



Legal Newsletter

(December 2021)

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

"Tax Code of Georgia"

On 22nd of December, 2021, the following amendments were made in the Tax Code of Georgia:

1. The following paragraphs 7 and 8 were supplemented to the Article 80:

„7. A natural person who receives income from the system-electronic arrangement of gambling, in the part of the mentioned activity, the object of income taxation is the distinction between the bets received by the players on the gambling/gamblings and the winnings given to the players.

8. The object of taxation of the person participating in the gambling and/or prize games organized in system-electronic form (except for the incentive games arranged in system-electronic form) is the amount withdrawn by him from the system-electronic gambling account. ”

2. The following 3¹ and 3² parts are supplemented to the Article 81:

„3¹. The taxable income received from the system-electronic form of gambling by a natural person is taxed with 10 percent.

3². The amount withdrawn by a person from the system-electronic prize games account provided in part 8 of the Article 80 of this Code shall be taxed with 2 percent.”

The amendments also affected other articles.



You can see the full document of the above amendments at the following link:
<https://matsne.gov.ge> with the registration code : 2000000000.05.001.020462.

The Law came into force from 1st of January, 2022.

On 22st of December, 2021, additional amendments were made to the same Code, on the basis of that:

a) Part 15 in the Article 309 of the Tax Code of Georgia was formed with the following redaction:

„15. Until the January 1, 2023, natural persons who do not use the labor of employees and carry out economic activities from a non-stationary trading place located in the market (market place) area, including the counter, are exempted from the obligation to use control-cash registers, except for a natural person who is granted the status of a small business or who is registered or is obliged to register as a VAT payer in accordance with this Code.”;

b) Sub-paragraph „e" of the part 42 was formed with the following redaction:

„e) No later than January 1, 2023, to fully secure the non-stationary trade places located in the market area with cash registers.”;

c) Part was formed with the following redaction:

„111. Enforcement of the part 5 of the Article 262 and Article 290² of this Code shall be suspended until 1st January, 2023.”

You can see the full document of the above amendments at the following link:
<https://matsne.gov.ge> with the registration code : 2000000000.05.001.020463

The Law came into force upon publication.

„The Law of Georgia on Arrangement of Lotteries, Gambling and Prize Games”

On 14th of December, 2021, the following amendment was made in the Law of Georgia on Arrangement of Lotteries, Gambling and Prize Games:

1. In paragraph 3:



a) Sub-paragraphs „z1“ and „z2“ were formed with the following redaction:

„z1) Supplying of gambling and/or prize games - on the basis of a supplying gambling and/or prize games permit issued in accordance with the Law of Georgia on Licenses and Permits to the game organizer and/or to a person outside the territory of Georgia, direct and/or indirect supply of essential products/services, which can have an impact, which may or may not affect the outcome of gambling and/or prize games with or without the participation of a gambling and/or prize games provider and/or which affects the outcome of gambling and/or prize games with or without the participation of a gambling and/or prize games provider.

„z2) Gambling and/or prize games provider - a person who supplies gambling and/or prize games;”

b) Sub-paragraph „z3” was formed with the following redaction:

„z3) Substantial product/services - product and/or services defined by the Government of Georgia, which include gambling and/or prize games (including games arranged with system-electronically form), random number generation platform (RNG), jackpot platform, prize games platform (including server/servers on which the game result is directly displayed), player base, financial base/system, management system, prize games machines and/or other products and/or services provided by this Law and which it is possible to affect and or which affects the results of gambling and/or gambling with the participation of a gambling and/or prize games provider and/or without his participation;

2. Paragraph 4 of the Article 5 was formed with the following redaction:

„4. The Minister of Finance of Georgia is authorized to define the services, which are prohibited to a person operating in the field of gambling business outside the territory of Georgia. ”

3. Following paragraph 14 was supplemented to the article 29, with the following content:



„14. The gambling and or prize games provider is obliged to pay the Revenue Service fee. The amount of this fee and the method of payment shall be determined by a resolution of the Government of Georgia.”

By the amendments also the following was defined:

1. The Government of Georgia shall ensure the approval of the list of substantive products and services by February 1, 2022.

2. Persons who provide gambling and/or prize games outside the territory of Georgia at the moment of enactment of this Law, shall ensure obtaining a gambling and/or prize games supply permit no later than April 1, 2022.

The Law, except sub-paragraph „b”, first paragraph of this Law, came into force upon publication.

In this Law, sub-paragraph „b” of the first paragraph entered into force from 1st of February, 2021.

