

# THE LAW OF THE REPUBLIC OF AZERBAIJAN

## On the amendments to the Law of the Republic of Azerbaijan on the state budget of the Republic of Azerbaijan for 2016

The Milli Mejlis of the Republic of Azerbaijan is **making the following decision** referring the provision 5 of the 1<sup>st</sup> chapter of the article 95 of the Constitution of the Republic of Azerbaijan:

To make following amendments to the Law of the Republic of Azerbaijan on the State Budget of the Republic of Azerbaijan for 2016

1. 1<sup>st</sup> and 2<sup>nd</sup> articles should be edited as following:

“The Article 1. The income of the state budget of the Republic of Azerbaijan for 2016 shall be approved in amount of 16 822 000.0 thousand AZN, the expenditures shall be approved in amount of 18 495 000.0 thousand AZN (including the centralized incomes in amount of 16 055 654.5 thousand AZN, local incomes in amount of 766 345.5 thousand AZN, and centralized expenditures in amount of 16 953 749.0 thousand AZN, local expenditures in amount of 1 541 251.0 thousand AZN).

The Article 2. The incomes of the state budget of the Republic of Azerbaijan for 2016 shall be considered in following amounts on the income sources:

No.	Sources of income	Amount (thousand manat)
1	2	3
2.1.	Income tax of physical entities	1 080 000.0
2.2.	Profit (income) tax of legal entities	1 914 600.0
2.3.	Land tax of legal entities	50 000.0
2.4.	Property tax of legal entities	174 200.0
2.5.	Value Added Tax	3 643 000.0
2.5.1.	Value Added Tax for import of goods into the Republic of Azerbaijan	1 300 000.0
2.6.	Simplified tax	300 000.0
2.7.	Excise	637 000.0
2.7.1.	Excise for import of goods into the Republic of Azerbaijan	105 000.0
2.8.	Road tax (toll)	87 000.0
2.8.1.	Road tax paid by the owners of vehicles of foreign countries	17 000.0
2.9.	Extraction tax	110 200.0
2.10.	Custom duties	388 000.0
2.11.	Incomes received from variations between the in country wholesale prices and contract (procurement) prices of goods (excluding the import prices) produced in the Republic of Azerbaijan with regulated prices	145 000.0
2.12.	Incomes received from the credits provided to foreign countries	36 553.0
2.13.	Dividends received from the entities with state shares on their stock	5 290.0

2.14.	Incomes from the State Oil Fund	7 615 000.0
2.15.	Incomes from the rent of lands under the state property, privatized entities and facilities	7 000.0
2.16.	Incomes from the rent of lands under the state property	6 000.0
2.17.	Incomes from the sale of excise labels	5 000.0
2.18.	State fees	105 000.0
2.19.	Incomes on chargeable services of budget organizations	305 000.0
2.20.	Other tax incomes	180 000.0
2.21.	Other incomes	28 157.0”

2. The number “290 000.0” on the Article 3.1. should be replaced with the number “261 000.0” and the number “55 300.0” on the Article 3.1.7. should be replaced with the number “26 300.0”.
3. The Article 8 should be edited as following:

“The Article 8. The expenditures of the state budget of the Republic of Azerbaijan for 2016 are directed to the following purposes in the level of sectors of functional classification and supplementary sectors:

<b>No.</b>	<b>Directions of expenditures</b>	<b>Amount (in AZN)</b>
<b>1.</b>	<b>2.</b>	<b>3.</b>
8.1.	General state services	3 063 698 141.0
8.1.1.	Maintenance cost of legislation and executive power bodies	569 632 369.0
8.1.2.	International activities and costs for membership fees to international organizations	280 000 000.0
8.1.3.	Science expenditures	135 186 418.0
8.1.4.	General state services costs not related to other categories	16 232 362.0
8.1.5.	Expenditures related to maintenance of state debts and commitments	1 775 096 992.0
8.1.6.	Subsidiaries allocated to local budgets (municipalities)	5 200 000.0
8.1.7.	Subsidiaries to Nakhchivan Autonomous Republic	282 350 000.0
8.2.	Defense	2 228 834 663.0
8.2.1.	Security forces	2 114 496 387.0
8.2.2.	National security	108 894 688.0
8.2.3.	Applied researches in field of defense and security	2 422 012.0
8.2.4.	Expenditures not related to other categories	3 021 576.0
8.3.	Judicial power, law enforcement and prosecution bodies	1 208 181 941.0
8.3.1.	Judicial power	51 501 532.0
8.3.2.	Law enforcement	862 886 713.0
8.3.3.	Prosecution	58 003 801.0
8.3.4.	Expenditures not related to other categories	235 789 895.0
8.4.	Education	1 830 212 837.0
8.4.1.	Pre-school	157 372 405.0

