

**LAW**  
**OF THE REPUBLIC OF ARMENIA**

The draft law was adopted by the Supreme Council of the  
Republic of Armenia on 14 February 1994 H.N.-1005-1

**ON LAND TAX**

**CHAPTER 1**

***TAXABLE OBJECT AND TAXPAYERS***

**Article 1.** Land tax payers shall be deemed to be the land owners, permanent users of state-owned lands.

The tax on lands provided for use under the lease conditions shall be collected from the lessor.

***(Article 1 amended by HO-223-N of 28 November 2006)***

**Article 2.** In case of agricultural lands, the taxable object shall be deemed to be the calculated net income determined through land cadastral valuation.

In case of non-agricultural lands, the taxable object shall be deemed to be the value of land cadastral valuation.

## CHAPTER 2

### ***LAND TAX RATES AND PROCEDURE FOR CALCULATION THEREOF***

**Article 3.** The amount of land tax shall not be related to the outcome of economic activities of taxpayers, and shall be established in the form of a fixed annual payment per unit area of the land plot.

**Article 4.** The land tax rate for agricultural lands (including land parcels allotted for housing construction purposes in residential areas, smallholdings and horticultural (summer house) land parcels) shall be established in the amount of 15 per cent of the calculated net income determined through the cadastral valuation thereof.

**Article 5.** The land tax on non-agricultural lands shall be levied in the following amounts:

(a) the rate for areas of land used for industrial purposes (including mines, and areas disturbed by manufacturing activities), transportation, communication, radio broadcasting, television, defence purposes, occupied by gas pipelines, as well as for lands of water reserves shall be established in the following amounts in relation to the value of cadastral valuation of the given land type in the corresponding cadastral delimitation zones:

- inside residential areas — 1 per cent;
- outside residential areas — 0.5 per cent;

(b) the land tax rate for forest reserve lands (except for agricultural land types located therein) shall be established in the amount of 1 per cent of the average value of cadastral valuation of unusable lands in the corresponding cadastral delimitation zones;

(c) the land tax rate for other non-agricultural lands shall be established in the amount of 1 per cent of the value of cadastral valuation of the given land type.

**Article 6.** Taxable areas shall include lands occupied by buildings and structures, territories necessary for their maintenance, as well as sanitary-protection, technical and other zones of facilities.

**Article 7.** The land tax liability shall arise from the 1st day of the month following the month of the emergence, as prescribed by law, of the right of ownership or the right to permanent use in relation to the land parcel considered a taxable object or its part. The land tax liability shall terminate from the 1st day of the month following the month of the termination, as prescribed by law, of the right of ownership or the right to permanent use in relation to the land parcel considered a taxable object or its part.

Where the taxable object is alienated by the natural person, outstanding tax liabilities in relation to the land tax for the given taxable object as of the day of the emergence, as prescribed by law, of the right of ownership shall be transferred to the new owner.

Where the taxable object is alienated by the natural person, and in case of the existence, as of the day of the emergence of the right of ownership as prescribed by law, of land tax payments for the given taxable object for the period following that day, land tax liabilities for the new owner shall arise (terminate for the previous owner) from the 1st day of the month following that period.

In case of the death of the natural person paying the tax, land tax liabilities for the given taxable object for the period from the day of the death of the natural person until the month of the emergence, as prescribed by law, of the right of ownership (inheritance), inclusive, shall be transferred to the new owner.

***(Article 7 amended by HO-11 of 25 October 1995, HO-115-N of 27 September 2004, edited by HO-223-N of 28 November 2006, supplemented by HO-141-N of 11 May 2011)***

**Article 8.** In case of common ownership the land tax on the land parcel considered a taxable object shall be calculated for the taxable object of the entire land parcel by the registration body established by this Law or the co-owner organisation.

If the object subject to land tax belongs to more than one taxpayer under the common joint ownership right, they shall be jointly liable for land tax liabilities provided for by this Law.

If the object subject to land tax belongs to more than one taxpayer under the common shared ownership right, they shall be severally liable for land tax liabilities provided for by this Law.

Registration bodies, based on the information received, as prescribed by Article 15 of this Law, from the authorised body responsible for maintaining the real estate cadastre, shall calculate the land tax for natural persons who are co-owners as follows:

- (a) in case of common joint ownership, all land tax liabilities for the taxable object of the entire land parcel for either of the co-owners;
- (b) in case of common shared ownership, land tax liabilities for the taxable object of the entire land parcel for each of the co-owners (in proportion to his or her share).

