

LAW OF MONGOLIA ON STATE STAMP DUTIES

Chapter One General Provisions

Article 1. Purpose of the law

The purpose of this law is to regulate the establishment, payment and collection of stamp duties.

Article 2. Legislation of Mongolia on stamp duties

1. The legislation of Mongolia on stamp duties is comprised of the Constitution of Mongolia, the General Law on Taxation, this law and other relevant legislation, which is consistent with those laws.

2. If provisions of an international treaty to which Mongolia is a party do not state otherwise than this law, then the provisions of the international treaty shall prevail. – (*This paragraph was added by the law of 31 October, 1997*)

Article 3. Stamp duties of Mongolia

State stamp duty means money payable for the issue or registration by relevant State bodies of documents, which authorise or transfer rights, for the certification of contracts and documents, for the registration of the status of citizens and for the settlement of legal disputes by the Courts (hereinafter referred to as “stamp duty”).

Article 4. Payers of stamp duty

All Mongolian citizens, business entities, organisations and foreign citizens who receive the services set out in this law shall be required to pay stamp duty.

Article 5. Types of services for which stamp duty shall be collected

Stamp duty shall be collected for the following services:

- 1) The settlement of legal disputes by the Courts;
- 2) Notarial services;
- 3) The registration of the status of citizens and the issue of passports, permits and visas;
- 4) Consular services;
- 5) The registration of vehicles and the issue of permits to drive;
- 6) The registration of guns;
- 7) The registration of newspapers and magazines;
- 8) The registration of business entities and organisations;
- 9) The granting of authorisation to establish business entities with foreign investment and representative offices of foreign organisations;
- 10) The granting of authorisation to provide services which require, or to carry out production which requires, special authorisation or expertise;
- 11) The issue of patents for inventions and industrial designs, the registration of trade marks, ensuring the validity of patents and the registration of licences in respect of patents and trade marks;
- 12) The registration of copyright works;
- 13) **The granting of permission to carry out activities in respect of securities and the registration of securities; and – (*This provision was added by the law of 26 June, 1995*)**
- 14) Any other services provided by this law.

Article 5¹. Amount of Duty

The amount of duty to be collected in accordance with the paragraph 3 of Article 8 and paragraph 2 of Article 9 may be established on a principle of mutual equality with country of origin of that certain foreign citizen. - (*This article was added by the law of 31 October, 1997*)

Chapter Two Amount of Duty

Article 6. Amount of duty for the settlement of legal disputes by the Courts

Duty shall be collected in the following amounts for the issue of documents by a Court, and for the making of applications, complaints and claims to the Courts for settlement:

1) Claims for loss in respect of tangible assets:

Amount of Claim	Duty
up to 3000 togrogs	50 togrogs
3,001 - 10,000 togrogs	2 percent of the total amount of the claim
10,001 - 50,000 togrogs	200 togrogs plus 3.5 percent of the amount of the claim that exceeds 10,000 togrogs
50,001 - 500,000 togrogs	1,500 togrogs plus 4 percent of the amount of the claim that exceeds 50,000 togrogs
500,001 – 1,000,000 togrogs	19,500 togrogs plus 2.1 percent of the amount of the claim that exceeds 500,000 togrogs
1,000,001 – 10,000,000 togrogs	156,000 togrogs plus 0.5 percent of the amount of the claim that exceeds 10,000,000 togrogs

(This provision was re-edited by the law of 22 April, 1999)

2) 250 togrogs shall be payable for claims for loss in respect of immovable property.

3) 25 togrogs per page for the reissue of Court documents, Court decisions, copies of case evidence, Court recommendations, sentencing documents and invoices.

Article 7. Amount of duty for notarial services

1. Duty shall be collected for notarial services in the following amounts:

- 1) For the certification of non-property agreements and contracts or agreements and contracts which have no fixed value - 500 togrogs
- 2) For the certification of amendments to non-property agreements and contracts or agreements and contracts which have no fixed value or the extension of their terms - 500 togrogs;
- 3) For the certification of property lease agreements - 750 togrogs;
- 4) For certification of documents of the creation of legal entities – 2,000 togrogs;
- 5) For certification of amendments to the documents of the creation of legal entities and the extension of their terms - 500 togrogs;
- 6) For certification of warrants - 500 togrogs;
- 7) For certification of documents – 50 togrogs per page;
- 8) For certification of translations of documents – 50 togrogs per page;
- 9) For certification of signatures on documents – 1,000 togrogs;
- 10) For certification of the copies of certified documents – 50 togrogs per page;
- 11) For examining of the core documents upon the request of a customer – 2,000 togrogs;
- 12) For certification of wills and testaments – 500 togrogs
- 13) For certification of the rights of members of a family to own property commonly or separately by parts – 250 togrogs;
- 14) For certification of documents on immovable property – 2,000 togrogs;

