## WATER USE TAX

## Taxpayers *(Article 441 of the Tax Code of Uzbekistan)*

Taxpayers of the water use tax (hereinafter in this section – taxpayers) shall be defined as persons who carry out primary water use or water consumption on the territory of the Republic of Uzbekistan.

## Subject of taxation *(Article 442 of the Tax Code of Uzbekistan)*

Water resources used from surface and underground sources shall be defined as subject of taxation for water use.

## Tax base *(Article 443 of the Tax Code of Uzbekistan)*

The volume of water used shall be defined as the tax base.

## Tax rates *(Article 445 of the Tax Code of Uzbekistan)*

Tax rates for water use from surface and underground sources shall be set in absolute value per one cubic meter within the established limit. The amount of tax rates shall be determined by the Law of the Republic of Uzbekistan on the State Budget of the Republic of Uzbekistan.

**RATES**

**Water use tax**

|  |  |  |
| --- | --- | --- |
| **No.** | **Payers** | **Rate per 1 cubic meter (UZS)** |
| **Surface sources of water resources** | **Underground sources of water resources** |
| 1. | Enterprises of all sectors of economy (except for those specified in paragraphs 2-6), dehqan farms (legal entities and individuals), as well as individuals using water resources in the process of entrepreneurial activity | 140 | 170 |
| 2. | Industrial enterprises (except for those specified in paragraphs 3-6) | 410 | 490 |
| 3. | Enterprises specialized in car washing | 1,380 | 1,730 |
| 4. | Power plants | 35 | 60 |
| 5. | Public utility companies | 70 | 90 |
| 6. | Producers of soft drinks and alcohol products, except for beer and wine: |  |  |
|  | Based on the amount of water used for the production of soft drinks and alcohol products except for beer and wine | 21,900 | 21,900 |
|  | For other purposes | 410 | 490 |

When taking water in excess of the established limits of water use, tax rates for such excess shall be set at five times the established tax rates.

When using water resources without permission documents, as well as when enterprises use water from surface sources for washing vehicles, the tax rate shall be set at five times the established tax rates.

## Tax period *(Article 446 of the Tax Code of Uzbekistan)*

Tax period shall be a calendar year.

## Procedure for submission of tax reporting and payment of tax *(Article 447 of the Tax Code of Uzbekistan)*

Tax reporting shall be submitted to the tax authorities at the place of water use or water consumption once a year:

By legal entities of the Republic of Uzbekistan, except for agricultural enterprises – on the date of submission of annual financial statements;

By agricultural enterprises – by December 15 of the current tax period;

By legal entities – non-residents of the Republic of Uzbekistan, operating in the Republic of Uzbekistan through permanent establishments, as well as by individual entrepreneurs - by January 20 of the year following the tax period.

During the tax period, taxpayers, with the exception of agricultural enterprises, legal entities – non-residents of the Republic of Uzbekistan, operating in Uzbekistan through permanent establishments, as well as dehqan farms, shall pay current tax payments.

To calculate the amount of current payments, taxpayers shall submit by January 20 of the current tax period – while newly created ones shall submit no later than thirty days from the date of state registration with the tax authorities at the place of water use or water consumption – a certificate on the amount of tax for the current tax period, calculated on the basis of the expected tax base (volume of water use) and the established tax rates.

Payment of tax for the tax period – taking into account current payments – shall be made by taxpayers no later than the deadline for submission of tax reporting.