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# THE LAW OF THE REPUBLIC OF ARMENIA

Adopted by the RA National Assembly on July 7, 1998, in  
force from August 1, 1998

## ON PRESUMPTIVE TAX\*

### CHAPTER 1. GENERAL PROVISIONS

#### **Article 1. What this Law Regulates**

The current law regulates the concept and payment of Presumptive tax for certain types of business activities in the Republic of Armenia, defines subjects to presumptive tax, procedures of payment and calculation as well as responsibilities for violation of the law.

#### **Article 2. Presumptive Tax**

1. In a context of this law presumptive tax is a compulsory and non-refundable payment which will replace VAT and (or) Profit Tax (Income Tax), paid to the state budget to the amount and term established by the current law.
2. For physical persons Presumptive tax is alternative to VAT and (or) Income Tax.
3. For legal persons, corporations without status of a legal person Presumptive Tax is alternative to VAT and (or) Profit Tax.

#### **Article 3. Payers of Presumptive Tax**

Payers of Presumptive Tax are physical and legal persons, corporations without status of a legal person.

#### **Article 4. Payment of Other Taxes by Payers of Presumptive Tax**

Payers of Presumptive Tax shall calculate and pay other taxes stipulated by the "Law on Taxes of the Republic of Armenia", also other compulsory payments based on the procedures and term established by the law.

#### **Article 5. Termination of Tax Privileges**

For payers of Presumptive Tax defined in this law, tax privileges and deductions established by the tax legislation for VAT and Profit Tax (Income Tax) will be terminated.

#### **Article 6. Structure of Presumptive Tax**

VAT share in the amount of Presumptive Tax is supposed to be 60% with exception of types of business activities indicated by **clauses k, l and m**<sup>1</sup> Article 7 of the current law, where VAT share is supposed to be 0 %.

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\* Includes all amendments and additions as of 01.01.2002.

<sup>1</sup> With amendment according to RA Law "On Amendments and Additions to RA Law "On Compulsory Payments" and RA Law "On Income Tax"" adopted by RA National Assembly on 06.07.2000, in force from 01.08.2000.

## **Article 7. Taxable objects<sup>2</sup>**

The following types of business activities will be considered to be taxable objects for presumptive tax:

- a) trading, carried out in stores, stands (halls), trading area of which does not exceed 30 square meters;
- b) organisational type of business activity for organising trading site;
- c) business activity related to the sphere of public catering;
- d) business activity related to vehicles;
- e) business activity related to barbers' shops;
- f) business activity related to photo laboratories;
- g) business activity related to auto repair shops;
- h) business activity related to retail sales of petrol and diesel fuel;
- i) business activity related to parking lots;
- j) business activity related to industrial fishing;
- k) business activity related to currency sales in exchange offices;
- l) business activity of securities dealers related to currency sales;
- m) organisational type of business activity for organising gambling houses (casinos);
- n) business activity related to exploitation of gambling machines with cash winnings;
- o) organisational type of business activity related to computer games;
- p) business activity related to leasing of video tape recorders and video tapes;
- q) **organisation of lottery games;**<sup>3</sup>
- r) **organisation of bathhouses and washhouses;**<sup>4</sup>
- s) **gas filling activities of vehicles.**<sup>5</sup>

## **Article 8. Taxable Base**

Taxable base for presumptive tax will be a product of initial data of business activities provided by Article 7 of the current law and adjustment ratios expressed in drams.

## **Article 9. Determination of the Amount of Presumptive Tax**

1. Determination (calculation) of Presumptive Tax amount shall be carried out by taxpayers with exception of cases provided by item 2 of the current Article.
2. In cases, stipulated by the Tax Legislation and other statutory acts regulating tax relations, Presumptive Tax amount shall be determined by Tax Body of the Republic of Armenia (hereinafter – tax body) in compliance with this law.

## **Article 10. Registration of Initial Data and Adjustment Ratios**

1. Taxpayers before starting their business activity in spheres covered by this law shall submit to their regional tax body (where they are registered or reside) information (declaration-calculation, further - declaration) in two copies based on the procedure established by Tax Inspectorate of the Republic of Armenia. The declaration must contain initial data and adjustment ratios, which are necessary for calculation of Presumptive Tax.

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<sup>2</sup> Excerpt from RA Law "On Amendments and Additions to RA Law "On Compulsory Payments" in force from 01.01.2002:

"Article 20. This Law comes into force starting January 1, 2002.

Within **20 days** from the moment when the law comes into force the taxpayers specified under sub-clauses a, c, d, n, r, s of the article 7 of the Law are obliged to present to their regional tax authorities declarations on base data and adjustment factors."

<sup>3</sup> With addition according to RA Law "On Amendments and Additions to RA Law "On Compulsory Payments" and RA Law "On Income Tax"" adopted by RA National Assembly on 06.07.2000, in force from 01.08.2000.

<sup>4</sup> With addition according to RA Law "On Amendments and Additions to RA Law "On Presumptive Payments"" in force from 01.01.2002.

<sup>5</sup> With addition according to RA Law "On Amendments and Additions to RA Law "On Presumptive Payments"" in force from 01.01.2002.

2. After registration and approval with the stamp of a tax body one copy of the declaration shall be returned to the taxpayer.
3. If some initial data or adjustment ratios change (except closing down of the business, even if temporary), the payer must submit a new declaration (in two copies) to the regional tax body reporting the changes. A previous declaration must be returned to the tax body or annihilated by the payer.
4. **Initial data concerning area (space) where business activity indicated by clause e, Article 7 of the current law is carried out, submitted by the final day of the month preceding the reporting month, may be reduced only in case of emergency or unavoidable circumstances (invincible force) by notifying the tax inspectorate of the registration address.**<sup>6</sup>
5. If a payer terminates his business activity temporarily, he must inform about it his regional tax body in advance by an announcement-declaration, where the dates of termination must be indicated. If a business activity is **d** or **j**, Article 7 of the current law, the payer must also return his copy of a declaration.
6. If the dates of termination are not indicated in the announcement-declaration, the payer must submit a new declaration to the regional tax body with initial data and adjustment ratios when restarting his business activity. A copy of the previous declaration shall be returned to the regional tax body or annihilated by the payer.
7. If a payer terminates his business activity, he must inform about it the regional tax body in advance, submitting a written announcement. A copy of the previous declaration shall be returned to the regional tax body or annihilated by the payer.
8. While carrying out business activities stipulated by the current law a payer (with exception of payers whose business activities are indicated in clauses **j** & **l** of item 7 ) must stick the second copy of his declaration, stipulated by this Article, to the best observing place of the business site.
9. **The provisions of this Article do not apply to the taxpayers specified in sub-clause 17 of Article 7 of this Law. Those taxpayers file reports on the base data to their regional tax inspectorates in accordance with procedures established by the MSR.**<sup>7</sup>

#### **Article 11. Submission of Information on the Area and Other Data**

1. In cases of business activity indicated by clause **a** of item 3, Article 22, clauses **a** and **b** of item 2, Article 25, clause **a** of item 2, Article 53 and clause **b** of item 2, Article 57 of the current law, payers shall submit to the regional tax body information (declaration) on the area as the Tax Inspectorate of RA provides.
2. Payers who are involved in business activity indicated by clause **b**, **c**, **d** & **g** of item 3, Article 22 of the current law shall submit on a special form a certificate on proportions, mentioned in item 4, Article 22 of the current law as the Tax Inspectorate of RA provides.