- 15) For the issue of a certificate to inherit property to persons other than, children, spouse or parents of a testator - 4,000 togrogs;
- 16) For certification of intangible property contracts and agreements between spouses and other members of an immediate family – 0.03 percent of the value of a contract, between other persons – 0.05 percent of the value of a contract;
- 17) For certification of contracts other than those provided for in provisions 1, 2, 3 and 16 of this paragraph - 0.02 percent of the value of contracts involving up to 1 million togrogs, and 0.01 percent of the value of contracts exceeding 1 million togrogs;

2. Unless otherwise provided by a contract or an agreement, parties to it shall make equal contributions to the payment of duty.

(This paragraph was re-edited by the law of 2 May, 1997)

Article 8. Amount of duty for the registration of the status of citizens and for the issue of passports, permits and visas

1. Duty shall be collected for the registration of the status of citizens in the following amounts:

- 1) For registration of birth and the issue of a birth certificate - 100 togrogs;
- 2) For registration of marriage and the issue of a marriage certificate - 125 togrogs;
- 3) For recording a divorce - 250 togrogs from each party;
- 4) For the issue of a document certifying a change of name or surname - 100 togrogs;
- 5) For certification of a new name - 250 togrogs;
- 6) For obtaining a copy of a registration document from archives - 50 togrogs.

2. Duties shall be collected for the issue of a passport to a citizen of Mongolia and for updating passport records in the following amounts:

- 1) For the issue of a passport to a citizen – 1,500 togrogs;
- 2) For an extension of the term of a passport - 75 togrogs;
- 3) For recording the place of permanent residence, the marital status or any other records of a passport holder - 50 togrogs.

3. Duty shall be collected for the issue of permits and visas to and the registration of foreign citizens and stateless persons in the following amounts:

- 1) For the issue of a permit to live permanently in Mongolia - 20,000 togrogs or the equivalent in hard currency;
- 2) For the issue of a certificate granting permanent residency – 1,500 togrogs;
- 3) For an extension of the validity of a certificate granting permanent residency - 10,000 togrogs;
- 4) For the recording of an address or any other details on a certificate of permanent residency - 50 togrogs per record;
- 5) For the registration of a foreign citizen undertaking study in Mongolia - 500 togrogs;
- 6) For the issue of a personal invitation to a foreign citizen – 2,500 togrogs;
- 7) For the issue of an entry visa to a foreign citizen holding a certificate of permanent residency - 2,500 togrogs;
- 8) For the issue of an exit visa to a foreign citizen holding a certificate of permanent residency – 1,250 togrogs;
- 9) For the issue of a permit authorising a person in transit to stay in Mongolia for a short period of time - 10,000 togrogs;
- 10) For an extension of time to stay in or visit Mongolia – 2,000 togrogs per night.

(This sub-paragraph was amended by the law of 17 April, 1997)

Article 9. Amount of duty for consular services

1. Duty shall be collected for the issue of foreign passports and for re-entry and travel permits in the following amounts:

- 1) For the issue of an ordinary foreign passport to a Mongolian national – 2,500 togrogs;
- 2) For the issue of a diplomatic or an official passport – 1,500 togrogs
- 3) For the issue of a permit to re-enter Mongolia - 10,000 togrogs or the equivalent amount in hard currency;
- 4) For an extension of the validity of a foreign passport - 100 togrogs;
- 5) For the issue of a permit to exit Mongolia multiple times in one year on a Mongolian ordinary foreign passport - 10,000 togrogs; - *This subprovision was annulled by the Law of 31 October, 1997*
- 6) For the issue of a permit to exit Mongolia on a single occasion – 2,000 togrogs. - *This subprovision was annulled by the Law of 31 October, 1997*

2. Duty shall be collected in the following amounts for the issue of visas to foreign citizens intending to visit Mongolia:

- 1) For the issue of an entry or exit visa - US\$20 .00 or the equivalent amount in another currency;
- 2) For the issue of an entry/exit or exit/entry visa - US\$25.00 or the equivalent amount in another currency;
- 3) For the issue of a transit visa -US\$15.00 per transit or the equivalent amount in another currency;
- 4) For the issue of a 6 month multiple entry visa - US\$65.00 or the equivalent amount in another currency;
- 5) For an extension of the validity of a visa - US\$15.00 for the first seven nights and US\$2.00 per night thereafter or the equivalent amount in another currency;
- 6) For the issue of a supplementary visa - US\$5.00 or the equivalent amount in another currency.

