



Legal Newsletter

(November 2020)

The present newsletter contains significant legislative changes made in various legislative and sub-legislative acts in November 2020.

The order of the Minister of Finance of Georgia №273

On 13rd of November 2020, on the basis of the Order of the Minister of Finance of Georgia №273, the instruction approved by order of the Minister of Finance of Georgia №996 of 31th of December, 2010 „on Tax Administration” was changed, in particular, paragraph 2 with the following content was added to the article 74:

„2. For the purposes of the part 4 of the article 67 of the Tax Code of Georgia, if a VAT payer, except for a natural person, does not submit a declaration of value added tax, he/she won't be deemed to have submitted a declaration on the basis of which the amount of tax payable is zero.”

You can see the above order in detail at the link: <https://matsne.gov.ge/>, with the registration code: 200090000.22.033.017392

The order came into force on 13th of November 2020.



The order №01-119/N of the Ministry of Internally Displaced Persons from the Occupied Territories, Labor, Health and Social Affairs of Georgia

On 26th of November 2020, on the basis of the order №01-119/N of the Ministry of Internally Displaced Persons from the Occupied Territories, Labor, Health and Social Affairs of Georgia, the regulation, about a legal entity of public law-Labor Inspection Service has been approved.

According to the above regulation, the purpose of the "Labor Inspection Service" is to ensure the effective use of labor norms. The regulation explicitly defines the functions and powers of the inspection, its structure and the rules of administrative arrangement. The regulation also defines the institution of the Head Labor Inspector, who supervises this institution and makes the decisions within its authority on the matters that belong to the competence of the service.

You can see the regulation approved on the basis of the above order in detail at the link: <https://matsne.gov.ge/>, with the registration code: 040030000.22.035.016810

The order came into force on 26th of November, 2020.

The order of the President of the National Bank of Georgia №204/04

On 27th of November 2020, a number of amendments were made in the order of 7th April, 2011 №24/04 of the President of the National Bank of Georgia “On the Approval of the Instruction on Opening Accounts in Banking Institutions”.

As a result of the changes the following articles were formed as follows:



The following amendment was made to the article 10 of the instruction:

1. The first paragraph formed as follows:

„1. The documents required to open an account (except for the document obtained by direct access to the official register of the legal entities produced by legal acts and the registration body) shall be submitted to the Bank in the form of an original or a duly certified copy, or:

A) in the cases provided by sub-paragraph „a” of a paragraph 1 of article 8¹ of this instruction, copies certified by the signature of the authorized employee of the mediator/third party, on which a commercial bank relies when identifying/verifying a person;

B) in the cases provided by sub-paragraph “b” of a paragraph 1 of Article 8¹ of this Instruction, certified copies signed by an authorized employee of a commercial bank operating in Georgia;

C) in the cases provided by sub-paragraph “c” of a paragraph 1 of the article 8¹ of this instruction, the electronic application, sent for opening an account, to a commercial bank in accordance with the rules stipulated in the agreement must be certified by an authorized employee of the National Agency of Public Registry;

D) additional information specified in paragraph 5 of this article and the documentation specified in the sub-paragraph “d” of paragraph 4 of the article 8, of this instruction, in the form specified by the Bank."

2. 1³ paragraph formed as follows:

„1³. In the cases specified in paragraph 1 of this article, document issued in the Member State of the Hague Convention of 5th of October 1961 „on the abolition of the requirement of legalization of foreign official documents" (except extracted by direct access to the official register of legal entities produced by a legal act and other registration authority of the jurisdiction in the



member state of the Minsk Convention of 1993 „on Legal Assistance and Legal Relations in Civil, Family and Criminal Matters" as well as in the state with whom Georgia has concluded a relevant international agreement on the submission of documents in a simplified manner issued document) presented to the bank in the form of an apostille, and a document (except for a document obtained by direct access to the official register of legal entities produced by a legal act and other registration authority of the jurisdiction)– in the form of a notarized copy or original. In all other cases, a document issued in a foreign country (except for a document obtained by direct access to the official register of legal entities produced by a legal act and other registration authority of the jurisdiction) shall be submitted to the Bank in a legalized form”.

You can see the detailed information about the changes made on the basis of the above order at the link: <https://matsne.gov.ge/>, with the registration code: 220090000.18.011.016520

The order came into force on 27th of November, 2020.

The resolution of the Government of Georgia №675

On 13th of November, 2020 a number of legislative changes were made to the resolution №136 of the Government of Georgia of 11th of August 2005 „on the approval of the regulation on the rules and conditions for issuing a mining license”. As a result of the implemented changes, the following articles of the regulation approved by the above-mentioned resolution were formed as follows:

1. paragraph 12 of the article 3 of the regulation formed as follows:



„12. The license issuer shall publish information on the issuance of a license for the use of a specific state resource on its website no later than 1 month before the auction, except for the cases provided in paragraph 12¹ of this article. In case of holding the auction through another website (www.eauction.ge), it is obligatory for the license issuer to publish the relevant information on its website no later than 3 working days before the auction date, which must indicate the date of the auction and the address of the website through which the auction is held. Other means may be used to disseminate information about the auction. "

2. the paragraph 12¹ with the following content was added to the article 3:

„12¹. Extraction of fuel resources and energy resources (except oil and gas), mining and chemical raw materials, non-metallic raw materials, building materials, if the total volume/weight does not exceed 500,000 (five hundred thousand) cubic meters/ton, also, the licensor publishes the information about the auction for the issuance of a license for obtaining groundwater for entrepreneurial purposes not later than 15 days before the auction. In case of holding an auction through another website (www.eauction.ge), the license issuer is obliged to publish the relevant information on its website no later than 3 working days before the auction date, which must indicate the date of the auction and the address of the website through which the auction is held. Other means may be used to disseminate information about the auction. "

You can see the detailed information about the changes made on the basis of the above resolution at: <https://matsne.gov.ge/>, with the registration code: 380050000.10.003.022396

The resolution came into force on 13th of November, 2020.