## TURNOVER TAX (Chapter 66 of the Tax Code of Uzbekistan)

The following entities shall be defined as turnover tax payers:

1) Legal entities of the Republic of Uzbekistan, whose income from sale of goods (services) for the tax period does not exceed one billion UZS;

2) Individual entrepreneurs whose income from sale of goods (services) for the tax period exceeds one hundred million UZS but does not exceed one billion UZS.

## Subject of taxation

The aggregate income shall be defined as the subject of taxation and tax base.

The tax base shall be defined as the aggregate income net of the following:

1) Income on sovereign bonds and other state securities of the Republic of Uzbekistan as well as income on international bonds of legal entities – residents of the Republic of Uzbekistan.

2) Dividends subject to taxation at the tax agent;

3) Cost of returnable multi-turnover packaging, if its cost is previously recorded in the composition of income from sale of goods (services);

4) Income received at liquidation of depreciable assets due to amount of their final appraisal exceeding the amount of previous price reductions;

5) Income of past years identified in the reporting year. This income shall be taxable taking into account recalculation of taxes in accordance with legislation of the period when they emerged;

6) Income received from the sale of goods (services) for export, if income from the export of goods (services) exceeds 15% of total income.

Tax base except for deductions stipulated by Part One of this Article shall be reduced for:

1) Broker companies – by amount of commission fee paid to an exchange from amount of transaction;

2) Legal entities performing intermediary services under commission, delegation agreement – by amount of customs fees paid at import of goods in a share of sold goods;

3) Subjects of tourist activity – by amount of funds directed at implementation of software products and information systems on online-booking and sale of tourist services.

## Tax rate

The basic turnover tax rate shall be set at four percent of the tax base.

In some cases, rates from 0 to 25 percent of the tax base shall be applied.

**Tax period** shall be a calendar year.

**Reporting period** shall be a quarter.

## Procedure for submission of tax reporting and payment of turnover tax

Tax reporting shall be submitted to the tax authority at the place of tax registration within the following period:

1) At the end of the reporting period – not later than the fifteenth day of the month following the reporting period;

2) At the end of a tax period – not later than February 15, following the expired tax period.

Payment of tax shall be made at the end of the reporting (tax) period no later than the deadlines for submission of tax reporting for the respective reporting (tax) period.

Tax rates shall be set in the following amounts (Article 467):

| **No.** | **Taxpayers** | **Tax rates, as a percentage** |
| --- | --- | --- |
| 1 | Taxpayers in all sectors of the economy, except as provided for in paragraphs 2-14 | 4 |
| 2 | Legal entities rendering customs clearance services (customs brokers)  | 5 |
| 3 | Pawn shops | 25 |
| 4 | Legal entities that receive income from the organization of mass entertainment events by attracting legal entities and individuals (including non-residents) that possess licenses to engage in concert and entertainment activities    | 5 |
| 5 | Brokerage firms (except as specified in [paragraph 6](https://nrm.uz/contentf?doc=572486_stavki_edinogo_nalogovogo_plateja_(prilojenie_n_7_k_postanovleniyu_prezidenta_ruz_ot_26_12_2018_g_n_pp-4086)&products=1_vse_zakonodatelstvo_uzbekistana#п6)), as well as taxpayers who provide intermediary services under commission, delegation agreement and other agreements on performance of intermediary services, including individual entrepreneurs who provide intermediary services to operators and/or telecommunication providers | 25 |
| 6 | Insurance agents, as well as legal entities performing brokerage activities in the insurance and securities markets and commodity exchanges | 13 |
| 7 | Legal entities whose principal activity is to lease property (excluding leasing companies) | 8 |
| 8 | Public catering companies |  |
| depending on the location: |  |
| In cities with populations of one hundred thousand or more.    | 8 |
| In other settlements   | 6 |
| In hard-to-reach and mountainous areas    | 4 |
| Of which |  |
| Specialized catering establishments serving general education schools, boarding schools, specialized secondary, vocational and higher educational institutions | 75% of the set tax rate, depending on the location |
| 9 | Taxpayers in retail trade sector |  |
| 9.1. | Depending on the location: |  |
| In cities with populations of one hundred thousand or more.    | 4 |
| In other settlements    | 2 |
| In hard-to-reach and mountainous areas    | 1 |
| 9.2. | Regardless of the location:   |  |
| On turnover from sales of alcohol, tobacco products, petrol, diesel fuel, liquefied and compressed gas    | 4 |
| 10 | Trade enterprises engaged in wholesale as well as wholesale and retail trade (except as specified in [paragraph 11](https://nrm.uz/contentf?doc=572486_stavki_edinogo_nalogovogo_plateja_(prilojenie_n_7_k_postanovleniyu_prezidenta_ruz_ot_26_12_2018_g_n_pp-4086)&products=1_vse_zakonodatelstvo_uzbekistana#п11))    | 4 |
| 11 | Wholesalers and retail pharmacies located in:  |  |
| cities with populations of one hundred thousand or more.   | 3 |
| Other settlements    | 2 |
| Hard-to-reach and mountainous areas    | 1 |
| 12. | Harvesting organizations and individual entrepreneurs engaged in the procurement, sorting, storage, and packaging of agricultural products | 4% of turnover or 25% of gross income |
| 13. | Taxpayers included in the National Register of E-Commerce Entities | 2 |
| 14. | Taxpayers, the only participants of which are public associations of persons with disabilities, the Nuroniy Foundation and the Association Chernobyl's of Uzbekistan, where the total number of persons with disabilities and veterans of the 1941-1945 war and labour front make up at least 50 percent of the total payroll, and the payroll for persons with disabilities and veterans of the 1941-1945 war and labour front makes up at least 50 percent of the total payroll. | 0 |