#### **Article 12. Determination of the Amount of Presumptive Tax if a New Declaration is not Submitted**

If a new declaration is not submitted to the tax body, the presumptive tax amount for each month will be calculated by tax body using initial data and additional ratios of the last month, except those cases when the presumptive tax amount is still being corrected, also in a case established by item 3, Article 94 of the current law.

#### **Article 13. Term of Submission of Declarations and Other Information**

<sup>6</sup> With amendment according to RA Law "On Amendments to RA Law "On Compulsory Payments"" adopted by RA National Assembly on 05.12.2000, in force from 26.01.2001.

<sup>7</sup> With addition according to RA Law "On Amendments and Additions to RA Law "On Presumptive Payments"" in force from 01.01.2002.

1. Declaration on initial data and additional ratios (except cases, indicated in Article 10 of the current law) must be submitted by taxpayers within June and December except cases provided by item 2 of the current law.
2. Payers who are involved in business activity defined in clause **b**, Article 7 of the current law, must submit declarations with initial data and adjustment ratios on monthly basis, and for business activity defined in clause **d** - on a quarterly basis. A monthly (quarterly) declaration shall be submitted up to the final day of the month preceding the given month (quarter).  
**The taxpayers that carry out activities specified in sub-clause 17 of article 7 shall file monthly declarations on the base data to their regional tax inspectorates for each month till the 15<sup>th</sup> (inclusive) of the following month.<sup>8</sup>**
3. Quarterly declarations on the area used in business defined in clause **a** of item 3, Article 22 and clause **a** of item 2, Article 33 of the current law, must be submitted up to the 15<sup>th</sup><sup>9</sup> of the month following the quarter.
4. Monthly declaration on the area, stipulated by item 2, Article 31, item 2, Article 53 and clause **b** of item 2, Article 57 of the current law, must be submitted up to the 15<sup>th</sup><sup>10</sup> of the following month.
5. A certificate on proportions, indicated in item 4, Article 22 of the current law, must be submitted by payers once in a quarter up to the 15<sup>th</sup><sup>11</sup> of the month which follows tax return quarter.
6. **The information specified in clause 2 of article 28 of the Law shall be filed by taxpayers for each month by the 15th of the following month.<sup>12</sup>**

#### **Article 14. Registration of Initial Data and Adjustment Ratios**

Initial data and adjustment ratios, as well as their changes must be registered (reregistered) at the tax body in personal cards of taxpayers.

#### **Article 15. Accounting and Submission of Declarations by Taxpayers**

1. Based on the procedure established by GOA, payers must keep records (accounting books) (in cases stipulated by tax legislation or decision-decrees of GOA – also other records and/or registration) and submit to tax body (based on terms and procedures provided by tax legislation) accounting reports, tax calculations, declarations, also documents and information stipulated by the current law and tax legislation.
2. If a payer is involved only in business activity stipulated by this law, and has no other taxable objects, he should not submit to tax body calculations on Profit tax and VAT.
3. Payers subject to Presumptive tax on several types of business activities stipulated by this law must keep records separately (legal persons, corporations without status of legal person – separate accounting records). On this basis calculated for the reporting period, as the law stipulates, gross income, as well as expenses, shall be deducted to the amount of gross income on types of activities provided by this law. Results of separate records must be shown in tax calculations and declarations submitted to the tax body.

#### **Article 16. Paid (Calculated) Presumptive Tax Credited Against other Tax Liabilities**

<sup>8</sup> With addition according to RA Law “On Amendments and Additions to RA Law “On Presumptive Payments”” in force from 01.01.2002.

<sup>9</sup> With amendment according to RA Law “On Amendments and Additions to RA Law “On Presumptive Payments”” in force from 01.01.2002.

<sup>10</sup> With amendment according to RA Law “On Amendments and Additions to RA Law “On Presumptive Payments”” in force from 01.01.2002.

<sup>11</sup> With amendment according to RA Law “On Amendments and Additions to RA Law “On Presumptive Payments”” in force from 01.01.2002.

<sup>12</sup> With addition according to RA Law “On Amendments and Additions to RA Law “On Presumptive Payments”” in force from 01.01.2002.

1. If the payer has overpaid his liabilities provided by clause **a** of item 3, Article 22, clause **a** of item 2, Article 33, item 2 of the Article 53 and clause **b** of item 2, Article 57 of the current law the amount of paid (calculated) presumptive tax will be credited due to the procedure established by Article 33 of the law "On Taxes" of RA.
2. The credit will be considered first of fall against actual amount of Profit tax (Income tax) and VAT, calculated as the law stipulates on corresponding types of taxes – in proportion indicated in Article 6 of the current law.

#### **Article 17. Issuing of Bills by Payers**

1. Based on the legislation payers should provide the customers with a bill for shipped, provided or sold products and services.
2. In the accounting papers issued for business activities stipulated by this law payers do not make notes on VAT rate and amount. In case of separation of the VAT amount, which is due to pay to the budget, it shall be calculated and paid based on the general procedure regardless of presumptive tax payment.

#### **Article 18. Tax Amount Paid to Suppliers**

If a payer paid VAT when purchasing products and services from suppliers (also while importing – at the customs), he should add this amount to the expenses.

#### **Article 19. Procedures and Terms of Presumptive Tax Payment**

1. Payers shall calculate and pay Presumptive tax on monthly basis up to the 15<sup>th</sup> <sup>13</sup> of the following month.
2. Presumptive tax must be paid in drams.
3. Payers shall not make any Profit tax (or Income tax) advance payments for business activities subject to Presumptive tax.

#### **Article 20. Usage of Cash Registers**

Provisions of this law do not concern business activities covered by clauses **a** (with "with the exception for trading activities, conducted through sales kiosks or directly from residential places which are situated outside trading places, with area not exceeding 7 sq.m. for Yerevan and 10 sq.m. for other places)"<sup>14</sup>, **f**, **h**, & **k** where cash registers are used.

