

This guide has been designed as a basic reference guide to Uzbekistan's tax and legal environment for companies and individuals interested in doing business in Uzbekistan.

The information in this manual is not exhaustive. Legislation and interpretation of it change frequently in Uzbekistan and you should seek professional advice relating to your specific circumstances before making business decisions. Deloitte accepts no responsibility for the consequences of acting on the basis of this guide without seeking such advice.

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Foreign investment regulations

General

The Uzbekistan Government has long emphasised the importance of attracting foreign direct investment (FDI) to ensure sustainable economic growth and modernisation through the influx of foreign capital, technology and expertise.

The Foreign Investment Law has provided an open and liberal FDI framework, including guarantees of national treatment, non-expropriation, the free repatriation of funds, freedom of monetary transactions, and stability in legal relations, access to open-source information, observance of intellectual property rights and access to international arbitration.

Stability of legislation

The Foreign Investment Law provides protection against adverse changes in investment, tax and customs law. If tax law is adversely amended, investors and investment targets are entitled to apply the more favourable tax and customs conditions, including VAT, for 10 years from the registration date when the total investment amount is more than US\$ 5 million.

If tax law is adversely amended, investors and investment targets are entitled to apply the more favourable tax conditions, except customs payments, land and water taxes, taxes and payments of mining companies, for 5 years from the registration date when the total investment amount is less than US\$ 5 million and investment target is manufacturing company.

National treatment

Investment Law provides national treatment and non-discrimination guarantees for foreign investors. Generally, Uzbekistan does not restrict investment in any sector; however, certain restrictions do exist. In practice, access to markets, credit and other business operations is often impeded by licensing and other regulatory requirements.

Nationalisation/expropriation

The current legal framework protects foreign investment against nationalisation and expropriation. Direct expropriation may take place only in the public interest on a non-discriminatory basis and with the payment of "prompt, adequate and effective" compensation, including lost profits. Compensatory payment must be at fair market value with interest and denominated in freely convertible currency, although no procedures and instruments exist to ensure fair compensation.

Repatriation of profit

Foreign investors are entitled to repatriate profit, whether it be in the form of dividends, interest or other income.

Settlement of disputes

The Investment Law allows foreign investors involved in disputes with the State free access to international arbitration outside of Uzbekistan.

Exchange controls

The national currency, Uzbek Soums (UZS) is not freely traded outside of Uzbekistan. Local companies operating in Uzbekistan face restrictions in converting UZS into US\$, particularly when making payments to foreign suppliers.

In addition, all Uzbekistan entities including enterprises with foreign investment (except for small businesses that meet certain criteria and specific exemption criteria), are required to convert 25% (except for specified list of goods-50%) of their hard currency revenue receipts into UZS through the domestic foreign exchange market. Conversion should be arranged through a bank authorised to make those sorts of transactions.

Special regulations in place to monitor foreign currency transactions carried out by legal entities and individuals require commercial banks to provide information to the state tax authorities on foreign exchange transactions carried out by their clients that meet a number of specific characteristics.

Type of business presence

General

The majority of businesses in Uzbekistan are organised as limited liability companies, joint stock companies, partnerships, sole proprietorships, and representative offices of foreign companies. Companies may limit their presence to a permanent establishment (not a legal form and only for tax purposes). The most common types of business presence in Uzbekistan for foreign companies are:

- limited liability companies
- joint stock companies
- representative offices
- permanent establishments

Limited liability companies

The most flexible company type in Uzbekistan is the limited liability company (LLC). Under current law, the minimum capital requirement for an LLC is 40 times the minimal wage (~US\$ 1,800). In general, owners' equity participation is determined based on their capital contribution, unless otherwise agreed by them.

