body (board of directors, management board or other similar body) of a resident legal entity, regardless of the place of actual fulfillment of the duties assigned to such persons;

l) income (fees) paid to theater and cinema 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 cinema actors, radio and television workers, musicians, artists and athletes or to legal entities controlled by them;

m) income, which 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.

Article 220. Credit of foreign tax

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. Amounts of income tax paid by a resident outside the Republic of Tajikistan from foreign income for a tax period, shall be credited upon presentation of confirmation of payment of such taxes, in the Republic of Tajikistan in the order established by this Code.

3. The amount subject to credit, provided for in part 2 of this article, may not 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. The tax accrued on income or net profit received by a resident outside the Republic of Tajikistan shall be calculated using the average rate of tax on income in the Republic of Tajikistan for residents. For this purpose:

- average income tax rate calculated for residents in the Republic of Tajikistan means the rate of tax on income of a resident of the Republic of Tajikistan paid by residents as a percentage of taxable income for a tax period in accordance with this Code;

- income or net taxable income received outside the Republic of Tajikistan for the tax period shall be recognized as gross income of a resident with the deduction allowed in accordance with this Code;

- in case of withholding tax at the source of payment outside the country, the resident shall submit a confirming document.

5. The foreign tax credit allowed to the resident for the tax period is calculated separately for the profit received by the resident abroad, which represents income received from entrepreneurial activity, and other foreign income of the resident for the current period.

6. A resident's foreign income may be credited under this Article only in the following cases if:

- the resident has paid the foreign tax within two years after the end of the tax period in which the foreign income was received by the resident, or within such additional time as is allowed by the tax authority;

- the resident has submitted a document on payment of the foreign tax and any additional documents from the foreign tax authority to the tax authority at the place of registration confirming payment of the foreign tax.

7. If the tax paid by a resident abroad exceeds the tax paid domestically, such excess shall not be credited, refunded or carried forward in accordance with the provisions of paragraph 2 of this Article.

Article 221. Carry forward of losses from foreign income to another period

1. Deductions of expenses from the amount of foreign income received by a resident shall be allowed in accordance with this Code, but with the restriction that such expenses may be deducted only from foreign income. If deductible expenses incurred by a resident in a tax period in receiving foreign income exceed the amount of that income for that period, such excess shall be treated as a foreign loss for that period.

2. A resident may carry forward a foreign loss for a tax period to the next tax period as a deduction from the resident's foreign income to be assessed in the next tax period. Such a deduction is allowed until the loss is fully deducted or the allowed loss carryback period ends. The loss carryback 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 tax period, the foreign loss incurred in the earliest tax period shall be deductible first.

3. This Article shall apply separately to the resident's foreign income for the period in which the business income is calculated and any other taxable foreign income of the 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, shall be taxed on the net profit of this permanent establishment for the tax period at the 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 jurisdiction with low tax rates is more than 25 percent during a tax year, the income of such resident for that year shall include an amount calculated according to the following formula:

A x B,

where: A - the percentage of the resident's share in the foreign legal entity; and

B - taxable profit of the foreign legal entity for the year, reduced by any foreign tax or tax in the Republic of Tajikistan paid by the foreign legal entity on the taxable profit.

2. A person's percentage interest in a foreign legal entity is the greater of the resident's

percentage interest in the following assets:

- the right to vote in the foreign legal entity;
- the right to receive dividends and the right to other income paid by the foreign legal entity;
- the right to a capital share in the foreign legal entity.

3. In calculating the percentage interest of a legal entity in a foreign legal entity, any direct or indirect interest of the legal entity in a related person shall be taken into account.

4. A country with low tax rates shall be recognized as a country in which 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 the resident in accordance with this Code;
- the country does not tax foreign income of residents, or foreign income of residents is taxed only if the income is transferred to the country;
- the current legislation of the country provides for protection of confidentiality of financial or company information, which allows to ensure confidentiality of information about the ultimate owner of property or 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 entity is established and incorporated in a low-tax country; or
- the legal entity is controlled and managed from a country with low tax rates.

6. Dividends paid in a country with low rates of taxation to a resident shall be exempt from tax to the extent that tax on income (accrued) has been paid by the resident in accordance with this Article. For this purpose, dividends shall be deemed to be paid on accrued income.

Article 224. Thin capitalization

1. Subject to the requirements of Paragraph 2 of this Article, if for a reporting period the ratio of the average loan of a resident person controlled by a non-resident to the average authorized capital exceeds two times, the permitted deduction of interest to such a person for that period shall be limited.

2. With respect to a resident person controlled by a non-resident, if more than 25 percent of its share in the average authorized capital is owned directly or indirectly by non-residents, or legal entities exempt from corporate income tax, for each loan used during the reporting period, the interest paid shall be deducted in accordance with paragraph 1 of this Article, but the maximum amount of interest that may be deducted in accordance with paragraph 1 of this Article shall be limited to the amount of interest exceeding the maximum.

3. For the purposes of this Article, the maximum interest rate shall be determined by dividing the amount of interest on loans by the average authorized capital ratio. The average authorized capital ratio shall be determined by dividing the average amount of outstanding loan at the end of the reporting period by the average value of the foreign founder's share 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 shall apply to a non-resident with a permanent establishment in the Republic of Tajikistan on the following grounds:

- the permanent establishment is considered a resident legal entity under foreign control;
- the ratio of the average credit of the non-resident permanent establishment to the average equity capital is calculated on the basis of the credit liabilities 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 terms shall be used:

- the average credit of a resident legal entity under foreign control in a tax period is an amount calculated by dividing by 3 the amount obtained by adding the credit of this legal entity at the end of the first, middle and last days of the tax period;

- 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 is a credit obligation of a legal entity determined in accordance with international financial reporting standards and does not include accounts payable;

- equity capital of a resident legal entity under foreign control is the equity capital of the legal entity as defined by 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 interests are owned by a non-resident, alone or together with related parties.

CHAPTER 33. TRANSFER PRICING

Article 225. Transfer pricing agreement

1. A transfer pricing contract shall be a contract involving a transaction or a series of transactions with fulfillment of all the following conditions:

- if the purpose of the transaction is the supply or acquisition of property, services, treatment of intangible or tangible assets, allocation of credits;

- if the transaction is carried out between interrelated persons;

- if the transaction is cross-border.

2. A transaction is cross-border if it is carried out

- 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 entrepreneurial activity carried out through a permanent establishment outside Tajikistan by one or both residents;

- between two non-resident persons, except when the transaction is related to activities carried out through permanent establishments in Tajikistan by both non-residents.

Article 226. Principle of conclusion of contracts on market conditions

1. The principle of contracting on market conditions shall be applied if income, expenses, profit or loss formed on the basis of transfer pricing agreement of interrelated persons differs from 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 shall be determined by comparing cases.

3. Circumstances shall be considered comparable to the actual circumstances specified in the transfer pricing agreement if they are consistent with market conditions and or if there are differences, one of the following conditions shall apply:

- differences are immaterial, transfer pricing does not apply;

- differences are material, transfer pricing is applied.

4. The following requirements shall be taken into account in determining whether contracts are consistent with market conditions:

- the obligations and risks assumed by the parties under the transfer pricing agreement to carry out the transactions;

- characteristics of property, services, intangible or tangible assets supplied or acquired under the transfer pricing agreement;

- the contractual terms within the transfer pricing agreement;

- the conditions of the market in which the transaction occurred and any other economic factors relevant to the transfer pricing mechanism;

- the 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 case of inconsistency of this Code with such transfer pricing standards, this Code shall prevail.

Article 227. Methods of transfer pricing

1- Transfer pricing shall consist of the methods of:

- comparable market price;

- resale price;

- costs plus;

- comparable profitability of the operation;

- profit sharing by operation.

2. Transfer pricing methods established by Part 1 of this Article shall be applied by purpose separately or combined in accordance with the legislation of the Republic of Tajikistan.

3. A taxpayer may apply a transfer pricing method not specified in Part 1 of this Article if it can justify both of the following elements:

- none of the methods specified in Part 1 of this Article can be properly applied to determine whether the revenues, expenses, profits and losses arising under a transfer pricing agreement are consistent with the principle of market conditions;

- the method used by that taxpayer leads to a result that is comparable to the results achieved between independent persons acting under the principle of market conditions.

Article 228. Transfer pricing adjustments

1. A taxpayer who has entered into a contract subject to the requirements of a transfer pricing agreement shall, by means of the transfer pricing method or a combination thereof, determine the income, expenses, gains and losses incurred under the contract on the principle of market conditions:

- the respective strengths and weaknesses of each transfer pricing method under 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 transactions performed, the assets used and the risks assumed by each party to the agreement;

- the availability of reliable information required to apply 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 necessary to eliminate differences.

2. The comparable market price method is the most accurate and reliable method of applying the market conditions principle to resources sold by natural resource users.

3. If a person does not determine the income, expenses, gains and losses arising under a transfer pricing agreement in accordance with the principle of market conditions, the tax

authority may make the necessary adjustments to ensure that the income, expenses, gains and losses arising under the transfer pricing agreement are in accordance with the principle of market conditions.

4. If, taking into account the methods referred to in paragraph 1 of this Article, a person uses an accurate and reliable transfer pricing method, the tax authority shall determine the consistency of income, expenses, profits and losses generated under a transfer pricing agreement 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, shall be obliged to draw up documents (contract, transportation bill, cargo customs declaration, copies of accompanying documents) certifying compliance of the operations performed by the taxpayer under the transfer pricing agreement with the principle of market conditions. The documentation must specify the basis for the use of the transfer pricing method or methods.

2. The taxpayer shall be obliged to prepare and submit to the tax authorities the documents for the tax year, provided for in part 1 of this article, before filing the annual income tax return.

3. Taxpayers who have not fulfilled the documentation requirements specified in parts 1 and 2 shall be 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 the taxpayer who has signed a transfer pricing agreement.

5. The authorized state body in coordination with the authorized state body in the sphere of finance may establish requirements for simplified transfer pricing documentation for the following taxpayers and separate transactions:

- distributors;
- taxpayers with a low volume of cross-border transactions;
- medium-sized businesses;
- intra-group company services;
- provision of loans;
- technical services.

6. Simplified requirements for transfer pricing documentation in accordance with paragraph 5 of this Article shall not apply to royalties, license payments, research and development contracts and other intangible assets.

Article 230. Notion of interrelated parties

1. For the purposes of this Code, two parties shall be deemed 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 is the direct or indirect owner of 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 of the 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;
- the loan provided or secured by one party to the other party is more than 50 percent of

the book value of all assets of the other party;

- a party directly or indirectly derives at least 25 percent of its income from the performance of the cooperative agreement between the two parties;

- one of the parties is a permanent establishment of the other party.

2. For the purposes of the first and second paragraphs of paragraph 1 of this Article, an individual shall be deemed to own a share in the regulatory capital or voting rights if the share is held directly or indirectly by a member of the same family, including spouse, direct relatives, siblings, children of siblings, spouses of siblings, brothers and sisters of spouses, brothers and sisters of spouses, parents of wife or husband, brothers and sisters of parents of wife or husband, guardians and parents of adoptees.

3. For the purposes of this Code, all commercial and financial transactions carried out by a resident of a country with a low tax rate determined under the provisions of Article 223(4) of this Code shall be treated as transactions with related parties. In such case, if the taxpayers provide the tax authorities with information on the identity of the shareholders of the other party and prove that they are not related, the said provisions shall not be applied to them.

Article 231. Country-by-Country Report

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 the tax authorities to assess transfer pricing risks.

2. The provisions of Articles 233-235 of this Code provide for a country-by-country report for certain resident organizations.

3. The tax authority shall receive country-by-country reports filed with the tax authorities of foreign countries in accordance with the terms of exchange of information set forth 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 meeting 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 with a permanent establishment in a foreign country;

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 (stakes) of any member of the group are sold on the stock exchange;

c) the total annual turnover of the group in the previous financial year amounted to 4.7 billion TJS;

2. A group member with global influence is a legal entity that meets all of the following criteria:

a) A legal entity that meets one of the following conditions:

- the legal entity is included in the consolidated financial statements of the group with global influence or will be included in these consolidated financial statements if the company's shares (stakes) were sold on the stock exchange;

- the legal entity is excluded from the consolidated financial statements of the group with global influence only because of its size or lack of significant influence on the group's operations;

b) a permanent establishment of a legal entity referred to in subparagraph a) of this Part, if such legal entity prepares separate financial statements of the 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 automatic exchange of country-by-country reports.

4. 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 cases where the parent company is not required to report in its country of residence.

5. An ultimate parent company is a globally influential group member if the following conditions are fully met:

a) a member that directly or indirectly has a sufficient interest in one or more other group members and must prepare the consolidated financial statements of a globally influential group in its country of residence, or must do so if the legal entity's shares are traded on a stock exchange in its country of residence;

b) there is no other group member that could have directly or indirectly an interest in another group member referred to in subparagraph a) of this Article.

Article 233. Obligation to provide country-by-country reports

1. A resident legal entity shall be obliged to submit to the tax authority a country-by-country report for the reporting period if:

1) the resident legal entity is the parent company of a group with global influence for that period;

2) the resident legal entity is an authorized (surrogate) parent company of a group with global influence for this period;

3) the member of the group with global influence and the parent company of the group 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) to 3) of this Part applies and to which one of the following 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 a relevant 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 entity shall be 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 shall submit a notification to the tax authority in accordance with paragraph 2 of this Article by the end of the fiscal year to which the notification relates.

4. Before the end of the period, the tax authority shall notify the resident legal entity that it is subject to the provisions of paragraph 1(4) of this Article for the reporting period.

5. If the provisions of paragraph 3) or 4) of Part 1 of this Article apply to more than one resident legal entity of a globally influential group during the reporting year, the group may

notify the tax authority of the resident legal entity designated as the responsible entity for the submission of country-by-country reports for that year in accordance with the requirements of Part 1 of this Article. The notification for the reporting period shall 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 submit 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 paragraph 1 of this Article to submit the information by the deadline specified in the written requests of the tax authority.

6. For the purposes of paragraph 2, second paragraph 4) of Part 1 of this Article, a foreign state shall be deemed to be in regular non-compliance with the provisions of the relevant competent authorities agreement if the foreign state allows one of the following actions:

- the exchange of information provided for in the agreement on competent authorities with the Republic of Tajikistan is suspended, except for the suspension of the exchange of information in accordance with the treaty;

- despite the best efforts of the Republic of Tajikistan, there has been no exchange of information with the countries of location of the group with global influence and members in the Republic of Tajikistan.

Article 234. Country reporting

1. The country report for the reporting period to be filed with 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 shall contain the following information:

1) aggregate information on income, pre-tax profit and loss, accrued income tax, reported capital, profits generated, number of employees and tangible assets (excluding cash or cash equivalents) for each country in which the group operates;

2) identification of each member of the group with the following information:

- country of tax residency for each member;

- the country in which the legal entity is incorporated, registered, regulated under the rules of that country, if there are differences from the country of tax residence in accordance with the first paragraph of this Part;

- the nature of the main business or the business of its participants.

2. The country-by-country report shall be provided in a format identical to the special format used, as defined in international transfer pricing standards, and shall include any other requirements of the tax authority.

3. A country-by-country report for the reporting period must be submitted by the resident legal entity to the tax authority within 12 months after the end of the reporting period. If the financial statements of a globally influential group are prepared for a period other than the reporting period, the group may file a report indicating the group's fiscal year.

4. A resident legal entity that fails to submit 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 the agreement on competent authorities, only for the following purposes:

1) assessment of transfer pricing risks, high level risks and other risks of concealment and change of source of taxation and redistribution of profits in the Republic of Tajikistan;

2) assessment of risks of non-compliance of a group with global influence with transfer pricing rules in accordance with this Code;

3) economic and statistical analysis.

CHAPTER 34. WITHHOLDING OF TAX AT SOURCE

Article 236. Procedure for withholding tax at source of payment

1. The following persons (tax agents) shall be obliged to withhold tax at the source of payment, except for payments, the recipient of which is exempt from taxation:

1) resident legal entities, including their separate subdivisions, individual entrepreneurs and permanent establishments of non-residents, which 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, which make payments for services (works) rendered in the Republic of Tajikistan to individuals not registered as individual entrepreneurs, on the basis of civil law contracts or without concluding such contracts, except for civil law contracts, the subject of which is the transfer of ownership or other proprietary 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, except for 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 shares (participatory interest) of which belonging to non-residents of the Republic of Tajikistan is realized (alienated), as well as authorized agents of non-residents who realized (alienated) or transferred property (shares, participatory interest) of such non-residents in the Republic of Tajikistan, if confirming documents on tax payment by non-residents themselves are not submitted after realization (alienation) or transfer within 5 working days after the end of the month in which payments (funds) were made;

7) credit and financial organizations, carrying out Islamic banking activities, when paying remuneration on funds on savings, deposit, 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, issuing prizes (winnings, gifts) according to the results of contests, competitions and other events;

2. A tax agent paying income specified in paragraph 1 of this Article shall be responsible for withholding and payment of tax to the budget. If the tax amounts are not paid to the budget in due time, the tax agent paying income shall be obliged to pay the amount of tax not withheld and not transferred to the budget, as well as relevant penalties and interest at his own expense. A tax agent paying tax at source at its own expense after non-payment of tax has the right to collect tax from the recipient of income.

3. Payment of income means transfer of money in cash or non-cash form, securities, goods and other property, provision of benefits, performance of work, rendering of services.

3. Payment of income means transfer of money in cash or non-cash form, securities, goods and other property, provision of benefits, performance of work, rendering of services.

4. A tax agent must withhold tax from the payment of income until the following cases when the income:

1) is utilized on behalf of the payer either at the direction of the payer or in accordance with any law;

2) is reinvested, accumulated, or capitalized for the benefit of the recipient;

3) credited to an account in favor of the recipient;

4. Actually paid for or otherwise made available to the recipient.

5. Persons withholding tax at the source of payment and persons receiving funds for the payment of wages in credit and financial organizations are obliged 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) in case of payment of income in the form of wages, issue certificates to individuals receiving income, indicating their surname, name and patronymic, taxpayer identification number, amount and type of income, as well as the amount of withheld tax (if tax is withheld);

3) to send (submit) to individuals and legal entities receiving (received) income according to paragraph 1 of this Article, upon their request, within 10 working days, certificates specifying the taxpayer identification number, name (surname, first name and patronymic) of the person, total amount of income and total amount of tax withheld in the reporting year.

6. Credit and financial organizations are prohibited to issue cash for payment of income in the form of wages without prior transfer to the budget by taxpayers (tax agents) of the amounts of income and social tax corresponding to the above amount of cash.

7. Withholding of income tax and payment of social tax from budget-financed incomes of citizens of the Republic of Tajikistan, who carry out activities in international organizations, diplomatic, consular and other equivalent institutions as representatives of the Republic of Tajikistan abroad, is made in a centralized order, 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 credit and financial organizations engaged in Islamic banking activities at the expense of investment funds in accordance with the agreements “Sharika” and “Mushoraka” shall not be subject to withholding tax, but shall be taxed from the share of income of each participant.

Article 237. Withholding tax on dividends at source of payment

1. Dividends paid by resident enterprises, with the exception of dividends or the state share of enterprises paid in accordance with other regulatory legal acts as other mandatory payments (non-tax payments) from net profits to the state budget, are subject to withholding tax at the rate of 12 percent, unless otherwise provided by this article. The amount of dividends is determined by accounting data. (Law of the Republic of Tajikistan dated April 15, 2025, No. 2159)

2. Dividends that are actually taxed in accordance with paragraph 1 of this Article, as well as corporate income that is actually taxed in accordance with other regulatory legal acts as other mandatory payments (non-tax payments), are not included in the gross income of its recipient and are not subject to further taxation. (Law of the Republic of Tajikistan dated April 15, 2025,

No. 2159)

Article 238. Withholding of tax on interest at the source of payment

1. Interest paid by or on behalf of a resident or a permanent establishment of a non-resident shall be subject to withholding tax at the rate of 12 percent of the amount due, if the income is received from a source in the Republic of Tajikistan, except for cases provided for in Parts 2 and 5 of this Article.

2. Interest paid to resident credit and financial organizations, financial bodies, the National Bank of Tajikistan, resident financial leasing companies, including under financial rent (leasing) agreements, shall not be subject to withholding tax.

3. Interest actually taxable in accordance with paragraph 1 of this Article shall not be included in the gross income of its recipient - a natural person and shall not be subject to further taxation after its payment to this person.

4. A resident legal entity, whose income is subject to taxation, in case of receipt of interest taxable in accordance with paragraph 1 of this Article, shall include in its gross income the full amount of interest income without deduction of withholding tax and, in the presence of documents confirming withholding of tax at the source of payment, shall be entitled to deduct this withholding tax from the income tax paid.

5. Interest paid by resident enterprises, except for credit financial organizations, to controlled foreign companies is subject to withholding tax at the rate of 18 percent.

Article 239. Withholding of tax on income of non-residents at the source of payment

1. Income of a non-resident at source in the Republic of Tajikistan, not related to the permanent establishment of this non-resident in the Republic of Tajikistan, shall be subject to withholding tax as gross income, without deductions (except for deduction of value added tax in case of taxation in accordance with Article 260 of this Code), at the rates specified in Part 8 of this Article.

2. In accordance with the procedure defined in Part 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, taxation of which has not been timely realized and for which supporting documents on payment of tax have not been submitted, shall be subject to withholding tax. A permanent establishment receiving income to which this part applies shall include the full amount of income in its gross income without taking into account withholding tax and shall be entitled to a credit for this tax withheld at source, provided that documents confirming the withholding of tax at source are available.

3. Provisions of Part 1 of this Article shall be applied taking into account the requirements of international agreements recognized by Tajikistan, regulating tax relations.

4. Payment of income means transfer of money in cash and (or) non-cash forms, securities, goods, other property, provision of benefits, performance of works, rendering of services. Payment also includes the transfer of funds to a bank account in favor of a non-resident.

5. Payments in favor of non-residents in accordance with paragraph 1 of this Article, related to the delivery of goods under foreign trade operations (related to the importation of goods) to the territory of the Republic of Tajikistan, shall not be subject to withholding taxation.

6. Taxation of income of a non-resident, received in the Republic of Tajikistan, regardless of disposition 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, shall be taxed at the source of payment.

7. Tax on income of a non-resident from the source in the Republic of Tajikistan is withheld regardless of the form and place of payment of income.

8. Taking into account the provisions of this Article, income of a non-resident from a source in the Republic of Tajikistan, not related to permanent establishment of this non-resident in the Republic of Tajikistan, shall be subject to withholding tax as gross income without deductions (except for deduction of value added tax in case of taxation in accordance with Article 260 of this Code) at the following rates:

1) dividends - according to Article 237 of this Code;

2) interest - in accordance with Article 238 of this Code;

3) remuneration on the amount on savings, deposit accounts, investment and investment accounts in accordance with paragraph 7) of part 1 of Article 236 of this Code;

4) insurance premium (insurance contribution) paid by a resident or a permanent establishment of a non-resident in accordance with insurance and risk reinsurance contracts - at the rate of 6 percent of the total amount of insurance premiums (insurance contributions);

5) payments made by a resident or permanent establishment of a non-resident for telecommunication or transportation services in the course of international communication 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 by 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 Part 2 of Article 183 of this Code;

7) other income, not provided for by paragraphs 1)-6) of this part - at the rate of 15 percent of the gross amount of income.

9. Organizations paying 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 non-fulfillment of this requirement, the tax shall be 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, shall be a calendar month, unless otherwise established by this Code.

2. The tax period for tax on income of individuals not subject to withholding tax in the Republic of Tajikistan is a calendar year, unless otherwise established by this Chapter. 3.

3. The tax period for income tax for legal entities is a calendar year. In this case, the submission of calculations of current payments on income tax and their payment shall be made within the terms established by Articles 242-243 of this Code.

Article 241. Filing a tax return

1. The unified declaration on income tax and social tax on income in the form of wages of natural persons, taxes on which are levied at source, including by separate subdivisions of legal entities, shall be submitted before the 15th day of the month following the reporting month.

2. Unified 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 equivalent representative offices of international organizations in the Republic of Tajikistan, shall be submitted before the 15th day of the month following the reporting quarter. Information on the above-mentioned 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. Unified calculation on income tax and social tax from the income of citizens of the Republic of Tajikistan, serving in diplomatic and equivalent organizations of the Republic of Tajikistan abroad, shall be submitted quarterly before the 15th day of the month following the reporting quarter by the authorized state body in the field of finance and taxes on them shall be levied within the same period.