Where in case of common ownership one of the co-owners is an organisation, the land tax for the land parcel considered a taxable object shall be calculated by the co-owner organisation as follows:

- (a) in case of common joint ownership, all land tax liabilities for the taxable object of the entire land parcel, specifying the required data on the co-owners in the form of calculation to be submitted to the registration body;
- (b) in case of common shared ownership, several land tax liability for the taxable object of the entire land parcel, specifying the required data on the co-owners and their shares in the form of calculation to be submitted to the registration body;

***(Article 8 edited by HO-223-N of 28 November 2006)***

**Article 9.** The entity entitled to land tax privileges during the reporting year shall be exempt from taxes starting from the month when the right to such privileges has emerged.

In case of termination of land tax privileges during the reporting year, the tax shall be calculated from the month following the month of the termination of the right to privilege.

### CHAPTER 3

#### *LAND TAX PRIVILEGES*

**Article 10.** The following entities shall be exempt from the land tax:

- (a) budgetary institutions and organisations, as well as state reserves and sanctuaries, national and dendrological parks, botanical gardens and lands of historical-cultural significance, except for lands provided under lease or for official use;
- (b) rural and rural collective economies created during the land reform and privatisation, for the period of two years starting from the month of obtaining the right of ownership of land;
- (c) land owners, permanent and temporary users of land who have been granted lands on the condition of exemption from income tax for a specific time period as prescribed by the legislation of the Republic of Armenia, during that period of time;
- (d) state-owned lands of common use in residential areas (squares, streets, crossings, roads, parks, public gardens, reservoirs, etc.);
- (e) educational and practical, as well as experimental land parcels adjunct to professional technical schools (Prof.-Tech. schools) and schools;

(f) newly planted and young grape gardens and orchards until the full fertility of plantations (within time periods specified in agro–technical instructions for each variety), if their area is equal to or exceeds 0.1 hectare;

(g) lands of state forest reserve, except for agricultural lands provided under lease;

h) national postal operator;

(h1) lands used for diplomatic and representation purposes of foreign states and international organisations in accordance with the principle of reciprocity, based on the request of the authorised public administration body in the field of foreign affairs of the Republic of Armenia;

(i) land parcels occupied by religious, worship buildings and structures pursuant to the classification established by the legislation of the Republic of Armenia, belonging to the Armenian Apostolic Holy Church (Mother See of Holy Etchmiadzin) under the right of ownership and the right to permanent uncompensated use, by churches not having the status of a monument, structures used for the production and realisation of spiritual-cultural, educational, religious and ritual items, belonging to the Armenian Apostolic Holy Church (Mother See of Holy Etchmiadzin), by workshops ensuring the internal provision of the Armenian Apostolic Holy Church (Mother See of Holy Etchmiadzin), as well as land parcels necessary for their maintenance and use.

The list of the buildings and structures specified in this point, as well as of land parcels necessary for their maintenance and use, shall be established by the Government of the Republic of Armenia;

(j) in case of voluntary abandonment of a land parcel as prescribed by the legislation of the Republic of Armenia, natural persons who have been the owners of the land parcels recognised as community — or state-owned property — for those land parcels.

The Armenian Apostolic Holy Church (Mother See of Holy Etchmiadzin) shall also be exempt from the payment of the land tax calculated as of 1 January 2011 for the land parcels occupied by buildings and structures prescribed in point (i) of this Article belonging thereto under the right of ownership and the right to permanent

uncompensated use and land parcels necessary for their maintenance and use, as well as from the payment of penalties and fines defined by the tax legislation and calculated for the failure to pay those amounts within the time periods prescribed by the legislation.

The reduction of community revenues due to the provision of tax privileges to the Armenian Apostolic Holy Church (Mother See of Holy Etchmiadzin) shall not be compensated by the state.

In case of voluntary abandonment of a land parcel as prescribed by the legislation of the Republic of Armenia, the natural persons that were considered the owners of land parcels recognised as community or state-owned property shall also be exempt from the payment of land tax calculated and not paid as of 1 January 2007 for the land parcels concerned, as well as from the payment of unpaid penalties defined by the tax legislation and calculated for the failure to pay those amounts within the time periods prescribed by the legislation.

The reduction of community revenues due to the provision of tax privileges to natural persons that voluntarily abandoned land parcels shall not be compensated by the state.

The community council may grant land tax privileges as prescribed by the Government of the Republic of Armenia.

The amount of the privilege granted by the community council may not exceed 10 per cent of revenues approved in the community budget for the given year in relation to land tax.

Additional dotations shall not be provided from the State Budget of the Republic of Armenia to the community budget for the privileges granted by the community council in relation to land tax.

The law may prescribe other land tax privileges.

