



# LAW OF MONGOLIA

June 29, 2006

Ulaanbaatar city

## ABOUT SPECIAL TAXES (Revised version)

### Article 1 The purpose of the law

1.1. The purpose of this law is to impose an excise tax on certain domestically produced and imported goods, as well as special purpose machinery and equipment used in paid puzzles and gambling activities, and to pay them to the budget. to regulate the relationship.

### Article 2. Legislation

2.1. Legislation on excise tax shall consist of the General Tax Law, this law and other legislative acts enacted in conformity with them.

### Article 3 Excise taxpayer

3.1. Excise taxpayers shall be individuals and legal entities that import and sell domestically excisable goods specified in this law, as well as engage in paid puzzles and gambling activities.

### Article 4. Excise taxable goods and activities

4.1. The following goods are subject to excise tax:

4.1.1. all types of alcoholic beverages;

4.1.2. all types of tobacco;

4.1.3. gasoline and diesel fuel;

4.1.4. passenger car.

4.2. Excise tax shall be imposed on the activities of special purpose machinery and equipment used in paid puzzles and gambling activities, and on the activities of individuals and legal entities engaged in such activities.

### Article 5 Physical unit for excise tax

5.1. The following physical units shall be the basis for imposing excise tax on goods specified in 4.1 of this Law:

D / d	Name and type of goods subject to excise tax	Physical unit for excise tax
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1	All kinds of alcohol	1 liter
2	Cigarettes and other similar tobacco	100 pieces
3	Tubes and similar bulk cigarettes	1 kg
4	Gasoline and diesel fuel	1 tons
5	Passenger cars	1 piece

5.2. The excise tax on goods produced in the territory of Mongolia shall be determined on the basis of the physical unit of goods sold by the producer.

5.3. If excisable goods are transferred or donated to others free of charge, as well as used by individuals or legal entities for their own needs, they shall be deemed to have been sold and excise tax shall be imposed.

5.4. The following physical units shall be the basis for imposing excise tax on machinery and equipment specified in 4.2 of this Law:

D / d	Name and type of goods subject to excise tax	Physical unit for excise tax
1	Game table or electronic wheel	1 piece
2	Automatic game	1 piece
3	Cashier or totalizator showing the results of the game	1 piece
4	Bookmaker center for calculating bets	1 piece

#### Article 6. Excise tax rate

6.1. Excise tax shall be imposed on the goods specified in Articles 4.1.1 and 4.1.2 of this Law and on the physical units of gasoline and diesel fuel of domestic production in the following amounts:

D / d	Name and type of goods subject to excise tax	Physical unit	Amount of excise tax to be imposed / in togrogs /			
			2018	2019	2020 and beyond	
1	Food alcohol	Sold to a distillery	1 liter	1 595	1 670	1 740
		Sold for pharmaceutical, human and veterinary use	1 liter	1 450	1 450	1 450
		sold elsewhere	1 liter	15 950	16 700	17 400
2	All types of white vodka, liqueurs, cordial and other alcoholic beverages	Hardness up to 25	1 liter	3 190	3 335	3 480
		Hardness up to 25-40	1 liter	6 380	6 670	6 960
		Hardness of 40 and more	1 liter	14 355	15 000	15 660
	All kinds of cognac, whiskey, rum, gin	Hardness up to 25	1 liter	7 975	8 340	8 700
		Hardness up to 25-40	1 liter	15 950	16 700	17 400
		Hardness of 40 and more	1 liter	19 140	20 010	20 880

3	Industrially produced domestic vodka		1 liter	320	335	350
4	All kinds of wine	Hardness up to 35	1 liter	800	835	870
		Hardness of 35 and above	1 liter	7 180	7 505	7 830
5	All kinds of beer		1 liter	320	335	350
6	Cigarettes and other similar tobacco		100 pieces	3 830	4 000	4 180
7	Tubes and similar bulk cigarettes		1 kg	2 870	3 000	3 130
8	Gasoline	Up to 90 octane	1 tons	0-15 950	0-15 950	0-15 950
		90 or more octane	1 tons	0-17 400	0-17 400	0-17 400
9	Diesel fuel		1 tons	0-21 750	0-21 750	0-21 750

*/ The second part of this part was amended according to the law dated November 30, 2007 /*

