

## 1. LEGISLATIVE GUARANTEES TO ENTERPRISES RECEIVED FOREIGN INVESTMENT

№	Guarantees and privileges	Entities using guarantees and privileges	Content of guarantees and privileges	Legislative documentation
1	Guarantees on participation in privatization	Foreign investors	Foreign investors can participate in privatisation of the public and communal property of the Republic of Tajikistan in the order determined by the law. In order to take part in privatization of state property of the Republic of Tajikistan, required documentation are stated in the Decree of the Government of the Republic of Tajikistan No. 485 dd. December 5, 1998	Law of the Republic of Tajikistan “On foreign investment” (article 5)
2	Guarantees to carry out kinds of activity	Enterprises received foreign investment	Foreign investors and enterprises received foreign investment can carry out any kinds of activity	Law of the Republic of Tajikistan “On foreign investment” (article 7, part 1)
3	Guarantees from nationalization and requisition	Enterprises received foreign investment	Foreign investment in the territory of the Republic of Tajikistan can not be nationalised. The results of foreign investment may not be requisitioned except at the event of natural calamities, accidents, epidemics and other cases of emergency. Measures for requisitioning are taken by the Majlisi Oli (Parliament) of the Republic of Tajikistan. Requisition must not be undertaken in a discriminatory. If such measures are taken, the foreign investor must be quickly and adequately compensated without irregular delay, and the compensation must corresponds the real cost of the investment at the time the decision of requisition was made. Compensation is paid in foreign currency and may be remitted abroad, if the investors so desire.	Law of the Republic of Tajikistan “On foreign investment” (article 8)
4	Guarantees for compensation of investments and incomes	Enterprises received foreign investment	Upon suspension of investment activities, a foreign investor has rights to be compensated for his investments and income, in money or goods, at the real cost at the day of the suspension of the investment activities.	Law of the Republic of Tajikistan “On foreign investment” (article 9)

5	Guarantees to transfer income abroad	Enterprises received foreign investment	Investors are allowed to transfer income and other money abroad, in foreign currency, if legally earned by their investment.	Law of the Republic of Tajikistan “On foreign investment” (article 10)
6	Maintain accounts in banks, using foreign and national currency	Enterprises received foreign investment	Foreign investors may maintain accounts in national or foreign currency in authorised banks of the Republic of Tajikistan and also abroad. Foreign investors may use the money deposited in bank accounts in national currency to acquire foreign currency according to the procedures of exchange defined by the law of the Republic of Tajikistan.	Law of the Republic of Tajikistan “On foreign investment” (article 11, part 2)
7	Guarantee of reinvestment	Enterprises received foreign investment	Profits of foreign investors, earned in the territory of the Republic of Tajikistan, may be reinvested according to the investor's orders and the law of the Republic of Tajikistan	Law of the Republic of Tajikistan “On foreign investment” (article 11)
8	Guarantees to fix prices and realization of foreign trade activities	Enterprises received foreign investment	Enterprises received foreign investments have rights to fix prices for their products and services, sell them and choose their suppliers. An enterprise received foreign investment has the right to proceed with its foreign economic activities only after having acquired a certificate of participation in foreign economic activities.	Law of the Republic of Tajikistan “On foreign investment” (article 18)
9	Guarantee for export without license	Enterprises received foreign investment	Enterprises received foreign investment amounting to over 30% of their founding budget, have right to export their products and services without a license. Enterprises received foreign investment have right to import products and services for their activities without a license.	Law of the Republic of Tajikistan “On foreign investment” (article 19, part 1)
10	Insurance	Enterprises received foreign investment	Risk and property insurance of joint ventures is optional as long as the law of the Republic of Tajikistan does not require compulsory insurance	Law of the Republic of Tajikistan “On foreign investment” (article 21)
11	Guarantee to use property	Enterprises received foreign investment	The property of enterprises received foreign investment may be used to guarantee the company's obligations, including loans. The right to own houses, buildings, equipment, and other property rights including rights to use land and other natural resources may also be used as a <i>guarantee</i> .	Law of the Republic of Tajikistan “On foreign investment” (article 25)

12	Social guarantee	Enterprises received foreign investment	Enterprises received foreign investment may remit to retirement plan funds in the country of the employee's permanent residence in the currency of that country.	Law of the Republic of Tajikistan "On foreign investment" (article 28, part 2)
13	Guarantee to acquire shares and other securities	Enterprises received foreign investment	Foreign investors are allowed to acquire securities as determined by the laws set forth by the Ministry of Finance of the Republic of Tajikistan. Foreign investors have rights to acquire shares and other securities that are to be submitted to registration by Ministry of Finance of the Republic of Tajikistan.	Law of the Republic of Tajikistan "On foreign investment" (articles 30, 31)
14	Guarantee to use a land	Enterprises received foreign investment, foreign persons and enterprises	Foreign investors and enterprises received foreign investment may acquire land for their use, through purchase or lease in accordance with the laws of the Republic of Tajikistan Foreigners and foreign enterprises can lease ground area for a fixed period. For a fixed period ground area can be leased on definite terms. Fixed period can be short terms period – up to three years and long terms period – from three up to ten years.	Law of the Republic of Tajikistan "On foreign investment" (article 32, part 1) Land Codex of the Republic of Tajikistan (articles 13 and 25)
15	Guarantee to use natural resources	Enterprises received foreign investment	Foreign investors and enterprises received foreign investment may be granted the right to explore, mine and extract mineral resources in the economic zone of the Republic of Tajikistan, provided by a valid license issued by the Government	Law of the Republic of Tajikistan "On foreign investment" (article 33)
16	Guarantees for received products and incomes from concession	Concessionaires	Products and incomes received by concessionaire, as a result of concession activity, are his property in a volume, as fixed on concession agreement	Law of the Republic of Tajikistan "On concessions" (article 4, part 33)
17	Guarantees on profit from concession	All enterprises	A profit remained to concessionaire can be used at his discretion, after payment of the tax and other payments required by acting legislation of the Republic of Tajikistan	Law of the Republic of Tajikistan "On concessions" (article 19)

