

The Ombudsman proposes to include the opportunity to choose the amount of turnover tax

Ombudsman Karen Andreasyan has sent a written notice to the heads of the factions of the National Assembly regarding the changes made in the Law on Turnover Tax that have caused dissatisfaction from economic entities. The Ombudsman has suggested establishing two options for traders to work in the turnover tax regime.

To remind, a group of traders had earlier submitted complaints to the Ombudsman regarding the changes made in the Law. Later, the Deputy Human Rights Defender on social and economic rights has held a discussion with traders to get to know their concerns and to develop solutions.

The requirement, concerning the filing of trade turnover documents, stipulated by the Law, creates serious difficulties, especially for small enterprises. Thus, Ombudsman proposes to divide the taxpayers into two groups: enterprises with turnover of up to 20 million AMD, and enterprises with turnover from 20 to 58.35 million AMD. Based on that, it is proposed to allow traders in the first group to choose to work either in mandatory documentation regime, by paying 1 percent turnover tax, or to work without mandatory documentation, by paying 3.5 percent turnover tax.

Ombudsman considers the aggravation of conditions of small business entrepreneurs to be inadmissible. Ombudsman is hopeful that in the event of being granted the opportunity to choose the documentation regime and the amount of tax, traders will get rid of bureaucracy and red tape, as well as they will be able to maintain their businesses.

Staff of the Human Rights Defender