

# PwC Azerbaijan Times

## Issue №18

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### *Regulations for providing information on founders (participants) of commercial legal entities, their shares and owners of securities to monitoring participants and other persons participating in monitoring*

The Regulations have been approved by the Resolution of the Cabinet of Ministers of the Republic of Azerbaijan dated October 10, 2018, No 433. According to the Regulations, beneficiary data is provided to the monitoring participants in the following cases, if requested:

- before establishing business relations;
- before any one-off operation being expected in the amount of fifteen thousand AZN or more (this also applies to several operations related one another and being carried out within the limit, and the operations with total amount exceeding the limit);
- before remittance being expected to be carried out without opening the account regardless the amount;
- in case of suspicions or reasonably sufficient grounds for the suspicions towards money laundering or financing terrorism;
- in case of suspicions in terms of accuracy of previously submitted identification data related to the customer or beneficiary.

### *Regulations on declaration of national currency in cash and securities in national currency while bringing into and taking out of the Republic of Azerbaijan by residents and non-residents*

The Regulations have been approved by the Resolution of the Cabinet of Ministers of the Republic of Azerbaijan dated October 10, 2018, No 433. According to the Regulations, upon declaration to customs authorities, resident and non-resident legal entities are entitled to bring in and take out of the Republic of Azerbaijan the national currency in cash - banknotes and metal coins (regardless of its amount), securities and commemorative coins in national currency.

Resident and non-resident individuals are entitled to bring in and take out of the Republic of Azerbaijan meeting with the following:

- National currency in cash (banknotes and metal coins) and securities in national currency up to AZN 20000 upon verbal declaration to customs authorities.
- National currency in cash (banknotes and metal coins), securities in national currency in the amount of AZN 20000 and above upon written declaration of the full amount to customs authorities.

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In addition, resident and non-resident individuals and legal entities are entitled to bring in and take out of the Republic of Azerbaijan the national currency without limitation by transferring through the authorized banks or national postal operators.

### ***Resolutions of the Cabinet of Ministers on ensuring activities of Patent and Trademark Centre and Intellectual Property Rights Centre***

Charters of the above-mentioned Centres have been approved by the Resolutions of the Cabinet of Ministers of the Republic of Azerbaijan dated October 13, 2018, No 443 and 444. According to the Resolution, Patent and Trademark Centre has the following primary goals:

- carry out an examination of the claim letters submitted to the Centre in terms of inventions, utility models, designs, trademarks and geographical indications;
- conduct other matters related to examination in accordance with the legislation and participate in the establishment of intellectual property study and culture.

Intellectual Property Rights Centre has the following primary goals:

- ensure and manage the rights of intellectual property rights;
- participate in the establishment of intellectual property study and culture.

### ***Court practice on tax disputes***

**Subject:** Prohibition on leaving country due to unpaid taxes

**Unpaid taxes:** approx. AZN 55k

**Court instance:** Court of Appeal

**Date of court decision:** 02 November 2016

#### **Background:**

The Tax authority applies to court for the prohibition of leaving the head of the company from the country in order to insure the payment of the tax debt. The court of the first instance has satisfied the application of the tax authority. The company has appealed against the decision of the first court instance.

#### **Company position:**

The head of the company states that according to the Extract issued by the Department of State registration of commercial entities under Baku Taxes Department, he has been acting as the Head of Company since April 2013. Nonetheless, tax

inspection has covered the period of 2<sup>nd</sup> quarter of 2010 - 1<sup>st</sup> quarter of 2013.

#### **Court decision:**

The Court of Appeal has held the case in favour of the Company and granted to the Head of the Company the right to leave the country.

### ***PwC Azerbaijan participated at the Global Influencer Day Congress as a Silver Sponsor***

On 27 October 2018, PwC Azerbaijan participated at the Global Influencer Day Congress held at Heydar Aliyev Center, as a Silver Sponsor Aysel Suleymanova, Head of Marketing, Communications and Business Development of PwC Azerbaijan delivered the speech on "Staying Relevant at the Digital Age", highlighting social media impact on brand reputation, total brand experience and importance of doing things differently at the Digital Age. She also shared key findings from PwC's global consumer insights survey 2018.

Advancements in digital and technology are reshaping the way we all do business. By combining deep business and industry insight with digital innovation, PwC's diverse teams of creative, industry and technology professionals help accelerate the successful impact digital can have.