### **CHAPTER 2 PRESUMPTIVE TAX FOR TRADING ACTIVITY CARRIED OUT IN STORES, STANDS (STALLS)**

#### **Article 21. Glossary of Terms Used for Trading Activity Carried out in Stores, Stands (Stalls)**

- a) store** – a steady construction built or adjusted for trading activity which has a hall for this purpose;
- b) stand (stall)** – a construction built or adjusted for trading activity without a trading hall;
- c) trading space** – for stores it is the trading area (including the area where merchandise is exhibited and being sold), and for stands (stalls) – the total area.

#### **Article 22. Payers of Presumptive Tax Involved in Trading Activity Carried out in Stores, Stands (Stalls)**

<sup>13</sup> With amendment according to RA Law "On Amendments and Additions to RA Law "On Presumptive Payments"" in force from 01.01.2002.

<sup>14</sup> With amendment according to RA Law "On Amendments and Additions to RA Law "On Presumptive Payments"" in force from 01.01.2002.

1. Those who are involved in trading activity carried out in stores, stands (stalls) with trading space not exceeding 30m<sup>2</sup> are considered to be Payers of Presumptive Tax if criteria defined in item 2 of the current article are met.
2. Criteria to be met to be qualified as Presumptive tax payer:
  - a) availability of a separate construction (permanent or temporary);
  - b) availability of a space in the construction for carrying out trading activity;
  - c) area of trading space not exceeding 30m<sup>2</sup>;
3. Items of this chapter do not cover:
  - a) taxpayers whose sales (goods turnover) exceeds 310.000.00 drams per one square meter during a quarter of a year (regardless of a number of work days);
  - b) taxpayers who sell products produced by themselves – for this part of activity
  - c) drug stores, sale of medications and medical supplies;
  - d) trading of gas, engine oil
  - e) Book-stalls where newspapers, prospects, manuals, periodicals are being sold.
4. If in trading sites of business activities covered by clauses b, c, d & e some other items than specified there are sold, a payer becomes a subject to Presumptive tax, only stipulated if during a tax return quarter sales share of these items exceeds 10% (for bookstalls - 50%).

In these cases the following data will be considered initial for calculation of Presumptive tax:

- a) actually occupied trading space;
- b) number of calendar days of the tax return quarter.

The taxpayer can submit a declaration on initial data and adjustment ratios.

### **Article 23. Presumptive Tax Amount for Trading Activity in Stores, Stands (Stalls)**

1. Presumptive tax shall be calculated on monthly basis in drams to the amount of a product of initial data and adjustment ratio (ratios) multiplied by 32;
2. If trading is carried out immediately from dwelling (like from window), Presumptive tax will be equal to:
  - a) the amount paid for trading carried out in a stand with area not exceeding 3m<sup>2</sup> if the area for exhibition of merchandise does not exceed 10m<sup>2</sup>.
  - b) payment stipulated for trading activity from bookstalls considering area actually used for exhibition of products only if the actual area for exhibition of products exceeds 10m<sup>2</sup>.

### **Article 24. Initial Data for Calculation of Presumptive Tax for Trading Activity in Stores, Stands (Stalls)**

Initial data for calculation of Presumptive tax are as follows:

- a) area of trading space of the trading activity carried out in Stores, Stands (Stalls) in square meters;
- a) calendar workdays within a month and their number.

### **Article 25. Adjustment Ratios for Calculation of Presumptive Tax for Trading Activity in Stores, Stands (Stalls)**

1. Adjustment ratios based on location of a store, stand (stall) for calculation of Presumptive tax are as follows:
  - a) for territory of Zvartnots airport and a highway from Zvartnots to Yerevan (Vagharshapat high road and highways from the airport) - from 1.0 to 2.75, which is established by GOA.
  - b) For marz-centers - from 1.2 to 1.5 which is established by GOA based on the proposal submitted by corresponding body of a local management;
  - c) For Abovian and Vagharshapat towns - from 1.0 to 1.2 which is established by GOA based on the proposal submitted by corresponding body of a local management;
  - d) For marzes (except marz-centers, Abovian, Vagharshapat and Charentsavan towns) – 1.0;
  - e) For village areas, as well as for disaster zones and far and close to the border regions – 0.5.

For villages located in disaster zones and far and close to the border regions additional 0.8 ratio will be applied.

Before establishing by GOA adjustment ratios for closes **b & c**, trading (initial?) factors will be used.

2. the following additional adjustment ratios will be used **for conducting trading activity**<sup>15</sup> at stores, stands (stalls) based on quarterly results:
  - a) if proceeds received from sale of VAT exempt products exceed 50%, adjustment ratio will be 0.7;
  - b) if the portion of proceeds from sold products imported to RA without paying VAT at the customs exceed 50%, adjustment ratio will be 1.4.
3. For stores, stands (stalls) which are located in basements of the buildings, additional 0,8 adjustment ratio will be applied.
4. **Has become invalid**<sup>16</sup>

### **CHAPTER 3. PAYMENT OF PRESUMPTIVE TAX FOR ORGANIZING TRADING SITE**

#### **Article 26. Trading Site**

Trading site (flee markets, fairs, food markets, etc.) is a site where space is provided by organiser for carrying out trading (or other) activity.

#### **Article 27. Payers of Presumptive Tax for Organising Trading Site**

Those who organise trading sites (flee markets, fairs, food markets, etc.) in the territory of RA will be considered to be payers.

#### **Article 28. Submission of Necessary Documents *and Presenting Information***<sup>17</sup> by Payers of Presumptive Tax for Organising Trading Site

When providing trading space at the trading site to those who will carry out trading activity, the payers must process documents stipulated by the tax legislation and keep records according to the procedure established by tax inspectorate.

**Taxpayers file to tax authorities information specified by the Government, on parties conducting trading activities in places designed for conducting trading activities.**<sup>18</sup>

#### **Article 29. Amount of Presumptive Tax for Organising Trading Site**

Presumptive tax for organising trading site shall be calculated on monthly basis to the amount of initial data and adjustment ratio (ratios) product multiplied by 100 and expressed in drams.

#### **Article 30. Initial Data for Calculation of Presumptive Tax for Organising Trading Site**

The initial data for calculation of presumptive tax for organising trading activity are as follows:

- a) **Trading area actually used, in square meters. Note, that ratio 1.2 shall be applied for area actually used for registration of areas directly connected to and assisting in trading and ratio 0.7 shall be applied for organisers of trading in areas located within permanent buildings with trading halls. Actually used**

<sup>15</sup> With amendment according to RA Law "On Amendments and Additions to RA Law "On Presumptive Payments"" in force from 01.01.2002.