4. The following taxpayers are obliged to submit tax returns for personal income tax on income not taxed at source and (or) corporate income tax returns by April 1 of the year following the reporting year:

- resident legal entities and permanent establishments of non-residents who are income tax payers;
- resident individuals with income not subject to withholding tax in the Republic of Tajikistan, except for 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, more than 2000 indicators for settlements, as well as receiving income outside the Republic of Tajikistan;
- individuals who are obliged to submit income tax returns in accordance with the laws of the Republic of Tajikistan. The procedure, terms of submission, as well as the form of declarations submitted by these persons is determined by the Government of the Republic of Tajikistan;
- individuals entitled to personal deduction from income in accordance with Part 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 is subject to taxation, but not subject to withholding tax.
- intermediaries, except for professional intermediaries, receive income from persons who are not tax agents;

5. Upon liquidation of a legal entity, the liquidation commission or the taxpayer shall immediately send a written notice thereof to the tax authority. The liquidation commission shall be 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 with a request for recalculation of tax and refund of overpaid funds.

7. Calculation on payment of current payments on income tax of legal entities, including information on persons from whom tax is withheld at the source of payment, in the form established by the authorized state body, shall be submitted monthly (quarterly), taking into account the requirements of paragraphs 1 and 2 of Article 242 of this Code until the 15th day of the month following the reporting month (quarter).

8. Declaration on income tax of legal entities and annual accounting reports, including the balance sheet, shall be submitted before April 1 of the year following the reporting year.

Article 242. Current tax payments

1. Legal entities - payers of the tax on income of legal entities, taking into account paragraphs 2-4 of this Article, shall be obliged to make monthly current payments to the budget not 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 may not be less than each of the following amounts:

- One-twelfth of the amount of income tax for the preceding calendar year;
- 1 percent of the gross income of the reporting month.

2. If the taxpayer's total income for the first quarter of the current year is less than 50 percent of the total income for the same quarter of the previous year, the taxpayer may, when filing quarterly returns with the tax authorities, calculate and pay the current monthly payments on the previous quarter's returns, divided by 3, but not less than 1 percent of the gross income for the reporting month.

3. Current income tax payments under this Article shall be offset against the tax payable for the calendar year. The excess of current income tax payments over the tax liability for this tax for a calendar year shall be set off against other tax liabilities for other taxes or reimbursed to the taxpayer.

4. Current payments of income tax on legal entities shall be mandatory payments, for the delay of which interest shall be accrued.

Article 243. Payment of taxes and administrative provisions

1. Individuals who are payers of income tax shall pay the tax at their place of registration not later than the 15th day following the calendar month in which the income was received.

2. Citizens of the Republic of Tajikistan, receiving income from work in diplomatic, consular organizations of foreign states and equivalent representations of international organizations in the Republic of Tajikistan, are obliged, from their income, to pay income tax independently in the terms established for submission of the declaration.

3. Distribution of amounts of current tax payments from income of legal entities, as well as amounts of tax to be credited to the revenue part of budgets by the results of the calendar year, is made by the enterprise between budgets at the location of the head subdivision of the enterprise, as well as at the location of each of its separate subdivisions, taking into account the share of expenditures on wages, attributable to the head subdivision of the enterprise and each of its separate subdivisions in the total expenditures on wages, for the enterprise (head subdivision of the enterprise and each of its separate subdivisions). The shares of wage expenses specified in this part are determined taking into account the actual indicators of wage expenses of the head unit of the enterprise and its separate subdivisions in accordance with the accounting data of the enterprise as of the end of the reporting period.

4. Accrual of amounts of current tax payments on income tax of legal entities, as well as amounts of tax to be paid to the revenue part of budgets at the end of the calendar year at the location of the head office of the enterprise and each of its separate subdivisions are carried out by the enterprise independently. Information on the amounts of current tax payments, as well as the amounts accrued at the end of the tax year, the enterprise shall inform its separate subdivisions, as well as the tax authorities at its location and at the location of separate subdivisions no later than the deadline established for making current payments in accordance with Article 242 of this Code and for submission of the declaration on income tax on legal entities in accordance with Article 241 of this Code.

5. The enterprise shall pay the amounts of current payments and the amounts of tax

accrued at the end of the calendar year to the budgets at the location of the head division of the enterprise and its separate subdivisions through the head division of the enterprise or through each separate subdivision not later than the terms established by this Article and Article 242 of this Code.

6. Legal entities, which are payers of tax on income of legal entities, shall make the final settlement and pay the tax at the place of their accounting not later than April 10 of the year following the reporting calendar year.

7. Control of income tax payment 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, shall be 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. Concept of value added tax

Value added tax is an indirect tax and shall be paid at all stages of turnover of goods (performance of works, rendering of services) in accordance with the provisions of this Code.

Article 245. Taxpayers

1. The following persons shall be 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 activity complies with the provisions of paragraph two of part 2 of Article 375 of this Code;
- a foreign entity performing remote services in accordance with Chapter 43 of this Code;
- a foreign legal entity delivering goods, performing works 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 works;
- a person being a legal successor of a value added tax payer;
- 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 voluntarily applying to pay value added tax.

2. To determine the income of persons specified in paragraphs one and eighth of Part 1 of this Article, the total income of interrelated persons shall be taken into account.

3. Voluntary registration of a person as a payer of value added tax shall be carried out by tax authorities only if the following requirements are met:

- if the place of permanent entrepreneurial activity of a person is determined;
- if the person is engaged in entrepreneurial activity and keeps accounting records in accordance with the accounting legislation;
- if the person is not associated with companies that do not have activities of economic importance.

4. In case of occurrence of requirements of paragraphs one, two, three, five, six and eight of paragraph 1 of this Article, registration of a taxpayer as a value added tax payer on the basis of the taxpayer's application shall be done automatically by the tax authorities and a certificate in electronic form shall be sent to the taxpayer.

5. Tax authorities shall have the right, upon identification of sufficient grounds to

recognize the activities of several entities belonging to one person as one economic entity and for the purpose of registration as a payer of value added tax to transfer materials in respect of this person to the commission on tax evasion from the first day of the reporting period following the month in which such case was identified.

6. A person shall be recognized as a value added tax payer 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 gross income of the taxpayer exceeds the registration threshold;

- in accordance with the second paragraph of part 1 of this Article - from the date of state registration;

- in accordance with the third and fourth paragraphs of Part 1 of this Article - from the date of commencement of activity on the territory of the Republic of Tajikistan;

- in accordance with the fifth paragraph of part 1 of this Article - from the date of acquisition of the right of succession;

- in accordance with the sixth paragraph of part 1 of this Article - from the date of payment of income to a non-resident;

- in accordance with the eighth paragraph of part 1 of this Article - from the date specified in the certificate of registration.

7. The following persons shall not be considered as payers of value added tax, except for the cases specified in paragraph seven of part 1 of this Article:

1) local and central bodies of state power - within the scope of fulfillment of their powers;

2) persons functioning in special regimes.

8. Taxpayers specified in paragraph 1 of this Article shall have the right to cancel registration as a value added tax payer, provided that the following conditions are met:

- the total income of the taxpayer, taking into account the provisions of paragraph 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 moment of transition to the general system of taxation.

9. In case of registration and de-registration as a payer of value added tax, the taxpayer shall be obliged to conduct activities respectively in the general system of taxation or in the special system of taxation.

10. The procedure for registration and deregistration as a value-added tax payer, maintaining the Register, issuing a certificate and terminating its validity shall be 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 the value added tax shall be:

- supply of goods (performance of works and rendering of services) on the territory of the Republic of Tajikistan;

- performance of works and rendering 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 operations, in accordance with Article 258 of this Code, do not include

rendering of services or performance of works outside the Republic of Tajikistan.

3. If a taxpayer acquires goods (works, services) subject to value added tax and receives the relevant amount as a credit, the subsequent use of such goods (works, services) for non-business activities shall be considered a taxable operation.

4. The supply of goods (performance of work or rendering of services) by a taxpayer to its employees and any other persons who are not payers of value added tax, including on a gratuitous basis, shall be deemed to be a taxable transaction, except where the calculation of value added tax is not permitted at the time of the purchase of goods (performance of work or rendering of services). In this case, the value of a taxable transaction is the difference between the purchase price of goods, performance of work or services and their market value.

5. Notwithstanding other provisions of this Article, the supply of goods by a value-added tax payer, except for the user of a reduced rate, shall not be considered a taxable transaction if the goods were purchased as a result of a taxable value-added transaction, but no credit of value-added tax shall be allowed in accordance with Article 266 of this Code. If the offset was not allowed partially when the goods were acquired, the amount of the taxable transaction shall be reduced in proportion to the share of the offset not allowed.

6. If packaging (tare) is subject to return in accordance with the terms and conditions and period established by the contract, they are not considered an object of taxation, unless they are not returned within the period established by the contract.

7. If the taxpayer in the production of goods (performance of work and rendering of services) uses raw materials and supplies of the customer and the final product remains in the possession of the customer, the performance of such work and rendering of services shall be considered a taxable operation for the taxpayer.

8. Import of goods and means of transport subject to declaration in accordance with the customs legislation of the Republic of Tajikistan, except for goods exempted from value added tax in accordance with Article 251 of this Code, shall be considered as taxable importation onto the customs territory of the Republic of Tajikistan.

Article 247. Sale or assignment of business rights

1. Sale or assignment of rights to entrepreneurial activity or its separate subdivision by one payer of value added tax to another payer of value added tax within one transaction shall not be considered a taxable transaction if the entrepreneurial activity or its separate subdivision operates on a permanent basis.

2. When a transaction is carried out in accordance with the provisions of paragraph 1 of this Article, the rights and tax obligations of the seller or the person assigning the right to the business activity shall be transferred to the buyer or the recipient of the right to the business activity.

3. The provisions of this Article shall apply if the following conditions are met:

- the persons specified in paragraph 1 of this Article shall not 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 assignee of the right of business will be in operation until the day of the transaction;

- the buyer or assignee of the right to business will not utilize the tax benefits of the acquired business activity from the date of the transaction or may not utilize it for its own purposes.

4. The seller or the person assigning the right of business shall be liable for any value added tax liability incurred prior to the date of the transfer.

CHAPTER 38. TAX BASE

Article 248. Value of a taxable transaction

1. Tax base is the value of a taxable transaction determined on the basis of the amount (value, including in kind) that the taxpayer receives or is entitled to receive from a customer or from any other person, including any duties, taxes and (or) other fees, but excluding value added tax. The allowable amount of discount taken into account by the taxpayer at the time of the taxable transaction shall be reduced from the value of the taxable transaction. The discount or price change made after the taxable transaction shall be adjusted in accordance with Article 249 of this Code.

2. If, in exchange for a taxable transaction, goods (work or services) are delivered to the taxpayer or the taxpayer has the right to receive them, the value of the taxable transaction shall include the market price of those goods (work or services), including any duties, taxes or other charges without taking into account value added tax.

3. If the taxpayer does not receive any assets (goods, works or services) in exchange for the taxable transaction, the value of the taxable transaction includes the market price of those goods (works and services), including any duties, taxes or other charges without value added tax.

4. If goods (works or services) are used for non-commercial purposes, or if goods (works or services) are supplied to any persons (including its employees), the value of the taxable transaction shall include the market price of those goods, works and services, including any duties, taxes or other charges without value added tax.

5. Where goods are supplied on an installment basis, the value of the taxable transaction includes the total amount payable, regardless of the payment schedule set out in the contract.

6. In case of sale (alienation) of pledged property, the value of such taxable transaction of the pledgor shall include the market value of the pledged (or alienated) property, including any duties, taxes and other charges, excluding value added tax.

7. The value of taxable operation of imported goods and internal purchase, except for goods for which prices (tariffs) are regulated in accordance with the legislation of the Republic of Tajikistan, in case of subsequent delivery may not be lower than the value of taxable imported goods and internal purchase. In case of occurrence of negative difference in the value of taxable operation of imported and purchased goods, such difference shall be taken equal to zero for calculation of value added tax.

8. If a taxpayer indicates a taxable operation with value added tax in accordance with paragraphs one, two and four of part 13 of Article 269 of this Code separately without singling out the amount of tax, the value of the taxable operation and the share of tax, except where the preparation of an invoice is mandatory, shall be calculated according to the formulas:

1) the value of the taxable operation:

$$A - AxB / (100 + B),$$

where: A - total amount of taxable operations;

B - percentage tax rate per transaction.

2) The amount of value added tax in the taxable transaction:

AxB / (100 + B),

where: A - total amount of taxable operations;

B - percentage tax rate for the operation.

9. If a payer of value added tax makes a taxable value added transaction to another payer of such tax without distributing the amount of tax, the amount of value added tax to be calculated shall be determined in accordance with the provisions of paragraph 8 of this Article.

10. The value of the taxable operation of further delivery of natural gas, which is exempt from value added tax in accordance with paragraph eighteenth of paragraph 4 of Article 251 of this Code upon importation, shall be the positive difference between the value of the delivery of natural gas (excluding value added tax) and its customs value (excluding value added tax). In the event of a negative difference in the value of the taxable operation of the imported goods, such difference shall be assumed to be equal to zero for the calculation of value added tax (Law of the Republic of Tajikistan dated November 13, 2023, No. 2000).

Article 249. Adjustment of taxable turnover

1. The provisions of this Article shall be applied to the taxable transaction of the taxpayer after the taxable transaction has been completed in the following cases:

- cancelation of the transaction or change of its terms;
- change in the value of taxable transactions;
- a change in the agreed compensation for the transaction because of price changes and or for any other reason;
- full or partial return of goods to the taxpayer;
- non-acceptance of work or services performed by the taxpayer.

2. In cases provided for by paragraph 1 of this Article, the taxpayer shall be obliged to issue an additional (corrective) invoice for value added tax and submit a corrective declaration in accordance with the requirements of paragraph 2 of Article 265 and paragraph 8 of Article 266 of this Code.

3. Adjustment of a taxable transaction shall be made 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 completion of the taxable transaction.

Article 250. Value of taxable importation

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 importing goods to the Republic of Tajikistan, without taking into account the value added tax, shall be considered as the value of taxable import. In any case, the customs value of goods may not be higher than the wholesale value of goods approved according to official statistics.

2. If goods are exported from the territory of the Republic of Tajikistan for the purpose of repair, restoration or improvement, in case of re-import, the value of taxable importation shall be the amount by which the value of exported goods is increased, if the form or nature of the goods and the ownership of the goods have not changed since the moment of exportation.

CHAPTER 39. TAX EXEMPTIONS

Article 251. Exemption from tax

1. If delivery of goods (performance of works or rendering of services) is exempted 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 operation shall not be considered a taxable operation and their cost shall not be included by the taxpayer in the taxable operation. Also import of goods exempt from value added tax, except for their subsequent sale and delivery within the country, shall not be included in the value of taxable import.

2. The following supplies of goods (except for export of goods), performance of works and rendering of services, carried out in the Republic of Tajikistan, shall be exempt from value added tax:

1) The sale, transfer, or lease of real property, except as follows:

a) The sale or transfer of hotel accommodations or vacation housing;

b) the sale or transfer of newly constructed dwellings;

c) sale or lease of real estate used for business purposes, except for the sale or assignment of a right 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 coordination with the Ministry of Finance of the Republic of Tajikistan and the authorized state body, including transfer of depreciable tangible property under financial lease (leasing) operations, except for delivery 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, except for cosmetology, dental and sanatorium-resort services;

6) provision of the following services by budget-financed public institutions 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 vocational 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, delivery of goods (performance of works and rendering of services) as humanitarian aid;

8) supply of goods (performance of works, rendering of services) produced directly by the institutions of execution of criminal punishment of the Republic of Tajikistan or state enterprises included in the system of execution of criminal punishment of the Republic of Tajikistan;

9) supply of specialized products of individual use for disabled persons according to the list determined by the Government of the Republic of Tajikistan;

10) supply (sale) of single school and preschool uniforms of domestic production, the list of which is approved by the Government of the Republic of Tajikistan upon submission of the Ministry of Education and Science in coordination 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 drugs of domestic production, the list of which is approved by the Government of the Republic of Tajikistan upon submission of the Ministry of Health and

Social Protection of Population in coordination with the Ministry of Finance of the Republic of Tajikistan and the authorized state body;

12) services of the Fiscal Data Operator, which simultaneously transmits to the tax authorities data from control and treasury devices on settlements and electronic coding of goods, as well as has special equipment for processing, independent and permanent reception, protection and cryptographic storage of fiscal data in online (real) mode.

3. Supply, precious metals and precious stones, jewelry made of precious metals and precious stones, primary aluminum, concentrates of natural resources, commercial ore, scrap of ferrous and non-ferrous metals 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, shall be exempt from value added tax.

4. The following types of imports are exempt from value added tax:

- importation 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 Vault of Valuables. as well as import of measuring ingots, from their precious metals processed abroad;

- 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 for the purpose of liquidation of consequences of natural disasters, accidents and catastrophes;

- import, including on the terms of financial rent (leasing), production-technological equipment and component parts to it for formation or replenishment of the authorized fund (capital) of enterprises or technical re-equipment of the existing production, provided that this property will be used directly for production of goods, performance of works and rendering 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 enterprise or non-use of the above-mentioned imported to the Republic of Tajikistan production-technological equipment and components to it within two years from the moment 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 shall be subject to recovery in the budget without offsetting in accordance with Article 266 of this Code, except for the importation of such equipment under financial lease (leasing);

- import of materials and supplies for the production of medicines, medical, pharmaceutical equipment and medical instruments, the latest technology for pharmaceutical enterprises and modern diagnostic and therapeutic equipment, medicines, with the exception of certain medical preparations according to the list determined by the Government of the Republic of Tajikistan, with the exception of medical preparations produced in the Republic;

- import of goods for realization of investment projects of the Government of the Republic of Tajikistan within the framework of grant and credit agreements;

- import of goods for construction of especially important facilities, except for goods produced in the republic, the list of which is determined by the Government of the Republic of Tajikistan;

- import of equipment, machinery, construction materials and other materials to meet the needs of tourist facilities (including hotels, medical sanatoriums and resorts, tourist centers and other tourist facilities), except for goods produced in the Republic. The list of tourist objects,

the name and quantity of imported equipment, machinery and construction materials and other materials shall be approved by the Government of the Republic of Tajikistan;

- import of goods (except 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, main units, weapons, ammunition, aircraft for defense purposes, as well as spare parts for them, the cost of maintenance and repair;

- import of specialized products of individual use for the disabled according to the list determined by the Government of the Republic of Tajikistan;

- import of technologies, equipment and materials for the provision of poultry and fish farming industries and (or) import of goods, with the exception of wheat grades 1-4, directly for the own needs of business entities in the fields of poultry, fish farming and the production of mixed feeds for poultry and livestock from June 1, 2025 in the amount of 75 percent and from January 1, 2026 in in the amount of 50 percent of the value added tax rate specified in paragraph 1) of Part 1 of Article 264 and part 4 of Article 397 of this Code. The list and volume of imports of goods and materials directly for business entities in the fields of poultry, fish farming and the production of mixed feeds for poultry and livestock, depending on their own needs, taking into account the volume of production of goods for the corresponding year, is determined by the Government of the Republic of Tajikistan; (Law of the Republic of Tajikistan dated April 15, 2025, No. 2161). (Law of the Republic of Tajikistan dated February 11, 2025, No. 2143).

- import of raw materials for processing and production of final products by value-added tax payers, with the exception of raw materials produced within the republic and excisable goods, the procedure and list of which is determined by the Government of the Republic of Tajikistan from June 1, 2025 in the amount of 75 percent and from January 1, 2026 in the amount of 50 percent of the value-added tax rate. provided for in paragraph 1) part 1 of Article 264 and part 4 of Article 397 of this Code. (Law of the Republic of Tajikistan dated April 15, 2025, No. 2161).

- import of raw materials for processing and production of final products, except for 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 powered only by an electric motor, including electric cars, electric buses and trolleybuses (if 1 (one) year has not passed since the date of issue). (Law of the Republic of Tajikistan dated April 15, 2025, No. 2158) (Law of the Republic of Tajikistan dated March 18, 2022, No. 1867). (Law of the Republic of Tajikistan dated December 24, 2022, No. 1934).

- importation of fuel, chemicals and lubricating oils for aircraft (airplanes, helicopters) directly by domestic aviation companies;

- importation (temporary importation) of aircraft (airplanes, helicopters), engines, main units and spare parts for aircraft (airplanes, helicopters) directly by domestic aviation companies. (Law of the Republic of Tajikistan dated December 24, 2022, No.1934).

- import of natural gas (Law of the Republic of Tajikistan dated November 13, 2023, No. 2000);

- import of low-sulfur fuel oil for the needs of electric and heat centers, the quantity of

which is established by the Government of the Republic of Tajikistan; (Law of the Republic of Tajikistan dated February 11, 2025, No.2143).

- import of sporting goods to meet the needs of football entities of Tajikistan. The list and quantity of sporting goods shall be approved by the Government of the Republic of Tajikistan. (Law of the Republic of Tajikistan dated February 11, 2025, No.2143).

5. Import and subsequent delivery of the following machinery and equipment, spare parts and components are exempt from value added tax, except for import of machinery and equipment 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 production and sale of final goods;
- spare parts and components of cars, trucks and loading vehicles by assembly and assembly enterprises (manufacturers) for their own needs.

6. Import and further delivery of new cars (the date of manufacture of which does not exceed 1 (one) year, with mileage up to 10 (ten) thousand kilometers) of commodity items 8702, 8703, 8704 and 8705 directly by legal entities and individual entrepreneurs carrying out their activities on the basis of a certificate shall be exempt from payment of 50 percent of the rate of value added tax 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 on operational leasing (rent) of aircrafts (airplanes, helicopters), their engines, main units and spare parts for domestic aviation companies shall be exempt from value added tax.

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 importation of aircraft (airplanes, helicopters), their engines, main units and spare parts after maintenance and repair in foreign countries are exempt from value added tax. (Law of the Republic of Tajikistan dated December 24, 2022, No. 1934).

9. Import and export of electricity within the framework of the intergovernmental agreement of the Central Asian states on the flow and transit of electricity, as well as frequency regulation, on interstate power transmission lines, shall be exempt from value added tax. (Law of the Republic of Tajikistan dated February 11, 2025, No. 2143).

Article 252. Taxation of international and transit transportation

1. Provision of transportation or other services, or performance of work related to international cargo and passenger transportation, as well as supply of fuel and lubricants and other products used during international flights on domestic and (or) foreign aircraft for the purposes of international transportation shall be exempt from value added tax. International transportation means cargo 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 be considered the performance of the following works and services:

- works, services on transportation (transportation, conveyance), loading, unloading (unloading), reloading, forwarding of goods transported from (to) the territory of the Republic of Tajikistan, as well as goods passing through the territory of the Republic of Tajikistan in transit;

- works, transportation services, technical, aeronautical, airport service of international flights, commercial services, as well as works and services related to the transportation of mail, passengers, baggage for (from) the territory of the Republic of Tajikistan, except for income from services on the sale of tickets for international flights on the territory of the Republic of Tajikistan in accordance with commission agreements or other similar agreements.

3. In the case of performance of works and rendering of services specified in the first paragraph of part 2 of this article, exemption from value added tax shall be carried out subject to the following conditions:

- availability of a contract for performance of works, rendering of services concluded directly with the supplier of goods;

- registration of cargo and passenger transportation in accordance with the unified requirements for international transportation;

- availability of the cargo customs declaration of goods imported to the territory of the Republic of Tajikistan, drawn up under the customs regime “International Customs Transit”.

4. When performing works, rendering services specified in the second paragraph of Part 2 of this Article, exemption from value added tax shall be realized under the following conditions:

- availability of a contract for performance of works, rendering of services, concluded directly with the recipient (customer) of said works, services;

- if the registration of transportation of cargo and passengers is carried out under unified documents for international transportation of cargo and passengers.

5. Transportation and maintenance of transit cargo transportation specified in the third paragraph of part 1 of Article 253 of this Code shall be exempt from value added tax.

6. Provisions of this article shall apply only in respect of the states applying the regime of exemption from value added tax in the provision of transportation or other services, or performance of works related to international cargo and passenger transportation to the Republic of Tajikistan.

Article 253. Specifics of Taxation when Conveying Goods across the Customs Border of the Republic of Tajikistan

1. Import of goods onto the customs territory of the Republic of Tajikistan, depending on the choice of the customs regime and in compliance with its conditions, shall be subject to taxation in the following order:

- when placing goods under the customs regime “Release for free circulation”, the value added tax shall be paid in full;

- when placing goods under the customs regime “Reimport”, the amount of the value added tax, exempted from payment in accordance with this Code or refunded in connection with 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”, “Reexport”, “Duty-free trade”, “Processing under customs control”, “Free customs zone”, “Free warehouse”, “Destruction”, “Refusal in favor of the State”, “Transfer of supplies” and special customs regimes, the value added tax shall not be paid;

- when placing imported goods under the customs regime “Processing on the customs territory”, the taxpayer shall be conditionally exempted from full payment of value added tax in accordance with the customs legislation of the Republic of Tajikistan;

- when placing goods under the customs regime “Temporary import”, the taxpayer shall be fully or partially exempted from payment of the value added tax in accordance with the procedure stipulated by the customs legislation of the Republic of Tajikistan;

- When importing processed products of goods placed under the customs regime “Processing of goods outside the customs territory” outside the customs territory of the Republic of Tajikistan, full or partial exemption from the payment of the value added tax shall be applied according to the procedure stipulated by the customs legislation of the Republic of Tajikistan;

- when placing goods under the customs regime “Processing for free circulation”, the value added tax shall be paid from the customs value of the processed product.

