

IMMOVABLE PROPERTY TAX LAW OF MONGOLIA

17 November 2000

Ulaanbaatar

Article 1. Purpose of the Law

1.1 The purpose of this law is to impose tax on immovable property (hereinafter referred to as “immovable property”) and to regulate relations arising from the payment of this tax to the budget.

Article 2. Legislation on immovable property tax

2.1. Legislation on immovable property comprises the Civil Code, the General Taxation law, this Law and other legal acts enacted in conformity with them.

Article 3. Taxable immovable property

3.1. Tax will be imposed on all kind of immovable property described in Article 77 of Civil Code of Mongolia.

Article 4. Taxpayer of immovable property tax

4.1. The following persons, who own immovable property in the territory of Mongolia will constitute taxpayer.

- 4.1.1. company, co-operative partnership with all kind of property, economic entity with foreign investment and its permanent establishment;
- 4.1.2. non-government organization, fund, religious organization;
- 4.1.3. persons with State or local property;
- 4.1.4. a citizen of Mongolia, a foreign citizen and a stateless person;
- 4.1.5. non-resident of Mongolia

Article 5. Valuation of immovable property tax

5.1. The value of immovable property is determined, firstly, by the valuation registered with immovable property state registry. If there is no such registration, the value is determined by the valuation of insurance on the property. And if there is no registration or insurance valuation, the value will be established as the value that is written down in accounting books.

Article 6. Tax rate on immovable property

6.1. Tax rate on immovable property is 0.6 percent of the value defined in Article 5.

Article 7. Tax exemption

7.1. The following immovable property is exempt from tax:

- 7.1.1. immovable property of persons, who are financed by central and local budget;
- 7.1.2. dwelling houses;
- 7.1.3. building and construction for public use.

Article 8. Tax imposition and payment to budget

8.1. Taxpayer will calculate tax on immovable property based on the value of immovable property on the 15th of January each year.

8.2. Legal persons, who own immovable property, will pay equal tax on immovable property before the 15th of last month of each quarter for their annual tax liability.

8.3. A citizen of Mongolia, a foreign citizen and a stateless person, who own immovable property, will pay tax on immovable property before the 15th of February once for their tax liability.

Article 9. Submission of immovable property tax return

9.1. Taxpayer will submit immovable property tax return to the corresponding tax office before the 10th of February of next year.

9.2. Tax offices will submit consolidated tax return to the General Department of national taxation before the 20th of February.

9.3. General department of national taxation will approve the forms of immovable property tax return.

Article 10. Entry of law into force

10.1. This law will be in effect from January 1, 2001.

CHAIRMAN OF THE STATE GREAT HURAL OF
MONGOLIA ENEBISH