<sup>16</sup> According to RA Law "On Amendments and Additions to RA Law "On Presumptive Payments"" in force from 01.01.2002. Initial text – " for stands (stalls) with area 7m<sup>2</sup> additional 0,7 adjustment ratio will be applied."

<sup>17</sup> With addition according to RA Law "On Amendments and Additions to RA Law "On Presumptive Payments"" in force from 01.01.2002.

<sup>18</sup> With addition according to RA Law "On Amendments and Additions to RA Law "On Presumptive Payments"" in force from 01.01.2002.



**area is considered to be the area allocated to legal or physical entities organising trading by organisers of trading area activities.<sup>19</sup>**

- b) Calendar workdays within a month and their number.

#### **Article 31. Adjustment Ratios for Calculation of Presumptive Tax for Organising Trading Site**

1. The adjustment ratios for calculation of presumptive tax for organising trading activity are as follows:
  - a) for territory of Zvartnots airport and a highway from Zvartnots to Yerevan (Vagharshapat high road and highways from the airport) - 1.25.
  - b) food markets for agricultural products, disaster zone, far and close to the border regions, also for the country - 0.4;
  - c) for other locations – 1.0.
2. If the amount collected by organiser per square meter of trading site is 5 times more than presumptive tax, the adjustment ratio will be 2.

### **CHAPTER 4. PRESUMPTIVE TAX FOR BUSINESS ACTIVITY CARRIED OUT IN THE SPHERE OF PUBLIC CATERING**

#### **Article 32. Glossary of Terms Used for Calculation of Presumptive Tax for Business Activity in the Sphere of Public Catering**

- a) business activity in a sphere of public catering - organisation of production, sale and consumption of food production
- b) food production – assembling of meals from partially cooked food
- c) public catering saloon – a space for sale and consumption of ready food products.
- d) open public catering saloon – total area where catering business activity is carried out.

#### **Article 33. Payers of Presumptive Tax Involved in Business Activity in Sphere of Public Catering**

1. Physical and legal persons, corporations without status of a legal person involved in business activity in a sphere of public catering shall be payers.
2. Provisions of this Chapter do not concern
  - a) taxpayers whose sales (goods turnover) exceeds 200.000.00 drams per one square meter of the area of a saloon during a quarter of a year (regardless of a number of work days);
  - b) those who carry out public catering business at buildings of secondary schools, colleges and higher educational institutions.

#### **Article 34. The Rate of Presumptive Payments for Activities in the Sphere of Public Catering**

**The rate of monthly presumptive payment makes 2000-fold the product of the base data and the adjustment ratio (ratios), in drams.<sup>20</sup>**

#### **Article 35. Initial Data for Calculation of Presumptive Tax for Public Catering Activity**

1. **The area of the space in square meters used for public catering activities is taken as base data for calculating presumptive payment rate.<sup>21</sup>**

<sup>19</sup> With amendment according to RA Law “On Amendments to RA Law “On Compulsory Payments”” adopted by RA National Assembly on 05.12.2000, in force from 26.01.2001.

<sup>20</sup> With amendment according to RA Law “On Amendments and Additions to RA Law “On Presumptive Payments”” in force from 01.01.2002.

<sup>21</sup> With amendment according to RA Law “On Amendments and Additions to RA Law “On Presumptive Payments”” in force from 01.01.2002.

2. Area of external lunchrooms (dining cars and those for preparing and serving food products) and for other sites which do not have serving saloons, serving area will be considered 20m<sup>2</sup>.

#### **Article 36. Adjustment Ratios for Calculation of Presumptive Tax for Public Catering Activity**

Adjustment ratios for calculation of Presumptive tax are as follows:

- a) for open catering sites – 0.7;
- b) for show bars and other public catering places with stage performances as well as bars operating from 12:00 a.m. to 6:00 a.m. an additional factor of 2.0 is used;<sup>22</sup>
- c) for places (units) with limited number of consumers – 0.5;
- d) for open sites additional 1.5<sup>23</sup> ratio will be applied from April through October;
- e) in case if the area used for providing with public catering service does not exceed 50 sq.m., an additional 0.75 adjustment ratio is used;
- f) for (objects) places conducting public catering service in marzes Syunik, Vayots Dzor, Shirak, Lori, Tavoush, additional 0.7 adjustment ration is used.<sup>24</sup>

#### **CHAPTER 4<sup>1</sup>. PRESUMPTIVE PAYMENTS FOR ORGANIZATION OF BATHHOUSES AND WASHHOUSES<sup>25</sup>**

**Article 36<sup>1</sup>. The concepts used for calculating presumptive payments for organization of bathhouses and washhouses**

For this particular law the concept of organization of bathhouses and washhouses includes, in particular, the washhouses, solariums, saunas, bathhouses and steam baths.

**Article 36<sup>2</sup>. Taxpayers for Activities in the Sphere of Organisation of Bathhouses and Washhouses**

Taxpayers are those legal entities and individuals, which conduct activities in this sphere on part of commercial services.

**Article 36<sup>3</sup>. The Rate of Presumptive Payments for Activities in the Sphere of Organisation of Bathhouses and Washhouses**

The presumptive payment is calculated for each month and makes 2000 - fold the product of the base data and the adjustment ratio, in drams

**Article 36<sup>4</sup>. The Base Data for Activities in the Sphere of Organisation of Bathhouses and Washhouses**

The area of the buildings in square meters used for activities of organization of bathhouses and washhouses is taken as base data for calculating presumptive payment rate.

**Article 36<sup>5</sup>. The Adjustment Ratio for Calculation of the Rate of Presumptive Payments for Organisation of Bathhouses and Washhouses**

The adjustment ratios for calculation of presumptive payments are:

<sup>22</sup> With amendment according to RA Law "On Amendments and Additions to RA Law "On Presumptive Payments"" in force from 01.01.2002.

<sup>23</sup> With amendment according to RA Law "On Amendments and Additions to RA Law "On Presumptive Payments"" in force from 01.01.2002.

<sup>24</sup> Points e and f - with addition according to RA Law "On Amendments and Additions to RA Law "On Presumptive Payments"" in force from 01.01.2002.

<sup>25</sup> Chapter 4<sup>1</sup> - with addition according to RA Law "On Amendments and Additions to RA Law "On Presumptive Payments"" in force from 01.01.2002.

a) for bathhouses and washhouses - 1

b) for baths and (or) washhouses not located in saunas and (or) steam baths - 0.5

## **CHAPTER 5. PRESUMPTIVE TAX FOR BUSINESS ACTIVITY RELATED TO VEHICLES**

### **Article 37. Glossary of Terms Used for Calculation of Presumptive Tax for Business Activity Related to Vehicles**

- a) taxi car – car for transportation of passengers, with a corresponding sign on the top, where the fee is taken according to the number of passengers or the data shown on a meter or speedometer installed in the car;
- b) capacity of the car – optimal cargo weight that is defined by the manufacturer, and mentioned in the specification;
- c) number of seats in a bus – optimal number of passengers defined by the manufacturer that can be transported in seating position.

