

Legal Newsletter

(December 2023)

The present newsletter contains significant legislative amendments made in various legislative and sub-legislative acts in December 2023.

Tax Code of Georgia

On the 13th of December, 2023 amendments were made to the Tax Code of Georgia and parts 7 and 8 of Article 80 (object of taxation); Article 81 (tax rate); Article 97 (object of taxation), etc. were formed with a new edition.

You can see the full version of the amendment to the above document at the link: <https://matsne.gov.ge> with the registration code: 200000000.05.001.102147

The Law came into force from the 1st of January, 2024.

The same code was amended on December 13, 2023, and parts 7 and 8 of Article 80 (object of taxation); Part 31 of Article 81 were formed with the following redaction:

„3¹. Taxable income received by a natural person from arranging a gaming machine salon and/or from organizing gambling games in system-electronic form is taxed at 15 percent.“; Article 82, part one, subsection "Z2" was formed with the following wording:

„Z²) Income received from the mentioned activities by the gambling club, totalizator organizer;"; Article 97 (object of taxation) was established with a new edition; Article 135 (reporting period); Article 154 (the rule of withholding tax at the source of payment) were formed with a new edition.

You can see the full version of the amendment to the above document at the link: <https://matsne.gov.ge> with the registration code: 200000000.05.001.102134

The Law came into force from the 1st of January, 2024.

Law of Georgia "on arranging of Lotteries, Gambling and Profitable Games"

On the 13th of December, 2023 sub-paragraph "a" of paragraph 21, Article 1 of the Law of Georgia "on the organizing of Lotteries, Gambling and Profitable Games" was formed with the following redaction:

„2. Permit conditions by the permit holder for the arrangement of the gambling house, the permit holder for the arrangement of the gaming machine salon, the permit holder for the arrangement of the totalizer, the permit holder for the organization of gambling games in system-electronic form, the permit holder for the organization of games of slot machines in the system-electronic form and the permit holder for the organization of games of the totalizer in system-electronic form and fulfilling the requirements of Georgian legislation" are controlled by the electronic system of the gaming business control provided by the first paragraph of this article.

You can see the full version of the above document at the link: <https://matsne.gov.ge> with the registration code: 040170310.05.001.102140

The Law came into force upon its publication.

Code of Spatial Planning, Architectural and Construction Activities of Georgia

On the 13th of December, 2023 Article 141⁵ of the Code of Spatial Planning, Architectural and Construction Activities of Georgia (temporary rule of exemption from responsibility for non-submission of the milestone protocol during the construction of a building) was formed with a new edition.

You can see the full version of the amendment to the above rule at the link: <https://matsne.gov.ge> with the registration code: 330090000.05.001.102149

The Law came into force from the 1st of January, 2024.

Law of Georgia "On Enforcement Proceedings"

On the 15th of December, 2023 amendment was made to the Law of Georgia "on Enforcement Proceedings" and Article 21 (restriction of implementation of coercive enforcement measures); Article 34 (termination of enforcement), etc. were formed by a new edition.

You can see the full version of the amendment to the above document at the link: <https://matsne.gov.ge> with the registration code: 070000000.05.001.102193

The law, except subparagraph "c" of the first paragraph of the first article and paragraphs 2-5 of this law, came into force immediately after its publication.

Sub-paragraph "c" of the first paragraph of the first article of the law and paragraphs 2-5 will come into force from the 1st of April, 2024.

The Law of Georgia on "registration of citizens of Georgia and foreigners living in Georgia, the procedure for issuing an identity (residence) certificate and a passport of a citizen of Georgia"

On the 15th of December, 2023 Article 20¹⁵ with the following content was supplemented to the Law of Georgia on "registration of citizens of Georgia and foreigners living in Georgia, the procedure for issuing an identity (residence) certificate and a passport of a citizen of Georgia":

1. From the 1st of July, 2024, the valid non-electronic (not having an electronic information carrier) identity cards of Georgian citizens, which were issued before July 28, 2011, will be canceled.

