



## Legal Newsletter

(June 2021)

The present newsletter contains significant legislative amendments made in various legislative and sub-legislative acts in June 2021.

### The Law of Georgia on “State Property”

On 9<sup>th</sup> of June, 2021, legislative amendments were made to the Law of Georgia on “State Property”. Based on these amendments, several articles of the law were formed differently, namely:

1. paragraph 3 of the article 49<sup>1</sup> was formed as follows:

„3. After 31<sup>st</sup> of December, 2012 in case of privatization/ transfer of state property in the form of auction, this article does not apply to the change of the amount of the privatization fee/transfer fee and the payment term, as well as for the waiving of the penalty imposed/to be imposed for non-fulfillment of the obligation to pay the privatization fee/transfer fee. ”

2. paragraph 49<sup>3</sup> was formed as follows :

„Article 49<sup>3</sup>. Measures to be taken towards the party of the contractual relationship (contractor) in the event of an emergency, especially dangerous public health epidemic or pandemic:

1. If the fulfillment of the condition of privatization/transfer of ownership/transfer of right of management/transfer of usage is impossible or complicated during an emergency, an epidemic especially dangerous public health or a pandemic, in accordance with the article 398 of the Civil Code of Georgia, on the measures to be taken against the party to the



relevant contractual relationship and/or on amending the agreement (except the reduction of the privatization fee) upon a substantiated request by this party (person) to the property manager, the property shall be accepted by the Government of Georgia upon the recommendation of the property manager.

2. The restriction established by the paragraph 3 of the article 49<sup>1</sup> of this Law shall not apply in the case given in the paragraph 1 of this article.

3. The Government of Georgia is authorized to determine certain cases when the property manager makes decisions on the issues referred in paragraph 1 of this article. "

You can see the above Law at the link: <https://matsne.gov.ge/>, with the registration code: 040110030.05.001.020336

The Law entered into force on 14<sup>th</sup> of June, 2021.

## **The Order №33 /M of the Minister of Education and Science of Georgia**

On 3<sup>rd</sup> of June, 2021, legislative amendments were made in the order №114/M of the Minister of Education and Science of Georgia on 22<sup>nd</sup> of August, 2013 on the approval of the form of the student attendance record journal in the general educational institutions of Georgia. Based on these amendments, several articles of the order were formed as follows:

1. The following paragraphs 8 and 9 were supplemented to the "Journal Production Rule" provided in an annex 1 ("Form of the student attendance record journal for grades I-IV in general educational institutions"), approved in subparagraph „a“:

„8. In the 2020-2021 school year, general educational institutions, that were producing only an electronic journal, are guiding with the combined information on student attendance in the electronic journal provided by the LEPL-Education Management Information System and in the electronic journal written by the teacher.



9. The general educational institutions that were producing both the journal and the electronic journal during the 2020-2021 academic year are guiding by the information provided in the journal on student attendance. ”

2. The paragraphs 8<sup>th</sup> and 10<sup>th</sup> with the following content were supplemented to the "Journal Production Rule" provided in an annex 2 ("Form of the student attendance record journal for grades V-XII in general educational institutions"), approved by sub-paragraph "b":

„8. In 2020-2021 school year, general educational institutions, that were producing only an electronic journal, are guiding with the joint information on student attendance/academic attendance in the electronic journal provided by the LEPL-Education Management Information System and with the unrecorded and/or incorrectly filled corrected evaluations and/or on absence in the electronic journal by the teacher.

9. General educational institutions should ensure approval of the information on calculated absences and semester and annual evaluations by an individual administrative-legal act, in accordance with paragraph 8 of the "Rules for the Production of the Journal" provided in the annex 2, sub-paragraph "b" of the article 1 of this order.

10. "General educational institutions, which produced both a journal and an electronic journal during the 2020-2021 academic year, will calculate attendance and semester and annual evaluations according to the journal."

You can see the above Order at the link: <https://matsne.gov.ge/>, with the registration code: 430030000.22.022.018033

The Order entered into force on 4<sup>th</sup> of June, 2021.



## The Order №134 of the Minister of Finance of Georgia

On 8<sup>th</sup> of June, 2021, legislative amendments were made in the order №994 of the Minister of Finance of Georgia of 31<sup>st</sup> of December, 2010, on conducting ongoing control procedures, write-off of inventory, repayment of recognized tax debt, implementation of measures to ensure the payment of tax debt, approval of the rules of criminal proceedings". According to these amendments, several articles of the order were formed in the different way, namely:

An amendment was made in the rule approved by the order and:

1. The 2<sup>nd</sup> paragraph of the article 37<sup>17</sup> was formed with the following redaction:

„2. The simplified rule of write-off of commodity-material values applies to public catering objects, to the commodity-material values subject to write-off in the same activity (catering activity) (except excisable goods).