3. If consular services are provided as a matter of urgency (within 8 hours) the duties set out in paragraph 2 of this article shall be increased by 100 percent.

4. Diplomatic or consular representatives may collect the duties set out in paragraphs 1(1) and 1(2) of this article in foreign currency in denominations of no less than US\$1.00.

5. Consular representatives may collect the duties set out in sub-paragraphs 1,2,3,4, 7, 8,9, 11, 12, 13, and 16 of paragraph 1 of the article 7 of this law in foreign currency in denominations of no less than US\$1.00.

6. US\$1.00 or the equivalent amount in another currency shall be collected for the certification of consular documents. *(This paragraph was amended by the law of 17 April, 1997)*

Article 10. Amount of duty for the issue of permits to drive and for the registration of vehicles

1. Duty shall be collected for the issue of certificates of vehicle ownership, information details on vehicles and permits to drive in the following amounts:

- 1) For the issue of a certificate of vehicle ownership or information details on vehicles - 250 togrogs;
- 2) For the issue of a permit to drive -750 togrogs and for the issue of a certificate – 500 togrogs;

2. Duty shall be collected for the issue of registration numbers for cars, other types of motorised vehicles and motorcycles in the following amounts:

- 1) For the issue of a registration number for a car – 1,000 togrogs;
- 2) For the issue of a registration number for any other type of motorised vehicle including a trailer -150 togrogs.
- 3) For the issue of a registration number for a motorcycle - 500 togrogs;

3. Duty shall be collected for the registration of aircraft, vessels and aerodromes in the following amounts:

- 1) For the registration of an aircraft and for the issue of a registration certificate - 20,000 togrogs.
- 2) For the registration of an aerodrome and the issue of a registration certificate - 20,000 togrogs.

For the registration of a vessel and the issue of a certificate – 20,000 togrogs (*This subparagraph was added by the law of 28 May, 1999*)

Article 11. Amount of duty for the registration of guns

Duty shall be collected for the registration of guns in the following amounts:

- 1) For the registration of guns owned by citizens, business entities or organisations and for the issue of a registration certificate - 250 togrogs; - (*This provision was amended by the law of 17 April, 1997*)
- 2) For the registration of guns of foreign owners -US\$10.00 or the equivalent in togrogs.

Article 12. Amount of duty for the registration of newspapers and magazines

10,000 togrogs shall be collected for the registration of newspapers and magazines published in Mongolia.

(*This article was amended by the law of 17 April, 1997*)

Article 13. Amount of duty for the registration of business entities and organisations

1. Duty shall be collected for the registration of any type of business entity or organisation in the following amounts:

- 1) For the registration of a company and for the issue of a registration certificate - 10,000 togrogs;
- 2) For the registration of a co-operative company and for the issue of a registration certificate- 6.000 togrogs;
- 3) For the registration of a sole proprietorship and for the issue of a registration certificate –5,000 togrogs;
- 4) For the registration of a bank or insurance organisation and for the issue of a registration certificate - 20,000 togrogs;
- 5) For the registration of a political party or public organisation - 1,000 togrogs;
- 6) For amendments to the register for a business entity or organisation – 1,000 togrogs.

2. The amount of duty set out in sub-paragraphs 1-5 of paragraphs I of this article shall be increased by one and a half times for the reissue of a State registration certificate to a business entity or organisation.

(*This paragraph was amended by the law of 17 April, 1997*)

Article 14. Amount of duty for the issue of permits to operate a branch or representative office of a foreign business entity or to establish a business entity with foreign investment

1. Duty shall be collected for the issue of a permit to operate a branch or representative office of a foreign business entity in the following amounts:

- 1) For the issue of a permit to establish and operate a foreign branch or representative office - US\$500.00 or the equivalent in togrogs;
- 2) For an extension of the term of a permit to operate a foreign branch or representative office - US\$200.00 or the equivalent in togrogs.