The main features of a LLC are as follows:

- it may engage in any activity not prohibited by domestic law and, accordingly, may obtain a license to do so when required
- participants' liability is limited to their contribution to the company
- it is not required to issue shares; instead participants contribute to charter capital. Participants may contribute by providing assets
- it is managed through meetings of participants
- participants elect an executive body (sole or collective)
- participants are entitled to leave the company and receive their share of net assets without the consent of other participants
- participants enjoy pre-emptive rights to acquire fellow participants' contributions
- an LLC with one participant may not act as the sole participant of another LLC
- the number of participants may not exceed 50

A foreign company may apply for the status of "Company with Foreign Investment" and benefit from additional tax privileges if charter capital exceeds US\$ 150 000 and more than 30% of the company belongs to a foreign company or individual.

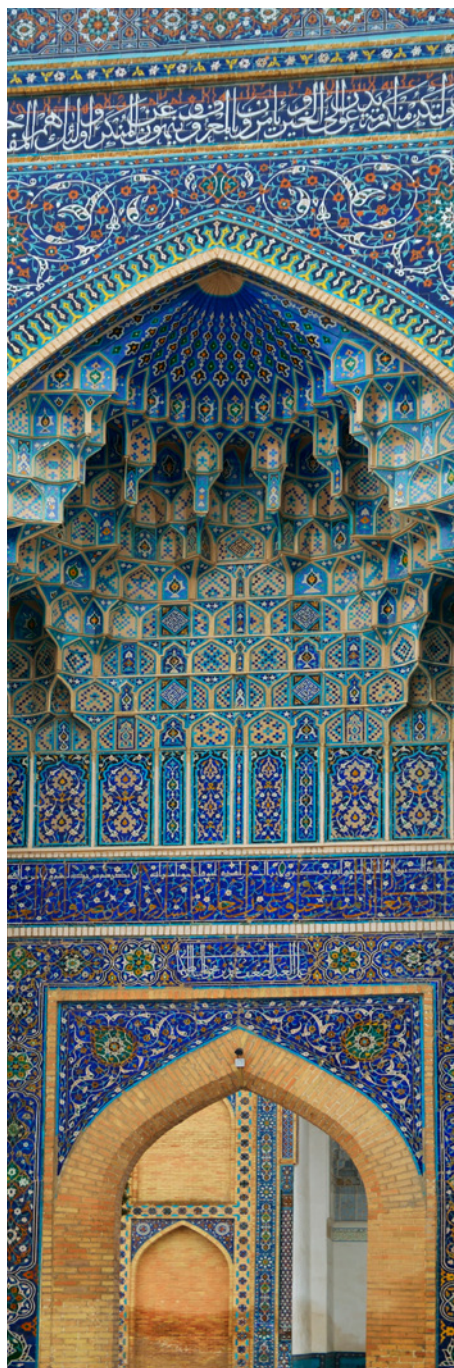
Joint stock companies

The minimum charter capital of a joint stock company (JSC) is US\$ 400,000, all of which needs to be paid in.

Joint stock companies may have an unlimited number of shareholders. With its elaborate disclosure requirements, the JSC is the only form of legal entity whose shares may be openly traded similar to those of a western "public" company.

The main features of a JSC are:

- it is entitled to engage in any type of activity not prohibited by domestic law and, accordingly, may obtain a license to do so when required
- it is governed by shareholders through shareholder meetings, which must be held at least once a year
- one of the responsibilities of shareholder meetings is to elect an executive body (sole or collective)



Representative offices

A foreign company may set up a representative office in Uzbekistan to represent its interests there. Representative offices are not recognised as separate legal entities and may be established for representative purposes only (marketing and information gathering, etc.) and may not out carry business activity. The Ministry of Foreign Relations, Investments and Trade is responsible for registering representative offices.

Permanent establishments

Many foreign companies are involved in upgrade, reconstruction or construction projects in Uzbekistan, and in doing so create permanent establishments for taxation purposes.

