

PwC Azerbaijan Times

Issue № 11

October 2019

Overview of this issue

- Law on the Mandatory Health Insurance will come into force on 1 January 2020



Contact us for any questions related to the information included herein



Arif Gulyiyev
Director,
Tax Advisory Services Leader
arif.gulyiyev@pwc.com



Elchin Mammadov
Director,
Head of Legal Practice
elchin.mammadov@pwc.com



Elnur Mammadov
Director,
Tax Reporting and Strategy
Leader
elnur.mammadov@pwc.com



Aysel Suleymanova
Marketing & Communications
Leader
aysel.suleymanova@pwc.com

Follow us



PwC Azerbaijan

PwC Azerbaijan

PwC Azerbaijan

www.pwc.az

PwC Azerbaijan

The Landmark Office Plaza III | 12th Floor
90A Nizami Street
AZ1010 Baku | Azerbaijan

Tel: +994 12 497 2515
Fax: +994 12 497 7411



Law on the mandatory health insurance will come into force on 1 January 2020.

According to the amendments to the "Law on health insurance" of the Republic of Azerbaijan dated December 28, 2018, the introduction of mandatory health insurance will come into the force on January 1, 2020.

The basic information on various categories and objects of calculation of insurance premiums defined by the law is summarized in the table below.

According to the Decree of the President of the Republic of Azerbaijan, the Cabinet of Ministers will determine the form and procedures on conclusion of the relevant health insurance contract and medical insurance certificate.

<i>Service packages</i>	<i>Insured person* /Insurance base**</i>	<i>Insurance contract holder (Insurer)</i>	<i>Insurance Premium</i>	<i>Paid by</i>	<i>Terms of payment</i>
Standard coverage	* Citizens of the Republic of Azerbaijan, foreigners and non-Azerbaijan citizens permanently or temporarily residing in the Republic of Azerbaijan	Ministry of Finance of the Republic of Azerbaijan	29 manat per person for one calendar year	State Budget	In equal installments, not later than the 15th day of each month
Additional coverage	* Persons appointed by the Milli Majlis and the President of the Republic of Azerbaijan	Employer	4%	- By the insurer - 2% of the accrued salary fund; - By the insured person - 2% of the employee's salary.	At the same time as salary payments, but not later than the 15th day of each month
	* Employees working in the oil and gas and public sector under employment contracts	Employer	4%	- By the insurer - 2% of the accrued salary fund; - By the insured person - 2% of the employee's salary.	At the same time as salary payments, but not later than the 15th day of each month
	* Individuals engaged in entrepreneurial activities, as well as individuals performing works (services) under service agreements	Insured person	120 manat per person for one calendar year	Insured person	From the date of the conclusion of the mandatory medical insurance contract • in full amount within 30 days; • not later than the 15th day of each month, in equal installments
	* Employees working in the non-oil and gas and non-public sector under employment contracts,	Insured person	120 manat per person for one calendar year	Insured person	From the date of the conclusion of the mandatory medical insurance contract • in full amount within 30 days; • not later than the 15th day of each month, in equal installments
Insurance Base	** Motor petrol, diesel fuel and liquid gas	Taxpayer engaged in the production and import of petrol, diesel fuel and liquid gas	0.02 manat for each liter	Taxpayer engaged in the production and import of petrol, diesel fuel and liquid gas	Calculated on a monthly base and paid not later than the 20th day of a next month
	** Energy (alcohol or non-alcohol) drinks and liquid for electronic cigarettes.	Taxpayer purchasing the excise stamps	0.1 manat for each excise stamp	Taxpayer purchasing the excise stamps	At the same time as the state fee for excise stamps
	** Tobacco products	Taxpayer purchasing the excise stamps	0.05 manat for each excise stamp	Taxpayer purchasing the excise stamps	At the same time as the state fee for excise stamps
	** Alcoholic beverages	Taxpayer purchasing the excise stamps	0.1 manat for each excise stamp	Taxpayer purchasing the excise stamps	At the same time as the state fee for excise stamps