



Changes in criteria of small, medium and large entrepreneurs

By the decision of the Cabinet of Ministers dated May 15, 2020, changes to the "Criteria for the determination of micro, small, medium and large businesses" were adopted.

According to the changes, the classification of newly established business entities as micro, small, medium or large businesses will be based on the following indicators:

- on the basis of the **income indicator**, if for the period from the date of state registration or tax registration to the end of the reporting year the income indicator is determined using the cumulative total method;
- if the income indicator is not determined, based on the **number of employees**.

Based on the reports covering the period from the date of state registration or tax registration to the end of the first reporting year submitted by these business entities', the indicators of the average number of income and employees are clarified and the taxpayers are re-classified based on the **highest indicator**.

We would like to note that according to the previous decision, classification of newly established business entities as micro, small, medium or large entrepreneurs was based on the *number of employees* defined within 1 year from the date of their state registration or tax registration.

Contact us for any questions related to the information included herein

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