### **Article 38. Payers of Presumptive tax Involved in Business Activity Related to Vehicles**

- 1. Persons involved in business activity related to vehicles (**deleted expression**)<sup>26</sup> shall be considered to be payers.
- 2. Persons who provide service based on advance order or agreement will calculate and pay presumptive tax based on general procedure established in this Article.
- 3. Provisions of this chapter do not concern those taxpayers that use cars for transportation of their own products.

### **Article 39. Presumptive Tax Rate for Transportation Activities**

- 1. **The rate of monthly presumptive payment makes 2000 fold the product of the base data and the adjustment ratio, in drams.**<sup>27</sup>
- 2. If several types of transportation were made during a month by one and the same vehicle, the highest initial rate **for one piece of data**<sup>28</sup> and adjustment ratios shall be considered for calculation of presumptive tax.

### **Article 40. The Base Data for Calculating Presumptive Payments for Transportation Activities**<sup>29</sup>

**The following are considered as base data for presumptive payments for transportation activities:**

**transportation of passengers by cars – 1.0**

**for activities carried out by trucks – the lading in terms of tons**

**for activities carried out by buses – the number of seats**

### **Article 41. Adjustment Ratios for Calculation of Presumptive Tax for Transportation Activity**

<sup>26</sup> With deletion according to RA Law “On Amendments and Additions to RA Law “On Presumptive Payments”” in force from 01.01.2002. Initial text – “subject to licensing in accordance with established procedures”.

<sup>27</sup> With amendment according to RA Law “On Amendments and Additions to RA Law “On Presumptive Payments”” in force from 01.01.2002.

<sup>28</sup> With amendment according to RA Law “On Amendments and Additions to RA Law “On Presumptive Payments”” in force from 01.01.2002.

<sup>29</sup> Article 40 - with amendment according to RA Law “On Amendments and Additions to RA Law “On Presumptive Payments”” in force from 01.01.2002.

1. Adjustment ratios for small and medium size vehicles used for transportation of passengers:	
In Yerevan	3.4
In Gyumri and Vanadzor cities	3.1
Other locations	2.8

In case of inter-city transportation the highest ratio of them will be applied.

2. Adjustment ratios for vehicles used for transportation of cargo

Regions of Vayots Dzor and Tavush	1.1
Shirak region	1.3
Regions of Aragatsotni, Gegharkuni and Lori	1.4
Syunik region	1.6
Ararat, Armavir, Kotaik regions	1.8
In Yerevan	1.9.

In case of inter-city transportation the highest ratio of them will be applied.

3. Adjustment ratios for buses used for transportation of passengers:

a) routes:	
within a city	1.0
to the countries close to city	1.1
inter-city, interstates	1.2
b) additional for within cities:	
in Yerevan	1.0
Gyumri and Vanadzor	0.9
Other cities	0.8
c) for vans with up to 13 seats – additional	1.3.

## **CHAPTER 6. PRESUMPTIVE TAX FOR BUSINESS ACTIVITY RELATED TO BARBER'S SHOPS**

### **Article 42. Glossary of Terms Used for Calculation of Presumptive Tax for Business Activity Related to Barber's Shops:**

- a) barber's shop - steady or permanent construction built or adjusted for providing with barber's service
- c) work site - each specially furnished area for providing with barber's service

### **Article 43. Payers of Presumptive Tax Involved in Barber's Shop Activity**

Organizers of barber's shop activity shall be the payers.

### **Article 44. Presumptive Tax Amount for Barber's Shop Activities**

Monthly Presumptive tax for barber's activity will be calculated to the amount of product of initial data and adjustment ratio multiplied by 420 and expressed in drams.

### **Article 45. Initial Data for Calculation of Presumptive Tax for Barber's Shops Activity**

Initial data for calculation of presumptive tax is as follows:

Number of working staff;

Calendar workdays within a month and their number.

### **Article 46. Adjustment Ratios for Calculation of Presumptive Tax for Barber's Shops Activity**

Adjustment ratios based on the location of the barber's shop:

## **CHAPTER 7. PRESUMPTIVE TAX FOR PHOTO LABORATORY ACTIVITY**

### **Article 47. Glossary of Terms Used in Presumptive Tax Calculations for Photo Laboratory Activities**

- a) photo laboratory is steady or permanent construction built or adjusted for developing films and printing pictures.
- b) photo laboratory activity is a process of developing films and printing pictures.
- c) work site for photo laboratory activity is an area furnished with special equipment to carry out the whole process of activity.

### **Article 48. Payers of Presumptive Tax Involved in Photo Laboratory Activity**

Persons who carry out photo laboratory activities shall be the payers.

### **Article 49. Presumptive Tax Rate for Photo Laboratory Activities**

Presumptive Tax monthly rate will be determined by multiplying the product of initial data and the corresponding adjustment ratios by 850.

### **Article 50. Initial Data for Calculation of Presumptive Tax for Photo Laboratory Activities**

The initial data are the following:

- a) number of work sites for developing films and printing pictures.
- b) calendar work days within a month and their total number.

### **Article 51. Adjustment Ratios for Calculation of Presumptive Tax for Photo Laboratory Activities**

The adjustment ratios are the following:

- a) based on the location of the photo laboratory
  - for Yerevan 1.0
  - for other locations 0.9
- a) in case of carrying out one type of photo laboratory activities (only developing or printing) another 0.8 adjustment ratio will be applied.

## **CHAPTER 8. PRESUMPTIVE TAX FOR BUSINESS ACTIVITY RELATED TO AUTO REPAIR SHOPS**

### **Article 52. Glossary of Terms Used in Calculation of Presumptive Tax for Activities Related to Auto Repair Shops**

- a) auto repair shops is steady or permanent construction, built or adjusted for technical maintenance of vehicles.
- b) activity of auto repair shops is the technical maintenance of vehicles.
- d) work site for technical services of vehicles is the area furnished with special equipment to carry out the whole process of technical support for vehicles.

### **Article 53. Payers of Presumptive Tax Involved in Repair Shop Activities**

1. Persons who carry out the technical maintenance activity shall be the payers .
2. The articles of this chapter do not concern the persons carrying out technical maintenance of vehicles if monthly sale per work site exceeds 800 thousand drams (the limited rate).

