

Incorporated version

As of 17 March 2023

GOVERNMENT OF THE REPUBLIC OF ARMENIA

DECISION

No 406-N of 31 March 2022

ON DEFINING THE PROCEDURE FOR PAYING TO THE STATE BUDGET THE VAT AMOUNTS CALCULATED WITH RESPECT TO ELECTRONIC SERVICE BEING PROVIDED TO A NATURAL PERSON NOT CONSIDERED TO BE AN INDIVIDUAL ENTREPRENEUR OR A NOTARY BY A NON-RESIDENT ORGANISATION HAVING NO PERMANENT ESTABLISHMENT IN THE REPUBLIC OF ARMENIA, OR WITH RESPECT TO GOODS BEING SUPPLIED TO A NATURAL PERSON NOT CONSIDERED TO BE AN INDIVIDUAL ENTREPRENEUR OR A NOTARY WITHIN THE SCOPE OF ELECTRONIC TRADING BY A NON-RESIDENT ORGANISATION OR AN INDIVIDUAL ENTREPRENEUR OF ANOTHER EAEU MEMBER STATE HAVING NO PERMANENT ESTABLISHMENT IN THE REPUBLIC OF ARMENIA, OPERATING THE ELECTRONIC TRADING PLATFORM

(title supplemented by No 337-N of 16 March 2023)

Based on part 3 of Article 78 of the Tax Code of the Republic of Armenia, the Government of the Republic of Armenia hereby *decides*:

1. To define the procedure for paying to the state budget the VAT amounts calculated with respect to electronic service being provided to a natural person not considered to be an individual entrepreneur or a notary by a non-resident organisation having no permanent establishment in the Republic of Armenia, or with respect to goods being supplied to a natural person not considered to be an individual entrepreneur or a notary within the scope of electronic trading by a non-resident organisation or an individual entrepreneur of another EAEU member state having no permanent establishment in the Republic of Armenia, operating the electronic trading platform.

(point 1 supplemented by No 337-N of 16 March 2023)

2. This Decision shall enter into force on the day following its official promulgation.

Annex
to Decision of the Government of the
Republic of Armenia
No 406-N of
31 March 2022

PROCEDURE

FOR PAYING TO THE STATE BUDGET THE VAT AMOUNTS CALCULATED WITH RESPECT TO ELECTRONIC SERVICE BEING PROVIDED TO A NATURAL PERSON NOT CONSIDERED TO BE AN INDIVIDUAL ENTREPRENEUR OR A NOTARY BY A NON-RESIDENT ORGANISATION HAVING NO PERMANENT ESTABLISHMENT IN THE REPUBLIC OF ARMENIA, OR WITH RESPECT TO GOODS BEING SUPPLIED TO A NATURAL PERSON NOT CONSIDERED TO BE AN INDIVIDUAL ENTREPRENEUR OR A NOTARY WITHIN THE SCOPE OF ELECTRONIC TRADING BY A NON-RESIDENT ORGANISATION OR AN INDIVIDUAL ENTREPRENEUR OF ANOTHER EAEU MEMBER STATE HAVING NO PERMANENT ESTABLISHMENT IN THE REPUBLIC OF ARMENIA, OPERATING THE ELECTRONIC TRADING PLATFORM

(title supplemented by No 337-N of 16 March 2023)

1. This Procedure shall regulate the relations pertaining to the procedure for paying the amounts of value added tax (hereinafter referred to as "VAT") with respect to electronic service being provided to a natural person not considered to be an individual entrepreneur or a notary (hereinafter referred to as "natural person") by a non-resident organisation having no permanent establishment in the Republic of Armenia (hereinafter referred to as "non-resident organisation"), as well as with respect to goods being supplied to a natural person not considered to be an individual entrepreneur or a notary within the scope of electronic trading by a non-resident organisation or an individual entrepreneur of another EAEU member state (hereinafter referred to as "EAEU non-resident organisation (individual entrepreneur)") having no permanent establishment in the Republic of Armenia, operating the electronic trading platform, calculated by the EAEU non-resident organisation (individual entrepreneur), to the State Budget of the Republic of Armenia, in accordance with part 3 of Article 78 of the Tax Code of the Republic of Armenia.

(point 1 edited by No 337-N of 16 March 2023)

2. A non-resident organisation or EAEU non-resident organisation (individual entrepreneur) shall pay to the State Budget the VAT amounts calculated as prescribed by the Code with respect to electronic services being provided to a natural person by a non-resident organisation, or with respect to goods being supplied to a natural person within the scope of electronic trading by an EAEU non-resident organisation (individual entrepreneur) calculated:
 - (1) via a bank transfer;
 - (2) with payment cards: using the tools introduced for the purpose of ensuring payments via the electronic value added tax (e-VAT) system (hereinafter referred to as "e-VAT system") for non-resident value added taxpayers on the official website of the State Revenue Committee (<http://www.petekamutner.am>).

(point 2 supplemented by No 337-N of 16 March 2023)

3. The requisites necessary for a bank transfer need to be inserted in the e-VAT system. Moreover, the requisites for a transfer via banks of the Republic of Armenia and those for a transfer via foreign banks, inserted in the e-VAT system, are differentiated.
4. Where the service is being provided via banks of the Republic of Armenia and the transfer is performed in the Armenian Dram, VAT amounts paid by a non-resident organisation or EAEU non-resident organisation (individual entrepreneur) shall be credited to the unified account prescribed by point 8 of part 1 of Article 4 of the Tax Code of the Republic of Armenia (hereinafter referred to as "unified account").

(point 4 supplemented by No 337-N of 16 March 2023)

5. Where the transfer is performed via a foreign bank in a foreign currency, the transfer shall be performed by an intermediary commercial bank of the Republic of Armenia. In this case the requisites in the e-VAT system shall also include the data regarding the intermediary foreign bank serving the commercial bank of the Republic of Armenia performing the conversion of the given currency, as well as the account (accounts) opened with the commercial bank of the Republic of Armenia to which the conversion of the received funds is performed.
6. Payments by a non-resident organisation or EAEU non-resident (individual entrepreneur) via a foreign bank shall be made to the account opened with the commercial bank performing

conversion for the Ministry of Finance of the Republic of Armenia. For the purpose of making payments via a foreign bank, the tax authority shall ensure the availability of the information necessary for performing a bank transfer in the e-VAT system, by agreeing it with the Central Bank of the Republic of Armenia.

(point 6 supplemented by No 337-N of 16 March 2023)

7. Where the VAT payment by a non-resident organisation or EAEU non-resident organisation (individual entrepreneur) is made via a foreign bank, the taxpayer identification number (TIN) of the non-resident organisation or EAEU non-resident organisation (individual entrepreneur) making the payment, as well as the unified account number shall be indicated in the field "purpose" of the payment order. In case of receiving an amount paid by a non-resident organisation or EAEU non-resident organisation (individual entrepreneur), the commercial bank of the Republic of Armenia shall be obliged to transfer – no later than by the end of the next operational day following the day of receipt of that amount – to the unified account the paid amount converted to the Armenian Dram.

(point 7 supplemented by No 337-N of 16 March 2023)

8. Crediting of VAT amounts paid by a non-resident organisation or EAEU non-resident organisation (individual entrepreneur) to the unified account prescribed by the Tax Code of the Republic of Armenia shall be performed in the Armenian Dram, which shall be channelled to redemption of tax liabilities of the non-resident organisation or EAEU non-resident organisation (individual entrepreneur) as prescribed by the Tax Code of the Republic Armenia.

(point 8 supplemented by No 337-N of 16 March 2023)

(Annex supplemented, edited by No 337-N of 16 March 2023)