



THE LAW OF THE REPUBLIC OF AZERBAIJAN ON STATE BUDGET OF THE REPUBLIC OF AZERBAIJAN FOR 2012

Article 1. The state budget of the Republic of Azerbaijan for 2012 shall be approved with the revenues amounting to 16 438 000.0 thousand manats and the expenditures amounting to 17 072 000,0 thousand manats (including the centralized revenues of 15 938 610,5 thousand manats, the domestic revenues of 499 389,5 thousand manats, the centralized expenditures of 15 779 160,0 thousand manats and domestic expenditures of 1 292 840,0 thousand manats).

Article 2. The revenues of the state budget of the Republic of Azerbaijan for 2012 are stipulated in the following amounts based on the sources of revenues:

(Thousand manats)

Income source		State budget revenues
2.1	Income tax of individuals	722 000,0
2.2.	Profit (income) tax of legal entities	1 780 000,0
2.3	Land tax of legal entities	28 000,0
2.4	Property tax of legal entities	102 000,0
2.5.	Value added tax	2 302 800,0
2.5.1.	Value added tax on the import of goods to the territory of the Republic of Azerbaijan	878 000,0
2.6.	Simplified tax	96 000,0
2.7.	Excise duty	533 600,0
2.7.1.	Excise duty on the import of goods to the territory of the Republic of Azerbaijan	79 000,0

2.8.	Road tax	39 000,0
2.8.1.	Road tax paid by the owners of motor vehicles of foreign countries	11 000,0
2.9.	Mine tax	125 200,0
2.10.	Customs duties	232 000,0
2.11.	Revenues from difference between contract (sale) price (export expenditures not included) and domestic retail price of products made in the Republic of Azerbaijan, price of which is regulated	320 500,0
2.12.	Revenues from the credits granted from the budget	3 415,0
2.13.	Revenues from the lease of state property and the lands occupied by the privatized state enterprises and facilities	2 894,0
2.14.	Revenues from the credits granted to the governments of foreign countries	833,0
2.15.	Dividends from organizations with the share of state in their stocks	1 660,0
2.16.	Revenues from the State Oil Fund	9 905 000,0
2.17.	Revenues from the lease of state property and the lands occupied by the privatized state enterprises and facilities	5 000,0
2.18.	Rentals from the lease of the lands in state ownership	5 500,0
2.19.	Revenues from the sales of documentary stamps	3 000,0
2.20.	State dues	105 000,0
2.21.	Revenues to "Security fund of loans borrowed under state guarantee"	4 598,0
2.22.	Other revenues collected by tax agencies	120 000,0

Article 3. It shall be determined that the "Motor Roads" Purpose Budget Fund and "Security fund of loans borrowed under state guarantee" are established out of the following sources of revenues:

3.1.	"Motor Roads" Purpose Budget Fund	180 000,0
3.1.1.	Road tax	39 000,0

3.1.2.	Simplified tax paid by the persons performing passenger transportation and freight forwarding by means of the vehicles in their ownership or use	12 000,0
3.1.3.	Excise duties applied to the imported cars	53 070,0
3.1.4.	Customs duties applied to the imported motor vehicles	51 500,0
3.1.5.	State due charged for the issue of the authorization regulating the international motor transportations in the territory of the Republic of Azerbaijan	12 430,0
3.1.6.	State due charged for the annual technical inspection of vehicles, including motor vehicles, trailers and semi-trailers	12 000,0
3.2.	"Security fund of loans borrowed under state guarantee"	100 000,0
3.2.1.	Revenues from the credits borrowed from the credit organizations under the state guarantee of the Republic of Azerbaijan	2 894,0
3.2.2.	Revenues to "Security fund of loans borrowed under state guarantee"	4 598,0
3.2.3.	Funds allotted from centralized incomes of state budget except revenues envisaged in articles 2.13., 2.21. and 3.1.1.-3.1.6 of the Law of the Republic of Azerbaijan "On state budget of the Republic of Azerbaijan for 2012"	92 508,0

Article 4. Tax revenues to the state budget of the Republic of Azerbaijan for 2012 are calculated based on the tax rates stipulated in the Tax Code of the Republic of Azerbaijan.

