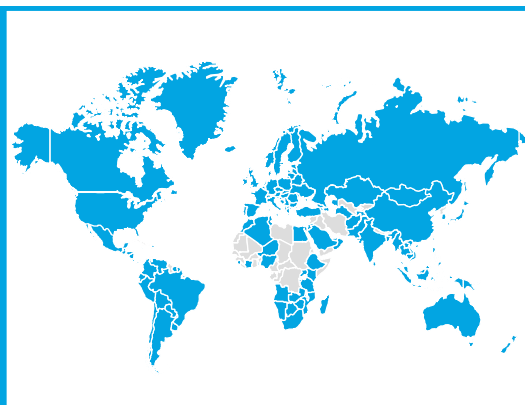


INPATRIATES

Armenia

Tax facts for International Assignees



INCOME TAX: WHO IS LIABLE/RESIDENCY

There are the following payroll taxes:

1. Income tax
2. Social contribution
3. Stamp fee

Foreign citizens pay social contributions and stamp fees if they have residence status. There are special regulations for the nationals of EEU member states.

The following rules apply:

1. If the income/payroll is received from a tax agent (i.e., companies registered in the Republic of Armenia), the tax agent calculates, withholds, and transfers the taxes to the state budget on monthly basis. The income tax and social contribution return also is submitted by tax agents on a monthly basis.
2. If the income/payroll is not received from tax agents, the employee should calculate and pay the taxes for himself/herself. The income tax and social contribution return is submitted by the person himself/herself again on a monthly basis.

WORK PERMIT REGULATION FOR FOREIGN WORKERS

Work permit regulation for foreign workers	
Work permit for foreign workers from 3rd countries (non- EEU countries)	Work permit for foreign workers from EU countries
The workers from 3rd countries should be granted work permit in order to be able to work in the Republic of Armenia	EEU country member workers should be granted a document certifying the legality of residence in the Republic of Armenia in the event the worker stays in Armenia for more than 180 days
Through the specified platform, the employer submits the documents required by law to obtain a work permit	Through the specified platform, the worker submits the documents required by law to obtain a document certifying the legality of residency in the Republic of Armenia
The whole process takes from 30 to 40 calendar days	The whole process takes from 15 to 30 calendar days
A state duty should be paid in amount of 105 00 AMD for work permit	No state duty is charged
Physically the work permit is issued with a temporary resident status on one card until 1 year	
There are exceptions to the general rule for which the process is different. In this case the employer should get confirmation of compliance with the list of exceptions (the positions /works for exceptions are defined by the law).	

INCOME TAX RATES AND SOCIAL SECURITY CONTRIBUTIONS AND STAMP FEE

Income tax	Social security contributions	Stamp fee
<p>21 %</p> <p><i>(until 31 December 2022)</i></p>	<p>From January 1 to December 31, 2022, the following rates are applied for social payment:</p> <ul style="list-style-type: none"> • For income up to 500,000 AMD - a rate of 4.5% is applied • For income exceeding 500,000 AMD, the difference of 10% and 27,500 AMD is paid. <p>Note. <i>From July 1, according to Article 6, Part 6 of the RA Law on "Funded Pensions", the maximum threshold is set to fifteenfold the minimum wage, i.e., 68,000 *15 = 1,020,000 AMD (at the time of compiling this reference, the minimum wage is 68,000 AMD).</i></p>	<ol style="list-style-type: none"> 1. In case, the calculation base is under 100 000 AMD -1500 AMD is charged 2. If, the calculation base is from 100 001 to 200 000 AMD-3000 AMD is charged 3. If the calculation base is from 200 001 to 500 000 AMD - 5500 AMD is charged 4. If the calculation base is from 500 001 to 1 000 000 AMD-8500 AMD is charged 5. If the calculation base is over 1 000 001 AMD-15000 AMD is charged
<p>20%</p> <p><i>(From January 2023 onwards)</i></p>	<p>Starting 1st of January 2023, the following rates are applied for social payment:</p> <ul style="list-style-type: none"> • For income up to 500,000 AMD - a rate of 4.5% is applied • For income exceeding 500,000 AMD, the difference of 10% and 27,500 AMD is paid. <p>Note. <i>From July 1, according to Article 6, Part 6 of the RA Law on "Funded Pensions", the maximum threshold is set to fifteenfold the minimum wage, i.e., 68,000 *15 = 1,020,000 AMD (at the time of compiling this reference, the minimum wage is 68,000 AMD).</i></p>	<p>The rules for stamp fee remain the same as mentioned above</p>

For further information and to register for future updates contact expat@bdo.global

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