#### **Article 54. Presumptive Tax Rate for Repair Shop Activities**

Presumptive Tax monthly rate for repair shop activities will be determined by multiplying the product of initial data by 350.

#### **Article 55. Initial Data used for Presumptive Tax Calculation for Repair Shops Activity**

The initial data is the following:

- a) number of work sites of technical maintenance of vehicles.
- b) calendar work days within a month and their total number.

### **CHAPTER 9. PRESUMPTIVE TAX FOR RETAIL SALE OF PETROL AND DIESEL FUEL**

#### **Article 56. Retail Sale Site of Petrol and/or Diesel Fuel**

Petrol and/or diesel fuel retail sale site is a complex of equipment set for providing petrol to vehicles.

#### **Article 57. Payers of Presumptive Tax for Retail Sale of Petrol and Diesel Fuel**

1. Persons who carry out activities of retail sale of petrol and/or diesel fuel (including the persons carrying out retail sale of petrol and diesel fuel from specially equipped trucks) shall be the payers.
2. The articles of this chapter do not concern the taxpayers who
  - a) at the retail sale site provide petrol from over three pipes.
  - b) at the retail sale site sell over 10 thousand litres (the limited quantity) petrol per month.

#### **Article 58. Presumptive Tax Rate for Retail Sale of Petrol and/or Diesel Fuel**

1. The monthly rate of Presumptive Tax for retail sale of petrol and/or diesel fuel is calculated by multiplying the product of initial data by 1000.
2. In case of carrying out retail sale of petrol and/or diesel fuel exclusively by tares (in case of absence of filling pipes) a Presumptive Tax rate will be calculated as for one filling pipe.

#### **Article 59. Initial Data for Calculation of Presumptive Tax for Retail Sale of Petrol and/or Diesel Fuel**

Initial data are the following:

- a) number of filling pipes installed in retail sale sites of petrol and diesel fuel.
- b) calendar work days within a month and their total number.

### **CHAPTER 9<sup>1</sup> . PRESUMPTIVE PAYMENTS FOR GAS FILLING ACTIVITIES FOR VEHICLES<sup>30</sup>**

<sup>30</sup> Chapter 9<sup>1</sup> - with addition according to RA Law "On Amendments and Additions to RA Law "On Presumptive Payments"" in force from 01.01.2002.

#### **Article 59<sup>1</sup>. The Concept of Station (point) of Gas Filling for Vehicles**

**Under this Law the concept of station (point) of gas filling for vehicles covers the whole equipment used for gas filling of vehicles.**

#### **Article 59<sup>2</sup>. Presumptive Taxpayers for Activities in the Sphere of Gas Filling of Vehicles**

**The taxpayers are those who conduct gas filling activities for vehicles through gas filling stations (points).**

#### **Article 59<sup>3</sup>. The rate of monthly presumptive payment for gas filling activity for vehicles**

**The rate of monthly presumptive payment for gas filling activity for vehicles makes 500 000 fold the product of base data and adjustment ratio, in drams.**

#### **Article 59<sup>4</sup>. The Base Data for Calculating Presumptive Payment for Gas-filling Activity for Vehicles**

**The base data for calculating presumptive payment for gas filling activity for vehicles is the number of installed gas filling pipes at gas filling stations (points).**

#### **Article 59<sup>5</sup>. Adjustment Ratios applied for Calculation of Presumptive Payment for Gas-filling Activities for Vehicles**

**The adjustment ratios based on location of the gas filling station (point) are the following:**

- a) for stations located within the administrative border of Yerevan and outside of Yerevan at distance within 25 kilometers - 1.0**
- b) for stations located elsewhere - 0.8.**

### **CHAPTER 10. PRESUMPTIVE TAX FOR BUSINESS ACTIVITIES RELATED TO PARKING LOTS**

#### **Article 60. Glossary Of Terms Used for Presumptive Tax Calculations for Activities Related to Parking Lots**

- a) parking lot** is the area separated for temporary parking of auto-transportation means.
- b) activity related to parking lot** is providing security for the temporarily parked auto-transportation means.

#### **Article 61. Presumptive Tax Payers for Parking Lot Activity.**

**Payers are the persons who organize parking lot activities (including during night hours).**

#### **Article 62. Presumptive Tax Rate for Parking Lot Activities**

**Presumptive Tax monthly rate for parking lot activities is calculated by multiplying the product of initial data and the corresponding adjustment ratios by 5.**

#### **Article 63. Initial Data of Presumptive Tax Calculation for Parking Lot Activities**

**Initial data is the following:**

- a) the total area (in square meters) separated for temporary parking of the auto-transportation means.**

- b) work days within month and their total number.

#### **Article 64. Adjustment Ratios of Presumptive Tax Calculation for Parking Lot Activities**

The adjustment ratios based on the location of the parking lots are the following:

- a) for Yerevan - 1.0 to 8.0 as determined by the Government of the RA.  
b) for other locations - 0.8.

### **CHAPTER 11. PRESUMPTIVE TAX FOR BUSINESS ACTIVITIES RELATED TO INDUSTRIAL FISHING**

#### **Article 65. Industrial Fishing**

Industrial fishing is the fishing activity carried out in water region for making profit using special tools, in particular setting net with setting, pulling and pocket seines.

#### **Article 66. Presumptive Tax Payers for Industrial Fishing**

Payers are the persons who carry out industrial fishing.

#### **Article 67. Presumptive Tax Rate for Industrial Fishing**

Presumptive payment monthly rate is calculated by multiplying the product of initial data and the corresponding adjustment ratios by 150.

#### **Article 68. Initial Data for Presumptive Tax Calculation for Industrial Fishing**

Initial data for presumptive tax calculation are the following:

- a) work days within a month and their total number.  
b) number of fishing tools

#### **Article 69. Adjustment Ratios of Presumptive Tax Calculations for Industrial Fishing**

The adjustment ratios based on fishing tools are the following:

- |  |       |
|--|-------|
| a) for setting net                                 | 1.0   |
| b) for setting and pulling seines with a length of |       |
| up till 200 meters inclusive                       | 46.0  |
| 200 till 250 meters inclusive                      | 52.0  |
| 250 till 300 meters inclusive                      | 60.0  |
| 300 till 350 meters inclusive                      | 66.0  |
| 350 till 400 meters inclusive                      | 72.0  |
| over 400 meters                                    | 80.0  |
| c) for a pocket seine                              | 120.0 |
| d) for other fishing tools                         | 66.0  |

### **CHAPTER 12. PRESUMPTIVE TAX FOR BUSINESS ACTIVITIES RELATED TO FOREIGN EXCHANGE SALES IN EXCHANGE OFFICES**

#### **Article 70. Foreign Exchange Sales In Exchange Offices**

Foreign exchange sales are carried out on the basis of the license provided by the Central Bank of the RA.



