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- **VAT Exemption**



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Draft law on amendments to the Law on Social Insurance

The introduced amendment to the Law On Social Insurance sets forth the definition of 'able-bodies persons' for the purposes of contribution of social insurance duties by the able-bodied relatives of individuals, who own and use arable lands. Thus, 'able-bodied relatives' include individuals from age of 15 to age of 62 (for men) and 57 (for women), excluding disabled persons of I and II group and children with limited abilities.

Presidential Order on implementation of the amendments to the Law on State Registration and the State Register of Legal Entities

The President has instructed the Cabinet of Ministers to take all necessary measures to adapt the amendments to the Law On State Registration and the State Register of Legal Entities to the legislation of Azerbaijan. As we informed our readers on 5 April 2016, according to this amendment, information regarding founders (participants)

of commercial legal entities and amounts of founder's shares in charter capital of the commercial legal entities may now be disclosed to notary publics and the founders' heirs as well.

VAT rate differentiation

The Chamber of Accounts of Azerbaijan has proposed VAT rate differentiation for the purposes of optimization of tax rates applicable to non-oil sector and prioritization of export of finished products. We will keep you informed in due course.

VAT Exemption

The draft Law On VAT Exemption for import and sale of a number of products was submitted for reading to Milli Majlis on 18 April. The draft Law is aimed to decrease the VAT burden mainly for the agricultural products and machines. One of other proposed amendments under discussion sets forth increase of the tax rate to 10 AZN per each 100 square meter, applicable to agricultural lands in case of non-use thereof without a valid reason.