***(Article 10 supplemented by HO-50 of 5 April 2000, HO-55-N of 30 April 2008, HO-353-N of 8 December 2011, HO-29-N of 27 February 2012, HO-95-N of 21 March 2012)***

**Article 11.** The following entities shall be granted land tax exemption of 50 percent:

(a) agricultural and forestry scientific organisations, testing, experimental, seed-growing, nursery, pedigree breeding, and variety testing enterprises of scientific research institutions and educational institutions, stations and other base stations, in accordance with the list approved by the Government of the Republic of Armenia, for those lands, which are used exclusively for scientific and educational, as well as for agricultural, forestry, and crop variety testing purposes;

(b) citizens exempted from paying income tax as prescribed by the legislation of the Republic of Armenia, for lands belonging to them under the right of ownership.

## **CHAPTER 4**

### ***PROCEDURE FOR LAND TAX CALCULATION AND PAYMENT***

**Article 12.** Documents attesting to the right of ownership, right to permanent or temporary use of land shall serve as a basis for calculating the land tax.

**Article 13.** The reporting period for the calculation of the land tax for organisations shall be considered the half of the reporting year. For every reporting period, organisations paying land tax shall calculate the land tax themselves and submit the land tax calculations, in a form approved by the tax authority, to the relevant registration body of the place of location of the land parcel by the 20th day of the month following the respective half-year period through means prescribed in point (c) of Article 15 of the Law of the Republic of Armenia "On taxes".

Where the organisations identify errors in annual calculations of the land tax for previous reporting periods, they may submit adjusted annual calculations of the land tax, based on



which the registration body shall carry out recalculation of tax liabilities. Adjustments in calculations submitted by organisations to registration bodies relating to periods under inspection or already inspected periods shall not be carried out during or after the inspections performed in organisations by tax authorities.

***(Article 13 edited by HO-223-N of 28 November 2006, HO-141-N of 11 May 2011)***

**Article 14.** For natural persons, the reporting period in relation to land tax shall be considered the calendar year.

Registration bodies, based on the information received, as prescribed by Article 15 of this Law, from the authorised body responsible for maintaining the real estate cadastre, shall calculate the annual amounts of land tax for natural persons.

Local self-government bodies of the Republic of Armenia, based on the information received from tax authorities as prescribed by Article 15 of this Law or, in case they are a registration body, based on their calculations carried out as prescribed by this Law, shall present to natural persons paying land tax (*inter alia*, send by post or hand over personally) notices on the payment of land tax, in a form prescribed by the tax authority, until 1 September of the valuation (revaluation) year, and in cases prescribed by the third part of Article 21 of this Law, within a month after receiving information on the valuation of a land parcel from the authorized body responsible for maintaining the real estate cadastre.

***(Article 14 edited by HO-223-N of 28 November 2006)***

**Article 15.** According to the procedure established by the Government of the Republic of Armenia:

(a) the authorised body responsible for maintaining the real estate cadastre shall submit the necessary information on land parcels considered a taxable object to the registration body;

(b) tax and local self-government bodies shall exchange the necessary information for the purpose of calculating land tax liabilities, collecting land tax amounts and recording the payments.

Natural persons may apply to registration bodies for receiving a statement or information on their land tax liabilities, as well as making adjustments in land tax calculations.

Organisations shall apply to the relevant registration body for receiving data on the taxable object of the land parcel considered a taxable object for the purpose of calculating the land tax.

Natural persons and organisations may receive, as prescribed by law, the information and data on the taxable object considered a taxable object or necessary for making adjustments to data relating thereto from the authorised body responsible for maintaining the real estate cadastre.

***(Article 15 edited by HO-223-N of 28 November 2006)***

**Article 16.** Organisations shall pay the land tax amounts for a half-year period calculated in accordance with Article 13 of this Law to the respective budget as prescribe by this Article once every half year by the 20th day of the month following the respective half-year period, inclusive.

Natural persons shall pay the annual amounts of the land tax to the respective budget as prescribed by this Article in two equal instalments, until 15 November of the reporting year (inclusive) and until 15 April of the following year (inclusive). ***(the sentence repealed by HO-95-N of 21 March 2012)***

The land tax amount shall be paid to:

(a) the community budget of the place of location of the taxable object, for land parcels located within administrative borders of a community;

(b) to the State Budget of the Republic of Armenia, for land parcels located beyond administrative borders of communities.

***(Article 16 edited by HO-223-N of 28 November 2006, HO-141-N of 11 May 2011, amended by HO-95-N of 21 March 2012)***

**Article 17.** For the purposes of this Law, registration bodies for natural persons paying land tax shall be deemed to be:

(a) tax authorities of the Republic of Armenia — until 31 December 2008, and local self-government bodies of the Republic of Armenia — starting from 1 January 2009, except for the case provided for in point (b) of this part;

(b) starting from the expiry day of the sixth month upon the entry into force of this Law, local self-government bodies that have come to an agreement with the tax authority in relation to the respective application for undertaking the functions of a registration body until 31 December 2008 as prescribed by the Government of the Republic of Armenia and that are independently automating the calculations of the property tax for natural persons as prescribed by the legislation of the Republic of Armenia, as well as that have established a joint voluntary inter-community structure for automating the calculations of the property tax for natural persons, based on the information on the registration and valuation of land parcels presented by the authorised body responsible for maintaining the real estate cadastre, shall calculate the land tax for land parcels considered a taxable object of natural persons.