*/ Articles 8 and 9 of this section were amended by the law in 5 May 2008 /*

*/ Paragraph 1 of this part was amended according to the law dated March 12, 2009 /*

*/ Paragraph 5 of this section was amended by the Law of March 12, 2009 and this amendment was annulled by the Resolution No. 02 of the Constitutional Tsets of Mongolia dated May 27, 2009 and the old provision was restored /*

*/ Article 6 of this section was amended according to the law dated March 12, 2009 /*

*/ Article 7 of this part was amended according to the law dated March 12, 2009 /*

*/ The second part of this part was amended according to the law dated September 11, 2012 /*

*/ Article 6 of this section was amended by the law dated September 11, 2012 /*

*/ Article 7 of this section was amended by the law dated September 11, 2012 /*

*/ This part was amended according to the law dated January 23, 2015 /*

*/ Paragraphs 2 and 4 of this section were amended by the law dated February 05, 2016 /*

*/ This part was amended according to the law dated April 14, 2017 /*

6.2. Depending on the border point of import of gasoline and diesel fuel specified in 4.1.3 of this Law, the following excise tax shall be imposed:

D / d	Name of the border crossing	Amount of excise tax to be imposed / in togrogs /		
		Gasoline / octane number determined by analytical method /		Diesel fuel
		Up to 90	90 and above	
1	Tsagaannuur, Yarant, Borshoo, Artssuuri, Tes, Burgastai, Gashuun Sukhait, Shivee Khuren, Bayan Khoshuu, Bichigt, Khavirga	0-215.000	0-217.000	0-221.000
2	Hankh, Ulkhan tent	0-223.000	0-229.000	0-226.000
3	Sukhbaatar, Zamyn-Uud, Altanbulag	0-750.000	0-750.000	0-850.000
4	Ereentsav	0-750.000	0-750.000	0-850.000

*/ This part 6.2 was re-edited by the law in 5 May 2008 /*

*/ Paragraphs 1, 2 and 3 of this paragraph 6.2 were amended by the law dated January 16, 2009 /*

*/ This part was amended by the Law of October 30, 2015, Article 4 was amended and Article 3 was amended /*

6.3. If a passenger car specified in subparagraph 4.1.4 of this law is imported, the following amounts of excise tax shall be imposed, taking into account the date of manufacture and the engine cylinder capacity:

D / d	Engine cylinder capacity / cm <b>3</b> /	Amount of excise tax to be imposed / in togrogs /			
		Date of manufacture / year /			
		0-3 years	4-6 years	7-9 years	10 years or more
1	1500 and below	750 000	1 600 000	3 350 000	10 000 000
2	1501-2500	2 300 000	3 200 000	5 000 000	11 700 000
3	2501-3500	3 050 000	4 000 000	6 700 000	13 350 000
4	3501-4500	6 850 750	8 000 000	10 850 000	17 500 000
5	4501 and above	14 210 000	27 200 000	39 150 000	65 975 000

*/ This part was amended according to the law dated April 14, 2017 /*

6.4. Excise tax shall be imposed on special purpose machinery and equipment specified in provision 4.2 of this law in the following amounts:

D / d	Name and type of goods subject to excise tax	Amount of excise tax to be imposed on physical unit / in MNT, per month /
1	Game table or electronic wheel	116000000
2	Automatic game	4350000
3	Cashier or totalizator showing the results of the game	116000000
4	Bookmaker center for calculating bets	116000000

*/ This part was amended according to the law dated January 23, 2015 /*

6.5. Individuals and legal entities engaged in paid puzzles and gambling activities using electronic, internet and mobile phone networks shall be subject to excise tax in the amount of 36250,000 togrogs per month.

*/ This part was amended according to the law dated January 23, 2015 /*

~~6.6. The excise tax shall be imposed based on the official exchange rate of the togrog against the US dollar set by the Bank of Mongolia on that day.~~

*/ This part is considered invalid by the law dated January 23, 2015 /*

6.7. The Government shall set the excise tax rate for gasoline and diesel fuel within the limits specified in Articles 6.1 and 6.2 of this Law, taking into account the specifics of the sector.