The term "Permanent Establishment" in Uzbekistan is recognised as any place through which a non-resident carries out business activities in Uzbekistan, including activities performed through an authorised individual. For instance, the term incorporates:

- business activities that last more than 183 calendar days during any successive 12-month period
- any place of activity connected with the production of natural resources such as mines, oil and gas wells or quarries
- any place where activities (including control or supervisory) are associated with oil or gas pipelines; the exploration and (or) exploitation of natural resources; the installation, assembly, commissioning, start-up and (or) maintenance of equipment
- construction, assembly or installation project sites, and services to monitor work progress at these sites

- any place where activities related to the operation of slot machines (including consoles), computer networks and communication channels, amusements, transport or other infrastructure activities are performed
- business activities performed through an entity based on a contract with a non-resident to represent its interests in Uzbekistan, including by acting in Uzbekistan on behalf of the non-resident, and regularly use its authority to conclude contracts on behalf of the non-resident
- any place whose activities are related to the production, assembly, packaging or sale of goods

This list is not exhaustive and it is worth remembering that double taxation treaties/agreements may contain different definitions of «permanent establishment».

The term «permanent establishment» is used solely to determine an organisation's tax status and has no legal value.

Tax law differentiates between registration and further tax execution responsibilities. For example, based on special government resolutions, companies participating in upgrade or renovation projects are entitled to tax and customs concessions. However, this does not exempt companies whose activities fall under the definition of «permanent establishment» from having to register with the authorities. Tax law stipulates significant financial penalties that may affect overall project viability if registration deadlines are missed.

Employment regulations

General

The Labour Code, adopted on 21 December 1995, applies to all employment relationships in Uzbekistan and is mandatory for all employers and employees, including Uzbekistan nationals, foreign nationals, stateless persons and employees of foreign international organisations and legal entities.

Employment agreements

Employment relations are formalised in an employment agreement between employers and employees. Employment agreements should contain specific provisions found in the Labour Code. Employment agreements may be in place for either an indefinite or fixed term. Indefinite term employment agreements are the default option under the Labour Code while fixed-term agreements may only be concluded if certain legislative

requirements are met. Employees are entitled to enter into employment agreements with several employers simultaneously.

The Labour Code also covers the termination of employment agreements. Employees can terminate their employment at any time by giving two weeks' prior written notice to their employer.

Employees should be notified personally at least two months in advance they are to be terminated due to staff redundancies or company liquidation.

Employees should receive compensation of no less than two months' average salary when employment is terminated due to company liquidation, staff redundancies or company reorganisation.

Employment visas and permits

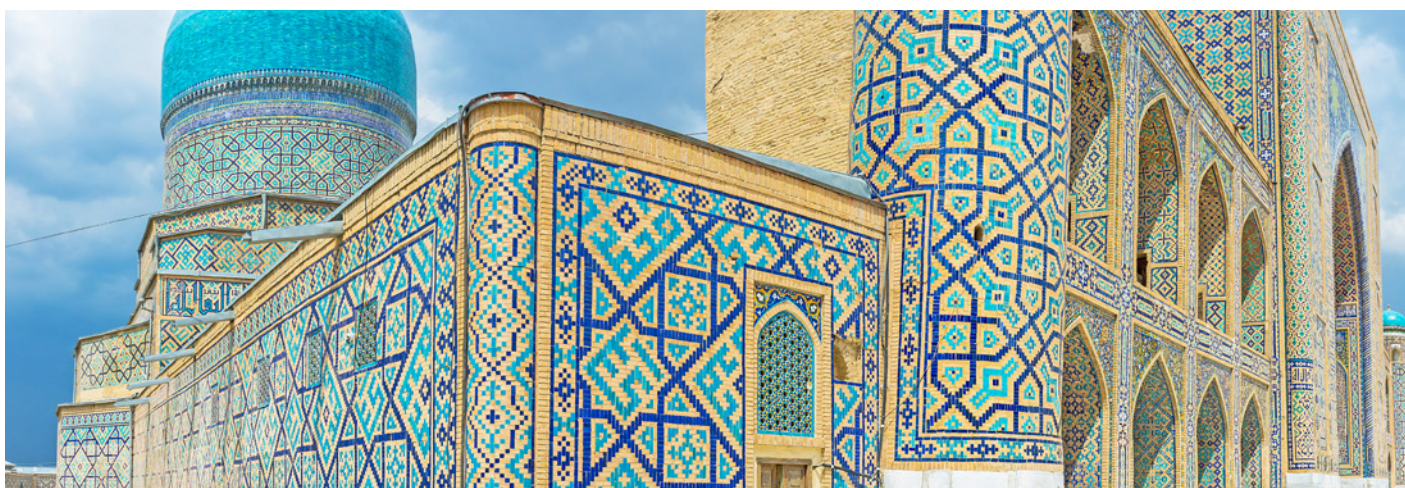
The employment of foreign nationals in Uzbekistan is governed by immigration and labour law.