You can see the full version of the amendment document at the following link: <https://matsne.gov.ge> with the registration code: 040170310.05.001.020452

On 22nd of December, 2021 number of amendments were made to the same Law, which referred to the terms defined in the Law, to the list of dependent and prohibited persons, conditions for arranging and issuing of permits of prize games, list of documents to be submitted for obtaining permit for a slot machine salon, obligations of the game organizer, including the conditions on the prohibition of a Georgian citizen under the age of 25, a foreign citizen under the age of 18/a stateless person to enter the place of gambling and/or prize games (except for incentive games), etc.



Due to the increase of the age limit, the sum of money placed on the persons's gaming account who is prohibited from participating in gambling and/or prize games as a result of the enactment of this Law, is owned by the said person and shall be returned to him/her in accordance with the rules established by the Minister of Finance.

You can see the full version of the amendment document at the following link: <https://matsne.gov.ge> with the registration code: 040170310.05.001.020472

The Law, except from first and second paragraphs of the Law, came into force from the 1st of January, 2022.

The first and second paragraphs of the Law will come into force from the 1st of March, 2022.

On 22nd of December, 2021, additional amendments were made to the same law, on the basis of which paragraph 4 of the Article 6 from the Law was formed with the following redaction:

„4. The lottery organizer quarterly pays a fee to the state budget in the amount and in the manner that is defined by the Law of Georgia on Gambling Business Fees.

You can see the full version of the amendment document at the following link: <https://matsne.gov.ge> with the registration code: 040170310.05.001.020470

The Law came into force from the 1st of January, 2022.

„Labor Code of Georgia“

On 1st of December, 2021, amendments were made in the Organic Law of Georgia -"Labor Code of Georgia".



Based on the amendments, paragraph 6 of the Article 12 of the Organic Law of Georgia - "Labor Code of Georgia" was amended with the following redaction:

„6. The restrictions imposed on concluding a fixed-term employment contract by this Article do not apply to an entrepreneur provided by the Law of Georgia on Entrepreneurs, if 48 months is not elapsed from its state registration (start-up enterprise) and it meets the additional conditions established by the Government of Georgia (if such conditions are established), provided that the duration of the fixed-term employment contract for the purposes of this paragraph may not be less than 3 months. "

You can see the full version of the amendment document at the following link: <https://matsne.gov.ge/> with the registration code: 2700000000.04.001.018016

The Law shall enter into force upon its publication.

The Law on the Fundamentals of the Fee System

On 22nd of December, 2021, amendments were made to the Law of Georgia on the Fundamentals of the Fee System.

Based on the amendments, in the Article 5 of the Law:

- a) Subparagraph "p" with the following content was supplemented to the paragraph 2:
„p) Gaming business fee established for arranging the lottery. ”;
- b) Sub-paragraph “e” of the paragraph 3 was formed with the following redaction:
„e) Gaming business fee (except established for arranging a lottery);

You can see the full version of the amendment document at the following link: https://matsne.gov.ge with the registration code: 2100000000.05.001.020476

The Law came into force from the 1st of January, 2022.



"The Code of Administrative Offenses of Georgia"

On 1st of December, 2021, amendments were made to the Code of Administrative Offenses of Georgia. As a result of the amendment, Article 273 of the Code was amended with the following redaction:

1. Resolution implemented on the case of administrative violation, as well as the resolution implemented during the examination on-site of a case of administrative violation in accordance with the procedure established by Article 234¹ of this Code, may be appealed within 10 days after its delivery to his party. In case of missing the mentioned term with a reasonable excuse, this term may be restored by the body (official) authorized to examine the complaint, according to the statement of the person against whom the decision is made.

2. The resolution implemented on the case of administrative violation provided in Article 177¹⁶ or 177¹⁷ of this Code may be appealed within 15 days after its entry into force. "

You can see the full version of the amendment document at the following link:
<https://matsne.gov.ge> with the registration code: 020000000.05.001.020424

The Law came into force upon publication.

"Administrative Procedure Code of Georgia"

On 22nd of December, 2021, the following amendments were made to the Administrative Procedure Code of Georgia:

1. Subparagraph „i" was supplemented to the Article 6 with the following content:



„i) Regarding the enrollment of data about a person in the list of dependents. "

2. Part 12 was supplemented to the Article 9 with the following content:

„12. The state fee shall not be paid for the cases provided in the Chapter VII²² of this Code.”

3. Chapter VII²² was supplemented to the Code, which is in touch with the enrollment of data in the list of persons dependent on gambling and/or prize games.

