

THE LAW OF THE REPUBLIC OF AZERBAIJAN

On the state budget of the Republic of Azerbaijan for 2019

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

The Article 1. The income of the state budget of the Republic of Azerbaijan for 2019 shall be approved in the amount of 23 168 000.0 thousand AZN, the expenditures shall be approved in the amount of 25 190 000.0 thousand AZN (including centralized incomes in the amount of 22 429 234.0 thousand AZN, local incomes in the amount of 738 766.0 thousand AZN, and centralized expenditures in the amount of 24 347 188.0 thousand AZN, local expenditures in amount of 842 812.0 thousand AZN).

The Article 2. The incomes of the state budget of the Republic of Azerbaijan for 2019 shall be considered in the following amounts on the income sources:

No.	Source of income	Amount (thousand AZN)
1	2	3
2.1.	Income tax of physical entities	880 000.0
2.2.	Profit (income) tax of legal entities	2 670 400.0
2.3.	Land tax of legal entities	45 000.0
2.4.	Property tax of legal entities	211 000.0
2.5.	Value Added Tax	4 194 000.0
2.6.1.	Value Added Tax for import of goods into the Republic of Azerbaijan	2 390 000.0
2.6.	Simplified tax	322 000.0
2.7.	Excise	982 000.0
2.7.1.	Excise for import of goods into the Republic of Azerbaijan	380 000.0
2.8.	Road tax (toll)	114 000.0
2.8.1.	Tax paid for import of fuel to the Republic of Azerbaijan and road tax paid by the owners of vehicles of foreign countries	32 000.0
2.9.	Extraction tax	133 000.0
2.10.	Custom duties	900 000.0
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	136 000.0
2.12.	Incomes received from the credits provided to foreign countries from the Budget	69 148.0
2.13.	Dividends received from the entities with state shares on their stock	3 920.0
2.14.	Incomes from bodies (institutions) specified by relevant executive power bodies (upper limit of transfer)	11 364 300.0
2.15.	Incomes from the rent of lands under the state property, privatized entities and facilities	8 000.0
2.16.	Incomes from the rent of lands under the state property	8 000.0
2.17.	State fees	190 000.0
2.18.	Incomes on chargeable services of budget organizations	626 600.0

2.19.	Other incomes collected by tax authorities	232 600.0
2.21.	Other incomes	78 032.0

The Article 3. It shall be defined that the Purpose Budget Fund specified by the relevant executive power body is formed on the basis of the following income sources of the state budget:

3.1.	Purpose Budget Fund specified by relevant executive power body	322 000.0
3.1.1.	Road tax	114 000.0
3.1.2.	Simplified tax paid by the persons conducting transportation of passengers and goods with the vehicles under their property exploitation	7 000.0
3.1.3.	Excise applied to imported cars	31 000.0
3.1.4.	Customs fees applied to imported cars	50 000.0
3.1.5.	State fee charged for permissions regulating international vehicle transportations within the Republic of Azerbaijan	15 600.0
3.1.6.	State fee charged for annual technical survey of vehicles, including motorcycles, trailers and semitrailers	16 200.0
3.1.7.	Funds allocated from the centralized incomes of the state Budget of the Republic of Azerbaijan for 2018	88 200.0

The Article 4. The tax incomes to the state budget of the Republic of Azerbaijan for 2019 are calculated in accordance to the tax rates defined on the Tax Code of the Republic of Azerbaijan.

The Article 5. The collection to the state budget is defined in 30 percent of the 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 tax and these collections are not incorporated into taxpayers' taxes, percentages, financial sanctions and administrative fines.

The Article 6. The centralized incomes of the state budget of the Republic of Azerbaijan for 2019 are formed based on following sources:

6.1. The incomes after local expenditures of the cities and districts for 2019 defined by the Article 10 of this law (except the ones included to the Purpose Budget Fund specified by relevant executive power body)

6.2. customs fees, Value Added Tax and excise for import of goods into the Republic of Azerbaijan (excluding the collection from the custom structures of Nakhchivan Autonomous Republic), incomes from the rent of lands under state property, privatized state entities and facilities, incomes from the loans provided to the governments of foreign countries, dividends from companies with state shares in their stock, incomes from bodies (institutions) specified by relevant executive power bodies, incomes, other incomes, incomes from chargeable services of budget entities funded from the centralized state expenditures, incomes from the Purpose Budget Fund specified by relevant executive power body in full amount.

6.3. The Article 7. Incomes of district and cities for 2019, defined by the Article 10 of this Law, in amount not exceeding local expenditures of respective district and cities forms their local revenues.

