

Tax & Legal Alert

Republic of Azerbaijan • Issue October 2008

Tax Services

Azerbaijan has a complex legal and tax system that is continually evolving. This makes professional tax and legal advice a necessity in order to successfully manage your business. At PricewaterhouseCoopers, we provide effective and innovative solutions to our clients' complex structural and taxation problems using our knowledge of Azerbaijan tax legislation and its interrelations with international laws and treaties.

For more information visit our website.

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PricewaterhouseCoopers' tax department.

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IMPORTANT – NEW IMMIGRATION RULES

There have been a number of changes into the immigration regulations and practice in the last two months.

As a result of these changes, legislation regulating issuance of long-term visas, work permits and police registration has become even more contradictory, which is in turn causing practical problems for obtaining these permissions.

Several cases have been reported that a newly established Migration Service Department have conducted raids on Baku streets, checking registration of foreigners.

Also, the Ministry of Labour has once again reminded companies that all foreign employees must obtain a work permit before starting their assignment in Azerbaijan, regardless of their PSA (Production Sharing Agreement) status.

It is expected that in the coming weeks a new decree concerning migration issues will be issued that should provide more clarity and consistency for obtaining necessary permits for employers and their foreign employees.

At this stage, we strongly advise that you check visas of your foreign employees to confirm the validity of visa and presence of police registration and work permit.

PricewaterhouseCoopers Azerbaijan provides advice and support with respect to immigration issues to our clients.