2. When exporting goods from the customs territory of the Republic of Tajikistan, the taxation shall be performed according to the following procedure:

- when placing goods under the customs regime “Export” outside the territory of the Republic of Tajikistan, the value added tax shall not be paid, or the paid amounts of the value added tax shall be refunded or offset according to the procedure stipulated by the customs legislation of the Republic of Tajikistan and this Code. This Procedure shall also apply to export of goods outside the customs territory of the Republic of Tajikistan in compliance with the customs regime “Export” with regard to goods that at the moment of exportation were placed under the customs regimes “Customs warehouse”, “Free warehouse” or “Free customs zone”;

- when exporting foreign goods under the customs regime “Reexport”, the amount of the value added tax paid upon importation to the Republic of Tajikistan shall be refunded to the taxpayer according to the procedure 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 compliance with other customs regimes, not stipulated by the first and second paragraphs of this Paragraph, the provisions on exemption from value added tax and (or) refund of such tax shall not apply, unless otherwise stipulated by the customs legislation of the Republic of Tajikistan.

3. When conveying goods by natural persons across the customs border of the Republic of Tajikistan for personal use within the norms established by the Government of the Republic of Tajikistan, the value added tax shall not be levied. In case of exceeding the established norms for goods conveyed for personal use, the excess value of such goods shall be taxed in accordance with the general established procedure and its registration shall be carried out in compliance with the provisions of the Customs Code of the Republic of Tajikistan. The procedure and norms for importation of goods for personal use across the customs border of the Republic of Tajikistan shall be established by the Government of the Republic of Tajikistan.

4. In case of non-compliance with the terms of the chosen customs regime, the taxpayer shall be obliged to pay the accrued amount of tax and interests in compliance with the procedure established 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, concentrates of natural resources, commercial ore, scrap of ferrous and non-ferrous metals, 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, goods produced in free economic zones, shall be subject to value

added tax at zero rate.

2. In case of non-confirmation of export of goods within 90 calendar days from the date of registration of goods under the customs regime “Export” or when goods are exported through power lines or using incomplete periodic declaration in accordance with Article 255 of this Code, delivery of such exported goods, regardless of the provisions of paragraph 3 of Article 251 and paragraph 1 of this Article shall be subject to value added tax at the positive rate specified in paragraphs 1) and 2) of paragraph 1 and paragraphs 3-4 of Article 264 of this Code.

Article 255. Confirmation of export of goods

1. The documents confirming export of goods shall be:

- a cargo customs declaration drawn up in compliance with the customs legislation of the Republic of Tajikistan;

- contract for delivery of exported goods;

- copy of the invoice, consignment note, bill of lading with registration in the customs authorities located at the checkpoint of the Republic of Tajikistan. In case of exportation of goods under the customs regime “Export” through power lines, the acceptance certificate of goods shall also be submitted;

- payment documents and statement of a financial institution (copy of the statement) confirming the actual receipt of currency proceeds from export of goods to the accounts of the taxpayer in the Republic of Tajikistan.

2. In case of realization of foreign economic operations on exchange of goods (works, services), the taxpayer shall submit documents confirming the import of goods (performance of works, rendering of services), received under the specified operations, into the territory of the Republic of Tajikistan and their acceptance.

3. The documents confirming the export of goods to member states of the Commonwealth of Independent States shall be the documents specified in paragraphs 1 and 2 of this Article, as well as a copy of the customs cargo declaration drawn up in the country of importation of goods. In accordance with international tax agreements, a different procedure for confirmation of 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 under the customs regime “Processing outside the customs territory”, or their processed products, the export shall be confirmed in compliance with Paragraphs 1, 2 and 3 of this Article, and also on the basis of the following documents:

- the cargo customs declaration issued under the customs regime “Processing outside the customs territory”;

- the customs cargo declaration, in accordance with which the customs regime “Processing outside the customs territory” is replaced with the customs regime “Export”;

- a copy of the customs cargo declaration issued when goods are imported into the territory of a foreign state under the customs regime “Processing on the customs territory”;

- copy of the customs cargo declaration, drawn up under the customs regime “Export” when exporting goods or their processed products from the territory of the state of processing of goods and certified by the customs authority that carried out such registration.

5. When submitting to the tax authority at the place of registration documents confirming the export of goods within 120 calendar days from the date of marking the customs authority specified in the first paragraph of paragraph 1 of this Article, the taxpayer has the right to a refund of tax paid in accordance with paragraph 2 of Article 254 of this Code. Otherwise, the

taxpayer shall not have the right to refund the tax paid in accordance with Paragraph 2 of Article 254 of this Code.

CHAPTER 40. DATE AND PLACE OF TAXABLE TRANSACTION AND SPECIAL RULES

Article 256. Date of taxable transaction

1. The date of performance of a taxable transaction shall be deemed to be the moment of issuance of an invoice for value added tax and excise duties in respect of such transaction, unless this Article provides otherwise.

2. If a value added tax and excise tax invoice is not issued before or at the moment (day) of the taxable transaction, the provisions of paragraph 1 of this Article shall not apply and the following days shall be considered the moment of the taxable transaction:

- the day of acceptance, sale or transfer of goods, performance of work or rendering of services;

- the day of shipment of goods, if in accordance with the contract the delivery of goods includes transportation of goods.

3. Where the amount for the supply of goods, performance of work or rendering of services is paid in advance before the expiry of the period provided for in paragraph 2 of this Article and no invoice for value added tax and excise duties is issued to the purchaser within five days after the advance payment has been made by the supplier, the provisions of paragraphs 1 and 2 of this Article shall not apply to that transaction. In this case, the date of advance payment shall be considered a taxable transaction.

4. For the purposes of Part 3 of this Article, if two or more advance payments are made under a taxable transaction, each advance payment shall be treated as a separate taxable transaction, except as provided for in Part 5 of this Article.

5. If services are provided on a regular basis, the date of the taxable transaction for each accounting period shall be one of the following dates when the transaction was previously performed:

- the date of issuance of the invoice of value added tax and excise taxes;

- date of value added tax and excise tax invoice for payment of the cost of goods on the basis of financial lease;

- date of payment for services.

6. In any case, for the purposes of paragraph 5 of this Article, irrespective of the provisions of this Article, the supplier shall be obliged to issue a value added tax and excise tax invoice for each month not later than the 10th day of the month following the reporting month. If the invoice is not issued within the period specified in this Part and payment is not made, the date of service delivery shall be the last day of the reporting month. The provisions of this part shall also apply to the delivery of goods under financial lease (leasing) agreements.

7. In case of application of the provisions of Part 3 of Article 246 of this Code, the date of taxable transaction shall be considered the moment of use of goods (works or services).

8. In cases specified in Part 4 of Article 246 of this Code, the date of taxable transaction shall be the moment of delivery of goods (performance of work or rendering of services) to employees and other persons.

9. The dates specified in paragraphs 5 and 6 of this Article shall be deemed to be the date of taxable transaction for the supply of electric communication, electric energy, heat energy, gas, water and other services provided on a regular basis.

10. For the purposes of this Chapter, irrespective of the provisions of Part 3 of this Article, the date of determination of a taxable transaction in the performance of construction and installation work shall be deemed to be one of the following dates on which the transaction was previously performed:

- the date of receipt (acquisition of the right to receive) the current payment from the customer;

- the date of partial (full) fulfillment of construction and installation works, recorded in the taxpayer's accounting and reporting.

11. The date of delivery of goods (works and services) by any automated payment device or other equipment, payment for which is made 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 shall be the location of goods at the moment of their release (transfer) or at the moment of their receipt at the disposal of the buyer. If the goods are delivered by the seller's transport or by a transport organization, the place of delivery of goods shall be deemed to be the location of the goods at the moment of commencement of transportation.

2. In case of delivery of electricity, heat and gas, the place of receipt of such goods shall be the place of delivery of goods. In case of export of such goods from the Republic of Tajikistan, the place of delivery shall be deemed to be the Republic of Tajikistan.

Article 258. Place of performance of works or services

1. Works or services shall be deemed 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 established in paragraph 2 of this Article.

2. If the performance of works or services is performed by a person located outside the territory of the Republic of Tajikistan and does not have a permanent place of business in the Republic of Tajikistan, and the performance of works or services was performed to a person who is not a tax agent in accordance with Article 260 of this Code, the performance of works or services shall be deemed to have been performed in 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 at the time of performance of these works or services;

2) performance of works or rendering of services shall be carried out by remote services rendered to a resident of the Republic of Tajikistan in accordance with the provisions of Part 3 of this Article;

3) the services include electric communication 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, except for electric communication services provided by:

a) a telecommunication service provider;

b) a person using global roaming during temporary stay in the Republic of Tajikistan;

4) services are related to immovable property in the Republic of Tajikistan;

5) the purchaser 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, the recipient of remote services shall be considered a resident of the Republic of Tajikistan, 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 for receiving remote services or other method of determining the geographical 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 the remote services;

- the location of the fixed line of the recipient of distance 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 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 the location in another country, the supplier shall determine the residency of the recipient on the basis of more reliable indicators.

5. A foreign legal entity in respect of a recipient of remote services who is a resident of the Republic of Tajikistan shall not perform transactions in accordance with the provisions of Article 260 of this Code, if such resident does not provide a certificate confirming its recognition as a tax agent. If a tax agent is recognized as a recipient of a distance service, the provisions of Article 259 of this Code shall apply to the provision of the distance service.

6. For the purposes of paragraph 2(3) of Point 2 of this Article, a person performing electric communication services shall be a person identified as a provider of electric communication services and controlling the commencement of the provision of such services. If the provider of electric communication services is unable to identify the person controlling the provision of such services, the person controlling the provision of services one of the following:

- person paying for services;

- the person who enters into a contract for services;

- the person to whom the invoice for payment for services has been sent.

7. If the supplier as the initiator of the supply of the service is identified in more than one of the paragraphs of paragraph 6 of this Article, the person supplying the services shall be the person who, in the order of sequence of those paragraphs, shall be deemed to be the first.

8. In this Article and Article 259 of this Code, the following terms shall have the following meanings:

1) remote services are works or services performed or rendered at the following locations:

a) the place where the services or works are actually rendered or performed; and

b) the location of the recipient of the services or works;

2) electrical communication services include the transmission or reception of signals, recordings, images, sounds or any other information over wires, radio, fiber optic cables, other electromagnetic systems or similar technical systems and shall include:

a) the corresponding transfer of the right to such transmission, dissemination or reception of information; or

b) providing access to global or local networks, which does not include deliveries,

recordings, images, sounds or information over a network.

9. For the purposes of this section, the location of the purchaser of the services (works) to which the services (works) are most related shall be recognized as the place where the works or services are performed. This provision shall apply to the following services: (Law of the Republic of Tajikistan dated February 11, 2025, No. 2143).

1) transfer or assignment of patents, permits, trademarks, copyrights and other similar rights; (Law of the Republic of Tajikistan dated February 11, 2025, No. 2143).

2) consulting, rendering legal, audit, engineering (engineering), design, marketing, advocacy, accounting, engineering services, as well as data processing services (except for distribution of mass media products) and other similar services; (Law of the Republic of Tajikistan dated February 11, 2025, No.2143).

3) leasing of movable property (except for vehicles);

4) services for the organization of tourism. (Law of the Republic of Tajikistan dated February 11, 2025, No.2143).

Article 259. Provision of remote services through an electronic trading platform

1. In this Article, "electronic trade platform" means a website, internet portal, gateway, online store, or any trading platform or other similar platform managed electronically through which the original provider provides distance services through another person (trading platform operator) 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 operated by a person who does not have a permanent establishment in the Republic of Tajikistan and who performs the following activities:

a) authorizes payment to the recipient;

b) authorizes delivery of goods to the recipient; or

c) establishes the terms of delivery; and

3) the recipient of goods is an individual resident of the Republic of Tajikistan in accordance with the provisions of paragraphs 3 and 4 of Article 258 of this Code.

3. In accordance with the terms of part 2 of this Article, the provisions of Article 258 of this Code shall apply in the event that the operator of the electronic trading platform in the course of taxable activity is recognized as a supplier of distance services.

4. If the initial supplier and the operator of the electronic trading floor have agreed that payment of value added tax on such transactions will be made by the initial supplier, the provisions of paragraph 3 of this Article shall not apply.

Article 260. Reverse taxation

1. Reverse taxation is a special method of calculation of value added tax, according to which the calculation and payment of tax is made by the purchaser.

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), rendered services or performed work to a legal entity operating in the Republic of Tajikistan;

2) rendering of services or performance of works is carried out by a foreign supplier from the place of its activity outside the Republic of Tajikistan;

3) rendering 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 transactions are taxable

transactions.

3. In case of application of parts 1 and 2 of this Article, the tax agent shall withhold value added tax at the source of payment from the amount payable to the foreign supplier. The amount of tax shall be 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 the foreign supplier after withholding tax.

4. If the tax agent is registered for value added tax purposes, the withheld tax shall be paid to the budget and shall be included in the value added tax declaration as the 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 within five days from the date of payment of the amount to the foreign supplier to pay the withheld tax to the budget, as well as to submit a value added tax declaration to the tax authority by the 15th day of the month following the reporting month.

6. If the conditions of paragraph 7 of this Article are met, 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 made at a value 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 activity);
- part of foreign activity of a person is carried out for rendering services or performing work within the framework of the person's activity on the territory of the Republic of Tajikistan;
- rendering of services and performance of works previously performed between separate persons having place of business in the Republic of Tajikistan shall be considered taxable transactions.

Article 261. Date of importation of goods and means of transport

The date of import of goods and means of transport shall be determined in compliance with the customs legislation of the Republic of Tajikistan.

Article 262. Mixed operations

1. Delivery of goods (performance of works and rendering of services), which are of auxiliary nature with regard to the main delivery of goods (performance of works and rendering of services), shall be considered as a part of the main delivery of goods, performance of works or rendering of services.

2. If a transaction has independent elements and includes two or more of the following transactions, it shall be considered a separate transaction:

- supply of goods (performance of work or rendering of services) subject to value added tax at the standard rate;
- supply of goods (performance of work or rendering of services) subject to value added tax at a rate (including zero or reduced rate) other than the standard rate;
- supply of goods (performance of work or rendering 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 importation, but only if the value of the importation includes the value of such

services.

Article 263. Transactions carried out through a trusted person (agent)

1. Delivery of goods, performance of works or rendering of services carried out on behalf of or on behalf of a trustor through his trustee (agent) of such person shall be deemed to be a transaction carried out by the trustor, unless paragraphs 2-3 of this Article stipulate otherwise.

2. Provisions of Part 1 of this Article shall not apply to remuneration for services rendered by the trustee (agent) to the principal.

3. The provisions of paragraph 1 of this Article shall not apply to the delivery of goods to and from the Republic of Tajikistan by a trusted person (agent) of a non-resident. In this case for the purposes of value added tax the delivery of goods shall be deemed to be a transaction carried out by a trusted person (agent).

CHAPTER 41. PROCEDURE FOR CALCULATION AND PAYMENT OF TAX

Article 264. Rates of value added tax and procedure for its calculation

1. The following rates of value added tax shall be established for taxable operations and taxable imports:

1) standard rate - 15 percent;

2) reduced rate, except for taxable importation and subsequent delivery of imported goods in respect of construction works, hotel services and catering services - 7 percent and sale of agricultural products of domestic production, processing of agricultural products, except for processing of raw cotton, training services and activities on 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 shall apply to taxable operations established by Article 254 of this Code.

3. In case of realization by a taxpayer of a reduced rate of value added tax, taxable importation, subsequent delivery of such imported goods shall be subject to taxation at the rate specified in paragraph 1) of part 1 of this Article. Such taxpayer shall be entitled to offset the amount of value added tax paid upon importation in accordance with Article 266 of this Code.

4. In case of replacement by the taxpayer of the reduced rate of value added tax, imported goods for other goods, the taxation of the subsequent delivery of the share of replaced goods shall be taxed in proportion to the specific weight of imported goods in the total volume of purchase at the standard rate and the remaining share of such goods (replaced) at the reduced rate.

5. The payer of the reduced rate of value added tax shall be obliged to keep separate accounting of objects of taxation on taxable turnover and taxable importation 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 shall be determined by multiplying the value of taxable turnover by the relevant 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 shall be 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 paragraph 4 of Article 260 of this Code and the amount of tax allowed for credit 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 declaration of the taxpayer, the amount of the excess shall be considered adjusted value added tax for the reporting period and for the same reporting period shall be added to the amount of tax payable in accordance with paragraph 1 of this Article.

Article 266. Value added tax creditable in determining payments to the budget when using the standard rate

1. Unless this Article provides otherwise, when using the standard rate, the amount of value added tax to be credited shall be the amount of tax payable or paid in the following cases, if:

- the taxpayer has been issued an invoice for value added tax and excise tax;
- for the reporting period the date of the transaction on importation of taxable goods occurred in accordance with the provisions of Article 261 of this Code and the amount of value added tax is actually paid to the budget;
- taxable operations on delivery of goods, performance of work or rendering of services were performed during the reporting period in accordance with the provisions of Article 256 of this Code;
- the goods (work or services) specified in this part are used for the purposes of the taxpayer's business activities.

2. The assessment 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 permitted if the amount of value added tax is not deducted from taxable income.

3. For the purposes of Part 1 of this Article, the amount of value added tax shall be deemed to be credited in the following cases if:

- the amount of value added tax payable is indicated separately in the supplier's invoices;
- the amount of value added tax is indicated in the cargo customs declaration, is 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 payment documents on the purchase of tickets for transportation means, including rail, air and automobile;
- the amount of value added tax is indicated in payment documents of suppliers of public utilities and its settlements are made through credit and financial organizations.

4. Crediting of the amount of value added tax in accordance with the provisions of Part 3 of this Article shall be carried out in the reporting month in which the goods (works, services) were received.

5. Credit of value added tax on import of goods and taxable transactions used by the taxpayer partly for entrepreneurial activity and partly for other purposes shall be made on the basis of the specific weight of their use in entrepreneurial activity.

6. Credit of paid (payable) value added tax shall not be allowed in the following cases:

- when purchasing passenger cars, except for those offered for sale or hire by a person for whom such operations are considered to be the main type of business activity;
- if the expenses are incurred for charitable or social, entertainment or hospitality purposes;
- if the amount of value added tax is not indicated separately from the taxable transactions in the invoices;
- if the details of the importer of the goods and products (including name, TIN, SIN) are not indicated in the payment documents of the value added tax during customs clearance of the goods;

- if expenses were incurred for geological exploration and preparation for extraction of natural resources;

- if the expenses were incurred on acquisition, production, construction, assembly and installation, as well as on restoration (repair) of depreciable fixed assets and depreciable intangible assets, regardless of the amount of expenses;

- if expenses related to the acquisition of goods (works, services) are formalized with persons who did not actually perform such operations, except for cases of submission by the taxpayer of documents confirming the payment of value added tax to the budget;

- if expenditures are made at a reduced rate of value added tax, except for expenditures related to taxable importation, for persons specified in Part 3 of Article 264 of this Code;

- if a foreign person on the territory of the Republic of Tajikistan provides remote services without formation of a permanent establishment.

7. Credit of the amount of value added tax of the taxpayer, which in its activity has taxable operations and operations exempted from value added tax, shall be carried out in accordance with Article 268 of this Code. Credit of the amount of value added tax by a taxpayer who has only an exempt operation shall not be 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. Credit of the amount of value added tax on invoices for value added tax and excise duties, drawn up on fraudulent or practically unexecuted operations is prohibited and previously credited amounts of value added tax shall be recognized as invalid.

10. In cases and in accordance with the procedure established by Article 341 of this Code, credit of the amount of sales tax on primary aluminum shall be allowed upon submission of supporting documents.

11. Irrespective of the provisions of this Article, credit of value added tax for the purchase of goods and importation of goods, paid by payers of value added tax, engaged in wholesale and retail trade, procurement, supply and marketing, shall be allowed only at the occurrence of taxable operations for the reporting period.

Article 267. Adjustment of credited amounts of value added tax

1. Previously credited amount of value added tax shall be subject to exclusion from the subsequent amount of credited value added tax in the following cases:

- at use of goods (works, services) not for the purposes of taxable turnovers;

- when invoices for value added tax and excise tax are recognized as invalid in accordance with part 9 of Article 266 of this Code;

- at change of cost of received goods (works, services) in cases specified in part 1 of article 249 of the present Code;

- in case of cancellation of the taxpayer's registration as a value added tax payer in respect of the amount of value added tax previously accrued on the balance of the taxpayer's goods (works, services);

- in case of damage or loss of goods, including fixed assets, except for 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 on emergency situations or the conclusion (act) of an independent expert 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 stipulated by Article 269 of this Code.

- in case of loss of electric energy; (Law of the Republic of Tajikistan dated February 11, 2025, No. 2143).

2. For the purposes of this Code;

a) damage of goods (property) is the rendering of all or certain qualities (properties) of goods (property) unusable, as a result of which these goods (property) cannot be used for the purposes of taxable turnover.

b) loss of goods (property) is an event resulting in loss and (or) destruction of goods (property). Loss and (or) destruction of goods (property), incurred by the taxpayer within the norms of natural loss, established by normative legal acts of the Republic of Tajikistan, is not a loss of goods (property);

c) loss of electric energy is a loss of electric energy in the process of production, transmission and distribution of electric energy, as a result of which electric energy does not reach the recipient (buyer). Loss of electric energy within the norms of technological losses of electric energy approved by the Government of the Republic of Tajikistan for the producer, transmitter and distributor of electric energy shall not be considered a loss of electric energy. (Law of the Republic of Tajikistan dated February 11, 2025, No.2143).

3. Adjustment of the amounts of value added tax, attributable to offset, shall be made in the tax period in which the cases specified in paragraphs 1 and 2 of this Article occurred.

4. Notwithstanding the provisions of Article 249 of this Code and Paragraph 3 of this Article, a taxpayer using the standard rate shall be obliged, before April 1 of each year, to make adjustments to the value added tax for the entire period of the previous calendar year. (Law of the Republic of Tajikistan dated February 11, 2025, No.2143).

Article 268. Procedure for crediting value added tax in exempt operations

1. If goods (works, services) are used in operations exempted from value added tax, the amount of value added tax payable to suppliers when imported shall not be taken into account.

2. When carrying out taxable and tax-exempt operations for one reporting period, the value added tax credit is determined by the proportional method for the tax period.

3. The amount of value added tax to be offset by the proportional method shall be determined by the specific weight of the taxable transaction in the total amount of the transaction.

Article 269. Value added tax and excise tax invoices

1. Unless otherwise provided for in paragraphs 9, 11, 12, 13 and 14 of this Article, a person registered as a value added tax payer and not included in the list of irresponsible taxpayers, who carries out a taxable transaction, shall be obliged to submit to the recipient (buyer) of goods, works or services an invoice for value added tax and excise duties on the date of the taxable transaction.

2. An invoice for value added tax and excise duties is a document developed according to 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);
- unified identification number of the taxpayer and the buyer (customer);
- number of the value added tax registration certificate of the taxpayer (supplier) and the date of its registration;
- a list of delivered, shipped, transported goods (work performed or services rendered);

- advance transactions;
- the amount of the taxable transaction;
- amount of excise tax on excisable goods and services;
- amount of value added tax;
- date of issuance of the invoice for value added tax and excise tax;
- serial number of the invoice for value added tax and excise tax.

3. Value added tax invoice shall be prepared electronically and issued to the payer of value added tax only in electronic form and other persons who are not payers of value added tax, its printed copy or electronic form shall be sent to the personal office of such taxpayer.

4. Printed copies of invoices by persons registered as value added tax payers in accordance with the provisions of this Code to offset the amount of value added tax shall be attached to the value added tax declaration.

5. Value added tax and excise tax invoices shall be prepared electronically, provided to the buyer in direct mode (online) and stored in the electronic database of tax authorities until the end of the statute of limitations. Value added tax and excise tax invoices are registered in the register electronically through the information program.

6. The form and procedure for maintaining the Register of the invoices for value added tax and excise duties specified in paragraph 5 of this Article shall be determined by the authorized state body.

7. Value added tax and excise tax invoices shall have appropriate series and numbers and shall be executed electronically by the taxpayer in the manner prescribed by the authorized state body. The form of VAT and excise tax invoices, including additional invoices, shall be determined by the authorized state body.

8. The taxpayer is obliged to issue an invoice for value added tax and excise duties to the buyer of goods (customer of works, services) not later than the date of taxable transaction (delivery of goods, performance of works, rendering of services). The invoice for value added tax and excise duties shall be certified by electronic signature of the authorized person of the supplier.

9. Taxpayers supplying electricity, water and gas, providing communication services, public utilities, railway transportation, freight forwarding services and banking operations subject to value added tax, have the right at the end of the tax period to prepare an invoice for value added tax and excise duties within the period established by Part 5 of Article 256 of this Code.

