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Uzbekistan
No. 09-55

14 January 2000

PROCEDURE

for the calculation and revenue to the budget of payment
imposed for the emission (throwing down) to the environment
of contaminating substances and the placement of pollutant
waste

in the territory of the Republic of Uzbekistan

I. General

1.1. Developed in accordance with Law of the
Republic of
Uzbekistan, "On preservation of surroundings", the December 31,
1999
Resolution of the Cabinet of Ministers of the Republic of
Uzbekistan,
"On prospects for the major macroeconomic indicators and state
budget
of the Republic of Uzbekistan for 2000" (No. 554) and other
regulatory
documents of the Republic of Uzbekistan, the present
Procedure
specifies a uniform procedure for the calculation and
discharge of
payment imposed for the emission (throwing down) to the
environment of
contaminating substances and the placement of pollutant waste
in the
territory of the Republic of Uzbekistan.

II. Entities subject to the payment charged for the
emission

(throwing down) to the environment of contaminating
substances and the placement of pollutant waste

2.1. Legal entities, irrespective of their
departmental
subordination and under all types of ownership and
organizational
forms of economic activity, which emit (throw down)
contaminating
substances to the atmosphere, water and relief and place
pollutant
waste in the territory of the Republic of Uzbekistan are
subject to
the payment charged for the emission (throwing down) to the

environment
of contaminating substances and the placement of pollutant
waste in
the territory of the Republic of Uzbekistan.

2.2. Establishments and institutions funded solely
from the
state budget are not subject to the payment charged for the
emission
(throwing down) to the environment of contaminating substances
and the
placement of pollutant waste in the territory of the
Republic of
Uzbekistan.

III. The object of payment charged for the emission
(throwing
down) to the environment of contaminating substances
and
the placement of pollutant waste

3.1. The mass of both standard (limited) and above-
standard
(above-limit) contaminating substances emitted (thrown down)
to the
environment and pollutant waste placed, as well as the
emergency and
volley-type emission of contaminating substances and the
placement of
pollutant waste are considered to be the object of
taxation. This
includes:

- the mass of contaminating substances emitted (thrown
down) to
the atmosphere;

- the mass of contaminating substances emitted (thrown
down) to
water and relief:

- the mass of toxic and non-toxic waste placed in the
territory
of the Republic of Uzbekistan.

3.2. The list of contaminating substances may be
amended
following an appropriate decision taken by the State
Committee on
Environment Protection of the Republic of Uzbekistan. The
norms
(limits) of the emission (throwing down) to the
environment of
contaminating substances and the placement of pollutant
waste are
approved by the environment protection authority.

IV. Rates of payment charged for the emission (throwing
down)
to the environment of contaminating substances and the
placement of pollutant waste

4.1. Rates of the payment charged for the emission
(throwing
down) to the environment of contaminating substances and the
placement

of pollutant waste are approved by the Cabinet of Ministers of the Republic of Uzbekistan (Enclosures 1-4 (are not enclosed) to the present Procedure).

4.2. Public utilities enterprises apply the coefficient 0.1 to the established rates.

4.3. The coefficient 1.2 is applied to the established rates when taxing the above-norm emission (throwing down) to the environment of contaminating substances and the placement of pollutant waste.

4.4. In cases where (i) legal entities have no established norms (limits) of the emission (throwing down) to the environment of contaminating substances and the placement of pollutant waste or (ii) their term expires, the entire actual mass of contaminating substances emitted (thrown down) and pollutant waste placed should be paid for, with the coefficient 1.2 being applied to the established rates.

Legal entities determine the actual mass of contaminating substances emitted (thrown down) and pollutant waste placed on the basis of the production technological regulations and primary records.

V. Procedure for the calculation and discharge of payment imposed for the emission (throwing down) to the environment of contaminating substances and the placement of pollutant waste

5.1. The sum of this payment is calculated by taxpayers themselves in accordance with the present Procedure using both the rates established by the Cabinet of Ministers of the Republic of Uzbekistan and the norms (limits) specified by the environment protection authority for the emission (throwing down) to the environment of contaminating substances and the placement of pollutant waste.

