

**LAW OF THE REPUBLIC OF ARMENIA ON  
NATURE USE AND NATURE PROTECTION FEES**

**CHAPTER 1**

**GENERAL PROVISIONS**

**Article 1. Subject of the law**

This law defines the concepts of nature protection and use fees (Hereinafter: fees), the scope of the payers, types of fees, procedures for calculations and payment of the fees, the liability in case of violation of this law and other relations connected to the fees.

**Article 2. Concepts of nature protection and use fees**

Nature protection fee: obligatory payment of financial measures to the State budget and the community budget necessary for implementation of nature protection functions, according to this law and in cases envisaged by it.

Nature use fee: payments to the State budget against efficient, complex use of the State natural resources in order to provide for creation of equal conditions for the users of natural resources of different qualities.

**Article 3. Payers of nature use and protection fees**

The physical and legal entities functioning in accordance to articles 4 and 5 of this law are considered the payers of nature use and protection fees (Hereinafter: payers).

**Article 4. Types of nature protection fees**

The types of nature protection fees are:

- a) For releasing harmful substances into the environment (Aerial and water basins)
- b) For disposal of industrial and consumption wastes in the environment, according to defined procedures
- c) For industry of products that are harmful for the environment

**Article 5. Types of nature use fees**

The types of nature use fees are:

- a) For water-use
- b) For extracted and redemptive mineral resources, underground sweet and mineral waters and extracted salt
- c) For use of biological resources

**Article 6. Procedures of registration of the payers**

The Government of the Republic of Armenia defines the procedures for the registration of the payers.

**Article 7. Fee quota**

The law defines quotas of nature protection fees; the quotas for use are defined by the Government of the Republic of Armenia.

## CHAPTER 2

### PROCEDURES FOR CALCULATION AND PAYMENT

#### **Article 8. Procedures for calculation and payment**

The payers calculate the amount of the payment to the State budget on their own for a trimester period and in accordance with this law, if no other provisions are envisaged.

#### **Article 9. Procedures for the calculation and payment of the nature use fees**

1. Fees for the water-use are calculated on the basis of water intake directly from natural sources within a financial period, except the cases under seen by Article 2 of this law

2. The payers for fishery activities are charged by 5% of the whole amount of water used

3. Fees for redemptive resources of the solid minerals are calculated on the basis of redemptive mineral resources amount extracted within the financial period

Fees for underground sweet and mineral waters and salt are calculated within the financial period and on the basis of the amounts of water extracted.

Except the unavoidable losses caused by technical reasons, the total amount of solid mineral resources extracted and lost in the process of extraction is considered the volume of solid mineral redemptive resources, according to this law.

The amount of water released from the drilling-hole (source) to the surface within the financial period is considered the extracted resource of the underground sweet and mineral water according to this law.

Except the unavoidable losses caused by technical reasons, the amount of water released from the drilling-hole (source) to the surface within the financial period is considered the extracted resource of mineral water.

The Government of the Republic of Armenia defines the procedure for calculation of the fee, depending on certain types of minerals and use of separate mines.

4. Fees for the use of forest resources are calculated on the basis of resources used within the financial period

Fees for the rest of natural resources are calculated on the basis of the resources used and are paid to the State budget each time, and before the transportation of the natural resource.

5. The body authorized by the Government of the Republic of Armenia (Hereinafter: authorized body) controls the calculation of the fee for the use of natural resources

6. In case of incomplete or late payments for the use of natural resources, fines, defined in accordance with this law, will be charged by the tax inspection of the Republic of Armenia (Hereinafter: tax inspection).

#### **Article 10. Procedures for calculation and payment of nature protection fees**

1. Fees for releasing harmful substances into the environment are calculated on the basis of the amount of released harmful substances within the financial period and are paid in accordance to this law

Fees for harmful substances released into the environment from the vehicles and equipment owned and exploited by physical or legal entities and registered in the territory of the Republic of Armenia are calculated and paid in accordance with the law of the Republic of Armenia “On quotas of nature protection fee”.

2. Fees for the import of products harmful for the environment are calculated on the basis of the customs price for those products and are paid to the State budget during the import process, according to procedures defined by the Government of the Republic of Armenia

Fees for the production that is of harm for the environment and is being produced and realized within the area of the Republic of Armenia are calculated by the producer, on the basis of trade turnover and paid within the financial period and according to the amount of production realized.

3. Fees for disposal of industrial and consumption wastes in the environment according to defined procedures are calculated on the basis of the amounts and level of harmfulness of industrial and consumption wastes disposed in industrial areas and are paid in accordance with this law.

### **Article 11. Deadlines of payment and presentation of the financial reports**

1. The trimester financial reports are presented in two copies to the corresponding bodies for registration before the 20<sup>th</sup> of the following month of the trimester. The annual reports must be presented before the 25<sup>th</sup> of February of the following year, if this law envisages no other provisions.

The payers must present the second copies of the registered financial reports within five days, following the deadline to the corresponding tax bodies.

2. The payers must pay the calculated trimester fees each trimester before the 1<sup>st</sup> day of the second month following the financial trimester and the annual fees – before the 1<sup>st</sup> day of third month following the financial year

3. Fees for releasing substances harmful for the aerial basin of the Republic of Armenia by vehicles registered in other countries are paid by presenting the fees receipt to the corresponding bodies at the customs, at the moment of entrance into the area of the Republic of Armenia

4. Fees for imported products that are of harm for the environment are paid before the registration at the customs office or by presenting the fees receipt to the customs office during the registration

### **Article 12. Fees currency**

The fees are paid in AMD

### **Article 13. Reimbursement of the additionally paid financial measures**

The financial fees, paid by the payer, that exceed the defined amount are reimbursed in the future fees or returned in 30 days after receive of an appeal by the payer.

