

**May 2019**

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1. According to the amendment to the Decision of the Cabinet of Ministers, the Ministry of Taxes shall also participate in the process of the registration of labor contract. So, conclusion of a labor contract with an employee for the first time shall be registered based on the information provided by the Ministry of Taxes of Republic of Azerbaijan. The employer and the Ministry of Taxes shall be informed about registration of the notification on labor contract during 1 working day.



2. New regulations on the Labor Code enables not only employees who are continuing their Master's or Doctoral studies but also employees who study military post-graduate studies to take paid research leave for the purpose of studying and shall be granted 30 calendar days paid vacation each year.



3. On May 6, 2019, the President of the Republic of Azerbaijan approved the creation of the Boards of Appeal of the state-owned legal persons (hereinafter "Boards of Appeal") by signing the relevant Decree. The main purpose of the creation of the Boards of Appeal is to support of the individuals and the legal persons who complain about the decisions of the state-owned legal persons.

From now on, the complaints regarding decisions of the heads of the state-owned legal persons shall be reviewed by the Boards of Appeal. The main obligations of the Boards of Appeal are:

- To carry out comprehensive full examination of the received complaints;
- To invite complainants and the heads of the state-owned legal persons to the meetings of the Boards of Appeal;

- To ensure the implementation of and prevent the breach of human and civil rights during its activity.

The Boards of Appeal shall consist of a chairman and other six members. The chairman of the Boards of Appeal shall be the deputy head of the state-owned legal person.



4. The Law on amendments to the Tax Code of the Republic of Azerbaijan and the relevant Presidential Decree No. 697 dated May 16, 2019 envisage regulations regarding the UEFA 2019 Europe League Final, which took place in Baku and UEFA 2020 European Football Championship. The implementation of these regulations are very important for Azerbaijan, since Azerbaijan is one of the organizing countries of UEFA Euro 2020.

According to the Law on amendments to the Tax Code of the Republic of Azerbaijan, the following tax exemptions shall apply based on a certifying document from the Association of Football Federations of Azerbaijan:

The income of non-resident individuals who provides goods and services in connection with holding of the UEFA 2019 Europe League Final and UEFA 2020 European Football Championship matches shall not be subject to income tax.

The income of UEFA, non-resident legal persons founded by UEFA and non-resident football clubs (associations) in connection with holding of the UEFA 2019 Europe League Final and UEFA 2020 Football Championship matches shall be exempt from profit tax.

Supply of goods, provision of services and import of goods by UEFA, non-resident legal persons founded by UEFA and non-resident football clubs (associations) in connection with holding of the UEFA 2019 Europe League Final and UEFA 2020 Football Championship matches shall be subject to 0% VAT.



5. The Law on amendments to the Law of the Republic of Azerbaijan on Customs Tariff also inserts a new article regarding the UEFA 2019 Europe League Final and UEFA 2020 European Football Championship:

“The export of goods by persons who have obtained a relevant certifying document in the prescribed manner and who participates or organizes or is involved in organization of these games are exempt from custom duties.”



6. On May 30, 2019, it was decided by the Order of the President of the Republic of Azerbaijan to include Financial Monitoring Service into the Ministry of Taxes of the Republic of Azerbaijan.

For this purpose, in this field the Ministry of Taxes shall:

- provide compliance with the international standards and obligations arising out of the international treaties
- provide information to the organisations, which the relevant bodies of the Republic of Azerbaijan are the members of, about the taken measures.

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