18	Guarantees of validity of concession agreement	Concessionaires	<p>The validity of the concession agreement cannot exceed 50 years depending on feasibility characteristics of the object passing to concession. Exceptions are the deposits of minerals required large capital investment and described long repayment of expenses.</p> <p>The validity of concession agreement, in this case, defines on terms necessary for completely exploitation of deposit, but not longer than 99 years.</p> <p>On expiry of the term of the concession agreement, a concessionaire conscientiously executed conditions of the agreement, have an advantageous rights to prolong the short-term and mid-term agreement.</p>	Low of the Republic of Tajikistan "On concessions" (article 19)
19	Guarantees on participation of foreign capital in a banking system of Tajikistan	Everyone	Conditions of participation in banking system of Tajikistan are regulates by legislation about banks and their activity.	Law of the Republic of Tajikistan "On foreign investment" (Article 12)
20	Guarantees on further changes of legislation	To investors	In case the subsequent legislation of the Republic of Tajikistan results in an increase to cumulative tax loading on the activity of foreign investor and enterprises with foreign investment, for 10 years the legislation acted on the moment of registration is applied;	Law of the Republic of Tajikistan "On foreign investment" (Article 8 part 1,2)
21	Guarantees on reinvestment	Everyone	The foreign investor, enterprise with foreign investment founded in the territory of the Republic of Tajikistan in case of reinvestment have rights to use legal protection, guarantees and privileges fixed by the present Law.	Law of the Republic of Tajikistan "On foreign investment" (Article 11)

## 2. THE SYSTEM OF TAX, CUSTOM AND OTHER INCENTIVES FOR ENTERPRISES RECEIVED FOREIGN INVESTMENT

№	Guarantees and privileges	Entities using guarantees and privileges	Content of guarantees and privileges	Legislative documentation
1	Exempts of the value-added tax and custom duties	Every enterprise	<p>Exemptions of the VAT:</p> <p>Production and technological equipment and its complementary parts imported into Republic of Tajikistan (that form one complete set, that is without these complementary ones the work of production and technological equipment is not possible) for forming and enlargement of statutory fund of the enterprise or for technical re-equipment of working production provided this property will be used directly for goods production, work implementation and rendering the services according to constitutive documents of the enterprise and if the property does not belong to the category of the excise goods, as well as personal property imported in Republic of Tajikistan by foreign workers and employees of enterprise received foreign investment directly for their own needs. In case, if such enterprise liquidates or above mentioned property (Production and technological equipment and its complementary parts) imported into Republic of Tajikistan will not be used or realized to other entity by this enterprise during four years from the date of it is imported, the sum of value-added tax and custom duties which is not paid for according to these items should be exacted to the State Budget. These privileges are granted and the equipment is attributed to the production and technological equipment according to the order determined by the Government of Republic of Tajikistan.</p>	<p>Tax Codex of the Republic of Tajikistan (article 211, item 4, sub paragraph 4)</p> <p>Custom Codex of Republic of Tajikistan (article 345, item 4)</p>

2	Exemptions of custom duties and value-added tax	All	Import of goods carried out for purposeful projects realization, approved by Government of Republic of Tajikistan at the expense of (within) and (or) credits (loans), means of grants and technical assistance given by legal or physical entities, foreign states, governments of foreign states or international organizations.	Tax Codex of the Republic of Tajikistan (article 211 item 4 sub paragraph 6) Custom Codex of Republic of Tajikistan article 345, item 6)
3	Exemption of value-added tax	All	Goods delivery, work implementation and service rendering carried out as an humanitarian aid	Tax Codex of the Republic of Tajikistan (article 211 item 2 sub paragraph 7)
4	Exemptions of custom duties	All	Goods imported as an humanitarian aid, as well as goods transferred (granted) without indemnity (gratis) to State bodies of Republic of Tajikistan	Custom Codex of Republic of Tajikistan (article 345, item 3)
5	Operation taxed on zero rate	All	Goods export except raw-cottons; cotton-fiber and primary aluminum are taxed with value-added tax on zero rates.	Tax Codex of the Republic of Tajikistan (article 214 item 1)

6	Exemption from the income tax	All	<p>New enterprises, established in the field of goods production in the year of state registration and from the year following the year of primal state registration, when depositing (investing) by their establishers, taking into account the investment minimum volume established by legislative, into the statutory fund of suchlike enterprises the volume of investment stated below are exempted from the income tax for:</p> <ul style="list-style-type: none"> <li>- 2 years, if the volume of investment is up to USD 500, 000 inclusive;</li> <li>- 3 years, if the volume of investment is from USD 500, 000 to USD2 mln. inclusive;</li> <li>- 4 years, if the volume of investment is from USD 2 mln. to USD 5 mln. inclusive;</li> <li>- 5 years, if the volume of investment exceeds USD 5 mln.</li> </ul> <p>When calculating the terms (duration) of exemption from value – added tax (tax holiday) according to this item the later re-registration of enterprise, change of enterprise’s owners, change of its organization-legal form and other similar alterations will not be taken into consideration.</p>	Tax Codex of the Republic of Tajikistan (article 145, item 6)
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