Article 5. A duty amounting to 30 percent is imposed on the variance between the contracting (sales) price (excluding the export expenses) and the domestic wholesale price during the export of the goods produced in the Republic of Azerbaijan and the price-regulated goods. Duty for the reporting period is the calendar month.

Article 6. The centralized revenues of the state budget of the Republic of Azerbaijan for 2012 are established out of the allocations from the following sources based on the specified standards:

6.1. Revenues on Baku City (excluding the revenues relevant to "Motor Roads" Purpose Budget Fund) - 97,49 percent

6.2. Revenues from the following sources:

Customs duties, value added tax and excise duties for the import of goods to the territory of the Republic of Azerbaijan (excluding those collected by the customs authorities of the Autonomous Republic of Nakhchivan), revenues from the lease of state property and the lands occupied by the privatized state enterprises and facilities, revenues from the credits granted to the governments of foreign countries, dividends from organizations with the share of state in their stocks, revenues from the credits borrowed from the credit organizations under the state guarantee of the Republic of Azerbaijan, revenues from the State Oil Fund, revenues from the sales of documentary stamps, revenues of the credits granted from the budget, revenues to "Security fund of loans borrowed under state guarantee", revenues of the "Motor Roads" Purpose Budget Fund - 100,0 percent

Article 7. The following are included into the local revenues of cities and regions:

7.1. Baku City – 2.51 percent of revenues by Baku City (excluding the revenues relevant to "Motor Roads" Purpose Budget Fund)

7.2. Other cities and regions (excluding the revenues relevant to "Motor Roads" Purpose Budget Fund) - 100 percent of revenues by other cities and regions, as well as income, property and land taxes of individuals operating in a centralized manner in the cities and regions.

Article 8. Expenditures of the state budget of the Republic of Azerbaijan for 2012 are assigned to the following purposes at the sectional and sub-sectional levels of the functional classification:

Indicators of expenditures		Amount (manats)
8.1.	General Public Services	1.202.486.834,0
8.1.1.	expenditures related to the maintenance of legislative and executive powers and local self-government	341.418.084,0

	authorities	
8.1.2.	expenditures related to membership fees to international organizations	100.578.169,0
8.1.3.	expenditures related to science	123.367.974,0
8.1.4.	expenditures of general public services not relevant to other categories	11.581.294,0
8.1.5.	expenditures related to servicing of public debts and liabilities	362.411.313,0
8.1.6.	subsidies to local (municipal) budgets	5.000.000,0
8.1.7.	Subsidies to the budget of the Autonomous Republic of Nakhchyvan	258.130.000,0
8.2.	Defence	1.381.425.503,0
8.2.1.	defence forces	1.284.647.004,0
8.2.2.	national security	91.415.111,0
8.2.3.	applied researches in the field of defence and security	2.397.147,0
8.2.4.	expenditures not relevant to other categories	2.966.241,0
8.3.	Judicial authority, law enforcement and prosecutive jurisdiction	945.140.182,0
8.3.1.	judicial authority	44.411.956,0
8.3.2.	law enforcement	777.538.218,0
8.3.3.	prosecutive jurisdiction	53.110.986,0
8.3.4.	expenditures not relevant to other categories	70.079.022,0
8.4.	Education	1.582.937.213,0
8.4.1.	preschool and primary education	96.408.750,0
8.4.2.	incomplete and secondary education	740.223.717,0
8.4.3.	boarding and special schools	51.464.065,0
8.4.4.	technical vocational schools and lyceums	73.533.724,0
8.4.5.	higher education	116.950.441,0
8.4.6.	applied researches in the field of education	5.180.324,0
8.4.7.	other services in the field of education	499.176.192,0
8.5.	Public Health	658.709.337,0
8.5.1.	polyclinics and outpatient departments	87.889.706,0
8.5.2.	hospitals	275.296.358,0
8.5.3.	other services in the field of public health	5.506.911,0
8.5.4.	applied researches in the field of public health	3.745.550,0
8.5.5.	other services relevant to the public health	286.270.812,0