The Article 8. The expenditures of the state budget of the Republic of Azerbaijan for 2019 are directed to the following purposes in the level of sectors of functional classification and supplementary sectors:

No.	Directions of expenditures	Amount (in AZN)
1.	2.	3.
8.1.	General state services	3 886 753 836.0
8.1.1.	Maintenance cost of legislation and executive power bodies	827 188 839.0
8.1.2.	International activities and costs for membership fees to international organizations	191 500 000.0
8.1.3.	Science expenditures	136 290 498.0
8.1.4.	General state services costs not related to other categories	90 926 731.0
8.1.5.	Expenditures related to maintenance of state debts and commitments	2 334 787 768.0
8.1.6.	Subsidiaries allocated to local budgets (municipalities)	4 700 000.0
8.1.7.	Subventions allocated to local budgets (municipalities)	1 000 000.0
8.1.7.	Subsidiaries to Nakhchivan Autonomous Republic	300 360 000.0
8.2.	Defense	3 037 618 152.0
8.2.1.	Security forces	1 494 074 656.0
8.2.2.	National security	156 989 306.0
8.2.3.	Applied researches in field of defense and security	2 800 878.0
8.2.4.	Expenditures not related to other categories	1 383 753 312.0
8.3.	Judicial power, law enforcement and prosecution bodies	1 563 486 357.0
8.3.1.	Judicial power	65 291 503.0
8.3.2.	Law enforcement	1 153 795 408.0
8.3.3.	Prosecution	64 166 317.0
8.3.4.	Expenditures not related to other categories	280 233 129.0
8.4.	Education	2 285 884 349.0
8.4.1.	Pre-school	233 828 590.0
8.4.2.	Primary school	1 289 076 843.0
8.4.3.	Specialization school	39 669 994.0
8.4.4.	Secondary school	44 847 216.0
8.4.5.	Higher education	46 128 523.0
8.4.6.	Tertiary education	2 247 302.0
8.4.7.	Other bodies and events in education	630 090 881.0
8.5.	Healthcare	1 042 488 474.0
8.5.1.	Polyclinics and ambulatory hospitals	117 655 553.0
8.5.2.	Hospitals	374 057 416.0
8.5.3.	Other services in healthcare field	6 816 380.0
8.5.4.	Applied researches in healthcare	5 211 716.0
8.5.5.	Other services related to healthcare	538 747 409.0
8.6.	Social protection and social security	2 620 387 016.0
8.6.1.	Social protection expenditures	2 577 355 340.0
8.6.1.1.	Allocations (transfers) from the state budget to the State Social Protection Fund of the Republic of Azerbaijan	1 502 732 410.0
8.6.2.	Social security expenditures	42 971 676.0
8.6.3.	Applied researches in social security and social protection	60 000.0
8.7.	Activities in the field of culture, art, information, sport and fields not related to other categories	359 075 799.0
8.7.1.	Activities in the field of culture and art	144 020 165.0

8.7.2.	Radio, TV and print media	63 697 421.0
8.7.3.	Sport, youth policy and tourism	83 445 406.0
8.7.4.	Activities not related to other categories	67 912 807.0
8.8.	Housing and communal services	362 330 273.0
8.8.1.	Housing services	54 404 847.0
8.8.2.	Communal services	285 029 291.0
8.8.3.	Water economy	4 561 000.0
8.8.4.	Other services related to housing and communal services	18 335 135.0
8.9.	Fuel and energy	7 800 000.0
8.9.1.	Energy complex	6 300 000.0
8.9.2.	Applied researches in the field of fuel and energy complex	1 500 000.0
8.10.	Agriculture, forestry, fishery, hunting and protection of environment	874 230 368.0
8.10.1.	Agriculture	836 359 322.0
8.10.2.	Forestry	12 448 243.0
8.10.3.	Fishery and hunting	2 996 802.0
8.10.4.	Protection of environment	14 684 206.0
8.10.5.	Hydrometeorology activities	7 741 795.0
8.11.	Industry, construction and natural fossils	6 390 661 800.0
8.11.1.	Construction	6 373 761 800.0
8.11.1.1.	State investment (investment costs)	6 371 200 000.0
8.11.2.	Natural fossils	12 900 000.0
8.11.3.	Geodesy and cartography	4 000 000.0
8.12.	Transportation and communication	175 784 753.0
8.12.1.	Transportation	125 298 148.0
8.12.2.	Communication	50 486 605.0
8.13.	Economic activity	393 183 000.0
8.13.1.	Economic and commercial activities	231 200 000.0
8.13.1.1.	Support to entrepreneurship	69 200 000.0
8.13.1.2.	Support to mortgage loans	162 000 000.0
8.13.2.	Other fields of economic activities	161 983 000.0
8.14.	Services not related to main sectors	2 190 315 823.0
8.14.1.	On purpose budget funds	322 000 000.0
8.14.1.1.	Purpose Budget Fund specified by relevant executive power body	322 000 000.0
8.14.2.	Reserve funds	400 000 000.0
8.14.2.1.	Reserve Fund of the President of the Republic of Azerbaijan	300 000 000.0
8.14.2.2.	The Reserve Fund of the State Budget	100 000 000.0
8.14.3.	Other expenditures not related to main sectors	1 468 315 823.0
8.14.3.1.	Expenditures related to the holding of international and local events	75 000 000.0
8.14.3.2.	Expenditures related to elimination of the results of emergency situations	20 000 000.0
8.14.3.3.	Expenditures related to other services	1 373 315 823.0

