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Adopted by the National Assembly of RA on 14 December 2001

**LAW OF THE REPUBLIC OF ARMENIA
ON AMENDMENTS AND SUPPLEMENTS IN THE LAW ON INCOME TAX**

Article 1 . In article 9 section 8 after the words “from sales of property” add “from those who are not considered as tax agents”

Article 2. In article 18

a) replace the words “in sub clause 3” in clauses 1 and 2 with “in clauses 3, 4 and 5”

b) add a clause 5 with the following content:

"5. The tax agents calculate income tax liability at 10 percent rate, from incomes paid for acquisition of property to physical persons, taking into account only the reductions specified by articles 10 and 11 of this law."

Article 3. Declare void the sub clause "b" of clause 2 of Article 20.

Article 4. In clause 1 of article 21:

a) in sub clause 1 replace the words “and in case the written contract as provided by sub clause 2 is not signed or any of the required data is missing” by “in case the written contract as provided by the sub clause is not signed or civil-legal contract (where passport data and address in RA must be indicated) with the physical person is not signed”.

b) replace the words "and the 4th" of sub clause "b" with ", 4th and 5th".

Article 5. In article 23, replace the words “during two days after the payment” by “not later than the 5th day of the month following the payment.

Article 6. Add the following clause 4 to article 37:

"4. In case the tax agent finds the mistakes in his calculations of tax liabilities of previous reporting periods, he may submit adjustment forms to the tax office based on which tax liabilities will be recalculated."

Article 7. Add the following clause 5 to article 38:

"5. In case if in the tax report on annual incomes the individual entrepreneur over reports losses, a penalty is levied at the amount of 20 % of the over-reported loss."

Article 8. This law is effective starting from January 1, 2002.

The penalty defined in the Article 7 will be in force for over-reported losses in annual tax declarations (returns) submitted to tax authorities after January 1, 2002.