#### **Article 71. Presumptive Tax Payers for Foreign Exchange Sales in the Exchange Offices**

1. Presumptive payers are the persons who carry out the activity of the exchange office on the basis of the license provided by the Central Bank of the RA.
2. The articles of this chapter do not hold for bank offices.

#### **Article 72. Presumptive Tax Rate for Foreign Exchange Sales In the Exchange Offices**

Presumptive Tax are calculated for each month by multiplying the adjustment rate based on the location of the exchange office by 50 000.

#### **Article 73. Adjustment Ratios for Calculation of Presumptive Tax for Currency Exchange Offices**

The adjustment ratios based on the location of the exchange office are the following:

- a) for Yerevan and the airport “Zwartnots” -1.0 to 1.5 as determined by the Government of the RA.
- b) for other locations - 0.8.

### **CHAPTER 13. PRESUMPTIVE TAX FOR FOREIGN EXCHANGE DEALERS’ ACTIVITIES**

#### **Article 74. Foreign Exchange Dealers Activity**

Foreign exchange dealers’ activity is the foreign exchange sales on the basis of the license provided by the Central Bank of the RA.

#### **Article 75. Payers of Presumptive Tax Involved in Currency Sales Activity**

1. Presumptive payers are the persons who carry out foreign exchange sales on the basis of the license provided by the Central Bank of the RA.
2. The articles of this chapter do not hold for the independent investment brokers and independent investment dealers of the banks, stock exchanges, consulting investment offices, brokerage investment offices, releasing enterprises operating in the RA.

#### **Article 76. Presumptive Tax Rate for Dealers Involved in Currency Sales Activities**

Presumptive Tax rate for foreign exchange dealers’ activities is defined 125.0 thousand drams monthly.

### **CHAPTER 14. PRESUMPTIVE TAX FOR FOR ORGANIZING GAMBLING HOUSES (CASINOS)**

#### **Article 77. Casinos**

Casinos are the halls with an outside or inside sign “Casino” or “Gambling House” or word combinations using these words in Armenian or foreign languages or where at least one gaming table or more than twenty gambling machines or both are exploited (irrespective of the quantity).

#### **Article 78. Presumptive Tax Payers for Organising Gambling Houses**

The Presumptive Taxpayers are the persons who organise gambling houses.

#### **Article 79. Presumptive Tax Rate for Organising Gambling Houses**

Presumptive payment monthly rate for organising gambling houses is determined by multiplying the product of initial data and the corresponding adjustment ratios by 1 500 000.

#### **Article 80. Initial Data for Presumptive Tax Calculation for Organising Gambling Houses**

Initial data is the number of gaming tables.

#### **Article 81. Adjustment Ratios for Presumptive Tax Calculation for Organising Gambling Houses**

Adjustment ratios based on the location of the gambling houses are the following:

- a) within Yerevan - 2.0;
- b) outside Yerevan - 1.0.<sup>31</sup>

### **CHAPTER 15**

#### **PRESUMPTIVE TAX FOR GAMBLING MACHINE EXPLOITATION**

#### **Article 82. Gambling Machines**

Slot machines with cash winnings are the machines with programmed games (including lottotron, bingo and other machines programmed for mechanical lottery). During games with this equipment the winner is determined by special program(s) of the machines with or without direct participation of the player.

#### **Article 83. Presumptive Tax Payers for Gambling Machine Exploitation**

- 1. Payers are the persons who exploit gambling machines.
- 2. The articles of this chapter do not hold for persons who exploit programmed machines for lottotron, bingo or other types of lottery games through television.

#### **Article 84. Presumptive Tax Rate for Gambling Machines Exploitation**

Presumptive payment monthly rate:

- a) for lottotron, bingo and other machines programmed for mechanical lottery games is determined by multiplying the product of initial data and the adjustment rates by 10 000.
- b) for other types of automations is determined by multiplying the product of initial data and adjustment ratios by 50 000.

#### **Article 85. Initial Data for Calculation of Presumptive Tax for Gambling Machines Exploitation**

Initial data:

- a) for lottotron, bingo and other types of programmed machines for mechanical lottery games is the total area of the game hall in square meters
- b) for other types of machines is the number of **installed (existing)**<sup>32</sup> machines

<sup>31</sup> With amendment according to RA Law "On Amendments and Additions to RA Law "On Compulsory Payments" and RA Law "On Income Tax"" adopted by RA National Assembly on 06.07.2000, in force from 01.08.2000.

<sup>32</sup> With addition according to RA Law "On Amendments and Additions to RA Law "On Presumptive Payments"" in force from 01.01.2002.

## **Article 86. Adjustment Ratios for Calculation Presumptive Tax for the Gambling Machine Exploitation**

Adjustment ratios based on the location of the gambling machines are the following:

- a) for Yerevan - 2.0<sup>33</sup>
- b) for regional centres as well as for the cities Abovian and Vagharshapat - 0.9
- c) for other locations - 0.8.

## **CHAPTER 15<sup>1</sup>. PRESUMPTIVE PAYMENTS FOR ORGANIZATION OF LOTTERY GAMES<sup>34</sup>**

### **Article 86<sup>1</sup>. Concept of Lottery Games**

According to this law lottery game is considered to be the activity that is the subject of law "On Lottery Games" of the RA

### **Article 86<sup>2</sup>. Presumptive Taxpayers for Organisation of Lottery Games**

Presumptive taxpayers for organisation of lottery games are considered to be the organisers of lottery games.

### **Article 86<sup>3</sup>. Presumptive Payment Rate for Organisation of Lottery Games**

The monthly rate of presumptive payments for lottery organisation is determined by 18% of initial data.

### **Article 86<sup>4</sup>. Initial Data for Calculation of Presumptive Payments for Lottery Organisation**

Initial Data for Calculation of Presumptive Payments for Lottery Organisation is considered to be the total cost of lottery tickets sold for all lottery games organised within the month.

## **CHAPTER 16. PRESUMPTIVE TAX FOR ORGANIZATIONAL TYPE OF BUSINESS ACTIVITY RELATED TO COMPUTER GAMES**

### **Article 87. Payers of Presumptive Tax for Organising Business Activity Related To Computer Games**

Payers are the persons who organise business activity related to computer games.

### **Article 88. Presumptive Tax Rate for Organising Business Activity Related To Computer Games**

Presumptive Payment monthly rate is determined by multiplying the product of initial data and the adjustment ratios by 10 000.