The Article 9. The expenditures of the state budget of the Republic of Azerbaijan for 2019 are approved in the level of paragraphs of functional and economic classification in amount provided in the annex of this Law.

The Article 10. The incomes on the cities and districts of the Republic of Azerbaijan shall be approved in the amount of 7 316 000 000.0 AZN, including the amount related to Purpose Budget Fund specified by relevant executive power body in the amount of 120 800 000.0 AZN, local expenditures 842 812 000.0 AZN, part of incomes after local expenditures and related to centralized incomes in the amount of 6 456 434 000.0 AZN, the maximum amount of allocation from centralized expenditures for regulating local incomes and expenditures in the amount of 104 046 000.0 AZN; including:

(in AZN)

No.	Name of cities and districts	Incomes		Local expenditures	The minimum Level of incomes after the local expenditures and related to centralized incomes	The maximum level of allocation from centralized expenditures for regulating local incomes and expenditures
		Total	Including Amount related to Purpose Budget Fund specified by relevant executive power body			
	Cities:					
1	Baku	6 662 321 000	95 057 000	239 880 000	6 327 384 000	0
2	Ganja	47 888 000	996 000	40 890 000	6 002 000	0
3	Lankaran	17 980 000	860 000	17 120 000	0	0
4	Mingachevir	21 405 000	68 000	14 184 000	7 153 000	0
5	Naftalan	4 196 000	4 000	2 957 000	1 235 000	0
6	Sumgait	89 998 000	1 312 000	53 879 000	34 807 000	0
7	Shaki	20 301 000	917 000	18 271 000	1 113 000	0
8	Shirvan	18 406 000	721 000	9 218 000	8 467 000	0
9	Yevlakh	14 997 000	1 060 000	6 848 000	7 089 000	0
10	Khankandi					
	Districts					
11	Absheron	40 902 000	144 000	15 993 000	24 765 000	0
12	Agjabedi	12 047 000	724 000	10 995 000	328 000	0
13	Aghdam	4 563 000	34 000	11 638 000	0	7 109 000
14	Agdash	5 554 000	26 000	5 528 000	0	0
15	Aghstafa	4 755 000	56 000	8 945 000	0	4 246 000
16	Aghsu	4 468 000	422 000	6 509 000	0	2 463 000
17	Astara	12 451 000	5 014 000	7 437 000	0	0
18	Balakan	5 303 000	1 472 000	7 692 000	0	3 861 000
19	Beylagan	8 770 000	37 000	7 082 000	1 651 000	0
20	Barda	12 956 000	56 000	12 900 000	0	0
21	Bilasuvar	8 094 000	1 697 000	6 397 000	0	0
22	Jabrail	1 085 000	28 000	3 099 000	0	2 042 000
23	Jalilabad	7 896 000	42 000	11 564 000	0	3 710 000
24	Dashkesen	2 735 000	4 000	4 332 000	0	1 601 000
25	Fuzuli	6 067 000	19 000	11 126 000	0	5 078 000
26	Gadabay	4 928 000	22 000	9 681 000	0	4 775 000
27	Goranboy	4 325 000	10 000	9 900 000	0	5 585 000

