

Tax and Legal Alert

Overview of changes in Georgian Legislation
October, 2022



Tax News

1) According to the order of the Head of the Revenue Service N26094, the methodical guideline "On the non-consideration of non-essential losses of non-food items in trading facilities as losses" was approved, which is applied to the losses of tradable goods values detected from January 1, 2022.

In accordance with the methodological guideline, an insignificant loss, is the sum of the loss of non-food goods revealed in the taxpayer's trading facilities during the current calendar year, the market value of which (without VAT) does not exceed the 0.5% of the total sales value (without VAT) of the non-food goods sold during the previous calendar year, including taxed shortage.

For the purposes of this guideline, a non-food product is any product other than:

- a) food
- b) excise goods;
- c) wine;
- d) beverages subject to marking;
- e) pharmaceutical product and/or food supplements;
- f) any household and/or construction and/or other purpose:
 - f. a) gadgets;
 - f. b) devices;
 - f. c) inventory;
 - f. d) furniture;
 - f. e) textile.;
- g) clothes and/or shoes and/or related accessories;
- h) cosmetics and/or perfumery.

Source:

Date of acceptance: 13/10/2022

Publication date: 17/10/2022

Effective date: 01/01/2022

Legal news:

- 1) On November 8, 2022, changes in the form of recording working time and the manner of its production were implemented.

The working time registration form is a monthly document for recording the working time (worked hours) of employees, which includes data recorded in written and/or electronic form about the hours worked by employees.

According to the amendments, if the admission of employees to the workplace is carried out through an electronic admission system, which provides individual registration of the employee's reporting of showing up and leaving the workplace and the storage of relevant data, the employer is entitled to record the working time in a form different from Appendix № 2 approved by the relevant order, provided that it will fully reflect the data required by Article 5 of this rule. It is noteworthy, that the list of data defined by the Article 5 has also been changed.

Source:

Order of the Minister of the Occupied Territories of Georgia, Labor, Health and Social Protection № 01-89/N dated November 8, 2022

<https://matsne.gov.ge/ka/document/view/5608890?publication=0>

- 2) The Resolution of the Parliament of Georgia regarding the report of the Public Defender of Georgia "On the state of protection of human rights and freedoms in Georgia in 2021" was published. The

Resolution mentions recommendations shared by the Parliament of Georgia.

Source:

Resolution of the Parliament of Georgia "On the state of protection of human rights and freedoms in Georgia in 2021" regarding the report of the Public Defender of Georgia

<https://matsne.gov.ge/ka/document/view/5590462?publication=0>

3) The existing requirements for the information security manager have been changed, which apply to the subjects of the third category of critical information system identified in accordance with the Law of Georgia "On Information Security".

The Amendment determined the type of exam to be taken/passed in the field of information security, the period of experience and the field for a person to hold the position of information security manager.

Source:

Order of the Chairman of the Digital Governance Agency № 3 dated October 14, 2022

<https://matsne.gov.ge/ka/document/view/5590086?publication=0>

Matters covered in this publication are intended for general overview and discussion. They are not intended, and shall not be used, as substitute to seeking professional advice for specific issues

In case you need additional information, our tax and legal experts will be happy to comment and clarify all possible matters on the amendments.

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