*/ This part was added by the law in 5 May 2008 /*

*/ This part was amended according to the law dated September 11, 2012 /*

6.8. The Government shall set the excise tax rate for dual-fuel vehicles, liquefied gas vehicles, and electric vehicles at 0-50 percent of the amount specified in 6.3 of this Law.

*/ This section was added by the law in 6 June 2017 /*

## Article 7 Excise tax exemptions

*/ The title of this article was amended according to the law dated April 14, 2017 /*

7.1. The following goods are exempt from excise tax:

7.1.1. Goods specified in subparagraph 4.1 of this law produced and exported in the territory of Mongolia;

7.1.2. nutritious vodka distilled with milk and dairy products for home use in a simple way at home;

7.1.3. snuff;

7.1.4. alcohol and tobacco allowed by the customs for the personal use of passengers duty-free;

~~7.1.5. dual car.~~

*/ This provision was annulled by the law dated April 14, 2017 /*

~~7.1.6. Vehicles running on liquefied gas;~~

*/ This provision was added by the law in 24 June 2010 /*

*/ This provision was annulled by the law dated April 14, 2017 /*

~~7.1.7. Electric powered vehicles.~~

*/ This provision was added by the law in 24 June 2010 /*

*/ This provision was annulled by the law dated April 14, 2017 /*

~~7.2. Excise tax on dual fuel vehicles, liquefied gas vehicles and electric vehicles shall be reduced by 50 percent.~~

*/ This section was added by the law in 4 April 2017 /*

*/ This part was annulled by the law in June 08, 2017 /*

## Article 8. Excise tax and pay to the budget

8.1. Each time the imported goods specified in this Law are imported across the border of Mongolia, the Customs shall impose excise tax and transfer the tax revenue to the treasury account.

8.2. Excise tax on goods other than alcohol produced in the territory of Mongolia shall be paid by the taxpayer to the state budget in advance by the 25th of each month.

8.3. The taxpayer shall submit the monthly excise tax report on goods produced in the territory of Mongolia to the tax administration by the 5th of the following month.

8.4. Excise tax on alcohol sold by a distillery shall be paid to the state budget within 2 working days.

8.5. When selling alcohol produced for food purposes in the territory of Mongolia, the buyer shall be provided with a document with a unified number and its model shall be approved by the state central administrative body in charge of tax matters.

8.6. When imposing excise tax on alcohol produced and sold in the territory of Mongolia, the excise tax paid on alcohol shall be deducted based on the facts specified in Article 8.5 of this Law.

8.7. Excise tax on cigarettes produced in the territory of Mongolia shall be deducted from the excise tax imposed on bulk tobacco imported for raw materials for the production of cigarettes.

8.8. A taxpayer shall submit a monthly report on changes in the type and quantity of taxable physical units specified in Article 5.4 of this Law to the relevant tax authority by the 10th of the following month, and the tax authority shall reflect this change in the taxpayer's registration certificate. the tax shall be reimbursed.

8.9. A taxpayer engaged in activities specified in Articles 6.4 and 6.5 of this Law shall pay the tax to be paid in a given month in advance by the 25th of each month and submit the report to the tax authority by the 10th of the following month.

8.10. The excise tax on gasoline and diesel fuel imported for the purpose of stockpiling a company shall be imposed on the date of commencement of the sale of the company's stockpile for the purpose of stockpiling based on the name of the company's stockpiling company, quantity of required stockpile of gasoline and diesel fuel. .

*/ This part was added by the law in 21 December 2007 /*

8.11. Excise tax on gasoline and diesel fuel in the amount equal to 30 days of consumption of Mongolia shall be deferred for 30 days, except for stockpiling of the imported company by a company holding a license to engage in wholesale and production of

petroleum products.

*/ This part was added by the law in 21 December 2007 /*

8.12. The Government member in charge of finance and budget shall approve the procedure for payment of taxes specified in 6.7 of this law to the budget.

*/ This section was added by the law in September 11, 2012 /*

#### Article 9. Entry into force of the law

9.1. This law shall come into force on January 1, 2007.

9.2. Sections 4.2, 5.4, 6.4, 6.5, 8.8 and 8.9 of this Law shall come into force on August 1, 2006.

**CHAIRMAN OF THE PARLIAMENT OF MONGOLIA Ts. Nyamdorj**