10. The volume of a taxable transaction shall be indicated in an invoice separately for each item of goods (work, services).

11. Value added tax and excise tax invoices shall be submitted only when taxable operations are performed. If delivery of goods, performance of work and (or) rendering of services are exempt from value added tax in accordance with the provisions of this section, invoices for value added tax and excise duties shall not be issued. In such case, the taxpayer shall prepare the accounting form of invoice provided for payment.

12. The invoice for value added tax and excise duties for export operations, subject to the provisions of paragraph 2 of this Article, shall include the following information:

- an entry confirming the destination of the export operation;
- country and destination of export
- the applicable rate of value added tax on the export transaction.

13. The issuance of an invoice is not required in the following cases:

- making settlements for provided utility services (including electricity, heat, water and natural gas supply), communication services, educational and medical services to the population through credit and financial organizations, cash register devices and (or) automatic payment devices serving as a basis for accounting;

- registration of passenger transportation with travel tickets;

- when supplying goods (performing work, rendering 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. The payer of value added tax at retail sale of goods, performance of works or rendering of services to final buyers, who are not payers of value added tax, instead of the invoice for value added tax and excise duties shall issue a receipt of a credit and financial institution or a receipt of cash control devices and automatic payment devices. For the purposes of this Part, retail sale shall mean the delivery to final consumers of goods, performance of works and rendering of services intended for personal, residential or consumer use at market prices.

15. Instructions on the use of invoices for value added tax and excise duties shall be developed and approved by the authorized state body in coordination with the authorized state body in the field of finance.

Article 270. Drawing up additional invoices when adjusting a taxable transaction

1. When adjusting the volume of a taxable transaction, an additional invoice shall be prepared, which shall contain the following information:

- serial number and date of the additional invoice;

- serial number and date of preparation of the invoice to which the adjustment is made;

- name, address, unified taxpayer number and taxpayer identification number of the supplier and recipient of goods (works, services);

- name of goods (work, services), units of measurement, quantity (volume) and cost of goods (work, services) before and after the adjustment;

- the amount of the difference of adjustment of the taxable transaction without value added tax;

- amount of value added tax;

- excise tax on excisable goods.

2. An additional invoice shall be drawn up by the supplier of goods (works, services) and confirmed by the recipient of the said goods (works, services).

Article 271. Special rules

The tax base and other elements of value added taxation of rendering services of Islamic banking, insurance services, commission sales, sales of used (partially used) goods and other activities, direct (direct) determination of which in accordance with this section is difficult, shall be determined in another order established by the Government of the Republic of Tajikistan.

CHAPTER 42. ADMINISTRATIVE AND FINAL PROVISIONS

Article 272. Filling tax returns and payment of value added tax

1. The taxpayer, except for paragraph 2 of this Article, shall be obliged for each reporting period, not later than on the 15th day of the month following the reporting period, to submit to the tax authority a declaration of value added tax and make the payment of tax to the budget.

2. Foreign persons rendering remote services to individuals are obliged to submit a tax return, other documents (information) and information not later than the 20th of the month following the reporting period.

3. Regardless of provisions of Paragraph 1 of this Article, when importing goods, the value added tax shall be charged and levied in compliance with this Code and the customs legislation of the Republic of Tajikistan.

4. Instructions on calculation and payment of value added tax, as well as forms of declaration and annexes thereto shall be 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, except for part 2 of this Article, shall be a calendar month.

2. For foreign persons providing remote services to individuals, the tax period shall be a calendar quarter.

Article 274. Procedure for refunding the amount of excessively credited value added tax

1. The amount of excessively credited value added tax, attributable to offset, over the amount of accrued tax for the reporting period shall be returned by the financial authority jointly with the tax authorities within 30 calendar days from the date of receipt by the tax authority of the application of the taxpayer, taxed at a zero rate, from the relevant budget.

2. The amount of excessively credited value added tax shall be refunded on the basis of the following documents:

- value added tax declaration for the tax period;
- documents stipulated by Article 255 of this Code confirming the export of goods;
- conclusion of the authorized state body on the reliability of the amounts of value added tax to be refunded.

3. Refund of excessively credited value added tax shall be transferred to the bank account of the taxpayer after consecutive fulfillment of the following actions:

- repayment of tax debts, including value added tax debts, for previous tax periods;
- repayment of the amount of value added tax payable upon importation of goods.

4. The amount of excessive credit of value added tax of taxpayers who do not have operations subject to tax at a zero rate shall be carried forward to the next six tax periods. Any balance of the excess shall be refunded from the budget within 30 days after the expiration of these six tax periods.

5. Where the tax authorities identify cases of excessively refunded amounts of value added tax to a taxpayer by mistake, the tax authorities shall have the right to recover such amounts in accordance with the established procedure.

6. The procedure for refunding the excess of the amount of excessively credited value added tax over the amount of accrued tax for a tax period shall be 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) shall be exempt from value added tax on the basis of an application of the relevant authorized sectoral body of the borrower (grantee) or a person authorized by it, if the following conditions are met, if:

- goods (works, services) are purchased at the expense of the funds of agreements approved by the Government of the Republic of Tajikistan and (or) ratified by the Majlisi Namoyandagon of Majlisi Oli of the Republic of Tajikistan;

- goods (works, services) are acquired exclusively for the purposes set forth in the said agreements;

- delivery of goods (works, services) shall be carried out in accordance with the contract concluded directly with the relevant body of the borrower (grantee) or a person authorized by it or the general contractor (supplier) for the project implementation.

2. The procedure for exemption from value added tax of goods (works, services) purchased at the expense of funds of agreements for realization of state investment projects shall be approved by the Government of the Republic of Tajikistan.

Article 276. Refund of amounts of value added tax to diplomatic, consular and equivalent representations, as well as members of their personnel accredited in the Republic of Tajikistan

1. The amounts of value-added tax shall be refunded to diplomatic, consular and equivalent to them representations, the list of which is determined by the Government of the Republic of Tajikistan, as well as members of their personnel accredited in the Republic of Tajikistan (hereinafter in this Article - representations), on the basis of reciprocity, as provided by international treaties to which Tajikistan is a signatory.

2. 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, shall be subject to refund, if such refund is provided for by international tax treaties.

3. The refund of the amount of value added tax to the representative offices shall be carried out upon the conclusion of the tax departments of Mountain Badakhshan Autonomous Region, regions and Dushanbe city on the basis of consolidated registers drawn up by these representative offices and certified copies of documents (invoices, checks and others) confirming the fact of payment of value added tax.

4. Consolidated registers shall be drawn up according to the form established by the authorized state body and shall be submitted by the representations to the Ministry of Foreign Affairs of the Republic of Tajikistan for confirmation of exchange of notes on observance of the principle of reciprocity in granting privileges on indirect taxes (value added tax and excise tax) in accordance with the provisions of international tax treaties. After confirmation, consolidated registers are subject to transfer to the tax authority determined by the authorized state body to make refunds.

5. If in the documents attached to the summary registers, the amount of value added tax is not indicated in a separate line, the refund of the amount is possible only upon confirmation by the supplier of goods (works, services) of receipt of value added tax to the budget.

6. Return of the value added tax to representative offices shall be carried out by the authorized state body in the sphere of finance in the order established by part 4 of this Article, within 30 calendar days after receipt by the authorized state body of consolidated registers from the Ministry of Foreign Affairs of the Republic of Tajikistan. The amount of value added tax subject to refund shall be transferred from the state budget to the respective accounts of the representations.

7. The procedure for refunding the value added tax to the representative offices, taking into account the provisions of this Article, shall be determined by the Government of the Republic of Tajikistan.

CHAPTER 43. PECULIARITIES OF TAXATION OF REMOTE SERVICES OF FOREIGN PERSONS

Article 277. Taxpayers

1. Taxpayers shall be recognized as foreign persons without place of activity in the Republic of Tajikistan, who provide remote services directly to individuals, as well as individual entrepreneurs, and the place of provision of such services in accordance with Article 258 of this Code shall be 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 shall be recognized as tax agents in accordance with Article 260 of this Code.

Article 278. Procedure for registration (deregistration) of foreign persons rendering remote services

Foreign persons rendering remote services directly to individuals, to whom the provisions of Article 277 of this Code apply, shall be registered (deregistered) electronically on the basis of submission of an application and other documents in the form approved by the authorized state body. The application for registration (deregistration) of foreign persons shall be submitted to the authorized state body not later than 30 calendar days from the day of commencement (termination) of provision of remote services.

Article 279. Representative of foreign supplier of distance services on 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 the foreign supplier of remote services for value added tax in the Republic of Tajikistan;
- ensure payment of value added tax for remote services to the budget of the Republic of Tajikistan.

2. The representative of the foreign supplier of remote services on value added tax shall be responsible for performance of all works provided in this Chapter, including application for registration, submission of declarations on value added tax and payment of value added tax.

3. The registration of a representative of a foreign remote service provider's representative for value added tax shall be made in the name of the person who represents him.

4. A person may be a representative of a foreign supplier of remote value added tax services for more than one person he represents, but shall be registered separately for each person.

5. A representative of a foreign distance service provider is liable for value added tax of the person he represents.

6. For the purposes of this Chapter, electronic services shall include services performed through information and communication network, including information and communication network Internet (hereinafter - information and communication network) in an automatic way using information technologies.

7. Electronic services include:

- granting rights to use software for electronic computing machines (including computer

games), and electronic database through the information and communication network, including by providing remote access to them, as well as their updates and additional functionality;

- provision of advertising services in the information and communication network, including through the use of software for electronic computers or electronic database used in the information and communication network, as well as provision of advertising space in the information and communication network;

- provision of services on placement of offers on purchase (realization) of goods (works, services) and property rights in the information and communication network;

- rendering services through the information and communication network to provide technical, organizational, information and other opportunities, carried out with the use of information technologies and systems, to establish contacts and conclude contracts (transactions) between sellers and buyers (through real-time trading platforms operating on the Internet, where potential buyers offer a price for goods (works, services) through an automated procedure and the parties are notified of the sale by means of an automated procedure).

provision and (or) maintenance of economic activity, as well as support of 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 betting on gambling in bookmaker's offices;

- providing access to information and communication networks, as well as providing users with an opportunity to change them;

- storing and processing information, provided that the person who submitted this information has access to it through the information and communication network;

- provision of real-time computing power for placing information in the information system;

- provision of domain names and hosting services;

- provision of services on administration of information systems, sites on the Internet;

- provision of services performed automatically through the Internet network when data is entered by the purchaser of the service, automated services for searching data, selecting and sorting them according to requests, providing the said data to users through information and telecommunication networks (in particular, real-time summaries of the stock exchange of securities, real-time automated translation);

- granting rights to use electronic books (editions) and other electronic publications, information, 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:

- realization of goods (performance of work, rendering of services), if, when ordering via the Internet, delivery of goods (performance of work, rendering of services) is carried out without using the Internet;

- sale (transfer of rights to use) programs for electronic computers (including computer

games), databases on tangible media;

- provision of consulting services via e-mail;

- provision of Internet access services.

9. The tax authority shall establish methods, procedures and requirements for the appointment of a representative of a foreign remote service provider 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, shall be individuals and legal entities, including separate subdivisions of legal entities, performing taxable operations on the territory of the Republic of Tajikistan.

2. The following persons shall be recognized as payers of excise tax:

1) legal entities-residents of the Republic of Tajikistan producing excisable goods in the Republic of Tajikistan;

2) legal entities-residents of the Republic of Tajikistan providing electric communication services (excisable services);

3) non-resident legal entities of the Republic of Tajikistan producing excisable goods in 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 case of production of excisable goods on the territory of the Republic of Tajikistan from raw materials of the customer (goods made on commission), the payer of excise tax shall be the goods producer.

Article 281. Object of taxation

1. The object of taxation shall be excisable goods and taxable operations with them, as well as excisable types of activity.

2. The following taxable operations with excisable goods shall be the object of taxation:

1) export of excisable goods produced on the territory of the Republic of Tajikistan outside the enterprise (place of production), including:

a) supply of excisable goods, except for cases when excise tax for these goods has been paid in advance;

b) transfer of excisable goods (raw materials) to another person for processing on a tolling basis;

c) supply (transfer) of excisable goods which are the product of processing of tolling raw materials and (or) materials, including tolling of excisable raw materials and (or) materials;

d) contribution of excisable goods to form the authorized fund (capital) of a business entity as a contribution (share of participation);

e) use of excisable goods for mutual payment with goods and in-kind payment;

f) sale of excisable goods by a manufacturer to its separate subdivisions;

g) sale of excisable goods in bankruptcy proceedings of a taxpayer, if excise duty on these goods in the territory of the Republic of Tajikistan was not paid earlier in accordance with the legislation of the Republic of Tajikistan;

2) importation 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 compliance with the customs legislation;

3) sale of confiscated, ownerless, transferred by the right of inheritance to the state, and donated to the state ownership on the territory of the Republic of Tajikistan excisable goods, if excise duty was not paid earlier on the territory of the Republic of Tajikistan for these goods;

4) use of excisable goods for own production needs and (or) for production of other excisable goods or consumption of excisable goods at the place of production by employees or other persons;

5) assembly (completion) of excisable goods defined by the seventh paragraph of part 1 of Article 282 of this Code and their alienation;

6) spoilage, loss of excisable goods.

3. Excisable activities shall be provision of certain types of services in the field of electric communication, regardless of the type and form of their reflection in the license for provision of electric communication services defined in paragraph 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, except for pure drinking water;
- processed tobacco, industrial tobacco substitutes, tobacco products;
- nicotine-containing products, nicotine-containing liquid, heated tobacco products, e-cigarettes and smoke-emitting devices;
- mineral fuels, all types of crude oil and its distillation products, bituminous substances, mineral wax, liquefied gas;
- pneumatic rubber tires and tires, solid or semi-pneumatic tires and tires, tire treads and rim bands of rubber;
- passenger cars and other vehicles designed for the transportation of persons;
- ready-made carpet products imported into the Republic of Tajikistan;
- any imported water, including carbonated water, articles 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 parts thereof made of precious metals and (or) covered with precious metals.

2. Types of excisable services activities are a set of services in the field of electric communication, including:

- public mobile cellular communication services of all standards (mobile cellular communication services);
- data transmission services (including telegraphic communication and IP telephony), including through the network of operators;
- telematic services, including through the Internet network;
- international (long-distance) telephone communication services through a network of operators.

Article 283. Tax base

1. The tax base for excisable goods shall be:

- physical volume of excisable goods;
- the amount of the taxable transaction determined on the basis of the price of retail sale

of excisable goods less value added tax and excise tax;

- the amount of the taxable operation based on the customs value or on the indicator of the physical volume of excisable goods determined in accordance with the Customs Code of the Republic of Tajikistan less the value added tax and excise tax;

- the amount of taxable transaction of excisable goods when used as in-kind payment, when excisable goods are donated, when pledged goods are transferred to the pledgee's property or exchange transaction, as well as when excisable goods are transferred free of charge, determined on the basis of the retail price of goods less value added tax and excise tax.

2. The prices determined in accordance with paragraphs two and four of part 1 of this Article for the calculation of the tax liability on excise duties may not be lower than the current retail prices.

3. In case of establishment in accordance with part 1 of Article 285 of this Code of different rates of excise duty on different types of alcohol, non-alcoholic and alcoholic beverages, the tax base shall be determined separately for operations taxed at different rates.

4. When determining the amount of a taxable operation, the price of packaging, except for returnable packaging, shall be taken into account.

5. Regardless of whether the excisable goods are produced from own or toll raw materials, the provisions of Parts 1-3 of this Article shall be applied to determine the tax base.

6. The tax base for certain types of services in the field of electric communication shall be determined by deducting value added tax and excise tax from gross income.

7. In case of spoilage or loss of excisable goods produced and (or) imported to the Republic of Tajikistan, excise tax shall be paid in full from the quantity of spoiled and (or) lost excisable goods, except for cases when spoilage or loss of goods occurred as a result of an emergency situation, which is confirmed in accordance with the procedure established by the fifth paragraph of paragraph 1 of Article 267 of this Code. This provision shall be applied to excisable goods imported to the Republic of Tajikistan in the case when the taxpayer applied with regard to imported excisable goods the procedure and (or) established customs procedures and (or) regimes stipulating non-payment of customs payments in compliance with the requirements of Article 363 of the Customs Code of the Republic of Tajikistan.

8. For the purposes of this Article, the events stipulated in Paragraph 2 of Article 267 of this Code shall be understood as spoilage and loss of excisable products.

Article 284. Time of taxable transaction

1. With regard to excisable goods produced on the territory of the Republic of Tajikistan, the time of taxable transaction shall be the date of delivery (transfer) of excisable goods, including the date of:

- release (place of production) of excisable goods outside the enterprise (delivery, sale);

- transfer of excisable goods to another person for processing;

- return to the customer and (or) transfer to a person specified by the customer of excisable goods manufactured from goods made on commission and (or) raw materials;

- transfer of excisable goods for their use in own production needs;

- the date of drawing up an act on writing off spoiled excisable goods or the date of making a decision on using spoiled excisable goods in the production process;

- loss of excisable goods;

- contribution (share of participation) of excisable goods to the authorized fund (capital) of a business entity;

- making mutual settlements and settlements with excisable goods;

- sale of confiscated, ownerless, transferred by right of inheritance to the state and gratuitously transferred into the ownership of the state excisable goods, if excise tax was not previously paid on these goods in the territory of the Republic of Tajikistan;

- sale of the bankruptcy estate of excisable goods, if excise tax on these goods in the territory of the Republic of Tajikistan was not paid earlier;

- assembly (completion) of excisable goods defined by paragraph six of part 1 of Article 282 of this Code.

2. With regard to excisable goods imported to the Republic of Tajikistan, the time of fulfillment of the taxable operation shall be the date of importation of such goods in accordance with the customs legislation.

3. When carrying out activities on rendering excisable services, the date of fulfillment of the taxable operation shall be the time determined by Paragraph 5 of Article 256 of this Code.

Article 285. Tax rates

1. Rates of excise tax on excisable goods shall be established by the Government of the Republic of Tajikistan in accordance with the commodity nomenclature of foreign economic activity of the Republic of Tajikistan.

2. Excise tax rates are established in percent (ad valorem) of the cost of excisable goods and (or) in a fixed (absolute) amount per unit of measurement of excisable goods in natural terms.

3. Excise tax rates on alcoholic products are determined depending on the volume of (one hundred percent) alcohol contained therein.

4. The rate of excise tax for the activity on provision of excisable services in the field of electric communication shall be set at the rate of 7 percent of the tax base.

Article 286. Exemption

1. Exempt from excise tax payment:

- production of alcoholic beverages by an individual for his own consumption according to the list and norms established by the Government of the Republic of Tajikistan;

- importation 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 calculation) by an individual for own consumption (use), as well as automobile fuel according to the standard capacity of the fuel tank of a vehicle 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, except for goods intended for re-export;

- excisable goods, except for alcoholic and tobacco products, imported to the Republic of Tajikistan within the framework of humanitarian aid, as well as imported for gratuitous transfer to charitable organizations for the purpose of liquidation of consequences of natural disasters, accidents, catastrophes and for gratuitous 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 motor vehicles directly by legal entities and individual entrepreneurs operating on the basis of a certificate (the date of manufacture of which does not exceed 1 (one) year, with mileage up to 10 (ten) thousand kilometers) of commodity items 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 propelled only by electric motors, including electric cars, electric buses and trolleybuses if less than 1 (one) year has passed since their release date; (Law of the Republic of Tajikistan dated April 15, 2025, No. 2158). (Law of the Republic of Tajikistan dated March 18, 2022, No. 1867). (Law of the Republic of Tajikistan dated December 24, 2022, No. 1934).

- The importation and subsequent supply by domestic aviation companies of fuel, chemicals and lubricating oils for aircraft (airplanes, helicopters) regardless of the provisions of paragraph 2 of this Article. (Law of the Republic of Tajikistan dated December 24, 2022, No. 1934).

2. The exemption from excise taxes stipulated in paragraphs three-seventh of Paragraph 1 of this Article shall be applied only in cases when the conditions of exemption from customs duty under the relevant regimes in accordance with the customs legislation of the Republic of Tajikistan are fulfilled. In this case, if for the purposes of levying customs duty the importation falls under the customs regime "Return of customs duty", or payment of customs duty is required, when the conditions of exemption are not fulfilled, the same regime shall apply to the levying of excise duty.

Article 287. Confirmation of export of excisable goods

1. When exporting excisable goods in order to confirm the validity of exemption in accordance with Article 286 of this Code, the taxpayer shall, within 120 calendar days from the date of the stamp of the customs authority that released excisable goods under the "Export" regime, submit the following documents to the tax authorities at the place of registration:

- cargo customs declaration or its copy certified by the customs authority, with the marks of the customs authorities that released excisable goods under the "Export" regime, and in case of export of excisable goods under the "Export" regime through the system of main pipelines or using the procedure of incomplete periodic declaration, a full cargo customs declaration with the marks of the customs authority that carried out customs clearance;

- a contract for the supply of exported excisable goods;

- copies of shipping documents with a mark of the customs authority located at the checkpoint on the customs territory of the Republic of Tajikistan, and in case of export of excisable goods under the "Export" regime through the system of main pipelines, the act of acceptance and delivery of goods;

- payment documents of the credit financial organization and a copy of the extract from them confirming the actual receipt of foreign currency proceeds from the supply of excisable goods to the accounts of the taxpayer in the Republic of Tajikistan.

2. In the case of foreign economic transactions on the exchange of goods (works, services), the taxpayer shall be obliged to submit documents confirming the import of goods (works, services) received under these transactions into the territory of the Republic of Tajikistan.

3. In case of failure to confirm export of excisable goods in accordance with the provisions of paragraphs 1 and 2 of this Article, such export shall be subject to taxation in accordance with the procedure established by this Section for taxation of supply of excisable goods in the territory of the Republic of Tajikistan.

4. In case of submission to the tax authorities at the place of registration of documents confirming export of excisable goods within 180 calendar days from the date of marking provided for in paragraph 1 of this Article, the taxpayer shall have the right to receive a credit

or refund of excise tax calculated in accordance with paragraph 3 of this Article, except for accrued interest. In case of failure to comply with the term established by this Part, the taxpayer shall not be entitled to a credit or refund of the tax paid in accordance with Part 3 of this Article, unless such case is related to force majeure circumstances.

Article 288. Credit of excise tax

1. When paying excise tax to the budget, the payer of excise tax shall have the right to offset the amount of excise tax paid by him when purchasing (receiving) or importing excisable goods to the customs territory of the Republic of Tajikistan, if excisable goods are used as the main raw material for production of excisable goods.

2. The excise tax payer, providing excisable services in the sphere of electric communication, with regard to provision of Internet services, shall have the right to offset the amount of excise tax with regard to the complex of excisable services of used electric communication by the proportional method, if the said services are used by the taxpayer for provision of excisable electric communication services.

3. In accordance with part 1 of this Article, the credit of the amount of excise tax shall be allowed for the amount of excisable raw materials actually used during the tax period for the production of excisable goods, if the production of excisable goods is carried out according to the established norms.

4. Provisions of parts 1 and 3 of this Article shall be applied in case of transfer of excisable goods manufactured from the goods made on commission excisable raw materials used as raw materials, provided that the owner of the goods made on commission has confirmed the payment of excise tax.

5. Credit or refund in accordance with Articles 117 and 118 of this Code) of 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 Population of the Republic of Tajikistan in coordination with the authorized state body in the field of finance and the authorized state body shall be allowed.

6. Credit or refund of excise tax under this Article shall be allowed only in the following cases, including when:

- submission of an invoice confirming payment of excise tax when purchasing excisable goods (raw materials);
- confirmation of payment of excise tax by the owner of tolling 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, credit or refund of excise tax shall be allowed in respect of the volume (quantity, cost) 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 by pharmaceutical enterprises in the production of medicines.

Article 289. Tax period

The tax period of excise tax shall be a calendar month.

Article 290. Payment of excise tax

1. In case of production of excisable goods, excise tax shall be payable in respect of taxable operations not later than the 15th day of the month following the month of realization

of the taxable operation.

2. The taxpayer shall not be entitled to export excisable goods outside the production premises without payment of excise tax.

3. In case of importation of goods, excise tax shall be collected by customs authorities in accordance with the procedure determined by this Code and customs legislation.

4. Payment of excise tax on electric communication services to the budget shall be made not later than the 15th day of the month following the month of the taxable transaction.

Article 291. Tax control of excisable alcoholic, non-alcoholic and tobacco products

1. Tax control of accounting of the volume of production (bottling), storage, transportation and release outside the production premises, as well as export of excisable, alcoholic, non-alcoholic and (or) tobacco products produced on the territory of the Republic of Tajikistan, taking into account the requirements of this Article, shall be carried out in the order established by the Government of the Republic of Tajikistan.

2. Customs authorities of the Republic of Tajikistan shall exercise control over the volume, quantity and labeling of excisable goods imported to the Republic of Tajikistan under the customs regime “Release for free circulation”, and also sold in the Republic of Tajikistan under another customs regime.