Local self-government bodies shall be considered registration bodies for natural persons from the day of starting to independently calculate the land tax for natural persons.

For the purposes of this Law, registration bodies for organisations paying land tax shall be deemed to be:

(a) tax authorities of the Republic of Armenia — until the fourth quarter of 2008, inclusive, and local self-government bodies of the Republic of Armenia — starting from the first quarter of 2009, except for the case provided for in point (b) of this part;

(b) starting from the expiry day of the sixth month upon the entry into force of this Law, local self-government bodies that have come to an agreement with the tax authority in relation to the respective application for undertaking the functions of a registration body until 31 December 2008 as prescribed by the Government of the Republic of Armenia and that are independently automating the calculations of the property tax for natural persons as prescribed by the legislation of the Republic of Armenia, as well as that have established a joint voluntary inter-community structure for automating the calculations of the property tax for natural persons, shall be considered registration bodies for organisation paying land tax starting from the quarter following the quarter of coming to an agreement in relation to the application.

Local self-government bodies automating the calculations of the property tax for natural persons and the registration of the property tax for organisations through the joint voluntary inter-community structure as prescribed by the legislation of the Republic of Armenia shall mandatorily carry out the automation of the calculations of the land tax for natural persons and the registration of the land tax for organisations through the joint voluntary inter-community structure;

(c) bodies for registration of natural persons and organisations paying land tax for land parcels considered a taxable object and located beyond administrative borders of communities of the Republic of Armenia shall be deemed to be the relevant tax authorities of their place of location.

The procedure for registration of land tax payers by the local self-government bodies of the Republic of Armenia shall be established by the Government of the Republic of Armenia.

***(Article 17 edited by HO-223-N of 28 November 2006)***

## CHAPTER 5

### ***FINAL PROVISIONS***

**Article 18.** Taxpayers, as well as the officials of enterprises, institutions and organisations shall be liable for violations of this Law as prescribed by the legislation of the Republic of Armenia.

Where violations in relation to paying the land tax prescribed by this Law are discovered, tax liabilities in relation to the land tax may not arise, if ten years have passed after the commission of the respective violation.

***(Article 18 supplemented by HO-95-N of 21 March 2012)***

**Article 19.** ***(Article 19 amended by HO-11 of 25 October 1995, repealed by HO-44-N of 3 March 2004)***

**Article 20.** Within the scope of competences granted by the legislation of the Republic of Armenia departmental regulatory acts in relation to the implementation of this Law shall be adopted by the State Revenue Committee adjunct to the Government of the Republic of Armenia in coordination with the Ministry of Finance of the Republic of Armenia and the Ministry of Territorial Administration of the Republic of Armenia.

***(Article 20 edited by HO-141-N of 11 May 2011)***

**Article 21.** For the purpose of determining the taxable object as regards the land tax, the cadastral valuation (revaluation) of land parcels shall be carried out once every three years by the authorised body responsible for maintaining the real estate cadastre based on the registration data available as of 1 July of the valuation (revaluation) year, the

results of which shall serve as a basis for the calculation of land tax for the three years following the valuation (revaluation) year.

The first cadastral valuation of cadastral valuations with three-years periodicity prescribed by the first part of this Article shall be performed based on the data registered by the authorised body responsible for maintaining the real estate cadastre as of 1 July 2007, and further valuations shall be performed with the periodicity specified in the first part of this Article.

Irrespective of time periods specified in the first part of this Article, the results of the cadastre valuation performed for the purpose of determining the taxable object of land parcels obtained with the right of ownership as prescribed by the legislation of the Republic of Armenia after 1 July of the valuation (revaluation) year, as well as of land parcels the designated or functional purpose (land type) of which has been changed as prescribed by the legislation of the Republic of Armenia prior to the forthcoming valuation (revaluation) year of the land parcel, inclusive, as compared with the registration data available at the authorised body responsible for maintaining the real estate cadastre as of 1 July of the valuation (revaluation) year shall serve as a basis for the calculation of the land tax until the forthcoming valuation (revaluation) year prescribed by the first part of this Article, inclusive.

***(Article 21 supplemented by HO-223-N of 28 November 2006)***

**President**

**of the Republic of Armenia**

**L. Ter-Petrosyan**

27 April 1994

City of Yerevan

HO-101