



Legal update

October-November 2022



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Dear colleagues,

It is our pleasure to welcome you to PwC Armenia October-November 2022 (up to 11 November 2022) legal update. We hope it will be useful. For more details please do not hesitate to contact us at PwC Armenia by contact information provided at the end of this document.



Amendments to the Labour Code of the Republic of Armenia from 09.11.2004

In brief

Labour Code has introduced the concept of compulsory and forced work.
The amendment came into force on 22 October 2022.

In detail

The amendment is introduced with new article 3.2. which specifies (i) definition of compulsory and forced work, (ii) scope of situations where work cannot be considered as compulsory or forced. In particular, work performed by a convicted person in accordance with the law, military or alternative service, work required during emergency situations threatening the life or well-being of the population cannot be considered as compulsory or forced work.

For more details, please visit

<http://www.irtek.am/views/act.aspx?aid=155821>



Amendments to the Code of Administrative Offenses of the Republic of Armenia from 06.12.1985

In brief

Amendment has been made in the Code of Administrative Offenses related to the increase of fines for specified activity. The amendment came into force on 24 October 2022.

In detail

The legislator has increased the amount of fine defined for unlawful failure in providing information by officials of state and local self-governmental bodies, state institutions, public organisations financed from state budgets. The range of fine has increased and varies between AMD 30,000 to 70,000. In case of repeated violation, the amount of fine varies from AMD 100,000 to 150,000.

For more details, please visit

<http://www.irtek.am/views/act.aspx?aid=155785>



Amendments to the Tax Code of the Republic of Armenia from 04.10.2016

In brief

Certain details of the procedure of appealing the decisions, actions, inactions of the Tax Authority has been amended. The amendment came into force on 5 November 2022.

In detail

The amendment introduces the possibility of using video-audio communication by the Appealing Committee of the Tax Authority during the verbal examination of complaints. At the same time, the amendment defines a new procedure for notifying the taxpayers regarding the decisions adopted by the Appealing Committee of the Tax Authority. Particularly, the decisions are published in the personal account of a taxpayer provided in the electronic system of the Tax Authority, while the notification of non taxpayers is ensured through the general procedure as defined in the law on “Fundamentals of Administrative action and Administrative proceeding”.

For more details, please visit

<http://www.irtek.am/views/act.aspx?aid=155228>



Amendments to the Law “On Military Service and Armed Serviceman’s Status” of the Republic of Armenia from 15.11.2017

In brief

Amendments made to the Law "On Military Service and Armed Serviceman's Status" has expanded the grounds for deferring and exempting from compulsory military service. The amendments came into force on 13 October 2022.

In detail

The supplements and amendments are introduced in articles 21 and 22. Henceforth, the Government of the Republic of Armenia is entitled to defer military service for a person who is studying in the fields of science, technology, engineering, and mathematics (STEM). This change will become effective in 6 months period calculated from 13 October 2022.

At the same time, the amendment exempts from military obligations those foreign citizens who acquired citizenship of the Republic of Armenia for the purpose of participating in the national team of the Republic of Armenia in any sport. This part came into force on 13 October 2022 and will be effective until 31 January 2023.

For more details, please visit

<http://www.irtek.am/views/act.aspx?aid=155825>

<http://www.irtek.am/views/act.aspx?tid=169355>



Amendments to the Law “On Customs Service” of the Republic of Armenia from 03.07.2022

In brief

The Law "On Customs Service" slightly amends the terms of appealing the decisions of customs authority and customs officer, as well as the procedure defined for investigation of lodged claims. The amendments will fully come into force on 14 November 2022.

In detail

The supplements are made in article 37, which prescribes the possibility of using video-audio communication by the Appealing Committee of the Customs Authority during the verbal examination of complaints. At the same time, the amendment defines a new procedure for notifying the taxpayers regarding the decisions adopted by the Appealing Committee of the Customs Authority. Particularly, the decisions are published in the personal account of a taxpayer provided in the electronic system of the Tax Authority, while the notification of non taxpayers is ensured through the general procedure as defined in the law on “Fundamentals of Administrative action and Administrative proceeding”.

For more details, please visit

<http://www.irtek.am/views/act.aspx?aid=155229>



Amendments to the Law “On State Duties” of the Republic of Armenia from 27.12.1997

In brief

The Law “On State Duty” has been amended with respect to the state duty defined for the import of cement. The amendment came into force on 12 October 2022.

In detail

With this amendment, the amount of the state duty for obtaining an import license for cement has been reduced. In particular for issuing a license for each up to one hundred tons of cement (classified under code 2523) under the customs procedures of "Releasing for internal consumption", "Reprocessing in the customs territory" and "Reprocessing for internal consumption" the state duty has been reduced to 200,000 AMD from 1,400,000 AMD.

For more details, please visit

<http://www.irtek.am/views/act.aspx?tid=169340>



Amendments in the Government Decision of the Republic of Armenia № 702-Ն from 12.05.2011

In brief

The amendment has been made in the Government Decision N 702-Ն related to the expansion of the powers of the National Security Bodies at the checkpoints across the state border of the Republic of Armenia. This amendment comes into force from 1 December 2022.

In detail

The legislator has granted National Security Bodies, *inter alia*, with powers to investigate cases of administrative offenses related to illegal stay of foreigners in Armenia. Particularly, when detecting cases of foreigners living in the Republic of Armenia without a valid license or residence status or with invalid documents, as well as violations of the transit order through the territory of the Republic of Armenia, National Security Bodies may initiate an administrative proceeding and impose respective administrative penalties.

For more details, please visit

<http://www.irtek.am/views/act.aspx?aid=118513>



Order of the State Revenue Committee Chairman № 1032-Ն from 04.10.2022 on Procedure of Transfer Pricing Calculation

In brief

The Chairman of the State Revenue Committee of the Republic of Armenia enacted an order on 4 October 2022 approving the form of calculation for transfer pricing. The order came into force on 7 October 2022.

In detail

The order provides the procedure, filing and submission of transfer pricing calculation (adjustments to corporate income tax and royalty affected by transfer pricing). The order is also applicable to controlled transactions registered in 2021.

For more details, please visit

<http://www.irtek.am/views/act.aspx?aid=118258>



Contact us

For a deeper discussion of how these changes might affect your business, please contact us at PwC Armenia

Alexey Rusanov

Director

E-mail: alexey.n.rusanov@pwc.com

Tel: + 374 99 93 20 65

Alla Hakhnazaryan

Head of Legal Practice

E-mail: alla.hakhnazaryan@pwc.com

Tel: +374 93 38 39 56



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