8.4.2.	Primary school	940 034 555.0
8.4.3.	Specialization school	33 604 454.0
8.4.4.	Secondary school	43 402 965.0
8.4.5.	Higher education	37 190 136.0
8.4.6.	Tertiary education	3 563 056.0
8.4.7.	Other bodies and events in education	615 045 266.0
8.5.	Healthcare	830 812 993.0
8.5.1.	Polyclinics and ambulatory hospitals	108 149 929.0
8.5.2.	Hospitals	347 672 051.0
8.5.3.	Other services in healthcare field	6 364 445.0
8.5.4.	Applied researches in healthcare	4 895 358.0
8.5.5.	Other services related to healthcare	363 731 210.0
8.6.	Social protection and social security	2 698 760 194.0
8.6.1.	Social protection expenditures	2 663 423 730.0
8.6.1.1.	Allocations (transfers) from the state budget to the State Social Protection Fund of the Republic of Azerbaijan	1 246 000 000.0
8.6.2.	Social security expenditures	35 336 464.0
8.7.	Activities in the field of culture, art, information, sport and fields not related to other categories	738 632 871.0
8.7.1.	Activities in the field of culture and art	137 728 721.0
8.7.2.	Radio, TV and print media	67 618 589.0
8.7.3.	Sport, youth policy and tourism	438 389 887.0
8.7.4.	Activities not related to other categories	94 895 404.0
8.8.	Housing and communal services	447 801 558.0
8.8.1.	Housing services	90 651 523.0
8.8.2.	Communal services	344 805 052.0
8.8.3.	Water economy	11 824 432.0
8.8.4.	Other services related to housing and communal services	520 551.0
8.9.	Fuel and energy	5 844 925.0
8.10.	Agriculture, forestry, fishery, hunting and protection of environment	684 473 845.0
8.10.1.	Agriculture	658 607 308.0
8.10.2.	Forestry	11 409 900.0
8.10.3.	Fishery and hunting	2 592 113.0
8.10.4.	Protection of environment	4 375 780.0
8.10.5.	Hydrometeorology activities	7 488 744.0
8.11.	Industry, construction and natural fossils	3 024 648 000.0
8.11.1.	Construction	3 003 276 000.0
8.11.1.1.	State investment (investment costs)	3 000 000 000.0
8.11.2.	Natural fossils	21 372 000.0
8.12.	Transportation and communication	129 958 976.0
8.12.1.	Transportation	86 474 634.0
8.12.2.	Communication	43 484 342.0
8.13.	Economic activity	360 000 000.0
8.13.1.	Economic and commercial activities	186 000 000.0

8.13.1.1.	Support to entrepreneurship	136 000 000.0
8.13.1.2.	Support to mortgage loans	50 000 000.0
8.13.2.	Other fields of economic activities	174 000 000.0
8.14.	Services not related to main sectors	1 243 139 056.0
8.14.1.	On purpose budget funds	261 000 000.0
8.14.1.1.	“Roads” on purpose Budget Fund	261 000 000.0
8.14.2.	Reserve funds	413 000 000.0
8.14.2.1.	Reserve Fund of the President of the Republic of Azerbaijan	285 000 000.0
8.14.2.2.	The Reserve Fund of the State Budget	128 000 000.0
8.14.3.	Other expenditures not related to main sectors	569 139 056.0
8.14.3.1.	Expenditures related to the holding of international and local events	26 000 000.0
8.14.3.2.	Expenditures related to elimination of the results of emergency situations	25 000 000.0
8.14.3.3.	Expenditures related to other services	518 139 056.0”

4. As per Article 10:

4.1. The number “6 602 000 000.0” should be replaced with the number “7 010 000 000.0” and the number “5 730 624 457.0” should be replaced with the number “6 138 624 457.0”;

4.2. At that table, the number “6 015 106 000” at the row “1. Baku” should be replaced with the number “6 423 106 000”, the number “5 716 239 457” should be replaced with the number “6 124 239 457”, the number “6 602 000 000” at the “Total” row should be replaced with the number “7 010 000 000” and the number “5 730 624 457” should be replaced with the number “6 138 624 457”.

5. The Article 12 should be edited as following:

“The Article 12. The amounts of payment of internal and foreign state debts of the Republic of Azerbaijan for 2016 shall be approved as following (in AZN):

12.1.	<b>On internal state debt</b>	301 064 641.0
12.1.1.	Interest rate	43 623 646.0
12.1.2.	On the main loan	257 440 995.0
12.2.	<b>On foreign state debt</b>	1 474 032 351.0
12.2.1.	Interest rate	334 309 734.0
12.2.2.	On the main loan	1 139 722 617.0

6. The number “2 500 000.0” at the Article 13 should be replaced with the number “3 500 000.0” and number “1 500 000.0” should be replaced with the number “5 000 000.0”.

7. The number “1 698 000.0” at the Article 15 should be replaced with the number “1 673 000.0”.

8. The number “19 956 524.8” at the Article 16 should be replaced with the number “24 566 633.7”.

9. The number “9 947 954.7” at the Article 17 should be replaced with the number “12 309 273.7”.

Ilham Aliyev  
President of the Republic of Azerbaijan

February 23, 2016, Baku