5.2. Legal entities discharge the payment imposed for the emission (throwing down) to the environment of contaminating substances and the placement of pollutant waste in the form of advance payment on a monthly basis prior to the 25th day of a month following the month under review. The sum of an advance payment is calculated on the basis

of the actual average monthly mass of contaminating substances emitted (thrown down) to the environment and pollutant waste placed, using the relevant data of the previous quarter.

5.3. Calculations of the sum of payment charged for the emission (throwing down) to the environment of contaminating substances and the placement of pollutant waste are drawn up in duplicate on Form referred to in Enclosure 6 (is not enclosed) to the present Procedure. The first copy thereof is submitted to the local tax inspection authority, which has jurisdiction over the legal entity's place of registration, once a quarter within the term established for the presentation of financial accounts.

As for the 2nd copy of calculations of the payment under discussion, it is sent to the local environment protection authority prior to the 10th day of a month following the month under review, for the latter to verify whether the calculations are consistent with the established norms. If the calculations presented appear to be inaccurate, they are returned to the legal entity for correction, with the corresponding bodies of the State Tax Service being notified of the fact.

5.4. The sum of the payment charged for the emission (throwing down) to the environment of contaminating substances and the placement of pollutant waste is determined according the following expression:

$$\dot{I} = (M_i \times R) + (M_{ñi} \times R \times 1.2)$$

where \dot{I} - the sum of the payment imposed for the emission (throwing down) to the environment of contaminating substances and the placement of pollutant waste (in Soums);

M_i - the mass of contaminating substances emitted (thrown down) to the environment and pollutant waste placed within the established limits (in tonnes or kilograms);

$M_{ñi}$ - the mass of contaminating substances emitted (thrown down) to the environment and pollutant waste placed in excess of the established norm (in tonnes or kilograms);

R - the rate of the payment charged per a tonne of contaminating substances emitted (thrown down) to the environment and pollutant

waste placed (in Soums);

1.2 - the adjusting coefficient applicable to the above-norm emission (throwing down) to the environment of contaminating substances and the placement of pollutant waste.

The public utilities enterprises should multiply by the coefficient 0.1 the sum of the payment calculated using the above expression.

5.5. Calculations of the sum of this payment should be based on the actual mass of contaminating substances emitted (thrown down) to the environment and pollutant waste placed, the established norms (limits), official statistics of the established form and official data on primary records of the emission (throwing down) to the environment of contaminating substances and the placement of pollutant waste, with a break-down of their types. If it is impossible to determine the mass of contaminating substances actually emitted (thrown down) and pollutant waste placed in the period under review, their mass is determined on the basis of the annual mass expected under certain production technological regulations.

5.6. The mass of contaminating substances emitted (thrown down) to the environment and pollutant waste placed in excess of the established norms (limits) is determined separately for each source for the period under review by conducting instrumental measurement or calculating it on the basis of the established norms (limits).

In cases where the emergency or volley-type emission (throwing down) to the environment of contaminating substances or the placement of pollutant waste occur, their mass is determined by conducting instrumental measurement or calculating it on the basis of certain production technological requirements. Tenfold the amount of the payment is discharged for the period beginning from the day of such an emission (throwing down) or placement till the day of its elimination.

5.7. When contaminating substances are emitted to the atmosphere as a result of burning motor fuel, the established rates of the payment charged cover the entire mass of contaminating substances

emitted, with no break-down of types being applicable. The mass of contaminating substances actually emitted (thrown down) is taken as specified in Enclosure 5 (is not enclosed) to the present Procedure. If the instrumental measurement conducted by either a legal entity or the environment protection authority reveals that the established norms have been exceeded, the mass is taxed as the above-norm emission.

5.8. The calculation of the sum of payment imposed for the emission (throwing down) to the environment of contaminating substances and the placement of pollutant waste is exemplified in Enclosure 7 to the present Procedure.