2. The same identification data of the relevant person, which are on the Georgian citizen's identity card provided in the said paragraph, will be added to the new Georgian citizen's identity card issued in exchange for the same identity card to the holder of the Georgian citizen's identity card provided in the first paragraph of this article.

You can see the full version of the above document at the link: <https://matsne.gov.ge> with the registration code: 010130000.05.001.102219

The Law came into force upon its publication.

Law of Georgia "on Local Fees"

On the 15th of December, 2023 Amendments were made to the Law of Georgia "on Local Fees" and Article 5 (Local Fees); Article 12³ (container fee); Article 17⁷ (Exemption from payment of container fee) etc. were formed with a new edition.

You can see the full version of the amendment to the above document at the link: <https://matsne.gov.ge> with the registration code: 210020010.05.001.102155

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The Law, except first article of this Law, came into force upon its publication.

First Article of the Law came into force from the 1st of February, 2024.

Law of Georgia "on Public Registry"

On the 15th of December, 2023 an amendment was made to the Law of Georgia "on Public Registry" and Article 2 (definition of terms used in the law); Article 11 (rights and obligations subject to registration in the register of rights to real estate) etc.were formed with a new edition.

You can see the full version of the amendment to the above document at the link: <https://matsne.gov.ge> with the registration code: 040150000.05.001.102216

The Law, except first article of this Law, came into force upon its publication.

Paragraphs 1, 3 and 5 of Article 1 of the Law shall enter into force on the 90th day after publication.

Paragraphs 2 and 4 of the first article of the law shall come into force from September 1, 2024.

Law of Georgia "on General Education"

On the 15th of December, 2023 an amendment was made to the Law of Georgia "on General Education" and Article 2 (definition of terms); Article 6 (general education) etc. were formed with a new redaction.

You can see the full version of the above document at the link: <https://matsne.gov.ge> with the registration code: 430050000.05.001.102161

The law, except paragraph 6 of article 6 of the law provided by paragraph 2 of the first article of this law, came into force from the 1st of January, 2024.

Paragraph 6 of Article 6 of the Law provided in paragraph 2 of Article 1 of the Law shall enter into force from January 1, 2025.

Law of Georgia "On copyright and related rights"

On the 15th of December, 2023 Article 4 of the Law of Georgia "on Copyright and Related Rights" (definition of the terms used in the law); "Article 231 (permitted use of a printed work protected by copyright and related rights for the benefit of a person with impaired ability to read a printed work) etc. were formed with a new edition.

You can see the full version of the above document at the link: <https://matsne.gov.ge> with the registration code: 050000000.05.001.102146

The Law, except first article of this Law, came into force upon its publication.

First Article of the Law, except paragraph 9 of the Article 23¹ of the Law provided in the first article, paragraph 2, shall come into force on the 60th day after its publication.

Paragraph 9 of Article 23¹ of the Law provided by paragraph 2 of Article 1 of the Law shall come into force from July 1, 2024.

Code of Spatial Planning, Architectural and Construction Activities of Georgia

On the 15th of December, 2023 Article 141⁸ of the Code of Spatial Planning, Architectural and Construction Activities of Georgia (legality of the construction of an individual residential house and auxiliary buildings built without permission and/or in violation of the project) was formed with a new edition.

You can see the full version of the above document at the link: <https://matsne.gov.ge> with the registration code: 330090000.05.001.102223

The Law, except first article of this Law, came into force upon its publication.

First Article of the Law shall come into force on the 90th day of its publication.

Tax Code of Georgia

On the 15th of December, 2023 Article 4 (retirement period); Article 8 (Definition of Terms); Article 39 (tax secrecy), etc. of the Tax Code of Georgia were formed with a new edition.