## **CHAPTER 3**

### **RIGHTS AND RESPONSIBILITIES OF THE PAYERS**

#### **Article 14. Rights of the payers**

The payers have the right to:

- a) Demand the calculation and if necessary the re-calculation of the charged amount
- b) Denounce the performance of the charging bodies or officials, in accordance with defined procedures
- c) Demand the reimbursement and return of financial amounts and receive the demanded amount according to cases envisaged by this law
- d) Receive the corresponding document on fees paid

## **Article 15. Responsibilities of the payers**

The payers must:

- a) Calculate and pay the amount of the fees on the basis of quotas defined in accordance with this law
- b) Present the necessary documentation and information to the charging bodies, if necessary
- c) Present the necessary documentation that proves their privileges concerning the fees
- d) Check the accountancy papers in case of incomplete or incorrect fees determined by the authorized bodies during the revision

## **CHAPTER 4**

### **PAYMENT PRIVILEGES**

#### **Article 16. Payment privileges**

1. The disabled that have received vehicles from the social security services are exempt from payment of fees for releasing substances harmful for the aerial basin of the Republic of Armenia

2. The following will be exempt from the payment of fees for releasing substances harmful for the aerial basin of the Republic of Armenia by vehicles registered in other countries:

- a) Diplomatic and consular representations
- b) The implementers of benevolent projects and providers of humanitarian aid to the Republic of Armenia. According to the legislation of the Republic of Armenia (Including the international agreements of the Republic of Armenia) the type of project activity (If not mentioned) is defined by certain bodies authorized by the Republic of Armenia for the coordination of humanitarian aid:
- c) The military forces of the Russian Federation.

3. The production that is of harm for the environment and is transitionally transported through the territory of the Republic of Armenia will be exempt from payment

4. The physical entities that are not considered entrepreneurs will be exempt from the payment of fees for the disposal of industrial and consumption wastes in the environment according to defined procedures

#### **Article 17. Definition of payment privileges**

The other privileges are defined by the law; the payment privileges for nature use are defined by the Government of the Republic of Armenia.

## **CHAPTER 5**

### **CONCLUDING PROVISIONS**

#### **Article 18. Liabilities for the violation of this law**

1. The violation of this law creates liabilities defined by the legislation.

2. The liability for correct calculation, timely payment and satisfaction of other requirements of this law will be held by the payers, if this law defines no other provisions. The liabilities of legal entities will be transformed to their official representatives

During the indirect calculation of the fee, the tax inspection can enact the legally defined procedure on indirect evaluation of the taxable object and the taxation responsibilities.

3. The payers will be fined for late payments, calculated by 0.2% adding to the non-paid amount daily, starting from the payment deadline

The above-mentioned fines are charged for the whole period of time elapsed after the incomplete fees determined by the revision of the fees from a certain object but no more than 365 days.

4. In case of presentation of the financial reports to the tax inspection by the payers later than in two months after the deadlines defined by this law, the payer will pay fines for each 15 days by 5% percent of the total amount charged but not more than the total amount

5. The physical and legal entities not registered and not obtaining the necessary authorization as required by the legislation for implementing the functions mentioned in the 4<sup>th</sup> and 5<sup>th</sup> articles of this law will be liable to pay, according to defined procedures

6. In case of concealing the payment amount or making incomplete payments (Not showing the amount of payment in the financial reports and/or presenting false data on activities implemented) the concealed or incompletely paid amount will be charged plus a fine of 50% of that amount. In case if the payer repeats the act of incomplete payment or conceal within a year after the determination of the violation, the amount fined will be 100%.

In case of inactivity or lack of equipment that is considered the object of payment the payer must present a notification that is considered a brief form of the documentation that must be presented to tax and authorized bodies.

7. An incomplete or concealed payment, as well as fines defined by this law will be paid to the State budget and to the community budget, in cases envisaged by the law, within 15 days after presenting the corresponding papers to the tax inspection

8. In case of late payment of the fees due to payment liabilities the tax body has the legally defined rights to apply to the court with a demand to confiscate the payment or sequester the equipment.

9. If the nature protection or tax bodies dispose facts on elimination or conceal of objects of payment by the liable payers, the above-mentioned bodies can envisage measures for charging those payers before the end of the financial period. In this case the nature protection and tax bodies can demand the reports for the given financial period and other necessary documentation, before the deadline for their presentation.

#### **Article 19. Control over the calculation and payment of fees**

The control over the calculation and payment of fees is implemented by procedures defined by the Government of the Republic of Armenia.

#### **Article 20. Factual volume measurements and limitations on the payment objects**

1. The Government of the Republic of Armenia defines the factual volume measurements and limitations on the payment objects

2. According to Article 1 of this law in case of exceeding the defined measurements the quotas defined by Article 7 of this law will be charged as a payment quota for the exceeding amount, multiplied by “3”

#### **Article 21. Statutory departmental acts for the implementation of this law**

The Ministry of Finance and Economy of the Republic of Armenia adapts the statutory departmental acts for the implementation of this law by the agreement of the Ministry of Nature protection and the Ministry of Trade and Industry of the Republic of Armenia.

### **CHAPTER 6**

### **TRANSITIONAL PROVISIONS**

**Article 22. 1999 procedure of calculation and payment of fees by the enterprises not considered legal entities**

The enterprises not considered legal entities will calculate and pay the fees in accordance to procedures defined by this law for the legal entities.

**Article 23. Validation of the law**

This law will be valid from the 1<sup>st</sup> of January, 1999  
The President of the Republic of Armenia  
Robert Kocharyan

30<sup>th</sup> of December, 1998  
Yerevan