An entity of a foreign company in Uzbekistan can only employ foreign nationals if:

- the employer has obtained a permit to hire foreign workers
- the employer has obtained an individual work permit for the foreign national

In practice, to employ a foreign national, employer should demonstrate a special need for the foreign national that cannot be satisfied by employing Uzbekistan nationals.

An Uzbekistan representative office of a foreign company should obtain special accreditation cards for any foreign nationals it employs.



Taxation

Currency — Uzbekistani Soum (UZS)

Foreign exchange control — Cross-border transactions and related sales or purchases of foreign currency are unrestricted. Residents carrying out currency transactions related to capital flow must comply with the procedures established by the Central Bank of Uzbekistan. Payments within Uzbekistan must be made in the national currency, except as stipulated in legislation. Restrictions on the removal of foreign currency cash from the country by individuals depends on whether the individual is a resident or nonresident, and, for nonresidents, whether the amount exceeds the cash amount brought into Uzbekistan. The Central Bank and authorized banks are the only legal entities that may bring in or take out foreign currency cash or national currency.

Accounting principles/financial statements — National Accounting Standards (NAS) apply. Financial statements must be filed annually.

Corporate taxation:

Residence — An entity is resident in Uzbekistan if it has completed the state registration procedure in Uzbekistan.

Basis — Resident companies are subject to profit tax on their local and worldwide trading profits and other taxable income such as interest, royalties and rental income. Profit tax also is levied on Uzbek-source income of nonresidents operating through a permanent establishment (PE). Noncommercial organizations generally are exempt from profit tax, except on profits derived from entrepreneurial activities.

Micro-firms and small entities are eligible for simplified (unified) taxation on gross revenue, which replaces profit tax, VAT

(voluntary), property tax, land tax, social infrastructure development tax and contributions to the republican road fund, school development fund and pension fund.

Mining operations and related processing are subject to a mining tax and an excess profits tax (for specified items) and special fees ("subscription bonus", a one-time fixed payment for exploration and extraction rights and a "commercial exploration bonus," payable for each commercial exploration of a location).

Taxable income — Taxable income is comprised of business and investment income and is calculated as the difference between aggregate income and deductible expenses. In general, expenses and deductions that are wholly and exclusively incurred for the purpose of a business are allowable. For other income sources, expenses may be deducted provided they are incurred wholly and exclusively in the production of the income.

Taxation of dividends — Dividends paid out of profits that have been subject to Uzbekistan tax are exempt from profit tax (by way of a deduction from taxable income) in the hands of residents and nonresidents with a PE in Uzbekistan. Profit tax is not imposed on income derived from state securities.

Capital gains — Capital gains are treated as ordinary income and are subject to the standard rate of profit tax. However, tax liability on capital gains arises only when the gain is recorded on the books with regard to the sale of shares for a higher price.

Losses — Losses (which must be based on financial year results) may be carried forward for five years (except for losses

incurred while the taxpayer was exempt from profit tax). However, the aggregate amount of losses carried forward in each subsequent year may not exceed 50% of taxable income of the current tax period. The carryback of losses is not permitted.

Rate — The general profit tax rate is 7.5%, with a 15% rate applicable to banks. Mobile operator companies are imposed to pay additional income tax in case of meeting the profitability threshold. Nonresidents with a PE in Uzbekistan are also liable to pay net profit tax at 10% on a net basis.

