



## Azerbaijan Tax News

### Prepare for a Changing Landscape

#### New amendments to the Criminal Code of the Republic of Azerbaijan

On 6 May 2016 the Parliament of Azerbaijan has passed the Law “On Amendments to the Criminal Code of the Republic of Azerbaijan”.

Under the Law amended Article 213 of the Code envisages following sanctions for evasion of payment of taxes and mandatory state social insurance contributions in **large amount**:

- penalty from two to four times of the damage caused;
- or correctional works up to two years;
- or imprisonment up to three years by being or not being deprived of right to hold certain position or engage in certain activities up to three years.

If the same violation of law is committed by an organized group or in **substantial amount** then sanctions will be:

- penalty from three to five times of the damage caused;
- or imprisonment from three years up to seven years by being or not being deprived of right to hold certain position or engage in certain activities up to three years.

According to the amendments, **large amount** means an amount over AZN 20,000 but not exceeding AZN 100,000 (previously from AZN 2,000 to AZN 50,000) and **substantial amount** means an amount over 100,000 AZN (previously over AZN 50,000).

Tax & Legal Department

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