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## LEGISLATION UPDATE

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March-June, 2024

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Date, heading	Updates
<p><b>28 March, 2024</b> <i>Clarification on toll roads</i></p>	<p>The following has been added to article 19-1 of the Law on “Highway”:</p> <ul style="list-style-type: none"> <li>- <i>The amount of payment for vehicles traveling on each highway determined by the Tariff Council of the Republic of Azerbaijan is approved by the Cabinet of Ministers of the Republic of Azerbaijan, taking into account the grade of the highway, and is transferred to the bank account opened for this purpose. The distribution of these funds is determined by the Cabinet of Ministers of the Republic of Azerbaijan.</i></li> </ul> <p>For further details: <a href="https://president.az/az/articles/view/65405">https://president.az/az/articles/view/65405</a></p>
<p><b>1 May, 2024</b> <i>Amendment to mortgage legislation</i></p>	<p>According to the amendments, the mortgagee's withdrawal from the demand or cancellation of the mortgage has been modified as follows in Civil Code:</p> <p><i>316. If the mortgagee withdraws their demand or cancels the mortgage, the mortgage is terminated. This cancellation takes legal effect when it is registered in the state register of immovable property or the official register of movable property.</i></p> <p><i>472.4. In the case where the liability secured by a suretyship agreement is subject to subsidiary liability, the surety's liability shall cease from the day the debtor dies until the day the inheritance is accepted.</i></p> <p>The grounds for terminating the mortgage have been supplemented on the Law on “Mortgage” with the following:</p> <ul style="list-style-type: none"> <li>- <i>When the mortgagee withdraws their demand or renounces the mortgage.</i></li> </ul> <p>For further details: <a href="https://president.az/az/articles/view/65695">https://president.az/az/articles/view/65695</a></p>
<p><b>1 May, 2024</b> <i>Clarification on water supply and sewerage systems</i></p>	<p>New interpretations have been added to Article 1 of the Law on "Water supply and sewerage systems," as well as new articles related to the connection of construction objects to water supply and sewage systems.</p> <p>For further details: <a href="https://president.az/az/articles/view/65693">https://president.az/az/articles/view/65693</a></p>
<p><b>3 May, 2024</b> <i>Amendment to pension provision</i></p>	<p>According the amendment, requirements regarding insurance tenure related to pension entitlement based on favorable conditions for children and age have been abolished for individuals.</p> <p>For further details: <a href="https://president.az/az/articles/view/65721">https://president.az/az/articles/view/65721</a></p>

**4 May, 2024**  
*New Agreement*

Agreement on the “Elimination of double taxation and prevention of fiscal evasion with respect to taxes on income between the Government of the Republic of Azerbaijan and the Government of the Republic of Turkey” has been approved.

For further details:

<https://president.az/az/articles/view/65726>

**6 June, 2024**  
*Additions to the Tax Code*

Exemptions and concessions have been added regarding the holding of COP29 in the Republic of Azerbaijan:

- 102.1.33-1. Under the confirmation document of the Ministry of Ecology and Natural Resources, non-resident individuals are attracted to provide goods, perform work, and render services related to the holding of COP29 in the Republic of Azerbaijan, and the income they earn within this framework for the period from March 1, 2024, to 9 months;
- 106.1.28-1. Royalty income paid to non-resident legal entities by the relevant executive authority based on a contract concluded with the entity (institution) determined by the competent authority in connection with the use of copyright on intangible assets related to the holding of COP29 in the Republic of Azerbaijan, for the period from March 1, 2024, to 9 months;
- 106.1.28-2. Income derived from performing work and providing services by non-resident legal entities related to the holding of COP29 in the Republic of Azerbaijan, as confirmed by the Ministry of Ecology and Natural Resources, for the period from March 1, 2024, to nine months thereafter;
- 164.1.49-1. Performing work and providing services by non-resident entities related to the holding of COP29 in the Republic of Azerbaijan under contract with the Ministry of Ecology and Natural Resources, as well as the import of goods based on the confirming document of the Ministry of Ecology and Natural Resources, for the period from March 1, 2024, to nine months thereafter.

For further details:

<https://president.az/az/articles/view/66202>

**6 June, 2024**  
*New Law adopted*

The new Law on “Creation of artificial land areas in the section of the Caspian Sea (lake) belonging to the Republic of Azerbaijan” has been approved by the President of Azerbaijan, which determines public relations related to the creation of artificial land plots for construction purposes in the section of the Caspian Sea (lake) belonging to the Republic of Azerbaijan, determines the organizational and legal basis for the creation of artificial land plots and the features of using artificial land plots, including construction on artificial land plots.

For further details:

<https://president.az/az/articles/view/66213>

**24 June, 2024**  
*New Agreement*

Agreement on the “Multilateral Convention on the Implementation of Tax Treaty Measures to Prevent Base Erosion and Profit Shifting” has been approved.

For further details:

<https://president.az/az/articles/view/66314>

**29 June, 2024**  
*Amendments to labour pensions*

According to the amendments, the additions to the labour pension for the length of service of the following persons will be calculated in the form of "Average monthly amount of wages (taking into account subsequent increases in wages until retirement)":

1. *Acting deputy of the Milli Majlis of the Republic of Azerbaijan and acting deputy of the Supreme Assembly of the Nakhchivan Autonomous Republic;*
2. *Chairman of the Milli Majlis of the Republic of Azerbaijan, first deputy chairman, deputy chairman, committee and commission chairman or deputy chairman, chairman of the Supreme Assembly of the Nakhchivan Autonomous Republic, first deputy chairman, deputy chairman, commission chairman or deputy chairman of the commission;*
3. *Active member of the Central Election Commission of the Republic of Azerbaijan and active member of the Central Election Commission of the Nakhchivan Autonomous Republic;*
4. *Ombudsman.*

For further details:

<https://president.az/az/articles/view/66349>

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