The common unified tax rate is 5%. However for the number of industries the rate differs. Entertainment companies and companies with lease income (more than 60%) derived from the rent of sales outlet at 30%. There are also set various rates for trading and catering companies. The unified tax rate is lower for companies established in remote regions.

Surtax — No

Alternative minimum tax —

An alternative tax mainly is applied to private entrepreneurs at tax rates ranging between 0.02 and 10 times the monthly minimum wage per month, depending on the type of activities.

Foreign tax credit — Foreign profit tax paid by an Uzbek resident company may be credited against Uzbek profit tax in accordance with an applicable tax treaty. A payment notification, a certificate of the foreign tax authorities or other document confirming payment of the foreign profit tax is acceptable proof to receive the credit.

Participation exemption — No, but see "Taxation of dividends," above.

Holding company regime — No

Incentives — Legal entities engaged in specific activities may be granted a temporary exemption from profit tax, property tax, certain social infrastructure taxes, the unified tax payment and obligatory payments to the road fund. Additionally, companies that expand general production capacity, reconstruct industrial structures, modernize production facilities and equipment, etc., may be eligible to reduce their taxable base by deducting expenses incurred for five years.

Withholding tax:

Dividends — Dividends paid to a resident or nonresident are subject to a 10% withholding tax. The rate applicable to a nonresident may be reduced under a tax treaty.

Interest — Interest paid to a resident or nonresident is subject to a 10% withholding tax. The rate applicable to a nonresident may be reduced under a tax treaty.

Royalties — Royalties and similar (e.g. lease payments) payments made to a nonresident are taxed at a rate of 20%. The rate applicable to a nonresident may be reduced under a tax treaty.

Technical service fees — No

Branch remittance tax — A branch and its head office are treated as independent entities, so any remittance from a branch to the head office is subject to a 10% net profit tax.

Other – Nonresidents are subject to withholding tax as follows: 10% for insurance premiums under insurance, co-insurance and reinsurance contracts; and 6% on payments for telecommunications services for international communications and income from transportation and shipping services.

Other taxes on corporations:

Capital duty – No

Payroll tax — A company must make a unified social contribution (for purposes of the pension, employment and professional trade union funds) calculated on the salary of an employee at a rate of 15% for micro firms and small entities and for other with rate 25%.

Real property tax — A 5% property tax is levied on fixed assets of a legal entity. The equipment not installed in due time is lived on double property tax rate.

Social security — A company must contribute 1.6% of gross revenue to the pension fund (in addition to the unified social contribution). Micro-firms and small entities using general taxation regime are not payers of Pension, Road and School funds (from gross revenue) except companies producing excisable goods and extracting mineral products.

Stamp duty — Stamp duty is levied on claims submitted to courts, notarial actions, state registration of legal entities and various licenses.

Transfer tax — No

Other — An 8% social infrastructure development tax is levied on an entity's net profit (after corporate profit tax).

The road fund receives both obligatory deductions (estimated quarterly for micro firms and small entities and on monthly basis for others at 1.4% of gross revenue) and payments (on, for example, the import of vehicles or the use of foreign-registered vehicles).

A levy applied to the school development fund is estimated quarterly for micro firms and small entities at a rate of 0.5% of gross revenue.

Anti-avoidance rules:

Transfer pricing — The tax authorities may implement a market rate on revenue derived in related party transactions.

Thin capitalization — No

Controlled foreign companies — No

Other — A state body carries out special controlling functions to regulate monopolistic activities of entities (e.g. a listing of monopolistic companies, determination of anti-monopolistic sectors and the monitoring of prices).

Disclosure requirements — Some disclosure rules apply under National Accounting Standards.

Administration and compliance:

Tax year — Calendar year

Consolidated returns — In general consolidated returns are not permitted; each company (taxpayer) must file its own return. However, banks are required to file a consolidated return, but their branches must submit separate returns.