You can see the full version of the amendment to the above document at the link: <https://matsne.gov.ge> with the registration code: 200000000.05.001.102208

Law, except section 11 of the first article of this Law, sub-paragraphs "a" - "d" and "f" of Section 12, sections 14-16, sub-paragraphs "a" and "b.b" of section 17 of this Law ", sections 18-20 and sub-paragraphs "c" and "d" of section 23, came into force immediately after publication.

Sub-paragraphs „c” and „d” of part 23, Article 1 of the Law came into force from the 1st of January, 2024.

Section 11 of Article 1 of the Law, sub-paragraphs "a" - "d" and "f" of section 12, sections 14-16, sub-paragraphs "a" and "b.b" of section 17 and sections 18-20 came into effect on the 30th day after publication.

Order №996 of the Minister of Finance of Georgia

On the 5th of December, 2023 an amendment was made to the Order №996 of the Minister of Finance of Georgia by Order №465 of the Minister of Finance of Georgia "on Administration of Taxes and Article 14 of the instruction (distribution of the document to the public) was approved with a new redaction.

You can see the full version of the amendment to the above instruction at the link: <https://matsne.gov.ge> with the registration code: 200090000.22.033.017770

The Order came into force upon its publication.

In the same order, on the 25th of December, 2023 an amendment was made by Order №494 of the Minister of Finance of Georgia and Article 112 of the instruction (full deduction of amortization charges according to main means) was formed with a new redaction.

You can see the full version of the amendment to the above instruction at the link: <https://matsne.gov.ge> with the registration code: 200090000.22.033.017776

The Order came into force upon its publication.

In the same order, on the 26th of December, 2023 an amendment was made by order №497 of the Minister of Finance of Georgia, and after the instruction appendix №II-04¹ the attached redaction appendix №II-04² was supplemented; Article 333 (Declaration of income tax on the supply of property/asset by a natural person and the procedure for filling it) was formed with a new edition.

You can see the full version of the amendment to the above instruction at the link: <https://matsne.gov.ge> with the registration code: 200090000.22.033.017777

Order came into force from the 1st of January, 2024.

Order 257 of the Minister of Finance of Georgia 257

On the 6th of December, 2023 an amendment was made to Order №257 by Order №470 of the Minister of Finance of Georgia and appendix №1 of the instruction "on the rights and duties defined by the customs legislation of Georgia" was formed with a new redaction.

You can see the full version of the amendment to the above appendix at the link: <https://matsne.gov.ge> with the registration code: 230210000.22.033.017772

The Order came into force from the 7th day of its publication.

In the same Order, on the 6th of December, 2023 an amendment was made and appendix №8 of the instruction was formed with a new edition by the order №469 of the Minister of Finance of Georgia "on declaration and registration of goods in the customs procedure or re-export".

You can see the full version of the amendment to the above instruction at the link: <https://matsne.gov.ge> with the registration code: 230210000.22.033.017771

The Order came into force upon its publication.

In the same Order, on the 6th of December, 2023 an amendment was made and appendix №3 of the instruction was formed with a new edition by the order №471 of the Minister of Finance of Georgia „on customs supervision“.

You can see the full version of the amendment to the above instruction at the link: <https://matsne.gov.ge> with the registration code: 230210000.22.033.017773

The Order came into force upon its publication.

Order №011 of the Director of the Legal Entity under Public Law - Pension Agency

On the 25th of December, 2023 order №003 of the legal entity under public law - Pension Agency "on the approval of the instruction on the appointment and issuance of pension and pension assets" made on 17th of February, 2023 was declared invalid.

The attached instruction „on the appointment and issuance of pension and pension assets" was approved.

You can see the full version of the amendment to the above instruction at the link: <https://matsne.gov.ge> with the registration code: 280030000.73.085.016024

The Order came into force upon its publication and extended to relationships existing after November 20, 2023, except for paragraph 2 of Article 20 and paragraph 3 of Article 24 of the instruction "on appointment and issuance of pension and pension assets" attached to this order;

Paragraph 2 of Article 20 and paragraph 3 of Article 24 of the instruction "on appointment and issuance of pension and pension assets" attached to this order came into force from the 3rd of January, 2024.