3. In order to fully account for the turnover of excisable goods, a tax post shall be placed on the territory (location) of producers of excisable goods in the circumstances envisaged by Article 44 of this Code.

4. Import of excisable alcoholic and (or) tobacco products into the territory of the Republic of Tajikistan under the regime “Release for free circulation” shall be allowed by customs authorities after preliminary marking of these products with excise stamps according to the procedure established by the authorized state body.

5. Marking of excisable alcoholic and (or) tobacco products with excise stamps shall be carried out by the person importing these products. Excisable alcoholic and (or) tobacco products imported to the Republic of Tajikistan shall be subject to placement in temporary storage warehouses and (or) registration under the “Customs warehouse” regime in accordance with the customs legislation of the Republic of Tajikistan for marking with excise stamps.

6. Customs clearance of excisable alcoholic and (or) tobacco products under the customs regime “Release of goods for free circulation” may be performed proportionally to the paid amount of customs duties and taxes 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 payer of excise tax, except for the cases indicated in Paragraphs 2 and 3 of this Article.

2. Payers of excise tax on excisable goods having separate subdivisions shall pay excise tax to the relevant budget at the location of separate subdivisions engaged in the production of excisable goods.

3 Excise tax on certain types of services in the field of electric communication is payable to the relevant budget at the location of the taxpayer's main accounting office (regardless of the existence of separate subdivisions).

Article 293. Filling an excise tax return

1. Excise tax payers shall submit tax declarations in the manner and according to the form

established by the authorized state body not later than the 15th day of the month following the reporting tax period.

2. Excise tax payers having separate subdivisions shall submit excise tax calculations for separate subdivisions simultaneously with the declaration.

3. Declaration on payment of excise tax on provision of services in the field of electric communication shall be submitted not 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 existence of a separate subdivision).

4. Instructions on calculation and payment of excise tax, as well as forms of declarations, shall be approved upon submission of the authorized state body by the authorized state body in the field of finance.

Article 294. Refund of excise tax in case of re-export of goods

1. In case of re-export of goods, excise tax paid upon their importation shall be refunded in the actual volume of re-exportation in accordance with the procedure established by the customs legislation, within 30 days after submission of a written application by the taxpayer, if excise tax was paid upon importation of such goods.

2. The provisions of Paragraph 1 of this Article shall not apply to excisable goods, the importation of which is exempted from payment of excise tax in accordance with paragraph five of Paragraph 1 of Article 286 of this Code.

Article 295. Excise stamps

1. An excise stamp shall be a document of strict accountability having a certain degree of protection and shall be put into circulation by the body implementing financial policy for accounting and control of production of certain excisable imported goods.

2. The procedure for production and circulation of excise stamps, compilation of the list of excisable goods of domestic production and imported goods subject to mandatory labeling shall be approved by the Government of the Republic of Tajikistan.

3. Sale of excisable goods subject to labeling without excise stamps shall be prohibited. In case of sale of excisable goods subject to labeling without excise stamps, such goods shall be withdrawn in accordance with the procedure established by the legislation of the Republic of Tajikistan.

4. Manufacturers and persons importing excisable goods shall be responsible for labeling of 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 volume of the declared range of excisable goods.

6. Excise tax on damaged or lost excise stamps shall be calculated on the basis of the established rates of excise tax applied to the volume of a unit of container (tare, package) indicated on the stamp.

7. If the excise stamp does not bear a designation of the volume of a unit of capacity (tare, package), excise tax on damaged or lost excise stamps shall be calculated on the basis of the largest volume of a unit of capacity (tare, package) of excisable goods during the tax period preceding the period of damage or loss of excise stamps.

8. In case of damage or loss of excise stamps, excise duty is not payable in the following cases:

- the spoilage or loss of excise stamps occurred as a result of emergency situations

confirmed by the relevant authorities in accordance with the procedure established by the fifth paragraph of part 1 of Article 267 of this Code;

- spoiled excise stamps transferred to the tax authorities on the basis of an act for write-off or destruction.

9. Labeling of excisable goods shall not be obligatory in the following cases:

1) export of excisable goods under the customs regime “Export” from the territory of the Republic of Tajikistan;

2) import of excisable goods by duty-free trade entities into the territory of the Republic of Tajikistan under the customs regime “Duty Free Trade”;

3) conveyance of excisable goods across the customs territory of the Republic of Tajikistan under the customs regime “International transit”;

4) importation of alcohol and tobacco products onto the territory of the Republic of Tajikistan by a natural person over 21 years old within the norms established by legislation of the Republic of Tajikistan.

Article 296. Invoices for value added tax and excise duties

The taxpayer, supplying and (or) exporting excisable goods, shall be obliged in accordance with the procedure established by Articles 269 and 270 of this Code, to write out and issue to the recipient of excisable goods an invoice for value added tax and excise duties.

SECTION X. TAXES ON NATURAL RESOURCES

CHAPTER 45. TAXES ON USERS OF NATURAL RESOURCES

§1. General provisions

Article 297. Basic provisions

1. Taxes shall be assessed and paid when natural resources are used, including their use under a contract on the use of natural resources and (or) the use of water for the generation of electric energy.

2. Taxes for the use of natural resources consist of:

- subscription bonus;
- commercial discovery bonus;
- mining royalties;
- water royalty;
- export rents.

3. In this Chapter for the purposes of taxation the following concepts shall be used:

- users of natural resources - persons engaged in prospecting and discovery of deposits, mining of minerals, extraction of minerals from mineral raw materials and (or) processing of technogenic mineral formations;

- deposit - an area of subsoil (or part thereof) containing a natural accumulation of minerals;

- minerals - mineral and organic fossils, the chemical composition and physical properties of which allow their use in the sphere of production (for example, as raw materials or fuel). Minerals consist of solid, liquid and gaseous minerals;

- mineral - natural mineral or organic substances formed in the Earth's crust in solid, liquid and (or) gaseous state, the chemical composition and physical properties of which allow their effective use in production and (or) consumption;

- extraction - a set of works related to the extraction of minerals from the subsoil to the surface, as well as from technogenic mineral formations;

- processing of mineral raw materials and (or) technogenic mineral formations - works related to extraction of useful elements from mineral raw materials and technogenic mineral formations, as well as extraction of minerals from them;

- commercial discovery - mineral reserves discovered within the authorized contractual territory of the natural resources user, approved by the State Commission of the Republic of Tajikistan on mineral reserves and being economically effective for extraction;

- subscription bonus - a one-time fixed tax of the user of natural resources to acquire 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 volume of renewable mineral resources approved by the authorized state body in the field of geology. The provisions on the signature bonus and commercial discovery bonus are not applicable to state enterprises engaged in the performance of works on geological study of subsoil financed from the state budget;

- placer minerals - natural mineral formations, including precious metals and gemstones, tin, tungsten, rare metals, ornamental stones and other, formed as a result of physical and chemical weathering of rocks, manifestations and deposits of primary and mineral resources;

- artisanal and free-bearing method - a method of organizing the extraction of placer 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 unaccounted reserves and not put on the state balance sheet of mineral reserves of the Republic of Tajikistan;

- technogenic mineral formations - accumulation of formed minerals at the ground surface level as a result of extraction and processing of minerals stored in the form of wastes of mining, processing and metallurgical industry;

- royalty for extraction - tax paid by the user of natural resources separately for each type of minerals extracted on the territory of the Republic of Tajikistan, regardless of whether they were delivered (shipped) to buyers (recipients) or used for their own needs.

4. Non-resident can carry out the use of 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 commonly occurring minerals and underground water extracted on land plots assigned for their use, if these extracted minerals are not used for entrepreneurial activity;

- producers of agricultural products, fish farming products and state institutions extracting groundwater for their own economic needs and for improvement of ameliorative condition of agricultural lands;

- users of natural resources for associated groundwater extraction during reinjection to maintain reservoir pressure;

- Persons extracting drainage groundwater, not accounted in the state balance of minerals, during the development of mineral deposits, construction and operation of underground facilities;

- individuals engaged in water extraction from wetlands;

- individuals engaged in the extraction of placer minerals by artisanal and free-trade methods and complying with the conditions stipulated by the legislation on the extraction of placer minerals.

6. Taxes on natural resources shall be deducted for the purposes of the income tax of a legal entity from gross income.

7. Instructions on calculation and payment of taxes on natural resources, as well as forms of tax declarations (calculations) shall be approved upon submission of the authorized state body by the authorized state body in the sphere of finance.

8. Payment of taxes by users of natural resources shall not exempt users of natural resources from payment of other taxes established by this Code, as well as from fulfillment of tax obligations for other types of activities (not related to the use of natural resources) in accordance with the tax legislation as of the date of occurrence of such obligations (not related to the use of natural resources).

Article 298. Establishment of tax regime in agreements on the use of natural resources

1. The conditions of payment of taxes from users of natural resources (hereinafter in this section - tax regime), established for each user of natural resources in accordance with this Code, shall be determined in the agreement on the use of natural resources (hereinafter in this section - agreement), concluded between the user of natural resources and the authorized body of the Government of the Republic of Tajikistan (hereinafter in this section - competent body) in coordination with the authorized state body in the sphere of finance and the authorized state body in the sphere of taxation (hereinafter in this section - tax regime).

2. The contract shall be concluded between the user of natural resources and the competent authority within the period not later than 3 calendar months after receiving the license (permit), if the Government of the Republic of Tajikistan does not provide other terms.

3. The use of natural resources without a license (permission) and the contract for the use of natural resources is prohibited.

4. At use of natural resources without a license and conclusion of the contract on use of natural resources, taxes for use of natural resources (bonuses and royalties for extraction) for the whole period of such activity shall be collected at double rates established in accordance with the present Code, and such person shall be brought to responsibility in the order established by the legislation of the Republic of Tajikistan.

5. The tax regime established by the contract should correspond to the requirements of the tax legislation of the Republic of Tajikistan on the date of signing the contract.

6. It is forbidden to include provisions (requirements) relating to payment of taxes for the use of natural resources in licenses and other acts related to the use of natural resources, except for agreements on the use of natural resources.

7. In cases when the use of natural resources is carried out under one contract by several taxpayers in accordance with the legislation of the Republic of Tajikistan, the tax regime established in such contract shall be unified for all users of natural resources (taxpayers) specified in the contract. For taxation purposes, taxpayers carrying out activities under such a contract shall be considered a single taxpayer obliged to keep a single consolidated accounting and pay taxes from users of natural resources established in the contract 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 for the calculation of tax liabilities for activities outside the scope of such agreement (including those not related to the use of natural resources).

9. Provisions of Part 7 of this Article with regard to separate accounting shall not apply

to cases when a user of natural resources along with activities under contracts for the extraction of commonly occurring minerals and (or) underground water carries out activities outside the scope of such contracts (not related to the use of natural resources).

10. In case of processing of associated and other minerals, by the user of natural resources without amending the contract, taxes for the use of natural resources (bonuses and royalties for extraction) in accordance with the provisions of this Chapter shall be calculated and paid at double the rate.

§2. Subscription bonus

Article 299. Taxpayers

Subscription bonus shall be paid by a person who has won a tender for the right to use natural resources or who has obtained the right to use natural resources on the basis of direct negotiations and (or) license (permit) for extraction of natural resources or geological study in accordance with the legislation of the Republic of Tajikistan.

Article 300. Amount of subscription bonus

The size of the subscription bonus shall be established in accordance with the rules determined by the Government of the Republic of Tajikistan and shall be reflected in the contract for the use of natural resources.

Article 301. Deadlines for payment of the subscription bonus

1. The established amount of the subscription bonus shall be paid by the users of natural resources after obtaining a license (permit) for the right to extract natural resources within the following terms:

a) For commonly occurring minerals and mineral resources (except for entities operating in the field of coal, oil, gas condensate and natural gas extraction):

- thirty percent of the established amount of the subscription bonus within 30 calendar days from the date of issuance of the license (permit) right to extract natural resources;

- the remaining seventy percent of the established amount of the subscription bonus within 1 (one) year from the date of commencement of extraction of natural resources in equal installments for each month of the reporting period. In separate cases for separate deposits of minerals the Government of the Republic of Tajikistan can establish equal shares for each month of the reporting period within 2 (two) years;

b) for production of coal, oil, gas condensate and natural gas depending on the amount of accrued subscription bonus:

- Up to 200,000 figures for settlement within 2 (two) years in equal shares for each month of the reporting period;

- 200,000 to 500,000 indicators for calculations within 4 (four) years in equal installments for each reporting month;

- 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 beginning of operations in equal shares for each reporting month;

- more than 5 million indicators for calculations within 20 (twenty) years from the beginning of activity in equal shares for each reporting month.

2. The natural resource user, regardless of the provisions of paragraph 1 of this Article, may immediately pay the full calculated amount of the subscription bonus.

3. Subscription bonus shall be paid by users of natural resources, who have received a

license (permit) for geological survey, in 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 issuance of the document confirming the right to geological survey;

- fifty percent of the established amount not later than 30 calendar days from the date of entry into force of the contract for geological survey.

4. Subscription bonus for commonly occurring minerals and groundwater shall be paid to the budget of the location of the deposit.

5. On separate deposits of minerals by the Government of the Republic of Tajikistan can be established other term of payment of subscription bonus.

Article 302. Tax declaration

A declaration on the subscription bonus shall be submitted by the user of natural resources to the tax authorities at the location of the deposit during the first payment period and shall be entered in the taxpayer's personal account within the time limits established for the payment of such bonus.

§3. Commercial discovery bonus

Article 303. Taxpayers

1. Taxpayers of the commercial discovery bonus shall be users of natural resources who have applied to the authorized state body in the field of geology for commercial discovery of minerals in the contractual territory when conducting operations on the use of natural resources within the framework of obtained licenses (permits) for the use of natural resources.

2. The commercial discovery bonus shall be paid by users of natural resources under the following licenses (permits):

1) for the extraction of minerals in the following cases:

a) for each commercial discovery of minerals in the contractual territory, previously announced by this user of natural resources in the relevant territory under the exploration license (permit);

b) for each commercial discovery of a deposit in the course of additional exploration that leads to an increase in the volume of extraction of minerals initially 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 the field 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 on the contractual territory, including for the discovery during the additional exploration of deposits leading to an increase in the initially established by the authorized state body in the field of geology recoverable reserves of minerals.

3. Under licenses (permits) for exploration of mineral deposits that do not provide for their subsequent extraction, the commercial discovery bonus shall not be paid.

Article 304. Amount of commercial discovery bonus

The amount of commercial discovery bonus shall be established in the order determined by the Government of the Republic of Tajikistan and shall be reflected in the contract for the use of natural resources.

Article 305. Terms of payment of commercial discovery bonus

1. The amount of the commercial discovery bonus shall be paid by the users of natural resources to the budget not later than the 15th day of each of the next three months following

the month in which the taxpayer was issued a license (permit) for the extraction of mineral resources, with the aggregate amount of not less than 30 percent, 60 percent and 100 percent.

2. The commercial discovery bonus on commonly occurring minerals and underground water shall be paid at the taxpayer's place of record for the location of the deposit not later than the 15th day following the month in which the license (permit) was issued.

Article 306. Tax declaration

A declaration on commercial discovery bonus shall be submitted by users of natural resources to the tax authorities at the location of the deposit within the term of the first payment established in accordance with Article 305 of this Code for payment of such bonus and shall be entered in the personal account of the taxpayer within the terms established for payment of such bonus.

§4. Royalties for extraction

Article 307. Taxpayers

Payers of royalties for extraction shall be users of natural resources performing the following activities under each license (permit) issued for the use of natural resources:

- extraction of minerals, including from technogenic mineral formations;
- processing of minerals with extraction of useful components from them.

Article 308. Object of taxation

1. The object of taxation of royalty for extraction (hereinafter - royalty) shall be the following volumes of extracted minerals, including volumes of associated minerals extracted technologically (hereinafter - associated minerals):

- extracted from deposits or subsoil plots allocated separately to the taxpayer on the territory of the Republic of Tajikistan;
- extracted from wastes (losses), taking into account technological separation, if such extraction is subject to a separate license (permit).

2. The object of royalty shall be determined separately for each type of extracted mineral.

3. The objects of taxation for royalties are:

- volume of minerals extracted (including associated minerals extracted by technological means);
- useful components formed from minerals, mineral raw materials, technogenic mineral formations;
- extracted hydrocarbons that have undergone primary processing, including associated minerals and their useful components;
- useful components extracted in the process of hydrocarbons processing, which are not taxed as a finished product during previous extraction and processing as part of processed minerals;
- extracted precious metals and gemstones, including from technogenic mineral formations;
- underground water used for entrepreneurial 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 royalty tax shall be the value of the volume of extracted minerals, including jointly extracted minerals, calculated at the average price of delivery for the reporting period, unless this Article provides otherwise.

2. The average delivery price for each type of extracted mineral for the reporting period shall be determined separately by dividing the amount of sales in the national currency (including value added tax and excise duties) by the volume of sales in physical terms. In case of non-sale of minerals for the reporting period, the tax base is determined on the basis of the average price of delivery of minerals for the last reporting period in which the sale was made.

3. In case of absence of delivery of extracted minerals and their full use for own needs of the taxpayer, the cost of minerals extracted during the tax period is determined on the basis of the actual cost of extraction and (or) primary processing (enrichment, purification) attributable to these 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 when 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 shall be determined by the user of natural resources independently, taking into account the technological separation in respect of 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, except for precious metals, as well as precious stones, shall be determined as the quantity of minerals extracted in natural terms.

7. The tax base for precious metals in pure chemical form is determined in original expression in the amount of minerals extracted.

8. The tax base for the extraction of gemstones from ore, placer and technogenic deposits is determined on the basis of the quantity of minerals obtained after initial extraction and the initial valuation of unprocessed stones. In this case, rare gemstones are calculated separately, for which the source of royalty tax is determined separately. Assessment of the cost of extracted 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 value of precious metals (gold, silver and platinum) and other metals extracted by a user of natural resources during a tax period is calculated on the basis of the average price of such metals formed at the London Metal Exchange, the London Bullion Exchange or other international (regional) exchanges.

10. The cost of certain types of commonly occurring minerals extracted by the user of natural resources for the tax period shall be determined on the basis of the average estimated cost of the main construction funds determined by the authorized state body in the field of architecture and construction.

11. Unless other parts of this Article provide otherwise, the value of minerals extracted by the user of natural resources during the tax period, including associated minerals, shall be determined on the basis of the average delivery price of such minerals formed for the tax period at the international (regional) exchange, or in another procedure determined by the authorized state body in the field of finance and the authorized state body.

Article 310. Rates of royalty for extraction

1. Royalty rates for the extraction of commonly occurring minerals shall be established in the following amounts:

O/N	Name of commonly occurring mineral resources	Rates (in percent and somoni of the taxable

		base)
1	Sand (except for molding sand, quartz (glass) sand for porcelain, faience and cement industries)	5%
2	Molding sand, quartz (glass) for porcelain and faience and cement industries	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 refractory clay, refractory clay, molding clay for porcelain and faience and cement industries, floridone clay, paint clay, bentonite clay, acid-resistant clay and kaolin)	5%
5	Refractory clay, refractory, refractory clay, molding clay for porcelain and faience and cement industries, floridon clay, paint clay, bentonite clay, acid clay and kaolin clay	5 percent, but not less than 10 percent of the indicator for calculations per cubic meter
6	Loam (except for loam for cement industry)	7%
7	Loam for cement industry	6%, but not less than 10% of the indicator for calculations per cubic meter
8	Boot stone	5%
9	Sandstone (except bituminous, facing, dinas and for glass industry)	5%, but not less than 10% of the indicator for calculations per cubic meter
10	Bituminous sandstone, facing sandstone, dynasic sandstone and for glass industry	4%
11	Chalk	6%
12	Quartzite (except for dynasic, fluxing, facing, ferruginous quartzite for production of silicon carbide, crystalline silicon ferroalloys)	6%
13	Quartzite dynasic, fluxing, facing, ferruginous for production of silicon carbide, crystalline silicon ferroalloys	6%
14	Dolomite (except bituminous and for cement industry)	6%
15	Dolomite bituminous and for cement industry	5%, but not less than 10% of the indicator for calculations per cubic

		meter
16	Marl (except bituminous and for cement industry)	7%
17	Bituminous marl and for cement industry	10%
18	Limestone (except for bituminous, facing, dusty limestone for cement, metallurgical, chemical, glass, pulp and paper, sugar industry and for alumina production)	6%
19	Bituminous, facing, dusty limestone for cement, metallurgical, chemical, glass, pulp and paper and sugar industries, as well as for alumina production	6%
20	Coquina for the cement industry	10%, but not less than 10% of the indicator for calculations per cubic meter
21	Coquina (except for facing and decorative)	6%
22	Marble and coquina facing and decorative marble	6%
23	Slate (except for combustible and roofing slate)	6%
24	Oil shale and roofing slate	5%
25	Argillites and siltstones	5%
26	Magmatic, volcanic and metamorphic rocks (except for facing, decorative, for the production of refractory and acid-resistant materials, stone casting and mineral wool, and except for those suitable for use in the cement industry)	6%
27	Magmatic, volcanic and metamorphic rocks for facing, decorative, refractory and acid-resistant materials, stone casting and mineral wool, as well as 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
30	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 groundwater extraction shall be set by groundwater category in accordance with the table below in the following amounts:

O/N	Name of groundwater	Rates as a percentage of the tax base
1	For therapeutic groundwater (therapeutic mud) and pure mineral water for bottling (by 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 extracted by public utilities to meet the needs of the population	2%
4	For groundwater extracted by public utilities, regardless 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 into containers (through industrial processing) is calculated on the basis of the cost price of the first marketable product.

3. Royalty rates for the extraction of mineral resources, except for those specified in parts 1 and 2 of this article, shall be set in the following amounts:

O/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 and others)	6%
5	Alluvial minerals	10%
6	Noble metals (gold, silver, platinoids)	6%
7	Gemstones	8%
8	Colored stones (semi-precious stones) and (or) piezo-optical raw materials	9%

9	Radioactive raw materials	6%
10	Mining and chemical raw materials and thermal waters	5%
11	Mining raw materials (concentrate) and (or) non-metallic raw materials for metallurgy	5%
12	Other minerals not specified in this table, as well as in parts 1 and 2 of this article	3%
13	Extraction of minerals from technogenic mineral formations	10% tax rate for mineral extraction
14	Alluvial minerals mined by artisanal and free-trade methods	0

4. The amount of royalty 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 minerals extracted by the user of natural resources for the tax period by the corresponding royalty rates for extraction.

5. The entity that used natural resources in production, construction and sale, but does not have documents for their purchase or submitted documents that are not reasonable, the royalty tax on such natural resources shall be charged and paid to the budget at double the rate specified in this Article.

Article 311. Procedure for establishment and payment of royalty 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 sphere of industry and new technologies on payment of royalty for extraction in kind, such payment may be made upon agreement with the authorized state body in the sphere of finance and the authorized state body.

2. The value of royalty paid in kind shall 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 shall submit to the tax authority at the location of the deposit a report on payment of royalty for extraction in kind within the established terms.

4. The recipient shall be responsible in accordance with the legislation of the Republic of Tajikistan for timely and full payment to the budget of the monetary amount of royalty for extraction (in accordance with the calculations of the user of natural resources), as well as for the received products.

Article 312. Tax period, procedure for submission of a declaration and payment of royalties for extraction

1. The tax (reporting) period for determination and payment of royalty for extraction is a calendar month.

2. Declaration (calculation) on royalty for extraction shall be submitted by the user of natural resources according to the form and in the order established by the authorized state body to the tax authority at the location of the deposit until the 15th day of the month following the reporting tax period.

3. Royalty for extraction of all types of minerals shall be paid not later than the 15th day of the month following the reporting period.

§5. Water royalty

Article 313. Taxpayers

Payers of royalty for water (hereinafter in this Chapter - taxpayers) shall be recognized

as persons using water in the Republic of Tajikistan for generation of electricity.

Article 314. Object of taxation

The object of taxation of royalty for water shall be the use of water bodies for the purposes of electricity generation at hydroelectric power plants.

Article 315. Tax base

1. The tax base shall be determined as the amount of electric power produced during the tax period without taking into account losses during its further transmission (supply).

2. The tax base shall be determined by the taxpayer separately with respect to each water body.

Article 316. Exemption

Facilities with the capacity to produce up to 1,000 kilowatts of electricity shall be exempted from the calculation and payment of royalty for water.

Article 317. Tax period

The tax period for water royalty shall be a calendar month.

Article 318. Rate of tax

The rate of water royalty shall be set at the rate of 0.06 index for calculations for every 1,000 kilowatt/hours of electricity produced.

Article 319. Procedure for calculation and terms of payment of royalty for water

1. The amount of royalty for water at the end of each tax period shall be calculated as the product of the tax base by the tax rate.

2. The amount of royalty for water shall be payable to the budget not later than the 15th day of the month following the tax period.

