

Uzbekistan introduces additional tax measures to support businesses and mitigate impact of COVID-19

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Uzbekistan President's Decree #5978 "On additional measures to support the population, sectors of economy and business during coronavirus pandemia" was adopted on 3 April 2020 (Decree).

According to the Decree, the following key tax measures are provided to support the economy and business:

- ▶ Zero rate of customs duty and excise tax will be effective until 31 December 2020 for the import of goods set forth on the list provided in the Decree, which includes certain food products as well as sanitary-hygienic and medical products.
- ▶ From 1 April to 31 December 2020:
 - Value-Added Tax (VAT) payers with sales turnover below UZ\$1 billion (approx. US\$105,000) **per month** who use electronic VAT-invoices, are entitled to calculate and pay VAT on a quarterly basis (rather than on a standard monthly basis).
 - The increased rates of property tax and land tax related to unused production areas and nonresidential buildings, as well as late payment interest and measures of forced collection of these taxes arising from such increased rates, shall not be applied.
 - Tour operators, travel agents and entities providing hotel services (accommodation services) are exempt from payment of land tax and property tax and are entitled to pay social tax at a reduced rate of 1% on payroll costs (instead of the standard rate of 12%).

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