2. Duty shall be collected for the issue of a permit to establish a business entity with foreign investment in the following amounts:

- 1) For the initial issue of a certificate and its reissue - 6,000 togrogs;
- 2) For an extension of the term of the certificate - 3,000 togrogs.

(This subparagraph was amended by the law of 17 April, 1997)

Article 15. Amount of duty for the issue of a permit to provide services or carry out production which requires specific expertise or special authorisation

1. 12,500 togrogs shall be collected for the issue of a permit to provide services or carry out production which requires specific expertise or special authorisation in accordance with the legislation of Mongolia.

2. A licence payment to be paid for the issue of a special permit for a service or any other activity that is not mentioned in this law, conducted by a foreign citizen, business entity or organisation shall be stated in a contract, which is based on considering the type of activity, income, profit, duties and payments of foreign countries, according to the guidelines provided by the Government.

(This paragraph was added by the law of 17 April, 1997)

3. An exemption from this duty is made for permits issued by the Bank of Mongolia to establish banks, their units and non-banking financial organisations.

(This paragraph was added by the law of 17 April, 1997)

Article 16. Amount of duty for the issue of patents for inventions and industrial designs, registration certificates for trade marks and the registration of licences in respect of patents and trade marks

1. Duty shall be collected in the following amounts for the issue of patents for inventions and industrial designs, registration certificates for trade marks and the registration of licences in respect of patents and trade marks:

- 1) For the issue of a patent -960 togrogs;
- 2) For the registration of a trade mark and for the issue of a registration certificate - 850 togrogs;
- 3) For ensuring the validity of a patent for an invention for the following periods of time:
 - a) for the first 3 years- 8,000 togrogs;
 - b) for 4 to 6 years -14,200 togrogs; .
 - c) for 7 to 10 years -28,800 togrogs;
 - d) for 11 to 15 years -56,500 togrogs;
 - e) for 16 to 20 years -94,200 togrogs.

4) For validating an extension of a patent for an invention for the following periods of time:

- a) for the first 5 years - 98,500 togrogs;
- b) for more than 5 years - an additional 112,000 togrogs.
- 5) For validating a patent for an industrial design for the following periods of time:
 - a) for the first 2 years -6,000 togrogs;
 - b) b) for 3 to 5 years -9,000 togrogs;
 - c) for 6 to 10 years -22,000 togrogs.
- 6) For validating an extension of a patent for an industrial design (for a period of 5 years) -18,600 togrogs.
- 7) For validating the registration of a trademark in any class (for a period of 10 years) :
 - a) In one class - 940 togrogs;
 - b) In any class for more than one year -280 togrogs;
 - c) To register a licence in respect of a patents or trade mark -800 togrogs.

Article 17. Amount of duty for the registration of works subject to copyright

1. Duty shall be collected for the registration of copyright works in the following amounts:
- 1) For the registration of copyright works -250 togrogs;
 - 2) For amendments to registration - 100 togrogs.

NOTES

The cost of the documents is not included in the amount of duty payable for certificates for changes of name or surname or certificates for permanent residency issued under article 8 of this law, for the issue of ordinary foreign passports to a Mongolian national pursuant to article 9 of this law, for the issue of certificates, registration numbers and permits to drive cars, motorcycles, trailers and all other kinds of motorised vehicle or the registration of guns under to article 10 of this law.

(This paragraph was amended by the law of 17 April, 1997)

Article 17¹ Amount of duty for granting permission to carry out and register securities operations

Duty shall be collected in the following amounts for granting permission to carry out activities in respect of securities and the registration of securities:

- 1) For authorisation to issue and register securities - 15,000 togrogs;
- 2) For authorisation to offer securities by way of tender - 10,000 togrogs;
- 3) For authorisation to carry out activities in respect of securities -10,000 togrogs.

(This article was added by the law of 26 June, 1995)

Article 17². Amount of duty for the registration of immovable property

Duty for the registration of immovable property shall be collected in the amount of 0.01 percent of the value of the property.]