Article 320. Tax declaration

Tax declaration shall be submitted by the taxpayer to the tax authority at the place of its registration not later than the 15th day of the month following the tax period in accordance with the procedure established by the authorized state body.

§6. Export rents

Article 321. Taxpayers

Taxpayers of export rent shall be persons exporting concentrates of precious, ferrous, non-ferrous, rare, radioactive metals, mining and chemical raw materials, precious stones, raw materials of primary processing fake stones, 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 taxation of export rent shall be the volume of exported goods from the territory of the Republic of Tajikistan. For the purposes of this Chapter, the following operations shall be understood under the concept of export:

- export of goods outside the Republic of Tajikistan under the customs regime “Export”;
- offering for sale of goods previously exported from the territory of the Republic of Tajikistan under the customs regime “Processing”.

Article 323. Tax base

1. The tax base of export rent for the reporting period shall be the value determined on the basis of the average price of delivery (export) of goods at the time of export, specified in export contracts but not lower than the average price of delivery of goods formed for the tax period at the London Metal Exchange, London Precious Metals Exchange or other international

(regional) exchanges. In cases when the price at the London Metal Exchange, London Precious Metals Exchange or other international (regional) exchanges is not determined, the tax base of export rent is determined on the basis of market prices. (Law of the Republic of Tajikistan dated February 11, 2025, No.2143).

2. The tax base shall be determined by the taxpayer for each type of taxable object separately.

Article 324. Tax period

The tax period for export rent is a calendar month.

Article 325. Tax rate

The rate of export rent shall be established in the following amount and order from 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 calculation and payment of export rent

1. The amount of export rent at the end of each tax period shall be calculated as a derivative of the tax base by the tax rate.

2. The amount of expert rent shall be payable to the budget not later than the 15th day of the month following the tax period.

3. With regard to taxpayers who have not submitted tax reports for the period of three reporting months, the amount of export rent shall be calculated at the rate established in Article 37, paragraph 4 of this Code. (Law of the Republic of Tajikistan dated February 11, 2025, No.2143).

Article 327. Tax declaration

The tax return shall be submitted by the taxpayer to the tax authority at the place of its registration not later than the 15th day of the month following the tax period in accordance with the procedure 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 subdivisions, 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 labor contracts or without them;
- legal entities, their separate subdivisions, permanent establishments of non-residents and individual entrepreneurs who reimburse for services rendered in the Republic of Tajikistan (work performed) to resident individuals not registered as individual entrepreneurs on the basis of civil law contracts or without them;
- natural persons specified in paragraphs one and two of this part, who received wages, remuneration, other benefits and reimbursement for services rendered (work performed);
- individuals engaged in individual entrepreneurial activity on the territory of the Republic of Tajikistan, including those carrying out activities as members of dekhkan (farm) households 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 shall be recognized as insurers;

- taxpayers specified in the third paragraph of part 1 of this Article shall be recognized as insured persons;

- taxpayers specified in the fourth paragraph of part 1 of this Article shall be recognized as insurers and insured persons at the same time.

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 the place of their permanent residence in the Republic of Tajikistan, voluntarily become payers of social tax and pay it in the amount and manner determined by the Government of the Republic of Tajikistan.

Article 329. Object of taxation

1. The object of taxation for taxpayers specified in paragraphs one and three of part 1 of Article 328 of this Code shall be:

- wages, remuneration and other income determined in accordance with Article 186 of this Code, paid by taxpayers in favor of hired workers;

- payments, remunerations 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 taxpayers specified in paragraphs two and three of part 1 of Article 328 of this Code are wages, remuneration and other benefits under labor and civil law contracts for the performance of work, provision of services, paid by taxpayers in favor of individuals who are not individual entrepreneurs, including payments and remuneration under authorship contracts.

3. The object of taxation for taxpayers specified in the fourth paragraph of part 1 of Article 328 of this Code shall be gross income from entrepreneurial activity.

4. In accordance with paragraphs 1 and 2 of this Article, the following income shall not be referred to the object of taxation:

- amounts paid under civil law contracts, the subject of which is the transfer of ownership or other proprietary rights to property (property rights);

- amounts paid under contracts related to the granting of the right to use property (property rights);

- amounts paid to foreign citizens and stateless persons under labor 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 under concluded civil law contracts, the subject of which is the performance of work, provision of services.

Article 330. Tax base

1. The tax base for taxpayers-insurers specified in the first paragraph of part 1 of Article 328 of this Code shall be the amount of wages, remunerations and other benefits paid by insurers for the tax period to individuals.

2. The tax base of taxpayers specified in paragraph two of part 1 of Article 328 of this Code is the amount of payments, remunerations and other benefits without deductions, reimbursed for the tax period to individuals.

3. The tax base of taxpayers - individuals specified in the third paragraph of part 1 of Article 328 of this Code is the amount of wages, payments, remunerations and other benefits

received for the tax period without deductions.

4. When determining the tax base of individuals, any payments and remunerations, including author's remuneration, determined by the object of taxation shall be taken into account, except for the benefits provided for by Article 331 of this Code.

5. For resident individuals performing work and rendering 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 income of resident individuals specified in Part 5 of this Article, the Ministry of Foreign Affairs of the Republic of Tajikistan quarterly before the 15th day of the month following the expired quarter shall be submitted to the authorized state body.

7. The tax base of individual entrepreneurs, including members of dekhkan (farm) households without formation of a legal entity, specified in the fourth paragraph of Part 1 of Article 328 of this Code, is the gross income without deductions, received by such taxpayers for the tax period in cash and (or) in kind from entrepreneurial activity.

8. At payment of wages, payments and other remunerations in the form of goods (works, services), the tax base shall be determined at the cost of these goods (works, services) on the date of their payment, based on their market prices (tariffs), and in case of state regulation of prices (tariffs) for these goods (works, services) - based on state regulated retail prices.

Article 331. Exemption

The following incomes are exempt from social tax:

- income of individuals-foreign citizens performing work and (or) rendering services in diplomatic and consular missions of the Republic of Tajikistan abroad;
- income of citizens of foreign countries from employment within the framework of realization of state investment projects of the Government of the Republic of Tajikistan;
- income exempt from personal income tax in accordance with Part 1, Article 189 of this Code.

Article 332. Tax rates

1. The rate of social tax for insurers shall be established in the amount of:
- for budgetary institutions - 25 percent;
- for other organizations - 20 percent.

2. The social tax rate for insured persons shall be set in the amount of:
- for budgetary institutions - 1 percent;
- for other organizations - 2 percent.

3. For individual entrepreneurs, carrying out activities on the basis of a patent, and members of dekhkan (farm) households without formation of a legal entity, the minimum amount of social tax is established by the Government of the Republic of Tajikistan.

4. For individual entrepreneurs carrying out activities on the basis of a certificate (except for dekhkan (farm) households without formation of a legal entity), which 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) amount of social tax established for an individual entrepreneur carrying out activities on the basis of a patent. If such an entrepreneur has no 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 on the basis of a patent.

5. For resident individuals performing work and rendering 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 the rate of 20 percent for insurers and 2 percent for insured persons.

Article 333. Tax period

Unless otherwise established by Article 334 of this Code, the tax period for social tax is a calendar month.

Article 334. Procedure for calculation and payment of social tax

1. Unless otherwise established by this Chapter, the amount of social tax shall be determined by multiplying the tax base by the appropriate tax rate.

2. Social tax shall be 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 prescribed in Article 236 of this Code, until the 15th day of the month following the tax period.

3. Social tax of citizens of the Republic of Tajikistan, who are in public service in international organizations, diplomatic, consular missions and equivalent organizations of the Republic of Tajikistan abroad, shall be paid quarterly until the 15th day of the month following the reporting quarter, in the manner prescribed by the Ministry of Finance of the Republic of Tajikistan.

4. Individual entrepreneurs, carrying out their activities on the basis of a patent, shall pay social tax simultaneously with the payment of the patent fee to the budget. Individual entrepreneurs, carrying out their activities on the basis of a certificate, as well as citizens of the Republic of Tajikistan, specified in paragraph 4 of Article 332 of this Code, shall submit a tax return and pay the amount of tax until the 15th day of the month following the tax period.

5. Taxpayers specified 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 shall pay the amount of taxes on a monthly basis until the 15th day of the month following the reporting month, in accordance with the procedure established by the authorized state body.

6. Calculation of social tax declaration for members of dekhkan (farm) farms, which must be paid every calendar half-year before the 15th day of the month after the reporting half-year, is formed on the basis of information of the authorized state body on regulation of land relations on the part of the authorized state body through the systems of information programs of tax authorities and in this regard a notice is sent to the personal account of the taxpayer in electronic form. Within this period of time dekhkan (farm) without formation of a legal entity is obliged to pay the amount of tax to the state budget. If additional information is received from the branch body and (or) if 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 in the information program system of the tax authority and send a corresponding notice to the taxpayer. (Law of the Republic of Tajikistan dated February 11, 2025, No.2143).

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 until the 15th day of the month following the reporting quarter, in the form established by the authorized state body, and pay the amount of tax.

8. Control over payment of social tax is carried out by tax authorities.

9. Instruction on calculation and payment of social tax, forms of tax declarations (calculations) for the insurer and the insured person (with indication of surname, name, patronymic and insurance identification number (IIN) are approved by the authorized state body in coordination with the Ministry of Finance of the Republic of Tajikistan, the Ministry of Labor, Migration and Employment of the Republic of Tajikistan and the Agency of Social Insurance and Pensions under the Government of the Republic of Tajikistan.

SECTION XII. TAX ON SALES

CHAPTER 47. SALES TAX (PRIMARY ALUMINUM)

Article 335. Basic concepts and provisions

1. The following notions shall be used in this Chapter:

1) taxable commodity - primary aluminum;

2) the following taxable transactions (hereinafter for the purposes of this Chapter - sale):

a) delivery 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 pledge and (or) as goods made on commission;

d) delivery (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 rendering services on production of taxable goods in compliance with the customs regime of processing of taxable goods on the customs territory of the Republic of Tajikistan.

2. Sales tax on primary aluminum (hereinafter referred to as sales tax) shall be paid when performing taxable operations, and value added tax shall not be levied when performing the said operations, except for taxable operations defined by subparagraph e) of paragraph 2), paragraph 1) of this Article.

Article 336. Taxpayers

Payers of sales tax shall be persons who have an object of taxation.

Article 337. Object of taxation

1. The object of taxation shall be the realization of taxable operations with taxable goods.

2. Other types of taxable goods, produced with application of the customs regime “Processing” on the customs territory and subject to sales tax, shall be determined by the Government of the Republic of Tajikistan.

Article 338. Tax base

1. Unless otherwise specified in paragraphs 2-4 of this Article, the tax base shall be 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, shall be determined on the basis of the prices prevailing on the date of the taxable transaction at the London Non-Ferrous Metals Exchange.

2. Taxpayers who resell taxable goods shall pay sales tax in the form of the difference between the amounts of tax calculated on the basis of the prices used for taxation on the date of sale of taxable goods to buyers and the date of purchase from their suppliers.

3. The tax base for imported taxable goods under the customs regime “Release for free circulation” shall be determined in accordance with the customs legislation on the basis of prices established by Paragraph 1 of this Article.

4. The tax base for taxable goods produced with the application of the customs regime

“Processing on the customs territory” shall be the value (volume) of processed products, determined taking into account the prices according to Paragraph 1 of this Article.

Article 339. Tax rate

1. The sales tax rate for primary aluminum with respect to the tax base determined by parts 1-3 of Article 338 of this Code shall be set at the rate of 3 percent.

2. The rate of sales tax with respect to the tax base determined by part 4 of Article 338 of this Code shall be set at the rate of 1 percent.

Article 340. Procedure for calculation and terms of payment of tax

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 type of taxable transaction shall be indicated in the documents for payment of tax.

2. In case of resale of taxable goods, sales tax is determined taking into account the price of taxable goods as of the date of purchase (receipt), sale (transfer) and the volume of the taxable transaction.

3. In the absence of information on the exchange price on the date of sale (transfer), the tax shall be calculated on the basis of the latest available information on the exchange price of taxable goods on the date nearest to the date of sale. The tax amount shall be adjusted by the taxpayer upon receipt of data on the exchange price of the sold taxable goods on the date of sale.

4. Payment of tax shall be made prior to delivery (transfer) of taxable goods or not later than 3 days after receipt of funds to the taxpayer's account in a financial institution or in case of cash payment to its cash desk, and in case of other taxable transactions - prior to shipment, delivery or transfer of taxable goods. Persons who as a result of taxable transactions purchased taxable goods are obliged within 10 days to submit copies of documents confirming the payment of tax to the tax inspection of large taxpayers. In the absence of the said documents, these persons are obliged to pay the full amount of tax from their own funds.

5. When exporting taxable goods outside the Republic of Tajikistan, the tax shall be paid before crossing the customs border of the Republic of Tajikistan at the current prices at the moment of export. Customs clearance of export of taxable goods outside the Republic of Tajikistan shall be made on the basis of confirmation of the tax inspection of large taxpayers on payment of sales tax.

6. The tax on taxable operations when importing primary aluminum to the Republic of Tajikistan with application of the customs regime “Release for free circulation” shall be calculated 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 confirming documents (calculations) on payment of tax with respect to the tax base determined by paragraphs 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 payment of tax.

8. Sales tax declaration in the form established by the authorized state body and supporting documents (calculations) on payment of tax in respect of the tax base determined by paragraph 4 of Article 338 of this Code shall be submitted to the relevant tax authorities by the supplier not later than the 15th day of the month following the reporting month.

Article 341. Credit of the amount of sales tax against value added tax when supplying processed products to the domestic market of the Republic of Tajikistan

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 it shall be allowed to offset the amount of sales tax paid in respect of the tax base determined by parts 1-3 of Article 338 of this Code against value added tax.

2. In case of supply of processed products of taxable goods to the domestic market of the Republic of Tajikistan the offset in accordance with paragraph 1 of this Article shall be made in accordance with the procedure stipulated by Article 268 of this Code.

3. When exporting processed products, sales tax amounts shall not be offset against value added tax payable.

4. If the difference between the amount of value added tax payable on deliveries of processed products to the domestic market and the corresponding amount of sales tax is negative, no refund (return) of the amount of sales tax from the budget shall be made. The positive difference between the above amounts shall be paid to the budget.

5. Instructions on the procedure for calculation and payment of sales tax, as well as forms of declarations (calculations) shall be approved by the authorized state body upon submission of the authorized state body by the authorized state body in the field of finance.

6. The tax authorities shall control the payment of sales tax.

SECTION XIII. LOCAL TAXES

CHAPTER 48. PROPERTY TAXES

Article 342. General provisions

1. Majlis of People's Deputies of cities and districts shall establish on their territory local taxes 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 majlis of people's deputies of cities and districts on local taxes shall comply with the provisions of this Code and shall be officially published in the publicly accessible periodicals in the relevant territory.

Article 343. Basic provisions and tax period

1. For the purposes of this Chapter, the following concepts shall apply:

- property - immovable property, land plots and vehicles;

- immovable property (hereinafter - immovable objects) - residential and non-residential buildings, unfinished construction objects, constructions, including summer houses, garages, sheds, premises for keeping animals, other auxiliary buildings and property that cannot be moved without causing material damage;

- land plots - land transferred in accordance with legislation for use or actually used on the basis of supporting documents or without them;

- means of transportation - road, rail, water and air transport.

2. The following property taxes shall be established by this chapter:

- real estate tax;

- land tax;

- tax on vehicles.

3. The tax period for property taxes shall be a calendar year.

§1. Tax on real estate

Article 344. Taxpayers

Payers of tax on immovable property shall be individuals and legal entities - owners of immovable property or persons using immovable property.

Article 345. Object of taxation

1. The objects of taxation shall be residential and non-residential buildings, unfinished construction projects (from the moment of residence or use), constructions, including penthouses (living space (apartment, construction) on the roof or a separate area of the upper floor of a building) summer houses, garages, sheds, premises for keeping animals, auxiliary buildings and other property that cannot be moved without causing material damage.

2. For the purposes of taxation in this Chapter, real estate objects shall also include containers, tanks, kiosks, sheds, wagons used for entrepreneurial activity and placed immobile for at least 3 months in each calendar year at the place of entrepreneurial activity.

Article 346. Tax base

1. The tax base shall be the total area occupied by the object of taxation, and for multi-story buildings the area of each floor of such building shall be calculated separately.

2. For auxiliary premises of individuals, including garages, barns, premises for keeping animals and other auxiliary premises not used for entrepreneurial activity, the tax base shall be 50 percent of the area occupied by such buildings.

3. The area of basements and attics of residential buildings not used for entrepreneurial activity is not included in the tax base. When such objects are used in entrepreneurial activity, 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 shall be 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 the real estate object, the area of such object is determined by the tax authorities with the participation of the taxpayer by the total usable area of the internal premises of the real estate object, increased by a coefficient of 1.25.

Article 347. Benefits

1. The following real estate objects are not subject to tax:

- real estate objects of state institutions directly used by these institutions for fulfillment of their statutory tasks and financed at the expense of budgetary funds;
- real estate objects in which the Hero of the Soviet Union, Hero of Socialist Labor, Qahramoni Tojikiston, holders of the order “Sitorai Prezidenti Tojikiston”, order “Zarrintoj”, order “Ismoili Somoni”, participants of the Great Patriotic War (Second World War) of 1941-1945 are registered, persons equated to them, participants of other military operations on defense of the Union of Soviet Socialist Republics, including warriors-internationalists, participants of liquidation of consequences of the Chernobyl nuclear power plant catastrophe, disabled persons of I and II groups;
- real estate of single pensioners who live alone or together with minor children or a disabled child in a separate house;
- real estate of large families where one or both parents have died and five or more children under the age of 16 live;
- real estate of parents and widows (widowers), children of servicemen and employees of internal affairs bodies who died in the line of duty before reaching the age of 16;
- real estate of religious associations that are not used in entrepreneurial activities;
- areas of state real estate objects leased in accordance with the established procedure, the rent for which is paid in full to the state budget;

- homestead seasonal greenhouses;

- real estate objects of subjects of the sphere of football of Tajikistan;

- real estate objects of legal entities, 50 percent of the employees of which are disabled persons of groups I and II, and directly used by these entities to fulfill their statutory duties. (Law of the Republic of Tajikistan dated February 11, 2025, No. 2143).

2. The benefits established by paragraphs three to five of paragraph 1 of this Article shall be applied on the basis of a pension certificate, a certificate of state award, a certificate of the civil registry office on the number of children and a death certificate of servicemen and internal affairs officers.

Article 348. Rate of tax

1. The rate of tax on real estate objects shall be 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 districts, shall be set 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 immovable property used for trading activities, establishment of public catering enterprises, 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 used for other types of 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 located in the cities of Dushanbe, Khujand, Bokhtar and Kulob, the rates specified in paragraphs 2) and 3) shall be applied at double the rate.

2. The following regional coefficients regulate the amount of tax payments on real estate:

Groups	Name of cities, districts and regions	Regional coefficients
1	Dushanbe city area	1.0
2	Territory of Khujand, Bokhtar and Kulob cities	0.8
3	Administrative territory of the cities of Guliston, Buston, Istiqlol, Istaravshan, Isfara, Konibodom, Panjakent, Vahdat, Hissor, Tursunzoda, Roghun, Norak, Levakant, Kushoniyon and Khorough.	0.6
4	Territory of other settlements and administrative centers of districts not specified in groups 1, 2 and 3	0.4
5	Territory of villages belonging to the districts (cities) of Istaravshan, Guliston, Buston, Bobojon Gafurov, Isfara, Konibodom, Spitamen, Jabbor Rasulov, Panjakent, Vahdat, Rudaki, Tursunzoda, Shahrinav,	0.3

	Hissor, Yovon, Vose, Dangara, Kulob, Farkhor, Mir Sayyid Alii Hamadoni, Muminobod, Norak, Vakhsh, Kubodiyon, Jaihun, Nosiri Hisrav, Panj, Levakant, Khuroson, Jaloliddini Balkhi, Dusti and Shahritus	
6	Area of villages belonging to other districts and not listed in groups 5 and 7	0.2
7	The area of villages belonging to Roghun city, Devashtich, Ayni, Kuhistoni Mastchoh, Shahriston, Nurobod, Rasht, Vanj, Darvoz, Ishkoshim, Roshtkala, Rushon, Murghob and Shughnon districts.	0.1

3. For real estate objects located in tourism and recreation development zones and used for the purposes of entrepreneurial activity, the tax rates shall be set at twice the amount of the tax rates stipulated in paragraph 1 of this Article.

§2. Land tax

Article 349. Taxpayers

1. Payers of land tax shall be:

- land users to whom land plots have been transferred for perpetual and fixed-term lifetime inherited use;

- land users who actually use land plots, with the exception of those who use the unified agricultural system;

- agricultural producers operating under the general system of taxation.

2. In case of transfer of a land plot for lease, the lessor shall be considered a land tax payer.

3. The taxpayer, subject to the provisions of Chapters 52-53 of this Code and upon expiration of 36 calendar months, may switch from the general system of taxation to the simplified system of taxation of agricultural commodity producers.

Article 350. Object of taxation

1. The object of taxation by land tax shall be land plots of populated areas, lands outside populated areas, taking into account the quality, cadastral zone of lands, purpose of use and environmental features of land plots, the ownership of which shall be determined by the land legislation of the Republic of Tajikistan.

2. The object of taxation by land tax shall be determined in accordance with the land legislation of the Republic of Tajikistan taking into account the quality, cadastral assessment of lands, purpose of use and environmental features of the land plot.

3. Taking into account the provisions of paragraph 2 of this article, the document of land use and the cadastral zone of land shall be the basis for determining the land tax.

4. The amount of land tax, regardless of the results of economic activity of the land user, shall be 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 the calculation of land tax shall be the area of the land plot indicated in documents confirming the right to use land, or the area of the land plot actually used (disposed of) by the land user, with the exception of land exempt from tax.

2. The taxable area shall include fixed lands, including lands occupied by buildings, structures, sanitary-protective 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) in the territory of the relevant administrative boundaries.

Article 352. Rates of land tax

1. Rates of tax from each hectare of land in the context of regions and cities (districts), taking into account cadastral zones and types of lands, including lands of settlements, lands under forest and shrubbery of settlements and lands of agricultural purpose, shall be established every 5 years by the Government of the Republic of Tajikistan upon submission of the authorized state body on regulation of land relations, agreed with the authorized state body.

2. Rates of land tax shall be annually indexed by the authorized state body in accordance with the inflation rate of the previous year. Indexed rates of land tax for a calendar year shall be placed on the website of the authorized state body.

3. Lands used by individuals in populated areas (cities, towns and villages) shall be subject to taxation in the following order:

1) the area of each land plot assigned to a land user under a confirming document shall be taxed in accordance with subparagraphs a) and b) of paragraph 2 of this Part;

2) the amount of land tax shall be calculated depending on the area of the land plot and the purposes of its use in the following order:

a) for land plots used for the purposes of construction of residential premises, summer houses and other own auxiliary land plots (except for lands used for entrepreneurial activity), including lands used for residential buildings (premises) and their auxiliary buildings: (Law of the Republic of Tajikistan dated February 11, 2025, No.2143).

- up to 0.12 ha of irrigated lands and up to 0.15 ha of non-irrigated (rainfed) lands - according to the established rates;

- from 0.12 ha to 0.20 ha of irrigated lands and from 0.15 ha to 0.25 ha of non-irrigated (rainfed) lands - at twice the rate for the areas specified in paragraph one;

- more than 0.20 ha of irrigated lands and more than 0.25 ha of rainfed (rainfed) lands - with a threefold rate for the areas specified in paragraph one;

- for other lands of individuals, except for the first-third paragraphs of subparagraph a) and subparagraph b) of paragraph 2) at a one-fold rate; (Law of the Republic of Tajikistan dated February 11, 2025, No.2143).

b) for lands used for the purposes of entrepreneurial activity, except for individual entrepreneurs operating under the simplified system for producers of agricultural products, at a fivefold rate established by the Government of the Republic of Tajikistan. (Law of the Republic of Tajikistan dated February 11, 2025, No. 2143).

4. In relation to the lands used by legal entities, except for the lands in respect of which the single agricultural tax is charged, a fivefold rate established by the Government of the Republic of Tajikistan shall be applied. (Law of the Republic of Tajikistan dated February 11, 2025, No. 2143).