2. After the paragraph 2, the following 2<sup>1</sup> paragraph was supplemented:

„2<sup>1</sup>. For the purposes of this rule, a public catering establishment is a restaurant, cafe, bar, fast food establishment, canteen, confectionery, bakery or other establishment which produces and sells food on the spot (including the so-called take away and drive. ), either in person or through a third party, through delivery (so-called "delivery" service).

You can see the above Order at the link: <https://matsne.gov.ge/>, with the registration code: 200090000.22.033.017476

The Order entered into force on 9<sup>th</sup> of June, 2021.

## The Resolution №242 of the Government of Georgia

On 31<sup>st</sup> of May, 2021, significant amendments were made in the Resolution №365 of the Government of Georgia of 30<sup>th</sup> of May, 2014 on the approval of the State Program „Invest in



Georgia". Based on these amendments, several articles were added to the resolution and existing articles were amended.

Based on the above, the article about the definitions of terms was changed and formed differently, which explained the concepts of the beneficiary of the program, the entrepreneur, the loan refinancing, the international brand, and so on.

Several articles were formed differently: access control points for program components, compliance with the resolution of the entrepreneur by the commercial bank, issuance of leasing within the program, regulator of loan interest co-financing and other articles.

It should be noted that this Resolution has undergone fundamental changes and the participants and those willing to participate in the program must pay attention to these changes and additions.

You can see the above Resolution at the link: <https://matsne.gov.ge/>, with the registration code: 240140000.10.003.022798

The Resolution entered into force on 1<sup>st</sup> of June, 2021.

## The Resolution №264 of the Government of Georgia

On 7<sup>th</sup> of June, 2021, amendments were made in the Resolution №275 of the Government of Georgia of 4<sup>th</sup> April, 2014 "on approval of the rules for concluding a Tax Agreement". According to the amendments, several articles of the resolutions were formed with different redaction, in particular: article 3 of the "rules for concluding a tax agreement" approved by the resolution:

1. The 1<sup>st</sup> paragraph was formed with the following redaction:

„1. The taxpayer submits an application, in writing or electronically, to the Revenue Service to conclude a tax agreement. In case of electronic application, the application must be submitted using the official website of the Revenue Service ([www.rs.ge](http://www.rs.ge)) from the page of the authorized user of the taxpayer.

2. Subparagraph "b" of the paragraph 2 was formed as follows:



„b) Permit of the taxpayer to acquaint the relevant persons with the documents containing tax secrets, in order to perform them their official duties;

3. 3<sup>rd</sup> Paragraph was formed as follows:

„3. In case of written submission, a document certifying the authorization of signature must be attached to the application. ”

4. 5<sup>th</sup> Paragraph was formed as follows:

„5. If the application does not comply with the requirements of this article, the taxpayer will be notified in writing or electronically about the error. The taxpayer will be notified about the error electronically using the official website of the Revenue Service ([www.rs.ge](http://www.rs.ge)), of the authorized user page of the taxpayer.".

Prior to the enactment of the above resolution the taxpayer submitting an application on concluding a tax agreement by the taxpayer's authorized user page electronically, using the official website of the LEPL Revenue Service ([www.rs.ge](http://www.rs.ge)), will be considered submitted in accordance with the legislation.

You can see the above Resolution at the link: <https://matsne.gov.ge/>, with the registration code: 200030000.10.003.022820

The Resolution entered into force on 8<sup>th</sup> of June, 2021.

## The Resolution №271 of the Government of Georgia

On 9<sup>th</sup> of June, 2021, amendments were made to the Resolution №255 of the Government of Georgia of 31<sup>st</sup> of May, 2019 on the Rules and Conditions for Issuance of Construction Permits and Commissioning of Buildings. Based on the amendments, several articles of the resolution were formed as follows:

"Article 21. If the objects belonging to the state fire supervision - educational and medical buildings are constructed before the enactment of this resolution, their reconstruction may be

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carried out by maintaining the number and condition of the accessible road of firefighting equipment to the building."

You can see the above Resolution at the link: <https://matsne.gov.ge/>, with the registration code: 300310000.10.003.022825

The Resolution entered into force on 9<sup>th</sup> of June, 2021.