Order №012 of the Director of the Legal Entity under Public Law - Pension Agency

On the 25th of December, 2023 the order №007 of the director of the legal entity under public law - Pension Agency "on the approval of the instruction on the selection of an investment portfolio or a combination of investment portfolios by the participant of the funded pension scheme" made on the 31st of July, 2023 was declared invalid. and the "instruction on the selection of the investment portfolio by the participant of the funded pension scheme" (hereinafter - the instruction) was approved with the attached form to this order.

You can see the full version of the amendment to the above instruction at the link: <https://matsne.gov.ge> with the registration code: 280060000.73.085.016025

The Order came into force on the 3rd of January.

Order №377/04 of the President of the National Bank of Georgia

On the 25th of December, 2023 an amendment was made to the rule approved by the order of the President of the National Bank of Georgia "on approval of the rules for registration and regulation of currency exchange points" made on the 28th of February, 2018 and Article 1 (General Provisions); Article 3 (registration conditions), etc. was formed with a new edition.

You can see the full version of the amendment to the above rule at the link: <https://matsne.gov.ge> with the registration code: 220090000.18.011.016803

The Order came into force from the 1st of January, 2024.

Order N°002 of the Director of the Legal Entity under Public Law - Pension Agency

On the 25th of December, 2023 an amendment was made to Order N°002 made on 30th of July, 2019 by order N°010 of the director of the legal entity under public law- Pension Agency "on the approval of the instructions on the rules for the payment of pension contributions, the forms of information submission, the administration of overpaid amounts, the accrual of pension contributions, expense, surplus income, loss, other income, surpluses and losses to an individual pension account" and Article 1 (Scope of regulation and action of the Instruction); Article 4 (Joining the employee in the funded pension scheme and registration in the electronic system of administration of pension contributions), etc. were formed with a new edition.

You can see the full version of the amendment to the above rule at the link: <https://matsne.gov.ge> with the registration code: 280030000.73.085.016023

The Order came into force upon its publication.

Order №001 of the Director of the Legal Entity under Public Law - Pension Agency

On the 25th of December, 2023 the following amendments were made in the instruction approved by order №001 of the director of the legal entity under public law - pension agency "on approving the rules for withdrawing from the funded pension scheme, returning pension contributions and investment and/or other income related to these contributions and rejoining:

1. The first paragraph of Article 3 was formed in the following way.

„1. An employee who reached 40 years before the law entry into force (24:00 on August 6, 2018) and does not want to be a participant in the pension scheme, is entitled, with a mandatory manner in the pension scheme, from the date of automatically joining within 5 (five) months but no earlier than 3 (three) months from the date of joining, to withdraw from the pension scheme in accordance with this rule.

2. Article 8¹ was formed with the following redaction:

„1. After withdrawing from the Funded Pension Scheme, the employee's individual pension page is not cancelled, however it becomes inactive and the employee retains access to the individual pension page.

2. The employee who left the pension scheme and also the pension agency is entitled to use the individual pension page for communication purposes.

3. Article 9:

a) Paragraph 2 was formed as follows:

„2. After leaving the pension scheme, in case of re-joining, the employee shall be considered to have joined the pension scheme in a mandatory manner and will not be entitled to leave the pension scheme again.";

b) Paragraphs 3 and 4 with the following content were supplemented after paragraph 2:

„3. The employee, in case of re-joining the pension scheme, is obliged to inform all his employers about this.

4. For an employee rejoining the pension scheme, the first pension contribution by his employer will result the creation of an information record about this employee in the electronic system, which will confirm the fact of the employee rejoining the funded pension scheme and will create the basis for activating the individual pension account of the rejoined employee."

