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# New legislative of the Republic of Uzbekistan entering into force from 1 June 2020

## Additional measures to support people and entrepreneurship

On May 18, President of Uzbekistan signed a Decree «On subsequent measures to support the population and entrepreneurs during the coronavirus pandemic» No.УП-5996 (the “Decree No.УП-5996”) aimed at supporting the population and reducing negative consequences of the pandemic on citizens as well as entrepreneurships. The Decree No.УП-5996 introduces a reduction in tax rates, as well as exemption from certain types of taxes for the most vulnerable types of entrepreneurships during the pandemic. In accordance with the Decree No.УП-5996, more than 500 thousand enterprises and about 100 thousand people will receive additional support in the amount of UZS 1,7 trillion.

Thus, until 1 September, along with markets, cinemas, catering and public transportation enterprises, individual entrepreneurs, and small businesses are exempt from paying property and land taxes.

Moreover, starting from 1 June, the amount of allowances for families with children under 14, maternity leave, and for material assistance will be increased by 10%.

## Excise tax on imported tobacco products

From 1 June 2020, all imported products containing nicotine will be subject to excise tax. In accordance with the Resolution of the President “On measures to further regulate the tobacco market” No. ПП-4665 dated 6 April 2020, the types of products subject to excise are expanded in order to regulate the turnover of tobacco products, along with taking measures to protect the population from the consequences of tobacco consumption and prevent its illicit sale.

## Simplification of the licensing mechanism

In the implementation of the Presidential Decree “On the State program for the implementation of action strategies in five areas of development of the Republic of Uzbekistan in 2017-2021 in the “Year of development of science, education and the digital economy”” No.УП-5953 dated 2 March 2020, the mechanisms for issuing licenses for licensed activities are being simplified and optimized.

From 1 June 2020 the following factors are not the basis for refusing to issue a license or permit to business entities:

- ▶ professional qualification of personnel, provided documentation and programs – the requirements established by law;
- ▶ buildings and premises – sanitary and epidemiological requirements for fire safety.

Moreover, the authorized bodies will have to provide the necessary assistance to entrepreneurs in the search of qualified personnel based on the needs of entrepreneurship.

## New requirements in exchange trade

As part of the implementation of the Resolution of the Cabinet of Ministers «On Additional measures for the introduction of advanced information technologies in the activities of commodity exchanges and the consistent development of e-Commerce» No.170 dated 18 March 2020, there have been introduced amendments and additions into exchange trading, which provide for

the following:

- ▶ conducting exchange trades on product segments in separate sections, taking into account the specifics of products and the rights of access by exchange members;
- ▶ accreditation of legal entities as members of the exchange, taking into account the sale of products on a sectional basis, as well as the introduction of a transparent mechanism for providing brokerage places through the official websites of the exchange;
- ▶ regular assessment of the qualification level of existing exchange members for compliance with the requirements of exchange trading.

## Practice areas

### [LICENSES AND PERMITS](#)

## Locations

[UZBEKISTAN](#)