VI. Procedure for the keeping of payments records

6.1. Account records of the payment imposed for the emission (throwing down) to the environment of contaminating substances and the placement of pollutant waste discharged to the budget by legal entities are recorded in a separate sub-account "Payment imposed for the emission to the environment of contaminating substances and the placement of pollutant waste" of account 68 "Settlement with the budget".

The sum of the payment calculated is credited to account 26 "Expenditure of the period".

The actual sum of payment imposed for the emission (throwing down) to the environment of contaminating substances and the placement of pollutant waste, discharged to the budget is recorded as follows:

Dt 68 "Settlement with the budget", sub-account "Payment imposed for the emission to the environment of contaminating substances and the placement of pollutant waste";
Ct 51 "Settlement account"

6.2. Sums of the payment imposed for the emission (throwing down) to the environment of contaminating substances and the placement of pollutant waste discharged to the budget are distributed as follows:

80 per cent of the funds transferred are directed to the local budgets of the Republic of Karakalpakstan, the regions and the city of Tashkent;

20 per cent of the funds transferred are channelled to off-budget accounts held by the local funds operating at the State Environment Protection Committee of the Republic of Karakalpakstan, as well as at the regional and Tashkent environment protection committees.

VII. Responsibility borne by taxpayers and control executed by the State Tax Service bodies

7.1. Legal entities liable to the payment imposed for the emission (throwing down) to the environment of contaminating substances and the placement of pollutant waste are held responsible for the accurate calculation and timely discharge to the budget of this payment in accordance with the law of the Republic of Uzbekistan currently in effect.

7.2. Taxpayers have the right to appeal to the higher authority of the State Tax Service or to court against decisions taken by the local bodies of the State Tax Service as well as against acts by their officials.

7.3. The discharge by taxpayers of the payment imposed for the emission (throwing down) to the environment of contaminating substances and the placement of pollutant waste does not absolve them from defraying damages caused by such emission (throwing down) and placement.

7.4. The State Tax Service bodies supervise the adherence to the present Procedure in accordance with Law of the Republic of Uzbekistan, "On the State Tax Service" and other regulatory documents of the Republic of Uzbekistan.

Enclosure 7
to Procedure established
by
Ministry of Finance,
the State Tax Committee
and
the State Committee on
Environment
Protection of the Republic
of
Uzbekistan as of 14 January
2000

Example of the calculation of the sum of payment charged for

the emission (throwing down) to the environment of contaminating substances and the placement of pollutant waste

1. To calculate the sum of the payment charged for the emission (throwing down) to the environment of contaminating substances and the placement of pollutant waste, we assume that an enterprise emits (throws down) contaminating substances to all environmental sectors. If an enterprise does not emit contaminating substances to one of them, e.g. to the atmosphere, it won't fill in certain lines (columns) on the Calculation Form.

2. In the period under review the enterprise has emitted to the atmosphere 1.25 tonne of nitric dioxide, 0.3 tonne of nitric oxide and 0.12 tonne of butyric aldehyde. The rates for the emission of these contaminating substances are set at 1.1, 0.175 and 0.05 a tonne, respectively. These figures are written down in Column 1 of the Form, with a break-down of their types. Thus, the above-norm emission aggregates .0.15 tonne of nitric dioxide, 0.125 tonne of nitric oxide and 0.07 tonne of butyric aldehyde, with the figures being written down in Column 2. In Column 3, one should indicate the sum of the payment charged for the above-norm emission of these substances:

Soum 210 a tonne - for nitric dioxide, Soum 140 a tonne - for nitric oxide and Soum 560 a tonne - for butyric aldehyde. The sum of the payment charged for the emission of each type of the contaminating substances in question is determined according to the expression referred to in Paragraph 5.4 of the present Procedure:

for nitric dioxide
 $I = (1.1 \times 210) + (0.15 \times 210 \times 1.2) = 268.8$ or Soum 269
for nitric oxide
 $I = (0.175 \times 140) + (0.125 \times 140 \times 1.2) = 45.5$ or Soum 46
for butyric aldehyde
 $I = (0.05 \times 560) + (0.07 \times 560 \times 1.2) = 75.04$ or Soum 75
Total = Soum 390