You can see the full version of the amendment to the above instruction at the link: <https://matsne.gov.ge> with the registration code: 280030000.73.085.016022

The Order came into force upon its publication and extended to relationships arosed from the 20th of November, 2023.

Order №01 of the Head of the Personal Data Protection Service

On the 28th of December, 2023 by order №17 "on the approval of the regulations of the Personal Data Protection Service" an amendment was made to Order №01 of the Head of the Personal Data Protection Service made on the 1st of March, 2022 and Article 8 (job structure); Article 16 (Department of Public Relations), etc., were formed with a new edition.

You can see the full version of the amendment to the above instruction at the link: <https://matsne.gov.ge> with the registration code: 080240000.78.091.016018

The Order came into force from the first of January, 2024.

Resolution №506 of the Government of Georgia

On the 25th of December, 2023 in accordance with Articles 5 and 6 of the Law of Georgia "on the structure, authority and rule of activity of the Government of Georgia", the attached „implementation action plan for the years 2024-2025 of "State Strategy of Tobacco Control 2021 - 2025" was approved taking into account the Resolution №285 of the Government of Georgia made on June 16, 2022 "on Health Protection" Article 86 of the Law of Georgia and Article 29 of the Law of Georgia "on Public Health", "on approval of the State Strategy of Tobacco Control 2021-2025".

You can see the full version of the amendment to the above plan at the link: <https://matsne.gov.ge> with the registration code: 340150000.10.003.024340

The Resolution came into force upon its publication.

Resolution №567 of the Government of Georgia

On the 25th of December, 2023 by the Resolution №567 of the Government of Georgia "in accordance with paragraph 4 of Article 20 of the Organic Law of Georgia „on normative acts" an amendment was made to the Resolution №567 of the Government of Georgia made on 14th of December, 2022 "on the approval of the State Program for the Support of Micro, Small and Medium Enterprises" and Article 1 (definition of terms) of the "State Program for the Support of Micro, Small and Medium Enterprises" approved by resolution; Article 3 (Description of program directions), etc. were formed with a new edition.

You can see the full version of the amendment to the above document at the link: <https://matsne.gov.ge> with the registration code: 240140000.10.003.024336

The Resolution came into force upon its publication.

Resolution №2 of the Commission on Citizenship Issues

On the 27th of December, 2023 by the Resolution №2 of the Commission on Citizenship Issues according to paragraph 4 of Article 20 of the Organic Law of Georgia "on Normative Acts", an amendment was made to the Resolution №2 made on September 4, 2018 of the Citizenship Issues Commission "on approving the regulation on consideration and resolution of Georgian Citizenship Issues" and Article 6 (Rule for submitting an application on the issue of Georgian citizenship); Article 19 (Procedure for consideration of Georgian citizenship issues), etc. were formed with a new edition.

You can see the full version of the amendment to the above document at the link: <https://matsne.gov.ge> with the registration code: 010110000.69.081.016007

The resolution, except for paragraphs 1, 2 and 7 of the first article of this resolution, came into force from the 1st of January.

Paragraphs 1, 2 and 7 of the first article of the resolution shall come into force from the 1st of May, 2024.

Resolution №476 of the Government of Georgia

On the 29th of December, 2023 by the Resolution №541 of the Government of Georgia in accordance with paragraph 4, Article 20 of the Organic Law of Georgia "on Normative Acts", an amendment was made to Resolution №476 of the Government of Georgia made

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on the 14th of September, 2015 "on the determination of the financial norm for financing general education for one student and the amount of the corresponding standard voucher " and Article 1 (standard voucher coefficients in accordance with financial norms calculated for one pupil), etc. was formed with a new edition.

You can see the full version of the amendment to the above document at the link: <https://matsne.gov.ge> with the registration code: 430210000.10.003.024380

The Resolution came into force from the first of January, 2024.

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