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Legal Alert: Amendments to Laws

In connection with the COVID-19 pandemic, and in order to support individuals and business entities and reduce the negative impact of the pandemic (1) the law on the exemption from social insurance premiums and support from the Unemployment Insurance Fund and (2) the law on tax relief and exemption from corporate income tax was adopted on 9, April 2020. These laws were amended on 28, August 2020.

Amendments to the law on the exemption from social insurance premiums and support from the Unemployment Insurance Fund:

A new article 2¹ was added to the law and some provisions in regard to period were changed.

According to the new article (2¹), (1) **compulsory pension insurance premiums** of a legal entity (**an employer**) that has lost its operations due to the pandemic and its income is decreased, but has maintained its workplaces and submitted its report on payment of social insurance premiums within the fixed period specified in the law, and of an insured working for such entity (**an employee**) (*an insured person working for a government organization, and state and locally owned legal entities except for state-owned university, and an insured person whose salary and social insurance premiums are paid for the performance of goods, works and services with loans and assistance from foreign countries and international organizations are excluded*), and (2) **voluntary pension insurance premiums** of a citizen of Mongolia who entered into a contract for voluntary insurance specified in article 5 of the Law on Social Insurance, or with a voluntary social insurance organization specified in article 4.3 of the law **shall be imposed by 5 percent from 1, October 2020 until 1, January 2021.**

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Source:

- ▶ Law on Social Insurance (1994);

<https://www.legalinfo.mn/law/details/390>

- ▶ Law on tax relief and exemption from corporate income tax (2020);

<https://www.legalinfo.mn/law/details/15239?lawid=15239>

- ▶ Law on the exemption from social insurance premiums and support from the Unemployment Insurance Fund (2020).

<https://www.legalinfo.mn/law/details/15244>

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