3. For the purpose of taxation, contaminating substances emitted to the atmosphere when burning motor fuel are not classified by types. The rates of the payment charged for the emission of such substances are established for their entire mass. That's why enterprises using motor fuel should determine the entire mass

of the resultant contaminating substances. If appropriate measuring instruments are not available, the mass of contaminating substances is taken as specified in Enclosure 5 to the present Procedure. For instance, when burning one tonne of ethylic petrol, the average mass of contaminating substances emitted to the atmosphere comes to 788.3 kg. The enterprise has used 3 tonnes of ethylic petrol in the period under review. At the same time, the mass of contaminating substances reaches 2364.9 kg. One kilogramme of contaminating substances is charged at the established rate of Soum 0.165. The sum of the payment imposed for the emission of the resultant substances is determined as follows:

$$\dot{I} = (2364.9 \times 0.165) + (0 \times 0.165 \times 1.2) = \text{Soum } 390$$

4. In the period under review, the enterprise has thrown down to the water (via the sewerage system) as many as 0.4 tonne of ammonium nitrogen, 0.3 tonne of ammonium hydrate and 0,05 tonne of ammonium nitrate. The rates for the throwing down of these contaminating substances set for the given enterprise in the period under review are as follows: 0.28 a tonne - for ammonium nitrogen, 0.21 a tonne - for ammonium hydrate, and 0.035 a tonne - for ammonium nitrate. These figures are put down in Column 1. The above-norm emission of the above-mentioned substances reached 0.12, 0.09 and 0.015 a tonne, respectively, these figures are indicated in Column 2. The rates of the payment charged for the throwing down of ammonium nitrogen, ammonium hydrate and ammonium nitrate are Soum 43.807, Soum 438.070 and Soum 1288.980 a tonne, correspondingly.

The sum of the payment charged is determined according to the stated expression: for ammonium nitrogen

$$\dot{I} = (0.28 \times 43807) + (0.12 \times 43807 \times 1.2) = 18574.17$$

or Soum 18574

for ammonium hydrate

$$\dot{I} = (0.21 \times 438070) + (0.09 \times 438070 \times 1.2) = 139306,26$$

or Soum 139306

for ammonium nitrate

$$\dot{I} = (0.035 \times 1288980) + (0.015 \times 1288980 \times 1.2) = 68315,94$$

or Soum 68316

$$\text{Total} = 18574 + 139306 + 68316 = \text{Soum } 226196$$

5. In addition to the above-mentioned contaminating substances, the enterprise has emitted pollutant waste, comprising 1.2

tonne of Class 2 Toxicity substance, and 1.5 tonne of Class 3 Toxicity substance. The rates for the emission of such waste established for the given enterprise are set at 1.0 tonne and 1.15 tonne. Thus, the above-norm emission of the Class 2 Toxicity substance reaches 0.2 tonne, while that of Class 3 Toxicity substance amounts to 0.35 tonne. The rates of the payment charged for the emission of such substances come to Soum 750 and Soum 450 a tonne, respectively.

The sum of the payment to be discharged is determined according to the expression indicated above:
for the Class 2 Toxicity substance
 $I = (1.0 \times 750) + (0.2 \times 750 \times 1.2) = \text{Soum } 930$
for the Class 3 Toxicity substance
 $I = (1.15 \times 450) + (0.35 \times 450 \times 1.2) = 706.5$ or Soum 706
Total = $930 + 706 = \text{Soum } 1636$
6. The total sum of payment to be discharged will come to:
 $390 + 390 + 226196 + 1636 = \text{Soum } 228619$

A special decreasing coefficient is established for communal enterprises. It means that the total sum of payment is multiplied by 0.1, in which case the stated total sum of payment will come to:
 $228619 \times 0.1 = 22861.9$ or Soum 22862.