



GRATA
INTERNATIONAL

Local Knowledge
for Global Business

www.gratanet.com

Resolution on amendments to the Law of the Republic of Azerbaijan “On non-cash payments”

On May 1, 2020, Milli Majlis adopted a Resolution on amendments to the Law of the Republic of Azerbaijan “On non-cash payments”.

According to the amendments, an additional “3.3-1” article will be added to the Law. As per this Article, for individuals engaged **in seasonal work** on the basis of civil contracts directly related to the production of agricultural products, the maximum limit of the amount that can be paid in cash per day for each such individual shall be set at **AZN 20**. This amount shall not be included in the cash transaction limit defined by Article 3.3 of this Law.

Article 3.3 of the Law defines that payments on settlements by **taxpayers*** for the total amount of more than AZN 30,000 within the calendar month, and by other taxpayers for the total amount of more than AZN 15,000 within the calendar month shall be made only in the non-cash method.

*“Settlements by taxpayers for the total amount of more than AZN 30,000 within the calendar month” indicated in Article 3.3 of the Law applies to the following taxpayers:

- registered for VAT purposes

- engaged in trade and (or) catering activities, the volume of taxable transactions of which in any month (months) of a consecutive 12-month period exceeds AZN 200,000.

EXAMPLE:

If an entrepreneur / taxpayer pays AZN 20* per day to 50 employees for seasonal works and pays AZN 30,000** in cash to his employees within one calendar month, this amount is not included in the cash transaction limit, which has to be paid within the calendar month specified in Article 3.3 of the Law.

* $20 \times 50 = \text{AZN } 1000$ per day;

** $1000 \times 30 = \text{AZN } 30,000$ per month.

This Resolution shall enter into force after the approval of the President of the Republic of Azerbaijan.

Practice areas

[TAX](#)

Locations

[AZERBAIJAN](#)