8.6.	Social Protection and Social Security	1.785.788.168,0
8.6.1.	social protection expenditures	1.765.527.651,0
8.6.1.1.	Allocations (transfers) from the state budget to the State Social Protection Fund of the Republic of Azerbaijan	1.044.300.000,0
8.6.2.	social security expenditures	20.260.517,0
8.7.	Culture, Art, Information, Physical Training and activities in the fields not relevant to other categories	254.777.758,0
8.7.1.	activities in the field of art and culture	125.404.861,0
8.7.2.	radio, television and publication	59.022.998,0
8.7.3.	physical training, youth policy and tourism	57.088.373,0
8.7.4.	activities not relevant to other categories	13.261.526,0
8.8.	Housing and communal services	344.433.872,0
8.8.1.	housing services	68.577.370,0
8.8.2.	communal services	263.932.072,0
8.8.3.	water industry	11.460.871,0
8.8.4.	other services relevant to housing and communal services	463.559,0
8.9.	Agriculture, Forestry, Fishery, Hunting and Environmental Protection	472.735.785,0
8.9.1.	agriculture	450.457.875,0
8.9.2.	forestry	9.754.270,0
8.9.3.	fishery and hunting	2.086.446,0
8.9.4.	environmental protection	3.620.557,0
8.9.5.	hydrometeorological activities	6.816.637,0

8.10.	Industry, Construction and Minerals	5.794.110.679,0
8.10.1.	construction	5.777.100.000,0
8.10.1.1.	state capital investment (investment expenditures)	5.774.100.000,0
8.10.2.	minerals	15.010.679,0
8.10.3.	Geodesy and cartography	2.000.000,0
8.11.	Transport and Communication	87.910.935,0
8.11.1.	transport	70.300.654,0
8.11.2.	communication	17.610.281,0
8.12.	Economic Activities	185.866.150,0
8.12.1.	economic and commercial activities	35.000.000,0
8.12.2.	other fields of economic activities	20.000.000,0
8.12.3.	diversified development projects	129.990.150,0
8.12.4.	practices and applied researches in economic activities	876.000,0
8.13.	Services not relevant to the main sections	2.375.677.584,0
8.13.1.	special-purpose funds	280.000.000,0
8.13.1.1.	"Motor Roads" Purpose Budget Fund	180.000.000,0
8.13.1.2.	"Security fund of loans borrowed under state guarantee"	100.000.000,0
8.13.2.	reserve funds	800.000.000,0
8.13.2.1.	Reserve Fund of the President of the Republic of Azerbaijan	300.000.000,0
8.13.2.2.	Reserve Fund of the State Budget	500 000 000,0
8.13.3.	other expenditures not relevant to the main sections	1.295.677.584,0

Article 9. The expenditures of the state budget of the Republic of Azerbaijan for 2012 shall be approved at the level of the paragraphs of functional and economic classification in the amounts stipulated in the appendix to the present law.

Article 10. The revenues on the cities and regions of the Republic of Azerbaijan 5.311.600.000,0 manats, including of local revenues of the cities and regions 499.389.452,0 manats, of the "Motor Roads" Purpose Budget Fund, shall be approved in the amount of 64.430.000,0 manats, the local expenditures in the amount of 1.290.840.000,0 manats, and the funds allocated from the centralized expenditures for regulation of local revenues and expenditures in the amount of 791.450.548,0 manats. The off-budget revenues of the organizations financed out of the local expenditures of the mentioned cities and regions shall be approved to be 2.000.000,0 manats.