Filing requirements — Resident companies must file a quarterly return of corporate profit tax no later than the 25th day of the month following the accounting quarter, and an annual return must be filed on/before 15 February following the reporting year. A payment equal to one-third of the estimated tax must be paid quarterly by Uzbek companies with foreign investment; the annual return and final payment is due by 25 March after the close of the tax year.

Nonresidents that have a PE in Uzbekistan must file an annual return by 25 March of the year following the accounting year calculating the profit tax due and reporting on the nature of the entity's activities. If the activities terminate before the end of the calendar year, the relevant documents must be filed within one month after termination.

Penalties — Penalties may be imposed for failure to register an activity; the fine is 50 to 100 times the monthly minimum wage or 10% to 50% of earned revenue. A late or missing return is punished by administrative penalties (~USD 33-100). In addition, a 0.033% fine is charged for the late payment of tax liability.

Rulings — No

Personal taxation:

Basis — Resident individuals are taxable on worldwide income; nonresidents are taxed only on income received in Uzbekistan.

Residence — An individual is resident if he/she is domiciled in Uzbekistan on a permanent basis or physically present in Uzbekistan for at least 183 days in any consecutive 12-month period.

Filing status — Joint filing is not permitted; spouses are taxed on a separate basis.

Taxable income — Taxable income includes wages and salaries (including work awards, one-time bonuses, annual additional payments for holidays, etc.); benefits such as training, certain childcare services, catering and travel tickets or their compensation; and “other income” (e.g. awards, prizes, cash awards from competitions, contests, etc.).

The following income is nontaxable: healthcare benefits, inheritances, insurance premiums and repayments, etc.

Capital gains — Income derived by an individual from the sale of private property is, the taxable income.

Deductions and allowances — No.

Rates — Progressive rates from 0% to 23%.

Other taxes on individuals:

Capital duty — No.

Stamp duty — Stamp duty is levied on claims submitted to courts, notarial actions, state registration of legal entities and various licenses.

Capital acquisitions tax — No.

Real property tax — Land and property taxes may be levied on individuals owning, possessing, renting or otherwise using land and owning real property. The taxable base is the area of the land and the tax rate is determined by the regional quotations, with a property tax rate between 1.7% and 2.9% applied to the value of the real property.

Inheritance/estate tax — No.

Net wealth/net worth tax — No.

Social security — The employer must withhold from a resident employee’s gross salary a 8% contribution to the pension fund. An employee also can contribute to a voluntary pension savings fund.

Administration and compliance:

Tax year — Calendar year.

Filing and payment — Employment income and passive income are taxed by withholding at source. For other types of income, an individual must submit an income declaration, with income assessed on the basis of the declaration. Filing for such “declared income” is due by 1 April and the payment deadline is 1 June of the year following the calendar year.

Penalties — The breach of deadlines or non providing tax declaration is administrative duty (~USD33-100). A 0,033% penalty is imposed for each day of payment delay.

Value added tax:

Taxable transactions — VAT is levied on the supply of goods and services and the import of goods.

Rates — The standard rate is 20%. Certain services are not subject to VAT, including: transport for passengers (excluding taxi services); medical, educational, tourist and excursion services; and financial and insurance services. Exempt items include certain technological equipment and certain imported property under individual agreements with the government. Supplies that are zero-rated include goods exported for hard currency; services for processing certain goods bound for export; and international transportation.

Registration — Micro-firms and small-size enterprises that are subject to simplified taxation generally are not payers of VAT, although they can opt to register and pay VAT on a voluntary base. Other legal entities must register with the local tax authorities within 10 days following registration with the state.

Filing and payment — VAT follows a calendar year, with quarterly reporting. Micro-firms and small-size enterprises report and pay VAT quarterly before the 25th day of the month following the reporting period. Other legal entities report on a monthly basis and pay VAT on a monthly basis before 25th day of the month following the reporting period.

Source of tax law: Tax Code, Decrees of the President and Cabinet of Ministers.

Tax treaties: Uzbekistan has concluded 50 tax treaties.