28	Goychay	10 319 000	37 000	10 282 000	0	0
29	Goygol	4 159 000	9 000	6 879 000	0	2 729 000
30	Hajigabul	5 892 000	13 000	4 371 000	1 508 000	0
31	Khachmaz	22 512 000	3 000 000	12 981 000	6 531 000	0
32	Khizi	1 964 000	4 000	3 145 000	0	1 185 000
33	Khojali	414 000	4 000	1 673 000	0	1 263 000
34	Khojavand	557 000	36 000	2 665 000	0	2 144 000
35	Imishli	22 660 000	348 000	7 689 000	14 623 000	0
36	Ismayilli	7 770 000	19 000	7 483 000	268 000	0
37	Kalbajar	1 149 000	2 000	3 953 000	0	2 806 000
38	Kurdamir	7 265 000	17 000	7 248 000	0	0
39	Gakh	3 951 000	22 000	9 615 000	0	5 686 000
40	Gazakh	10 964 000	39 000	10 925 000	0	0
41	Gabala	14 946 000	37 000	7 922 000	6 987 000	0
42	Gobustan	2 807 000	6 000	3 851 000	0	1 050 000
43	Guba	14 471 000	65 000	10 042 000	4 364 000	0
44	Gubadli	2 515 000	2 000	2 278 000	235 000	0
45	Gusar	7 363 000	30 000	7 333 000	0	0
46	Lachin	1 557 000	73 000	6 215 000	0	4 731 000
47	Lerik	2 143 000	8 000	5 855 000	0	3 720 000
48	Masalli	9 611 000	42 000	9 569 000	0	0
49	Neftchala	7 531 000	32 000	7 499 000	0	0
50	Oghuz	2 763 000	32 000	6 080 000	0	3 349 000
51	Saatli	8 936 000	10 000	8 644 000	282 000	0
52	Sabirabad	10 972 000	21 000	9 309 000	1 642 000	0
53	Salyan	11 725 000	27 000	11 698 000	0	0
54	Samukh	2 897 000	24 000	5 556 000	0	2 683 000
55	Siyazan	3 727 000	15 000	3 712 000	0	0
56	Shabran	4 846 000	20 000	4 826 000	0	0
57	Shamakhi	8 817 000	29 000	8 788 000	0	0
58	Shamkir	13 631 000	60 000	19 875 000	0	6 304 000
59	Shusha	1 030 000	4 000	2 229 000	0	1 203 000
60	Tartar	4 819 000	15 000	8 934 000	0	4 130 000
61	Tovuz	16 084 000	5 746 000	15 648 000	0	5 310 000
62	Ujar	3 951 000	22 000	7 248 000	0	3 319 000
63	Yardimli	2 206 000	8 000	4 911 000	0	2 713 000
64	Zagatala	8 084 000	100 000	12 411 000	0	4 427 000
65	Zangilan	1 726 000	4 000	2 257 000	0	535 000
66	Zardab	2 875 000	16 000	7 148 000	0	4 289 000
	Total	7 316 000 000	120 800 000	842 812 000	6 456 434 000	104 046 000

The Article 11. In case, incomes of cities and districts, as well as the highest verge of funds allocated for regulation of local incomes and expenditures are not enough to cover local expenditures, relevant bodies (institutions) specified by relevant executive power bodies allocate funds not more than 10 percent of expenditures of those cities and districts to ensure financing of local expenditures identified in the Article 10 of this Law.

The Article 12. The amounts of payment of internal and foreign state debts of the Republic of Azerbaijan

for 2019 shall be approved as following (in AZN):

12.1.	On internal state budget	172 616 756.0
12.1.1.	Interest rate	154 614 772.0
12.1.2.	On the main loan	18 001 984.0
12.2.	On foreign state debt	2 162 171 012.0
12.2.1.	Interest rate	601 819 146.0
12.2.2.	On the main loan	1 560 351 866.0

The Article 13. The highest verge (limit) of internal state debt of the Republic of Azerbaijan for 2019 shall be approved in the amount of 5 000 000.0 thousand AZN and the highest verge (limit) of the foreign state debt shall be approved in the amount of 1 000 000.0 thousand AZN. The highest verge (limit) of the state guarantee during the year shall approved in the amount of 4 000 000.0 thousand AZN.

The Article 14. According to the Article 7 of the Law of the Republic of Azerbaijan on the “Budget system” within the process of execution of the state budget the justified provisions for expenditures are financed prior, the rest of the provisions for expenditures are financed depending on conditions of transfers on sources of funding of incomes and deficit of the state budget.

The Article 15. The highest verge (limit) of the state budget deficit shall be approved in the amount of 2 022 000.0 thousand AZN. Its funding shall be implemented from the transfers from privatization and other sources (transfers from internal and foreign debts and from the united treasure account of the state budget for January 1, 2019).

The Article 16. The highest verge of expenditures of summary budget of the Republic of Azerbaijan for 2019 shall be approved in the amount of 27 155 796.1 thousand AZN.

The Article 17. The budget deficit of the summary of budget of the Republic of Azerbaijan for 2019 shall be approved in the amount of 13 586 300.0 thousand AZN without taking into consideration the incomes of the bodies (institutions) specified by relevant authority power bodies.

The Article 18. This Law is coming into force starting from January 1, 2019.

Ilham Aliyev

President of the Republic of Azerbaijan

Baku, November 30, 2018