You can see the full version of the amendment document at the following link:

<https://matsne.gov.ge> with the registration code: 030000000.05.001.020467

The Law shall enter into force from 1st of March, 2022

„The Law on General Education”

On 15th of December, 2021, amendments were made to the Law of Georgia on General Education. In accordance with the amendments, paragraph 2 of the Article 61³ in the Law of Georgia on General Education was amended with the following redaction:

„2. An active special teacher who fails to meet the requirements for a special teacher knowledge defined in paragraph 3 of Article 21³ of this Law is obliged to pass the relevant exam defined by the legislation of Georgia by January 1, 2025 in order to prove its competence.”

You can see the full version of the amendment document at the following link:

<https://matsne.gov.ge> with the registration code: 430050000.05.001.020438

The Law came into force upon publication.



The Order "on approval of the instructions on the movement and registration of goods within the Customs Territory of Georgia"

On 13th of December, 2021, a number of amendments were made „on approval of the instructions on the movement and registration of goods within the Customs Territory of Georgia", in the annexes approved by the Order №257 of the Minister of Finance of Georgia of August 29, 2019.

You can see the full version of the amendment document at the following link: <https://matsne.gov.ge> with the registration code: 230210000.22.033.017537

The Order came into force from 15th of December, 2021.

Order №1143 of the Minister of Internal Affairs of Georgia

On 9th of December, 2021 amendments were made to the rules approved by the Order №1143 of the Minister of Internal Affairs of Georgia of August 29, 2007 "on approval of video surveillance systems and their installation- operation Rules in the area of gaming and outdoor of gaming area (Except incentive lotteries)" and paragraph 3 of the Article 3 in the Rule was formed with the following redaction:

„3. The authorized person of the legal entity of public law operating in the field of governance of the Ministry of Internal Affairs of Georgia - of Public Security Management Center "112" (hereinafter - Public Security Management Center "112") shall electronically issue an act confirming the installation of the video surveillance system, which indicates the date of installation of the video surveillance system, the number of video surveillance systems, their technical characteristics and the signature of the authorized person. Public Safety

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Management Center "112" provides access of the electronic act for the organizer of gambling and prize games and the relevant authorized person. The printout of the electronic act of installation of the video surveillance system has the same legal force as the material document."

You can see the full version of the amendment document at the following link:
<https://matsne.gov.ge> with the registration code: 040170310.22.034.017177

The Order entered into force upon its publication.

The Order №01-93 /m on determining the procedure, form and requisites for issuing the document of Vaccination, Testing and/or Recovery against New Coronavirus (COVID-19)

On 30th of November, 2021, the procedure, form and requisites for issuing a document related to vaccination, testing and / or recovery of a New Coronavirus (COVID-19) were approved.

You can see the full version of the amendment document at the following link:
<https://matsne.gov.ge> with the registration code: 470230000.22.035.016919

The Order came into force from the 1st of December, 2021.

On 9th of December, 2021, an amendment was made in the same order on the basis of which certain procedural issues were clarified.



You can see the full version of the amendment document at the following link:
<https://matsne.gov.ge> with the registration code: 470230000.22.035.016922

The Order came into force upon publication.

On 28th of December 2021, the same order was amended. On the basis of amendments paragraphs 4 and 5 were supplemented after the paragraph 3 of the Article 7 in the Annex №1 (Procedure, form and requisities for issuing a document for vaccination, testing and/or recovery against New Coronavirus (COVID-19) ") approved by the order, with the following redaction:

„4. It is possible to amend the personal number, passport number (or vice versa) in the information about the persons vaccinated in Georgia or abroad in the Georgia e-Health mobile application, for which the vaccinated beneficiary must submit an updated certificate issued by the official body, confirming that the passport and personal number belong to the same person.

5. Amendments in the electronic system shall be made in accordance with the principles set in this Article. "

You can see the full version of the amendment document at the following link:
<https://matsne.gov.ge> with the registration code: 470230000.22.035.016930

The Order came into force upon publication and it is valid to relationships arising from December 24, 2021.



The Order №01-11/m of the Minister of IDPs from the Occupied Territories of Georgia, Labor, Health and Social Affairs of February 3, 2021 on approval of the rule for the introduction and immunization management of the COVID-19 Vaccine

On 25th of December, 2021, an amendment was made to the Order №01-11/m of the Minister of IDPs from the Occupied Territories of Georgia, Labor, Health and Social Affairs of February 3, 2021 on approval of the rule for the introduction and immunization management of the COVID-19 Vaccine and paragraph 2 of the Article 1 in the Annex №51 (On implementation additional measures during the COVID-19 vaccination process) approved by order, was formed with the following redaction:

„2. Booster doses should be administered at least 3 months after the start of the initial vaccination period, counting from the date of the second dose. For the booster dose we can use the same or another vaccine.”