Article 353. Exemption from land tax

1 The following territories and lands shall be exempt from land tax:

- territory of reserves, national and dendrological parks, botanical gardens, historical, cultural and architectural monuments, the list and area of territories of which are established by the Government of the Republic of Tajikistan;

- lands of state institutions used for the implementation of activities under the charter

(provisions) of such institutions, except for lands of such institutions transferred (used) for entrepreneurial activities;

- lands recognized as damaged in accordance with the resolution of the Government of the Republic of Tajikistan, as well as lands recognized by the official conclusion of the authorized state body on regulation of land relations and the authorized state body in the sphere of agriculture as being at the stage of agricultural development, for a period of 5 years after the receipt (beginning of development) of such lands;

- lands occupied by the tracking strip along the state border and not used for other purposes;

- lands of common use of settlements and communal services, including religious associations, cemeteries, if no entrepreneurial activity is carried out on such lands;

- lands of free state reserve, as well as lands occupied under glaciers, landslides, rivers and lakes, if no entrepreneurial activity is carried out on such lands;

- lands for 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, railroads, 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 for ensuring defense and security of the Republic of Tajikistan in accordance with their dislocation and sizes established by the Government of the Republic of Tajikistan, if no entrepreneurial activity is carried out on them;

- one homestead land plot and a land plot allocated to persons specified in the second paragraph of part 1 of article 347;

- homestead land plots allocated to voluntary and ecological migrants from one district of the Republic of Tajikistan to other districts determined by the Government of the Republic of Tajikistan for permanent residence - for a period of 3 years after the allocation of such lands;

- homestead land plots and lands for housing construction allocated to teachers and doctors working in rural areas in general education and medical institutions - for the period of their work in such institutions;

- area of lands allocated for scientific and educational purposes, as well as for testing of agricultural 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 of the Republic of Tajikistan, if such areas are not used for entrepreneurial purposes;

- homestead land plots and lands allocated for the construction of housing for all groups of disabled persons (except for disabled persons of groups I and II) within the norms established by the Land Code of the Republic of Tajikistan, if such families have an incapable person and a person recognized as disabled who is unemployed;

- lands of pastures, meadows, forests and other lands used for the establishment of orchards and vineyards, for a period of 5 years from the date of establishment of orchards and vineyards, if such lands have not been previously used for the production of agricultural products;

- land plots assigned to the subjects of the sphere of football in Tajikistan. (Law of the Republic of Tajikistan dated February 11, 2025, No.2143).

2. In order to use tax benefits provided by this article, the taxpayer shall be obliged to

submit to the tax authority at the place of location of the land plot the relevant documents defining the right to land use and other supporting documents.

Article 354. General procedure for the calculation and payment of land tax and (or) tax on real estate objects

1 Land tax and (or) tax on real estate objects shall be calculated by multiplying the tax base by the relevant tax rates separately for each object of taxation.

2. Land tax and (or) tax on real estate objects shall be calculated starting from the month following the month in which the taxpayer acquired (obtained) the right to use (or own) the object of taxation.

3. In case of termination of the right to use (or own) the object of taxation, the land tax and (or) tax on real estate objects shall be calculated for the actual number of months of use (ownership) of the object of taxation, including the month of termination of the above rights.

4. In case of transition of lands (settlements) within a calendar year from one category of lands (settlements) to another, land tax for the current year shall be paid by taxpayers at the rates previously established for these settlements (categories of lands), and in the following year - at the rates established for the new category of lands (new settlements).

5. When a locality moves from one administrative-territorial territory to another, the new rate of taxes on real estate objects shall be applied from January 1 of the year following the year in which the territorial change occurred.

Article 355. Procedure for submission of tax calculation

1. The calculation of the amount of land tax and (or) tax on real estate objects of legal entities and individual entrepreneurs payable for the reporting year, based on the information of authorized sectoral bodies, shall be formed by the authorized state body through the information program systems of tax authorities by February 1 of the reporting year, about which a notice in electronic form shall be sent to the personal account of the taxpayer. (Law of the Republic of Tajikistan dated February 11, 2025, No. 2143).

2. In case of receipt of additional information from authorized sectoral bodies or provision of clarifications (or explanatory documents) from the taxpayer, the tax authorities within one month from the date of receipt of such data must consider them and enter the corrected report for the reporting period in the system of information programs of the tax authority and send the relevant notice to the taxpayer. The form of this report shall be determined by the authorized state body.

3. Land tax and (or) tax on real estate objects of individuals who do not use them in their entrepreneurial activity shall be calculated by the authorized state body on the basis of information of sectoral authorized bodies through the system of information programs of tax authorities until February 1 of the reporting year, and a notification shall be sent electronically to the personal account of the taxpayer. (Law of the Republic of Tajikistan dated February 11, 2025, No.2143).

4. If for any reason the notification on the amounts of land tax and (or) tax on real estate objects is not delivered to the taxpayer, such person shall be 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 within the terms determined by this Code.

5. Taxpayers shall be obliged to submit the necessary information on new objects of taxation on newly allotted (acquired, received, constructed, change in ownership) land plots and (or) real estate objects to the tax authority within 30 calendar days from the moment of their

allotment (acquisition, receipt, construction, change in ownership).

Article 356. Terms of payment

1. The amount of land tax and (or) real estate tax for the reporting year shall be paid by taxpayers not 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) real estate tax ahead of schedule.

3 The taxpayer shall be obliged to make payments of land tax and real estate tax within the terms established by paragraph 1 of this Article. If a taxpayer fails to make land tax and real estate tax payments within the established terms, the tax authority shall charge interest for late payment.

4. Instructions on calculation and payment of land tax and (or) real estate tax, as well as forms of declarations (reports) shall be approved upon submission of the authorized state body by the authorized state body in the sphere of finance.

5. Control over payment of land tax and (or) real estate tax shall be exercised by tax authorities in cooperation with self-government bodies of settlements and villages.

§ 3. Tax on motor vehicles

Article 357. Taxpayers

Payers of tax on motor vehicles shall be persons who own and (or) use a motor 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 running, 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 shall be carried out by bodies of internal affairs, authorized bodies in the sphere of transport, defense, agriculture and (or) other state bodies (hereinafter - authorized bodies on registration of vehicles).

3. Regardless of the unsuitability of a vehicle or its non-use for various reasons, the presence or absence of state registration or registration of the vehicle, the taxpayer shall be obliged to pay tax on vehicles.

4. A vehicle shall not be recognized as an object of taxation if it is removed from state registration and from registration in accordance with the procedure established by regulatory legal acts.

5. The authorized bodies specified in paragraph 2 of this Article shall be obliged to conduct an inventory of vehicles at least once every 3 calendar years and send the information in electronic form to the authorized state body.

Article 359. Tax base

The tax base of the tax on motor vehicles shall be 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 shall be established depending on engine power, jet engine pressure, name, seats, carrying capacity, sphere of activity from the calculation of one horsepower of engine power, one kWh of electricity of engine power and one kilogram - of jet engine pressure in the following amounts:

Name of taxation objects	Tax rate as a percentage of calculation figures
Motorcycles and scooters (per horsepower)	2.5
Passenger cars (per horsepower): - up to 250 horsepower - 250 to 350 horsepower - Above 350 horsepower	 12 15 20
Buses	15
Trucks with a payload of up to 40 tons (per horsepower) Trucks with a payload over 40 tons (per horsepower)	15 20
Tractors, motorized vehicles for construction, pneumatic and tracked self-propelled mechanisms, except for those used in the agricultural industry (per horsepower)	4
Snowmobile and motorized sled (per horsepower)	3.8
Boats, motorboats, yachts, sailboats, jet skis and other watercraft (per horsepower)	15
Locomotives used on railroads (per horsepower)	2
Airplanes, helicopters and other air vehicles (for each kilogram - jet engine pressure)	15

Note: For taxable objects whose capacity is fully expressed in electricity, 50 percent of the rates set out 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 case of equal engine power - for the internal combustion engine.

2. Tax rates for motor vehicles shall be posted on the official website of the authorized state body annually before February 1 of the calendar year. (Law of the Republic of Tajikistan dated April 15, 2025, No. 2160)

Article 361. Exemptions

The following vehicles shall be exempt from taxation:

- tractors, grain harvesters, cotton harvesters and special combines with engines used in agriculture;
- buses and trolleybuses used by public motor transport enterprises for passenger transportation;
- specialized medical vehicles;
- registered special military vehicles and special military equipment;
- one passenger car owned by a disabled person of group I or II;
- industrial railroad transportation (except for locomotives);
- one passenger car, regardless of engine power, owned by a Hero of the Soviet Union, Hero of Socialist Labor, Qahramoni Tojikiston, holder of the order “Sitorai Prezidenti Tojikiston”, the order “Zarrintoj”, the order “Ismoili Somoni”, participant of the Great Patriotic War (Second World War) of 1941-1945, persons equated to him, participant of other military operations on defense of the Union of Soviet Socialist Republics, warrior-internationalist, participant of liquidation of consequences of the catastrophe of the Chernobyl nuclear power plant.
- vehicles of the subjects of the sphere of football in Tajikistan. (Law of the Republic of Tajikistan dated February 11, 2025, No. 2143).

Article 362. Procedure for payment of tax

1. Tax on motor vehicles shall be payable to the relevant budget at the place of registration of the motor vehicle not later than the deadline for registration or annual technical inspection of the motor vehicle.

2. In case of re-registration of a motor vehicle, including in case of its purchase and sale, the tax on motor vehicles shall not be paid, if the previous owner has paid the tax on motor vehicles for the given calendar year.

3. Registration, re-registration and annual technical inspection of a vehicle shall be performed only after payment of tax for the tax year.

4. Calculation of the amount of tax on vehicles of legal entities is formed by the tax authority at the place of registration of vehicles on the basis of information of the authorized body on registration of vehicles before the 1st of April of the current year and a notification is sent electronically through the information system of tax authorities to the personal account of the taxpayer. The form of the calculation of the calculated tax amount is established by the authorized state body.

5. In case of receipt of additional information by the authorized body on registration of vehicles and or submission of explanation (or justified documents) by the taxpayer, the tax authority within one month from the date of receipt of such information shall consider it, enter the corrected report in the information system of tax authorities programs and send a notice to the taxpayer.

6. Authorized vehicle registration authorities shall be obliged to provide the following information annually in electronic form to the authorized state body in the approved form by April 1st of the year:

- on owners of motor vehicles;
- on the number of vehicles placed for state registration (registered) as of December 31 of the reporting year, taking into account the engine power of the vehicle;
- the number of vehicles that passed annual technical inspection;
- the amount of tax paid for the reporting year.

7. Control of tax payment is carried out by authorized bodies on registration of vehicles.

8. In order to ensure full payment of the tax on vehicles, tax authorities shall send notifications to legal entities and their separate subdivisions on the accrued tax amounts within the following terms:

1) within 10 days after the compilation of a report by the tax authorities on the calculated amount of tax payable by legal entities and their separate subdivisions;

2) no later than two months from the date of receipt by the tax authority of documents and (or) other information necessary to calculate (recalculate) the amounts of relevant taxes payable by the taxpayer for the previous tax period;

3) not later than one month from the date of receipt of information contained in the Unified State Register of Legal Entities that the respective organization is in the process of liquidation.

9. The instructions for the calculation and payment of the tax on motor vehicles, as well as the forms of calculation of the tax on motor vehicles, shall be approved upon the submission of the authorized state body by the authorized state body in the field of finance.

SECTION XIV. SPECIAL TAXATION REGIMES

CHAPTER 49. REGIME OF TAXATION OF ACTIVITIES IN FREE ECONOMIC

ZONES

Article 363. Basic provisions

1. The regime of taxation of activities in the free economic zone shall establish the procedure and conditions for taxation of the activities of the subjects of the free economic zone, carrying out activities on the isolated areas of the territory of the Republic of Tajikistan, meeting the requirements of the legislation of the Republic of Tajikistan.

2. Foreign and domestic goods imported into free economic zones shall be fully exempted from customs duties and taxes under the control of customs authorities under the conditions determined by the customs regime "Free customs zone.

3. When exporting goods from the territory of the free economic zone, customs payments shall not be levied, except for the payment for customs clearance.

4. When conveying goods from the territory of free economic zones to another part of the customs territory of the Republic of Tajikistan, customs payments shall be levied.

Article 364. Tax system in free economic zones

1. The tax system in free economic zones shall apply to legal entities, individual entrepreneurs carrying out activities on the basis of a certificate, branches of foreign legal entities registered on the territory of free economic zones as a subject of a free economic zone, which meet the following requirements:

- are 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 envisaged by the provision 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 the activities carried out in the free economic zone, and the property used by them, shall be exempt from payment of any taxes provided for by this Code, except for the taxes established by paragraph 3 of this Article.

3. Subjects of the free economic zone shall be social tax payers and tax agents in respect of persons to whom income, remuneration, payments, benefits and other payments are paid (should be paid) in accordance with the procedure established by this Code.

4. The provisions of Part 2 of this Article shall apply only to that part of the activities of the 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, shall be made in accordance with the provisions of this Code.

2. The administration of the free economic zone shall quarterly, not later than the 15th day of the month following the reporting quarter, submit to the tax authority at the place of its registration information on the number and activities of the subjects of the free economic zone in the form established by the authorized state body.

3. The subjects of the free economic zone shall be obliged to keep records of economic activity in the order established by the legislation of the Republic of Tajikistan.

4. Taxation objects located on the territory of the free economic zone and not being the property of the subject of the free economic zone shall be taxed in accordance with the tax legislation of the Republic of Tajikistan.

5. The relations of the tax authorities with the administrations of free economic zones

shall be determined by the agreement concluded between them.

6. Control over payment of taxes by the subjects of free economic zones shall be exercised by tax and customs authorities.

CHAPTER 50. TAXATION REGIME FOR SUBJECTS OF THE SECURITIES MARKET

Article 366. Taxation regime for subjects of the securities market

1. Provisions of this Article shall be applied to subjects of the securities market - professional participants of the securities market (hereinafter - professional participants), issuers and investors participating in the organized securities market.

2. The activities of professional participants include:

- broker and dealer activities;
- activities on determination of mutual obligations (clearing) on securities transactions;
- depositary activity;
- activities on organization of trading on the securities market.

3. Professional participants carrying out activities set forth in Point 2 of this Article shall be exempted from paying 50 percent of the following taxes in the course of such activities:

- tax on income of legal entities;
- value added tax.

4. Issuers-legal entities that are residents and non-residents, whose securities are in circulation on stock exchanges operating in the territory of the Republic of Tajikistan, are exempt from payment of the tax on income of legal entities (tax under the simplified regime) from the received income related to the increase in the value of securities on the date of placement of securities on the stock exchange of the Republic of Tajikistan.

5. Investors-physical and legal entities, being residents and non-residents, who receive income from the increase in the value of securities (coupon, discount, etc.) on the day of their circulation at the securities exchange, depending on such income are exempt from payment of tax on income from the increase in the value of securities.

6. Provisions of Part 5 of this Article shall not apply to investors who have purchased (paid the amount of) shares owned by them.

7. In order to supervise the provision of benefits, inclusion of persons specified in paragraphs 3, 4 and 5 of this Article in the special record of the authorized state body and the grounds for acquiring tax benefits by them, the stock exchange shall timely provide substantiated information for registration to the authorized state body. The benefits listed in this Article shall be used only after the specified registration and provision of the relevant certification.

8. In case issuers and investors carry out operations with securities on the unorganized securities market, such operations shall be subject to taxation in the general procedure established by this Code.

9. For subjects of the securities market, taxed in accordance with this Chapter, the period of storage of accounting documentation and tax reporting, as well as the limitation period shall be extended for the period (period) of granting tax benefits in accordance with paragraphs 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) shall be approved upon submission of the authorized state body by the authorized state body in the field of finance.

CHAPTER 51. TAXATION REGIME FOR INDIVIDUALS ENGAGED IN ENTREPRENEURIAL ACTIVITY ON THE BASIS OF A PATENT OR A CERTIFICATE

§1. General provisions

Article 367. General provisions

1. Individual entrepreneurs shall be taxed on the basis of a patent or a certificate.

2. Individuals carrying out entrepreneurial activity on the basis of a patent, irrespective of their income, shall pay a fixed amount of tax established for such activity.

3. Individuals carrying out entrepreneurial activity on the basis of a certificate shall be 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. If an entrepreneurial activity is carried out without state registration, the income of such a person for the period of carrying out the activity without registration shall be taxed at twice the rates established for such activity.

5. It shall be prohibited to use the taxation regime established by this Chapter for the purpose of concealment or understatement of tax liabilities of individual entrepreneurs and (or) persons using their services, including:

- if an individual entrepreneur functioning 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 envisaged that he/she will fulfill the signs of a labor contract;

- if the choice of supplier of goods, performer of works or services is mainly conditioned by his use of the tax regime established by this Chapter.

6. An individual entrepreneur acting on the basis of a certificate shall have 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 activity of non-resident individuals shall be carried out in accordance with the procedure 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. General provisions of taxation of individual entrepreneurs carrying out activities on the basis of a patent

1. A patent is a document confirming state registration of resident and non-resident individuals as individual entrepreneurs operating on the basis of a patent.

2. Taxation of persons specified in paragraph 1 of this Article shall be carried out in accordance with the Rules of taxation of individual entrepreneurs operating on the basis of a patent (hereinafter - 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 force and without carrying out foreign economic activity;

- the total income of an entrepreneur carrying out activities 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 operating on the basis of a patent shall not be entitled to use other taxation regimes established by this Code.

4. Application of the taxation regime on the basis of a patent shall not be allowed in case of non-fulfillment of one of the conditions stipulated in part 2 of this Article, as well as in cases stipulated in part 4 of Article 367 of this Code.

5. If an individual entrepreneur carrying out activities on the basis of a patent hires a hired worker and his gross income exceeds 200 thousand somoni within a period not exceeding twelve calendar months, such entrepreneur shall be obliged within 10 calendar days from the date of occurrence of such cases to submit an application on termination of activities on the basis of a patent and transfer to another regime.

6. An individual entrepreneur carrying out activities on the basis of a patent shall be exempt:

- from payment of taxes established in part 2 of Article 24 of this Code on income from his individual entrepreneurial activity, except for income tax and social tax included directly in the cost (price) of the patent;

- from submission of tax reporting, except for 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 business activity) with copies of bank documents on payment of taxes.

7. If an individual entrepreneur - patent holder fails to fulfill one of the conditions stipulated in paragraph 2 of this Article, such individual entrepreneur shall be taxed at five times the monthly tax rate applicable to his activities.

8. In order to determine the maximum income of individual entrepreneurs operating on the basis of a patent, the tax authority shall conduct control measures using available information.

9. Individual entrepreneurs carrying out activities on the basis of a patent shall pay other taxes established by this Code for individuals.

10. The tax obligation of an individual entrepreneur carrying out activities on the basis of a patent shall be preserved until the official revocation of state registration.

Article 369. Taxpayers and their registration

1. Resident and non-resident individuals complying with the provisions of paragraphs 1-3 of Article 368 of this Code shall be considered taxpayers 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 entrepreneurial activity. When the place of activity of such a taxpayer changes, his personal account is automatically sent to the relevant tax authority.

3. Transition from the patent regime to another taxation regime, as well as from another taxation regime to the patent regime, shall be carried out after the execution of state registration procedures in accordance with the established procedure.

4. The tax obligation of an individual entrepreneur operating on the basis of a patent shall be terminated from the first day of the month following the month of termination of state registration of such individual entrepreneur.

Article 370. Tax rate

Tax rates for certain types of activities for individual entrepreneurs operating on the basis of a patent shall be 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 operating on the basis of a patent shall be a calendar month.

Article 372. Procedure for payment of taxes

1. Payment of taxes under the patent regime shall be made by the taxpayer independently by advance payment before the 5th day of the month for one or several subsequent months to the budget at the place of the taxpayer's activity.

2. Individual entrepreneurs who carry out activities on the basis of a patent are obliged not 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 operating on the basis of a certificate

Article 373. General principles of taxation of individual entrepreneurs operating 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 acting on the basis of a certificate) from all types of activities carried out by them for the previous twelve consecutive full (consecutive) calendar months may not exceed 1 million somoni.

2. If the gross income of an entrepreneur operating on the basis of a certificate for a period not exceeding twelve calendar months exceeds 1 million somoni, such entrepreneur must register as a legal entity and operate under the general taxation regime.

3. The transition of an entrepreneur operating 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 taxation purposes, the obligations of such individual entrepreneurs are transferred to the newly established 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 accordance with the established procedure:

- simplified taxation regime for small business subjects;
- simplified taxation regime for producers of agricultural products;
- special taxation regime for gambling business subjects.

5. Entrepreneurs, acting on the basis of a certificate, applying simultaneously 2 special tax regimes provided for by part 4 of this article, shall be obliged in the prescribed manner to keep separate records of income, expenditures and business transactions for each special tax regime used.

6. Special tax regimes shall be 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 this Chapter provides otherwise, 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 shall not be exempt from performing the duties of tax agents provided for by this Code.

9. The rules of taxation of individual entrepreneurs acting on the basis of a certificate shall be approved by the Government of the Republic of Tajikistan.

10. Notwithstanding the provisions of this Chapter, the Government of the Republic of Tajikistan shall have the right to establish rules of taxation, types of activities and fixed rates of relevant taxes for entrepreneurs acting on the basis of a certificate with special conditions.

CHAPTER 52. SIMPLIFIED TAXATION REGIME FOR SMALL BUSINESS SUBJECTS

Article 374. General provisions

1. Simplified taxation regime (hereinafter - tax under the simplified regime) shall be applied to business subjects whose gross income for the twelve consecutive last calendar months has not exceeded 1 million somoni.

2. When transferring from the simplified taxation regime to the general regime and from the general regime to the simplified regime, the gross income of the taxpayer is determined on an accrual basis.

3. Subjects that are taxpayers 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 allowed 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, except for income on which tax is withheld at source;
- tax on income of an individual entrepreneur acting on the basis of a certificate, except for income from which tax is withheld at the source of payment;
- value added tax, except for the value added tax on import of goods to the customs territory of the Republic of Tajikistan and non-resident's value added tax 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 shall be obliged to fulfill the obligations of tax agents provided for by this Code.

8. Notwithstanding the provisions of paragraphs 1-7 of this Article, tax payers under the simplified regime shall have the right to voluntarily submit to the tax authorities an application for registration as a value added tax payer in accordance with the requirements of the general system of taxation.

Article 375. Taxpayers

1. The following persons shall be recognized as taxpayers of the simplified regime:

- persons whose entrepreneurial activity was started within a calendar year, regardless of the state registration of these persons;
- persons meeting the requirements of parts 1 and 3 of Article 374 of this Code and the first paragraph of part 3 of this Article.

2. The tax under the simplified system shall not apply to the following taxpayers:

- individuals registered as individual entrepreneurs acting on the basis of a patent;
- investment funds, professional participants of the securities market - insurance and credit organizations, microfinance organizations, pawnbrokers, users of natural resources, suppliers of primary aluminum, producers and importers of excisable products, also persons carrying out intermediary activities on the basis of commission, assignment and other intermediary agreements;

- persons applying the simplified taxation regime for agricultural producers, except for income, taxation of which is not regulated within the framework of the simplified taxation system for agricultural producers;

- persons applying a special taxation regime for subjects of gambling business, except for income not related to gambling business.

3. Transition from the general tax regime to the simplified regime and from the simplified regime to the general tax regime is carried out in the following order:

- if according to 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 Part 1 of Article 374 of this Code and if 36 calendar months have passed since the moment of transition of such person from the simplified tax regime to the general tax regime, the taxpayer may within a period of not more than 10 calendar days from the moment of occurrence of such cases submit an application to the tax authority of the place of registration for transition to the simplified tax regime;

- if according to the results of not 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 shall submit an application to the tax authority of the place of registration for transfer to the general tax regime;

- if a taxpayer voluntarily applied for registration as a payer of value added tax, he must submit an application to the tax authority at the place of registration on the transition to the general system of taxation within a period not exceeding 10 calendar days from the date of application;

- if the taxpayer fails to comply with the requirements of paragraph one or two of this part, the transfer of such taxpayer from one regime to another shall be carried out by the tax authority and a notice thereof shall be sent to the taxpayer.

4. A taxpayer shall have the right to voluntarily elect to pay tax under the simplified regime on the authorized difference of income and expenses, in cases when he submits an application in the prescribed form to the tax authority at the place of registration in the following terms:

1) newly established taxpayer - within 5 working days after state registration;

2) an existing taxpayer - until December 31 of the calendar year.

5. For taxpayers who elect to pay the simplified tax regime on the basis of the difference between allowed income and expenses, the tax shall be calculated and paid:

- for newly established taxpayers - from the date of application;

- for existing taxpayers after filing an application - from January 1 of the following calendar year.

6. Taxpayers who have chosen one of the methods of tax calculation under the simplified regime are obliged 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 have 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 Parts 2, 3 and 4 of this Article provide otherwise, the object of taxation under the simplified regime shall be gross income, including income from the supply of goods

(performance of work and rendering of services), as well as other income received.

2. The object of taxation for taxpayers specified in paragraph 4 of Article 375 of this Code shall be gross income less expenses provided for by Chapters 28 and 29 of this Code.

3. If the taxpayer chooses the method of tax calculation under the simplified system from gross income without deductions, the object of taxation shall be determined by the cash method of accounting.

4. If a taxpayer chooses the method of tax calculation under the simplified system from gross income less expenses, the object of taxation of such taxpayer shall be calculated by the accrual method.

5. Accounting of income and expenses by accrual method shall be 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 shall be determined on the basis of its income received from sources in the Republic of Tajikistan.