Tax authorities: State Tax Committee, State Customs Committee, Ministry of Finance International organizations: UN; CIS, SCO, IMF, ADB.

Customs duties



Customs duties

Customs duties are governed by the Customs Code and the Customs Tariff Law. Import customs duties normally expressed as a percentage of the value of imported goods are known as «ad valorem» duties. Duties expressed as a set monetary amount per unit or kilogram are called «specific» duties. They may also be expressed as the greater of the two, or as «combined» duties.

Several «ad valorem» import duty rates currently apply in Uzbekistan. In the majority of cases, they range from 0%, 5%, 10%, up to 70%. Certain goods are exempt from import customs duties.

Import duty rates depend on the exact nature of the goods being imported. Goods are classified according to the International Harmonised System.

Basic rates are not constant and may vary depending on the country of origin of goods, the type of goods and, occasionally, on other factors.

Import value added tax

20% VAT is levied on the total customs value of imports, which includes customs duties.

Customs clearance fees

A customs clearance fee of 0.2% is levied on customs value as reflected in customs declarations.

Customs value

Customs value is defined as the invoice value, increased by:

- actual transportation, loading, unloading and insurance costs incurred up until the goods cross the Uzbekistan border
- any commission and/or broker fees paid
- fees for intellectual property rights to the goods, which must be paid as a condition for their import

Most favoured nations

Uzbekistan is a member of the CIS and has a number of intergovernmental tariff concession agreements in place. China, USA and a number of other countries have most favoured nation status in Uzbekistan. Reduced import duties may apply to goods manufactured in countries that have entered into free trade agreements with Uzbekistan (e.g. Azerbaijan, Armenia, Belarus, Kazakhstan, Moldova, Tajikistan, Kyrgyzstan, and Ukraine). Tariff concessions will be granted if «direct purchase and shipment» rules are followed.

Export customs duties

Export customs duties are introduced seasonally, and are currently levied on some strategic products.

Customs regimes

A number of customs regimes exist that provide for either full or partial exemption from import duties and taxes. For example, full relief may be granted on goods that are imported into Uzbekistan for processing and which are then subsequently exported.

Goods may also be imported under “temporary import” regulations, which provide for either a full or partial exemption from import duties and VAT for two years. Once that period has expired, the goods must either be exported or transferred to a different customs regime.

Customs free zone regulations may be applied in certain Free Economic Zones (FEZ), resulting in exemptions from import duties and taxes on imported raw materials, components, etc. until the processed products are removed from the FEZ.

Tax administration



Overview

The new Tax Code defines the following fundamental principles behind taxation in Uzbekistan:

- tax law in Uzbekistan is based on principles of the integrity, legality, obligation, determinacy and fairness of taxation and the tax system
- all ambiguities and contradictions in Uzbekistan tax law will be interpreted in favour of the taxpayer
- tax laws increasing rates or introducing new taxes or sanctions on taxpayers may not be applied retroactively
- the presumption is that taxpayers act or fail to act within the law and are basically innocent of any infringement, placing the burden of proof on the tax authorities
- the tax authorities are required to maintain the confidentiality of taxpayer-related information.

The enactment of the new Tax Code has greatly increased taxpayer rights and clearly defined the rights and obligations of the tax authorities, while also strengthening tax officials' responsibility for tax law violations.

Tax audits

According to the Tax Code, the tax authorities are entitled to carry out two main types of tax audits with regard to both individual and corporate taxpayers, namely desk tax audits and field tax audits.

Desk tax audits

Desk tax audits are generally carried out by the tax authorities in their own offices on the basis of tax returns, financial statements and other relevant documentation filed by taxpayers.

Field tax audits

Field tax audits are carried out at a taxpayer's office or business premises at the initiative of the head of the auditing tax body.

A field tax audit may not last more than 30 calendar days for "major taxpayers".

Limitations on tax audits

The Tax Code establishes certain provisions limiting the powers of the tax authorities in relation to tax audits. Field tax audits may be carried out only with respect to the three year period ending on the audit start date. However, the statute of limitation for tax violations is five years from the date a violation took place.