You can see the full version of the amendment document at the following link: <https://matsne.gov.ge> with the registration code: 470230000.22.035.016927

The Order came into force upon publication and it is valid to relationships arising from December 24, 2021.

The following amendment was also made in the same order: subparagraph „c” was supplemented to the paragraph 1 of the Annex №3 (Annex 3 (COVID-19 vaccine AstraZeneca solution for injection) with the following redaction:



„c) Moreover, in case of not having the Covid-19 AstraZeneca vaccine, those who was vaccinated with the first dose may be given the second dose with any other vaccine. The minimum interval between the first dose and the second dose is 28 days. "

You can see the document of the amendment to the above document at the link:
<https://matsne.gov.ge> with the registration code: 470230000.22.035.016920

The Order came into force upon publication.

Resolution № 322 of the Government of Georgia on the Approval of the Rules of Isolation and Quarantine

On 30th of November, 2021, in accordance with Article 20, Paragraph 4 of the Organic Law of Georgia on Normative Acts, the following amendments were made to the Resolution № 322 of the Government of Georgia of 23 May 2020 on the approval of the rules of isolation and quarantine:

1. Article 3³ was supplemented after the Article 3² of the resolution, with the following content:

„1. For the purposes of the "isolation and quarantine rules" approved by this resolution, a person shall be considered of holder the "Green" status who meets one of the following conditions :

a) Is fully vaccinated in accordance with the Order №101-11/m of the Minister of IDPs from the Occupied Territories, Labor, Health and Social Affairs of Georgia of February 3, 2021



on "rules for isolation and quarantine" and "approval of the rule for the introduction and immunization Management of the COVID-19 Vaccine".

b) Has the negative result of the PCR test of COVID-19 infection made in the last 72 hours and/or a negative antigen/rapid test made in the last 24 hours;

c) Has recovered from coronavirus (SARS-CoV-2) infection (COVID-19) and more than 14 days are elapsed since the date of laboratory confirmation.

2. These rules define the conditions for allowance of persons with the "Green" status to various facilities. For employees to be allowed to the employment facilities, also for people under the age 18 the requirement of 'green' status as defined by these rules is not a mandatory condition."

You can see the full version of the amendment document at the following link:
<https://matsne.gov.ge> with the registration code: 470230000.10.003.023118

The Resolution came into force from the 1st of December, 2021.

The Law on Microfinance Organisations

On 30th of December, 2021, paragraph 2 of Article 10 of the Law of Georgia on Microfinance Organizations was amended with the following redaction:



Information about the borrower in the Microfinance Organization (information on any arrangement, transaction, existing debt or balance) may be given only to the parties of the relevant transaction and their authorized representatives, the National Bank of Georgia, in cases provided by the legislation of Georgia - to the Financial Monitoring Service of Georgia, and during the inspection provided by the Law of Georgia on Personal Data Protection - to the Personal Data Protection Service. Other persons shall be given any information about the borrower only upon the relevant court decision or with the prior written consent of the borrower. ”

You can see the full version of the amendment to the above document at the link: <https://matsne.gov.ge> with the registration code: 220090000.05.001.020492

The Law will come into force from 1st of March, 2022.

The Law on Personal Data Protection

On 30th of December, 2021, number of amendments were made to the Law of Georgia on Personal Data Protection, which were concerned about the definitions of terms, processing of biometric data by a legal entity and a natural person of Private Law, obligation to notify the Personal Data Protection Service, principles of the Personal Data Protection Service, etc.

You can see the full version of the amendment to the above document at the link: <https://matsne.gov.ge> with the registration code: 010100000.05.001.020512



The Law will come into force from 1st of March, 2022

Order №797 of the Minister of Justice of Georgia

On 31st of December, 2021, the instruction was approved on Registration of Entrepreneurs and Non-entrepreneurial (Non-commercial) Legal Entities. The instruction determines the conditions of production and registration of the register of entrepreneurs and non-entrepreneurial (Non-commercial) legal entities (hereinafter - the Register) by the National Agency of Public Registry (hereinafter - the Agency) - a legal entity of public law operating in the field of governance of the Ministry of Justice of Georgia (hereinafter - the Ministry) , determines standard of legal address and electronic address, the organizational and legal basis for the issuance of information, the parties involved in the registration proceedings, their rights and obligations, the rules and conditions for establishing the fact of administrative violation and imposing administrative liability.

The Order is accompanied with two normative acts:

1. Extract from the register of entrepreneurs and non-entrepreneurial (non-commercial) legal entities;
2. Explanatory Card.

You can see the full version of the amendment to the above document at the link:

<https://matsne.gov.ge/> with the registration code: 040230000.22.027.017288

The Order came into force from 1st of January, 2022.



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