(manats)

#	Cities and regions	Revenues			Expenditure	Funds allocated from from the centralized expenditures for regulation of local revenues and expenditures
		total	Including centralized amount relevant to the local revenues of the cities and regions	Including amount relevant to the "Motor Roads" Purpose Budget Fund		
	Cities					
1.	Baku	4 897 227 000	122 237 452	27 209 000	122 237 452	
2.	Ganca	24 609 000	23 688 000	921 000	53 835 405	30 147 405
3.	Sumgayit	62 496 000	60 743 000	1 753 000	60 743 000	
4.	Lankaran	13 048 000	12 516 000	532 000	29 827 564	17 311 564
5.	Shaki	11 986 000	11 162 000	824 000	31 365 997	20 203 997
6.	Yevlakh	8 366 000	7 524 000	842 000	20 322 733	12 798 733
7.	Mingachevir	9 202 000	8 900 000	302 000	26 910 519	18 010 519
8.	Shirvan	10 722 000	10 238 000	484 000	14 887 622	4 649 622
9.	Naftalan	996 000	956 000	40 000	3 012 994	2 056 994
10.	Khankandi					
	Regions	499 389 452	499 389 452	64 430 000	1 290 840 000	791 450 548
11.	Absheron	9 240 000	8 800 299	320 599	9 542 000	23 794 000
12.	Aghjabadi	5 072 000	4 840 000	232 000	21 089 603	16 249 603
13.	Aghdam	4 656 000	4 462 000	194 000	32 386 608	27 924 608
14.	Aghdash	3 868 000	3 708 000	160 000	17 569 083	13 861

15.	Aghstafa	3 550 000	3 364 000	186 000	14 816 051	11 452 051
16.	Aghsu	2 890 000	2 734 000	156 000	11 911 454	9 177 454
17.	Astara	7 728 000	2 296 000	5 432 000	16 352 561	14 056 561
18.	Balakan	3 932 000	3 050 000	882 000	13 904 431	10 854 431
19.	Beylagan	3 542 000	3 400 000	142 000	14 174 206	10 774 206
20.	Barda	8 290 000	7 996 000	294 000	27 258 382	19 262 382
21.	Bilasuvur	4 130 000	3 174 000	956 000	14 032 677	10 858 677
22.	Jabrayil	1 016 000	902 000	114 000	11 461 473	10 559 473
23.	Jalilabad	6 442 000	6 088 000	354 000	29 145 169	23 057 169
24.	Dashkasan	1 900 000	1 848 000	52 000	10 595 445	8 747 445
25.	Fuzuli	4 644 000	4 544 000	100 000	26 706 931	22 162 931
26.	Gadabay	3 000 000	2 856 000	144 000	22 782 923	19 926 923
27.	Goranboy	3 850 000	3 632 000	218 000	21 825 767	18 193 767
28.	Goychay	6 218 000	6 020 000	198 000	19 064 189	13 044 189
29.	Goygol	3 752 000	3 560 000	192 000	12 917 393	9 357 393
30.	Hajygabul	3 518 000	3 340 000	178 000	9 726 056	6 386 056
31.	Khachmaz	13 784 000	12 266 000	1 518 000	26 205 268	13 939 268
32.	Khizi	1 468 000	1 448 000	20 000	4 946 384	3 498 384
33.	Khojali	300 000	280 000	20 000	3 267 115	2 987 115
34.	Khojavand	564 000	534 000	30 000	4 690 469	4 156 469
35.	Imishli	6 514 000	6 272 000	242 000	17 588 098	11 316 098
36.	Ismayilli	3 830 000	3 632 000	198 000	18 218 121	14 586 121
37.	Kalbajar	1 098 000	1 068 000	30 000	17 910 428	16 842 428
38.	Kurdamir	4 472 000	4 294 000	178 000	16 143 602	11 849 602
39.	Gakh	2 980 000	2 850 000	130 000	14 912 108	12 062 108
40.	Gazakh	4 382 000	4 088 000	294 000	17 537 630	13 449 630
41.	Gabala	8 144 000	7 896 000	248 000	17 276 825	9 380 825
42.	Gobustan	2 310 000	2 218 000	92 000	7 324 422	5 106 422
43.	Guba	12 400 000	12 052 000	348 000	25 560 252	13 508 252
44.	Gubadli	3 100 000	2 983 000	117 000	9 340 108	6 357 108
45.	Gusar	5 172 000	4 982 000	190 000	16 871 623	11 889 623
46.	Lachin	1 858 000	1 778 000	80 000	19 283 225	17 505 225
47.	Lerik	1 648 000	1 566 000	82 000	15 382 210	13 816 210
48.	Masalli	7 154 000	6 792 000	362 000	23 277 520	16 485 520
49.	Neftchala	4 094 000	3 944 000	150 000	14 162 339	10 218 339
50.	Oghuz	2 100 000	1 982 000	118 000	9 721 806	7 739 806
51.	Saatli	5 660 000	5 554 000	106 000	16 285 580	10 731 580
52.	Sabirabad	6 808 000	6 608 000	200 000	22 914 144	16 306 144