Article 377. Tax base

1. The tax base of tax under the simplified regime shall be the monetary expression of gross income received for the tax period, unless otherwise provided for in this Article.

2. In case of non-payment for goods (work performed or services rendered) supplied by the taxpayer for a period of more than 6 months, for the purposes of tax calculation the said goods (work, services) shall be deemed to have been paid to the taxpayer. If debtors fail to pay bad debts to the taxpayer, previously included in its taxable income, they shall be deducted from the taxpayer's taxable income.

3. Taxpayers applying 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 taxpayers defined in paragraph 4 of Article 375 of this Code, the tax base shall be the gross income received for the tax period, less allowed deductions.

Article 378. Benefits

1. The privileges provided for in paragraphs 6) and 7) of parts 2 of Article 189 of this Code shall not apply for the purposes of this Chapter.

2. Subsidies received by public institutions at the expense of budgetary funds for the preservation of their activities shall not be included in their gross income.

Article 379. Tax period

The tax period for taxpayers under the simplified regime shall be a calendar year, and the reporting period shall be each quarter.

Article 380. Tax rates

The tax rate under the simplified regime shall be established in the following amounts:

1) for the activities of taxpayers stipulated in Article 375 of this Code, except for taxpayers defined in Part 4 of Article 375 - 6 percent;

2) for the activities of taxpayers stipulated in paragraph 4 of Article 375 of this Code, the rates set forth in paragraph 4 of Article 183 of this Code.

Article 381. Procedure for calculation and payment of tax under the simplified regime

1. Tax under the simplified regime for taxpayers, whose tax base is established in accordance with Part 1 of Article 377 of this Code, shall be calculated by multiplying the respective amount of gross income by the respective 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 relevant amounts of tax is performed separately. A taxpayer of tax under the simplified regime is obliged to submit an electronic invoice on the date of delivery of goods, performance of works and services to other economic entities, unless this Code provides for a different procedure. (Law of the Republic of Tajikistan dated February 11, 2025, No.2143).

3. For taxpayers whose tax base is established in accordance with paragraph 4 of Article 377 of this Code, the amount of tax under the simplified regime shall be calculated in accordance with the procedure established by Section VII of this Code for income tax.

4. Taxpayers who before the transition from the general tax regime to the simplified regime used the accrual method of tax calculation, shall fulfill the following rules when paying tax under the simplified regime:

- the tax base of the simplified tax regime includes the amount received prior to the transfer to the simplified tax regime under which goods are supplied, work is performed and services are rendered under a contract after the transfer to the simplified tax regime;

- the amount received for delivery of goods, performance of work and rendering of services after transition to tax under the simplified tax regime is not included in the tax base, if these funds were added to income under the general tax regime on an accrual basis.

5. Income from the sale of goods (performance of work, rendering of services, property rights) during the period of application of the simplified taxation regime, payment (partial payment) of which was not made before the date of transition to the general taxation regime, shall be included in the income in the last declaration of the simplified taxation regime at the transition to the general taxation regime.

6. The amount of tax received under the simplified system before the transition to the general taxation system, in connection with which the delivery of goods, performance of work and rendering of services under the contract after the transition to the general taxation system is carried out, 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 fulfill the following rules:

- at transition to tax under the simplified tax regime, the amounts of value added tax calculated and paid to the budget from the amounts of payment (partial payment) received before such transition on account of forthcoming deliveries of goods (works, services) carried out in the period after transition to tax under the simplified tax regime shall be subject to offset against value added tax in the last tax period;

- in case of transition to the general tax regime, the amounts of value added tax paid by a taxpayer applying tax under the simplified tax regime in respect of the balance of goods purchased by him shall be accepted by this taxpayer for offset against value added tax in the first tax period after transition to the general tax regime.

8. Tax declaration in the form approved by the authorized state body shall be submitted quarterly not 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 submission of the declaration to the local budget.

10. Instructions on calculation and payment of tax under the simplified regime, as well as forms of declarations (calculations) shall be approved upon submission of the authorized state

body by the authorized state body in the field of finance.

CHAPTER 53. SIMPLIFIED TAXATION REGIME FOR PRODUCERS OF AGRICULTURAL PRODUCTS

Article 382. General provisions

1. Simplified taxation regime for agricultural producers (hereinafter - the unified agricultural tax) is a special tax regime for the activities of entities engaged in the production of agricultural products without further industrial processing.

2. The single agricultural tax applies to dekhkan (farmer) and other legal entities-producers of agricultural products.

3. A single agricultural tax payer engaged in the production of agricultural products without further industrial processing is exempt from the following taxes:

- income tax (tax under the simplified regime for small businesses), except for income subject to withholding tax;
- value added tax, except for the value added tax payable upon importation of goods into the customs territory of the Republic of Tajikistan, and (or) in case of operations subject to withholding tax;
- land tax.

4. Income of members of dekhkan (farm) farms, paying the single agricultural tax, from agricultural activities carried out without creating a legal entity, shall be exempt from income tax for individuals.

5. Instruction on determination of norms of use of machinery and labor force (including manual labor) for one hectare of land for agricultural producers is approved by the Ministry of Agriculture of the Republic of Tajikistan in coordination with the Ministry of Labor, Migration and Employment of the Republic of Tajikistan.

6. At simultaneous conducting of non-agricultural activities, payers of the single agricultural tax are additionally taxpayers under the simplified regime or under the general regime of taxation. Such taxpayer is obliged to keep separate accounting of income and expenses on production of agricultural and non-agricultural products.

7. Payers of the single agricultural tax shall pay other taxes in accordance with the procedure established by this Code and fulfill the duties of tax agents.

8. Payers of the single agricultural tax have the right to switch to the general taxation regime.

Article 383. Taxpayers

1. Payers of the single agricultural tax shall be recognized as producers of agricultural products who comply with the provisions of Article 382 of this Code.

2. For the purposes of this Chapter, agricultural products shall include any type of agricultural products not subjected to industrial processing.

3. The following taxpayers may not be payers of the unified agricultural tax:

- state institutions;
- taxpayers engaged in the production of excisable goods;
- land users who lease land plots from dekhkan (farmer) and other legal entities producing agricultural products for agricultural activities;
- taxpayers using the simplified taxation regime for gambling business subjects.

4. 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 10th of the calendar year following the reporting year to submit an application to the relevant tax authority on the transition to the general tax regime;

- producers of agricultural products, taxed under the general tax regime, only after 3 calendar years may submit an application to the tax authority on transition to the unified agricultural tax regime no later than January 10 of the respective calendar year.

5. In order to transfer from one tax regime to another, a taxpayer must fully fulfill all its tax obligations under the current (previous) tax regime.

Article 384. Object of taxation and tax base

1 The object of taxation of the unified agricultural tax shall be the land plot of a producer of agricultural products, except for the lands exempted from the unified 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 single agricultural tax does not depend on the results of the taxpayer's activity and is established in the form of a sustainable payment for the fixed land area for the year.

4. Gross income of the payer of the single agricultural tax for the past calendar year is determined on an accrual basis in the same order as for taxpayers under the general regime.

5. Payers of the single 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 coordination with the authorized state body.

Rate 385. Tax exemptions

The following land plots shall be exempted from payment of the single agricultural tax:

- land plots of territories of reserves, botanical gardens, national and dendrological parks, the list of organizations and the area of the territory of which is established by the Government of the Republic of Tajikistan, if the allocated land plots are not used for entrepreneurial activity;

- land plots recognized in accordance with the resolution of the Government of the Republic of Tajikistan as disturbed, as well as lands recognized in accordance with the official conclusion of the authorized state body on regulation of land relations and the authorized state body in the sphere 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 activity;

- state reserve lands, if these lands are not used for entrepreneurial activities;

- lands of pastures, meadows, forests and other lands that are allocated for the establishment of orchards and vineyards, if such lands were not previously used for the production of agricultural products - 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 planted orchards and vineyards. In case of failure to submit the above information within the established timeframe, these lands shall be subject to taxation as lands occupied by perennial plantings.

Article 386. Rates of the unified agricultural tax

1. Annual rates of the single agricultural tax on land cadaster zones shall be established

by the Government of the Republic of Tajikistan for each hectare of land every 5 years upon submission of the authorized state body on regulation of land relations, agreed with the authorized state body.

2. The rates of the unified agricultural tax for lands not defined by the provisions of paragraph 1 of this Article shall be the rates of land tax established by paragraph 1 of Article 352 of this Code.

3. For irrigated sown lands actually used for growing raw cotton, the rates of the single tax shall be established in the half amount of the rates determined in accordance with paragraph 1 of this Article. Information on the amount of land actually used for growing raw cotton shall be 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 makes annual indexation of single agricultural tax rates in accordance with the inflation rate for the previous year. Indexed rates of the single agricultural tax for the current year shall be posted on the official website of the authorized state body.

Article 387. Tax period

The tax period of the single agricultural tax is a calendar year.

Article 388. Timing, procedure for calculation and payment of the single agricultural tax

1. Calculation of the amount of the single agricultural tax to be paid for the reporting year shall be formed on the basis of information of the authorized state body on regulation of land relations by the tax authority at the place of registration of the taxpayer until February 1 of the reporting year through the system of information programs of tax authorities and in this regard a notice shall be sent to the personal account, cell phone, e-mail address or legal address of the taxpayer. (Law of the Republic of Tajikistan dated February 11, 2025, No.2143).

2. In case of receipt of additional information from the authorized state body on regulation of land relations and (or) provision of explanations (or supporting documents), on the part of the taxpayer, the tax authorities within one month from the date of receipt of such data shall consider them and enter the corrected report for the reporting period in the system of information programs of the tax authority and send a notice to the taxpayer. The form of the report and notification is approved by the authorized state body. If for any reason the notification on calculations of the amount of the unified agricultural tax is not delivered to the taxpayer, such person is obliged to apply to the tax authority at the place of registration and receive the tax calculations and independently pay the amount of taxes within the terms determined by this Code. (Law of the Republic of Tajikistan dated February 11, 2025, No. 2143).

3. The amount of the unified agricultural tax for the current calendar year shall be paid by the taxpayer not later than the 10th day of the third month of each quarter in the following amounts of the annual tax amount:

- first quarter of the current calendar year - 15 percent;
- second quarter of the current calendar year - 15 percent;
- third quarter of the current calendar year - 35 percent;
- fourth quarter of the current calendar year - 35 percent.

4. The full amount of the single agricultural tax may be paid by the taxpayer ahead of schedule and in full.

5. Instructions on calculation and payment of the single agricultural tax, as well as forms of declarations (calculations) shall be established upon submission of the authorized state body by the authorized state body in the field of finance.

6. The tax authorities in cooperation with self-government bodies of settlements and villages shall control the payment of the single agricultural tax.

CHAPTER 54. SIMPLIFIED TAXATION REGIME FOR GAMBLING BUSINESS SUBJECTS

Article 389. Concepts used in this Chapter

1. Simplified taxation regime for subjects of gambling business (hereinafter - tax on gambling business) is a special tax regime under which subjects of gambling business, with the exception of income of subjects of gambling business, which is taxed at source, shall be subject to taxation.

2. For the purposes of this Chapter the following concepts shall be used:

- gambling business - activity on rendering services in connection with betting with participants of the game, based on the risk of winning or losing and (or) organization of work on conclusion of such bets between two or more participants of the game;

- betting - a risk-based agreement on winning, concluded by two or more participants of gambling business between themselves or with the subject (owner, owner's representative) of gambling business, the outcome of which depends on an event that is unknown whether it will occur or not;

- gaming table - a place specially equipped by the subject (owner) of gambling business with one or more playing fields, designed for conducting games (with or without winning), in which the subject (owner) of gambling business through its representatives participates as a party or as an organizer, except for cases of gambling;

- slot machine - special equipment (mechanical, electrical, electronic or other technical equipment) and (or) personal computer used for conducting games (with or without winnings) without participation of the subject (owner, owner's representatives) of gambling business in these games, except for cases of gambling;

- betting office in totalizator - equipment for counting gambling money, which determines the amount of the bet and the payable winnings;

- betting office in a bookmaker's office - a specially equipped place of the owner of gambling business, where the amount of the bet is counted and the amount of winnings to be paid out is determined;

- gambling site - any Internet site through which gambling business is conducted;

- game lane - a special lane designed for bowling (bowling alley);

- billiard table - a special table designed for playing billiards;

- bingo - a game on special cards with numbers (pictures or other designations), which are covered with chips;

- lottery - an organized mass game, in which the distribution of benefits and losses depends on the random drawing of a particular ticket or number (lot, lot) and the size of the prize fund for each issue of the lottery. Part of the money deposited by players goes to the lottery organizers, while another part is paid to the state in the form of taxes;

- other objects of gambling business used to generate income, determined by local government authorities;

- lottery issue - the number of lottery tickets prepared for sale by the lottery organizer;

- registration card of taxation objects - a document certifying the registration of taxation objects related to gambling business in the tax authorities, the form of which is approved by the authorized state body.

3. Application of the simplified taxation regime for the subjects of gambling business shall exempt from payment of the following taxes, except for income subject to withholding tax:

- tax on income from gambling business;
- tax on income directly from income from gambling business of an individual entrepreneur operating on the basis of a certificate;
- value added tax, except for value added tax for services (works) supplied to non-residents and in connection with the importation of goods into the Republic of Tajikistan.

4. Persons applying the tax on gambling business shall not be exempted from performing the duties of tax agents provided by this Code.

Article 390. Taxpayers

Taxpayers of the tax on gambling business shall be legal entities, their branches, branches and representative offices of foreign legal entities and individual entrepreneurs engaged in entrepreneurial activity in the sphere of gambling business.

Article 391. Object of taxation

1. The object of taxation for the tax on gambling business shall be:
- gambling business site;
- betting office in a totalizator;
- betting office in a bookmaker's office;
- gaming table;
- slot machine without cash winnings
- game lane (when playing bowling (bowling alley);
- billiard table (when playing billiards);
- bingo organization (when playing bingo);
- sale of lottery;
- other objects of gambling business determined by local public authorities.

2. For the purposes of this Chapter, each object of taxation specified in Part 1 of this Article (except for the issue for the sale of lotteries), no later than 10 calendar days prior to the date of application (use) shall be subject to registration with the tax authority at the place of installation of this object of taxation.

3. Each issue for sale of lottery tickets specified in paragraph 1 of this Article and the nominal volume of their sales in monetary terms shall be registered with the relevant tax authority not later than 10 calendar days prior to the date of sale of lottery tickets.

4. Registration shall be made by the tax authority on the basis of the taxpayer's application for registration of the object (objects) of taxation with mandatory issuance of the relevant certificate within 10 calendar days. The forms of application and certificate shall be approved by the authorized state body.

5. The taxpayer shall register with the tax authority at the location of taxation objects any change in the number of taxation objects not later than 10 calendar days before the date of installation or termination of application (use) of each taxation object, including each issue for the sale of lottery tickets.

6. In case of cessation of gambling activities and (or) withdrawal of all taxable objects from taxation (completion of lottery ticket sales), the registration card of the objects shall be submitted to the tax authority within 10 calendar days.

7. It shall not be allowed to carry out gambling business without registration of taxation

objects.

Article 392. Tax base and tax rate

1. For the purposes of calculation of the tax base of the tax on gambling business, the income expected from each object of taxation (each issue for sale of lotteries) shall be applied.

2. The amount of tax on gambling business for a 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 object of taxation (each issue for the sale of lotteries), shall be established by local public authorities of cities (districts) in coordination with the authorized state body.

3. The tax rate for gambling business objects, which is carried out directly through the gambling business site of a betting office, shall be set separately for each of them in the amount of not less than 5000 calculation indicators. (Law of the Republic of Tajikistan dated February 11, 2025, No.2143).

4. The tax rate for other types of gambling sites and other entities engaged through social networks in organizing and conducting lotteries and other winning games shall be determined by local public authorities. (Law of the Republic of Tajikistan dated February 11, 2025, No.2143).

5. The tax rate for the cash register of totalizator, cash register of bookmaker's office and sale of lotteries shall be set in the amount of the fixed rate established by local state authorities.

6. Payers of tax on gambling business shall be obliged to keep accounting of income and expenses in the order determined by normative legal acts of the Republic of Tajikistan.

Article 393. Tax period

A tax period shall be a calendar month.

Article 394. Procedure for payment of tax

1. The amount of tax shall be calculated by the taxpayer independently, taking into account the base and tax rate established for each object of taxation.

2. The tax return shall be submitted by the taxpayer to the tax authority at the place of registration of taxable objects not later than the 15th day of the month following the reporting period.

3. When issuing a certificate of registration of the object (objects) of taxation, the amount of tax shall be 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 are put into operation before the 15th day of the reporting month;

- 50 percent of the tax amount for the objects for the reporting period is paid if such objects are put into operation after the 15th day of the reporting month.

4. Payment of tax on gambling business shall be made by the taxpayer (its authorized person) to the local budget at the location of the object of taxation, not later than the 15th day of the month following the reporting period.

5. If the subject of gambling business carries out other types of activities, accounting of gambling business and other activities, as well as their taxation, shall be carried out separately.

6. Instructions on calculation and payment of tax on gambling business, as well as the forms of declarations (calculations), shall be approved by the authorized state body at the request of the authorized state body in the field of finance.

CHAPTER 55. SIMPLIFIED TAXATION REGIME FOR POULTRY FARMING, FISH FARMING ACTIVITIES AND PRODUCTION OF COMBINED FEED FOR BIRDS AND ANIMALS

Article 395. Simplified taxation regime for poultry farming, fish farming activity and production of combined fodder for birds and animals

1. Business subjects in the sphere of poultry farming, fish farming and production of combined fodder for birds and animals shall be exempted from the following taxes:

- tax on income of legal entities;
- 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 shall be subject to value added tax, customs duty and other taxes in the general procedure established by this Code and the Customs Code of the Republic of Tajikistan.

3. Instructions on taxation of taxable activities under this Chapter, as well as forms of declarations (reports, information) shall be approved by the authorized state body in coordination with the authorized state body in the field of finance.

CHAPTER 56. SIMPLIFIED TAXATION REGIME FOR INNOVATION AND TECHNOLOGICAL ACTIVITIES

Article 396. Simplified regime of taxation of innovation and technological activity

1. Simplified taxation regime for innovation and technological activity is a special regime for entities carrying out innovation and technological activity in the technological park established by the Government of the Republic of Tajikistan. (Law of the Republic of Tajikistan dated February 11, 2025, No.2143).

2. The list of types of innovation and technological activities shall be determined by the Government of the Republic of Tajikistan.

3. Subjects of innovation and technological activity, when carrying out their activities in this technological park, shall be exempt from payment of any type of taxes provided for by this Code. (Law of the Republic of Tajikistan dated February 11, 2025, No.2143).

4. In subjects of innovation and technological activity, the taxable income of individuals from employment shall be exempted in the amount of 50 percent of the rate established by Article 183 of this Code. (Law of the Republic of Tajikistan dated February 11, 2025, No.2143).

5. Income of resident (insured) individuals of subjects of innovation and technological activity subject to social tax shall be exempted in the amount of 50 percent of the rate established by the second paragraph of part 2 of Article 332 of this Code. (Law of the Republic of Tajikistan dated February 11, 2025, No.2143).

6. Income of shareholders (participants) of subjects of innovation and technological activity shall be exempt from dividend withholding tax. (Law of the Republic of Tajikistan dated February 11, 2025, No.2143).

7. Import of innovation-technological equipment by subjects of innovation-technological activity, which will be used directly for own needs of this subject, shall be exempt from value added tax. In case of realization of imported innovation-technological equipment by subjects of innovation-technological activity, such operations shall be subject to value added tax and

other taxes in the general order established by this Code.

SECTION XV. FINAL PROVISIONS

CHAPTER 57. FINAL PROVISIONS

Article 397. Transitional provisions

1. Until the normative legal acts of the Republic of Tajikistan are brought in compliance with the Tax Code of the Republic of Tajikistan, the normative legal acts of the Republic of Tajikistan shall be in force to the extent not contradicting this Code.

2. The Tax Code of the Republic of Tajikistan is realized in legal relations arising after its enactment. In legal relations arising before its enactment, the Tax Code of the Republic of Tajikistan applies to those rights and obligations that arise after its enactment, if the statute of limitations has not expired.

3. Prior to the adoption of decisions of Majlis of People's Deputies of cities (districts) on local taxes, the calculation and payment of local taxes shall be carried out in accordance with the Tax Code of the Republic of Tajikistan of September 17, 2012 and other normative legal acts.

4. Rates of value added tax established by paragraph 1) of part 1 of Article 264 of this Code for taxable operations and taxable importation shall be 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 the reduced rate of value added tax pursuant to paragraph 2) of part 1 of Article 264 of this Code, shall cancel the amount of value added tax credited on the date of entry into force of this Code, except for 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(note 1) of the Tax Code of the Republic of Tajikistan dated September 17, 2012, in respect of entities that applied them until December 31, 2021, in accordance with the provisions of this Chapter shall be applied until the expiration of these benefits.

7. Provisions of Chapter 47(note 1) of the Tax Code of the Republic of Tajikistan of September 17, 2012 and Chapter 55 of this Code shall be in force until December 31, 2025, benefits established by this system of taxation will be applied from January 1, 2024 in the amount of 50 percent of the tax rate established by this Code, and when cases of abuse of benefits or coverage of exempt taxes are identified, they will be calculated at twice the rates established by this Code.

8. The provisions of Chapter 56 of this Code shall remain in effect 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 Agency for Statistics under the President of the Republic of Tajikistan, the National Bank of Tajikistan, to develop by March 31, 2022 to implement the provisions of this Code, adopt regulatory legal acts and take measures to introduce a single integrated electronic form of accounting for transactions performed by a taxpayer, electronic labeling, electronic fiscal receipt, electronic invoice for the cost of goods (works, services) and non-cash 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, authorized state body, shall be obliged to bring the existing contracts for the use of natural resources in compliance with the provisions of this Code. Such bringing into conformity or changing the terms and conditions of the contract shall be made within sixty days from the date of entry into force of this Code.

11. The provisions of the fifth, eighth, thirteenth and fourteenth paragraphs of Part 4 of Article 251 of this Code shall be in force 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 shall be effective until December 31, 2026.

13. The rate set forth in the first paragraph of part 4, paragraph 4, Article 183 of this Code shall be effective until December 31, 2025, from January 1, 2026 the tax rate shall be set at the rate of 18 percent.

14. The concept of "profit tax", previously used in regulatory legal acts on taxes, shall henceforth be recognized as "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 shall not be subject to land tax and unified agricultural tax.

17. From January 1, 2022 to December 31, 2031, legal entities engaged in the processing of cocoons, silk fabrics, satins, adras and other weaving products produced from them shall not be subject to taxation on these types of activities, except for personal income tax and social tax. (Law of the Republic of Tajikistan dated March 18, 2022, No.1867).

18. The provisions 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. (Law of the Republic of Tajikistan dated December 24, 2022, No.1934).

Article 398. On recognition of the Tax Code of the Republic of Tajikistan as null and void

To recognize as invalid the Tax Code of the Republic of Tajikistan, adopted on September 17, 2012 (Akhbor of 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 as of January 1, 2022.

Article 399. Enactment of the Tax Code of the Republic of Tajikistan

1. To enact the Tax Code of the Republic of Tajikistan (except for Chapter 33 of this Code) from January 1, 2022.

2. Provisions of Chapter 33 of this Code shall come into effect from January 1, 2023.

President
of the Republic of Tajikistan Emomali Rahmon

Dushanbe city,
December 23, 2021, No.1844

On the adoption of the Tax Code
of the Republic of Tajikistan

In accordance with Article 60 of the Constitution of the Republic of Tajikistan, the Majlisi Namoyandagon of Majlisi Oli of the Republic of Tajikistan

d e c l a r e s:

1. To adopt the Tax Code of the Republic of Tajikistan.

2. To recognize as invalid the Decree of the Majlisi Namoyandagon of Majlisi Oli of the Republic of Tajikistan from September 5, 2012, No.902 “On the adoption of the Tax Code of the Republic of Tajikistan” (Akhbor of Majlisi Oli of the Republic of Tajikistan, 2012, No.9, Art. 848; 2013, No.10, Art. 732, No. 12, Art. 1016; 2014, No. 12, Art. 857; 2015, No. 10, Art. 859, Art. 893; 2016, No. 10, Art. 802, No. 12, Art. 1010; 2017, No. 3-4, Art. 217, Art. 255, No. 12, Art. 899 ; 2018, No. 2, Art. 97, No. 5, Art. 350; 2019, No. 2-3, Art. 134, No. 4-5, Art. 250, No. 6, Art. 388, No. 8-10, Part 1, Art. 557, No. 12, Art. 799; 2020, No. 6, Art. 430, No. 10, Art. 791, No. 12, Art. 1015).

Chairman of the Majlisi Namoyandagon of
Majlisi Oli of the Republic of Tajikistan M. Zokirzoda

Dushanbe city,
November 3, 2021, No.549