

Tax and Legal Newsletter

Tax Legislation Updates

No significant amendments have been made in Georgian Tax Legislation in January 2020.

Other Legislative Amendments

No important legislative amendments have been made in January 2020.

Amendments to the Subordinate Normative Acts

Decree #25 of the Government of Georgia of January 14, 2020

On January 14, 2020 the Government of Georgia adopted Decree #25 on the Conditions for Creating a Free Zone, the Amount of Guarantee to be Submitted for its Creation, the Functioning of the Free Zone, the Rules for Storing Goods therein and Customs Control. The decree declared invalid the decree #11 of Georgian Government of January 5, 2011 and redefined many aspects of functioning the free zone, including, the arrangement and conditions for the creation and operation of the free zone and the amount of the guarantee to be submitted; calculation, determination of the types of guarantee and submission of it; the rules for movement of the goods in the customs checkpoint located on the territory of the free zone, as well as for storing goods in the territory of the free zone; liabilities and responsibilities of the persons, who are authorized for accounting the goods located on the territory of the free zone (free zone enterprise);

Changes in Technical Regulations on Construction Products

On January 8, 2020, the Decree of the Government of Georgia was adopted, amending the Decree #476 of the Government of Georgia “on Approval of Technical

Regulations on Construction Products”. According to the amendments, the importer shall place the imported construction products on the Georgian market, only upon prior electronic notification of the LEPL Revenue Service and LEPL Market Supervisory Agency, made via the website of the Revenue Service. The form, filling and verification requirements for the electronically submitted prior notice on imported construction products shall be determined by the joint order of the Minister of Finance and the Minister of Economy and Sustainable Development of Georgia.

Order #487 of the Minister of Justice of Georgia of 31 December 2019

On December 31, 2019 by the Order # 487 of the Minister of Justice of Georgia, a new “Instruction on Public Registry” was approved, which annulled the Order of the Minister of Justice of Georgia # 4 of January 15, 2010 “on Approval of Instruction on Public Registry”.

The scope of the regulation, in addition to the rules and conditions of the functioning of Public Registry and the rights and responsibilities of the parties involved, also extended to systematic and sporadic registration, as well as notarial mediation during registration process.

The new instruction of the Minister of Justice shares many similar provisions of the previous order #4, dated January 15, 2010, though it is gradually supplemented and also includes issues that were not previously covered by the normative act. In addition to other substantial changes, the extracts from public registry on immovable and movable property, as well as forms of registrations of economic activities are construed in a different way.

The effective date of the instruction was January 1, 2020.

Contact information

bakertilly
7 Bambis Rigi, 0105, Tbilisi.
(+995 32) 2438 999

office@bakertilly.ge
www.bakertilly.ge

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