The tax authorities cannot conduct more than one field tax audit within a 12-month period.

Fines and late payment interest

The Tax Code stipulates the following sanctions for tax violations:

- a late payment of taxes is subject to 0.033% interest for each day payment remains in arrears. Total interest may not exceed total unpaid tax
- the evasion of tax registration, i.e. operating without registering with the tax authorities, is subject to a fine of up to 50% of net revenue for the period

Special tax regimes

Tax law provides for special tax regimes for:

1. small businesses, which include:
 - the patent special tax regime (for individual entrepreneurs not registered for VAT purposes only)
 - the simplified tax regime, which is based on a single tax payment instead of a number of payments
2. entities registered in SEZs

The simplified tax regime and the tax contract regime do not apply to financial and insurance institutions, investment funds, market makers and others.

To aid direct foreign investment, Uzbekistan operates a system of tax and customs concessions extending to specific industries or areas, for example, registering a company in an industrial zone. Deloitte helps investors choose the best business model for operations in Uzbekistan and analyses the best options for business development.

Investment in specific industries

Presidential Edict № УП-3594 dated 11 April 2005 provides tax concessions to production companies in the chemical and petro-chemical, engineering, light, food, alternative energy and other industries.

Eligible companies are exempt from:

- corporate profits tax
- property tax
- tax on social infrastructure improvements and development
- obligatory National Road Fund contributions
- integrated tax payments for micro-firms and small businesses

The tax concessions in question are awarded based on amounts invested and apply for between 3 and 7 years, provided:

1. the companies in question are represented in all towns and rural areas of the country, except for Tashkent and Tashkent Oblast
2. foreign investors make private direct investments without state grants
3. foreign participants' interest in share capital is at least 33%
4. foreign investments are made in freely convertible currency or in the form of new and modern production equipment
5. at least 50% of income generated as a result of application of concessions is reinvested for further company development

Investment in free economic zones

Special concessions have been approved to develop specific regions of Uzbekistan. To that end, the following Free Economic Zones have been created:

- Navoi Free Economic Zone
- Angren Free Economic Zone
- Dzhizak Free Economic Zone
- Urgut Free Economic Zone
- G'ijduvon Free Economic Zone
- Kokand Free Economic Zone
- Hazorasp Free Economic Zone

Companies are entitled to concessions on the following taxes. The duration of those concessions depends on the volume of investment made:

- land tax
- property tax
- corporate profits tax
- social infrastructure improvement and development tax

As an additional stimulus, special rules to allow foreign currency payments have been introduced for companies registered in the above zones.

Companies are entitled not to apply tax law provisions that worsen their tax position. In addition to general concessions applicable in all zones, special concessions apply in free zones.

Deloitte in Uzbekistan

Uzbekistan offers ample investment opportunities as a result of its natural resources, growing consumer demand for goods and services, and its skilled workforce.

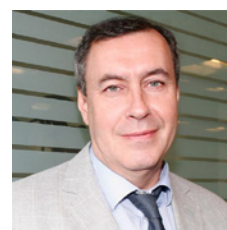
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**Deloitte & Touche
Audit Organization, LLC**

Business Center «Inconel», 75 Mustakillik Ave., Tashkent, 100000, Uzbekistan
Tel: +998 (71) 120 44 45/46
Fax: +998 (71) 120 44 47
Mobile: +998 (93) 381 81 17

For additional information, please visit our Deloitte Uzbekistan website at:
www.deloitte.uz

Almaty



Vladimir Kononenko

Partner, Tax & Legal
+7 (727) 258 13 40 ext.2755
vkononenko@deloitte.kz

Tashkent



Andrey Tyo

Manager, Tax & Legal
+998 (71) 120 44 45/46
antyo@deloitte.uz



Bakhtiyor Sufiev

Senior Consultant, Tax & Legal
+998 (71) 120 44 45/46
bsufiev@deloitte.uz



deloitte.uz

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