### **Article 89. Initial Data for Presumptive Tax Calculation for Organising Business Activity Related To Computer Games**

Initial data is the number of used monitors.

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<sup>33</sup> With amendment according to RA Law "On Amendments and Additions to RA Law "On Compulsory Payments" and RA Law "On Income Tax"" adopted by RA National Assembly on 06.07.2000, in force from 01.08.2000.

<sup>34</sup> Chapter 15<sup>1</sup> (including Articles 86<sup>1</sup>, 86<sup>2</sup>, 86<sup>3</sup>, 86<sup>4</sup>) was added according to RA Law "On Amendments and Additions to RA Law "On Compulsory Payments" and RA Law "On Income Tax"" adopted by RA National Assembly on 06.07.2000, in force from 01.08.2000.

## **Article 90. Adjustment Ratios for Presumptive Tax Calculation for Organising Business Activity Related to Computer Games**

Adjustment ratios based on the location of the computer games are the following:

- a) for Yerevan and the airport "Zwartnots" – 1.5 to 3.0 as determined by the Government of the RA.
- b) for regional centres as well as for the cities Abovian and Vagharshapat - 2.0
- c) for the republic regions (except for regional centres and the cities Abovian and Vagharshapat) - 1.5
- d) for the disaster zone, far and near border regions as well as villages - 1.0

## **CHAPTER 17. PRESUMPTIVE TAX FOR BUSINESS ACTIVITY RELATED TO LEASING OF VIDEOTAPE RECORDERS AND VIDEOTAPES**

### **Article 91. Presumptive Tax Payers for Leasing Videotape Recorders And Videotapes**

Payers are the persons who lend videotape recorders and videotapes.

### **Article 92. Presumptive Tax Rate for Leasing Videotape Recorders and Videotapes**

Presumptive payment monthly rate is determined by multiplying the adjustment ratios based on location where the videotape recorders and the videotapes are leased by 40 000.

### **Article 93. Adjustment Ratios of Presumptive Tax Calculations for Videotape Recorders and Videotapes**

Adjustment ratios based on location where the videotapes (recorders) are leased are the following:

- a) for Yerevan and the airport "Zwartnots" - 1.0 to 1.9 as determined by the Government of the RA.
- b) for regional centres as well as the cities Abovian and Vagharshapat - 1.7
- c) for republic regions (except for the regional centres and the cities Abovian and Vagharshapat) - 1.2
- d) for the disaster zone, far and near border regions as well as villages - 1.0.

## **CHAPTER 18. RESPONSIBILITIES IN CASE OF VIOLATION OF LAW**

### **Article 94. Unsubstantiated Presumptive Tax**

1. Presumptive Tax amount of payers carrying out Presumptive Tax liable activities will be considered as unsubstantiated and the Tax Inspectorate will calculate (estimate) the Presumptive Tax amount if:

- a) the amount of initial data and (or) adjustment ratios presented for the corresponding period is less than the actual amount registered during inspection and/or investigation carried out by tax inspectorate body.
- b) the payer does not submit the declaration of initial data and/or adjustment ratios before starting (restarting) the activity, **as well as** in cases and according to the procedure specified by the Law **for those organising lotteries**.<sup>35</sup>

2. In case if Presumptive Tax amount is unsubstantiated as mentioned in clause "a" of this article the tax inspectorate body calculates it taking into account the actual amount of initial data and adjustment ratios (except for the work days within month).

In case if the actual work days of the payer is more within a month than is mentioned in the declaration all days of the month are considered to be work days starting from the day of presenting last (previous) initial data.

<sup>35</sup> With addition according to RA Law "On Amendments and Additions to RA Law "On Presumptive Payments"" in force from 01.01.2002.

3. In case if Presumptive Tax amount is unsubstantiated as mentioned in clause “b” of this article the tax inspectorate body calculates it taking into account the actual amount of initial data and adjustment ratios (except for the work days within a month).

Factual work days of the payer are considered to be all days of the month starting from the day when Presumptive Tax liable activity actually started. In case of absence of actual information (data) on the day when the activity started such is considered to be the day of compulsory re-registration of initial data and adjustment ratios (according to points 1 and 2 of this article).

#### **Article 94<sup>1</sup>. Responsibility for not Providing the Information**

**In case of not providing or providing misleading information on the parties conducting trading activities in the trading area as required by article 28 of the Law, the taxpayer pays a penalty equal to 100000 drams.<sup>36</sup>**

#### **Article 95. Responsibilities in case of violating this law**

After making Presumptive Tax s the payers are still obliged to carry out registrations and keep records as well as to have license for certain types of activities.

### **CHAPTER 19. FINAL ARTICLES**

#### **Article 96. Definitions of some terms used in the law**

1. Work places for developing films and printing pictures mentioned in the clause “c” of article 47 and work places for technical support to the auto-transportation means mentioned in the clause “c” of the article 52 are determined by the Government of the RA.
2. The list of the disaster zone, near and far border regions is determined by the Government of the RA.
3. For the purpose of applying zone divisions this law is using of area zones of Yerevan as determined by the Government of the RA.

#### **Article 97. Presumptive Tax Rate Coefficient**

Starting from April 1999 Presumptive Tax monthly rates and limited quantities (except for the limited quantity mentioned for clause “b”, point 2, article 57) will increase for each 12 month period by the whole amount of the actual increase of the price coefficient for the previous year which is published every time by the Tax Inspectorate before April 1 of the given year.

#### **Article 98. Termination of Presumptive Tax**

Presumptive Tax for activities described in clauses “c”, “d”, “k”, “l”, “m”, “n”, “o”, “p”, “r”, “s” of article 7 of this law will be terminated in case if payers submit the tax body an announcement-declaration about stopping the activity and starting from the day indicated in the declaration which cannot be earlier than the day after submitting it.<sup>37</sup>

#### **Article 99. Registration Of Initial Data and Adjustment Ratios**

Within July 1998 payers registrate (re-registrate) initial data and adjustment ratios in the regional tax body. In case of failing to meet this requirement the responsibility defined by article 94 is applied.

<sup>36</sup> With addition according to RA Law “On Amendments and Additions to RA Law “On Presumptive Payments”” in force from 01.01.2002.

<sup>37</sup> With addition according to RA Law “On Amendments and Additions to RA Law “On Presumptive Payments”” in force from 01.01.2002.

**Article 100. Responsibility for concealing taxable base**

Responsibility is applied in case of concealing the taxable base or showing it partially.

**Article 101. Adopting Administrative Legal Regulations**

The administrative legal regulations concerning to this law are adopted by the Tax Inspectorate of the RA in co-operation with the Ministry of Finance and Economy.

**Article 102. Validity of this law**

This law is valid since August 1, 1998.