53.	Salyan	6 626 000	6 394 000	232 000	21 002 301	14 608 301
54.	Samukh	2 360 000	2 252 000	108 000	10 701 248	8 449 248
55.	Siyazan	2 948 000	2 888 000	60 000	6 973 061	4 085 061
56.	Shabran	3 736 000	3 622 000	114 000	9 950 833	6 328 833
57.	Shamakhi	6 316 000	6 074 000	242 000	19 436 541	13 362 541
58.	Shamkir	6 776 000	6 258 000	518 000	33 358 571	27 100 571
59.	Shusha	1 200 000	960 000	240 000	6 208 663	5 248 663
60.	Tartar	3 200 000	3 102 000	98 000	12 809 921	9 707 921
61.	Tovuz	9 100 000	5 068 000	4 032 000	29 613 834	24 545 834
62.	Ujar	3 100 000	2 980 000	120 000	13 751 988	10 771 988
63.	Yardimli	1 548 000	1 474 000	74 000	11 731 353	10 257 353
64.	Zagatala	6 528 000	6 234 000	294 000	21 814 929	15 580 929
65.	Zangilan	1 082 000	1 054 000	28 000	7 653 456	6 599 456
66.	Zardab	2 442 000	2 370 000	72 000	12 356 336	9 986 336
	Total:	5 311 600 000	499 389 452	64 430 000	1 290 840 000	791 450 548

Article 11. Regulation of expenditures for Baku City envisaged in Article 10 of this law is carried out by corresponding executive power body by increasing and decreasing, respectively not more than 2 percent-item, the norms of allocation from Baku City incomes envisaged in articles 6.1 and 7.1 of this law to the state budget centralized incomes and Baku City local incomes.

Article 12. The amounts of the payments under the domestic and foreign public debts of the Republic of Azerbaijan in 2012 shall be approved as follows:

(manats)

12.1. under the domestic public debt	126.466.004,0
12.1.1. repayment of interests	126.466.004,0
12.1.2. repayment of principals	96.176.080,0
12.2. under the external public debt	235.945.309,0
12.2.1. repayment of interests	121.109.537,0
12.2.2. repayment of principals	114.835.772,0

Article 13. The upper limit of the domestic public debts of the Republic of Azerbaijan in 2012 shall be approved to be 1 200 000,0 thousand manats and the upper limit of the foreign public debts shall be approved to be 2 000 000,0 thousand manats.

Article 14. In accordance with Article 7 of Law of the Republic of Azerbaijan 'On budget system', in the course of fulfillment of state budget, the secured expenditure items shall be financed in the first turn, and the expenditures stipulated in other

expenditure items shall be financed thereafter, depending on the receipt of revenues and taking into account the established limits of the deficit.

Article 15. The upper limit of the state budget deficit shall be approved in the amount of 634 000,0 thousand manats. It shall be financed out of the revenues from privatization, domestic and foreign debts, sales of securities in foreign markets, paid services of organizations funded from state budget and the whole amount of the surplus of the single budget account till 1 January 2012.

Article 16. The upper limit of the expenditures of the consolidated budget of the Republic of Azerbaijan for 2012 shall be stipulated in the amount of 20 203 835,2 thousand manats.

Article 17. The deficit of the consolidated budget of the Republic of Azerbaijan for 2012 shall be stipulated in the amount of 12 679 084,0 thousand manats, irrespective of the revenues of the State Oil Fund of the Republic of Azerbaijan.

Article 18. The present law comes into force from 1 January 2012.

Ilham Aliyev,
President of the Republic of Azerbaijan.
Baku, 6 December 2011.