(This article was added by the law of 4 July, 1997)

**Chapter Three
Miscellaneous Provisions**

Article 18. Exemption and suspension from payment of duty

1. The following types of claims brought to the Courts shall be exempt from the payment of stamp duty:
- 1) Claims in relation to pensions and allowances;

- 2) Claims in relation to patents and copyright;
- 3) Claims brought by Government budget organisations;
- 4) Claims in respect of money payable to the State budget or any fines,
- 5) Claims resulting from complaints;
- 6) Claims held by a Court to be exempt from the payment of Court expenses because of the financial circumstances of the claimant;
- 7) Claims for compensation for losses suffered as a result of criminal activity;
- 8) Claims and applications in relation to military service and claims brought by persons in the military service;
- 9) Claims for compensation for wrongful conviction, false imprisonment and wrongful arrest; and
- 10) Claims for compensation for the misappropriation of private property.
- 11) Claims brought by the National Committee on Human Rights – */This subprovision was added by the law of 7 December, 2000/*
- 12) Claims brought by the bank representatives/conservators and/or the receivers appointed to the insolvent banks under receivership – *(This subprovision was added by the law of 2 February, 2001)*

2. In accordance with the law, a Court may reduce the amount of duty payable, declare persons exempt from duty, or extend the time for payment of duty, having regard to the financial circumstances of the person making the application, complaint or claim,

3. The following services shall be exempt from duty:

- 1) The reissue of a document or any other information which is accidentally destroyed;
- 2) The issue of a certificate recording the property entitlement of a testamentary beneficiary of a person who died whilst protecting the interests of the State or the interests of individuals, or while performing any civic duty, or in the course of maintaining justice or rescuing human life;
- 3) The recording of changes to administrative and territorial units on a citizen's registration documents; and
- 4) The issue of a certificate recording the right to inherit property and money held in savings accounts by the husband, wife, natural or adopted children, father or mother of a testator.
- 5) The registration of accommodation privatised in accordance with the law to National Registry of Immovable property. – *(This subprovision was added by the law of 4 July, 1997)*

4. The duties set out in articles 16(3), (4), (5) and (6) of this law shall be reduced by 60 percent in the case of citizens and private business entities.

Article 19. Rules on payment of duty

1. Organisations authorised to collect stamp duties under this law shall collect duties either in the form of cash or through bank accounts and an executive to administer collection shall be appointed by the chief officer of the organisation.
2. The plaintiff must pay the duty either in cash or in non-cash and send the document about this transfer to the Court together with the claim or complaint. – *(This provision was re-edited by the law of 22 April, 1999)*
3. Money paid for the cost of certificates, licences, passports and registration numbers set out in the footnote to article 17 of this law shall be transferred to the State budget.
4. The State Tax Office shall monitor the administration of this law.

Article 20. Duty reports

Organisations authorised to collect stamp duties under this law shall provide an annual report on duties collected to the State Tax Office by 10 February of the following year.

Article 21. Reimbursement of duty

Duty shall be reimbursed in the following cases:

- 1) Where too much duty has been collected;
- 2) Where duty was collected for services exempt from payment of duty as set out in this law and any other legislation; and
- 3) Where performance of a service for which duty is payable is refused.

Article 22. Complaints in relation to the payment of duty

1. Citizens, business entities and organisations have the right to make complaints to a Court or an organisation authorised to collect stamp duties within 14 days of payment of the duty. Organisations authorised to collect stamp duties shall decide on the complaint within 14 days of its receipt.

2. Complaints in relation to the payment of duties for Court services shall be determined by the Court of highest instance in accordance with the Law on Civil Procedure.

Article 23. Penalties for breach of this law

1. Tax inspectors shall impose fines in the following amounts on executives of organisations authorised to collect duties in cases where the misconduct does not constitute a criminal offence:

- 1) [Up to 10,000 togrogs and payment of the amount of unpaid duty if a duty is not collected or not collected in full;
- 2) Up to 30,000 togrogs if duties collected are not transferred to the State budget fund in accordance with this law or if records of duties paid are misleading; and
- 3) Up to 20,000 togrogs for the incorrect collection of duties in accordance with article 21 of this law.

Tax inspectors shall confiscate duties collected illegally and shall fine organisations authorised to collect stamp duties 50,000 togrogs to 150,000 togrogs and its executives 1,000 togrogs to 30,000 togrogs for the collection of duties not regulated by this law if misconduct does not constitute a criminal offence.

2. If organisations or executives authorised to collect duties collect duties for their services which are not referred to in this law and where the misconduct does not constitute a criminal offence, a tax inspector shall impose a fine of 50,000 -150,000 togrogs on organisations for illegal collection of duties.

3. Money obtained through the illegal collection of duties or overpayment of duties as referred to in paragraph 1(2) and 1(3) of this article shall be transferred to the Courts.

(This paragraph was amended by the law of 4 July, 1997)

Article 24. Entry into force of this law

This law shall come into force on 1 September 1993.

Chairman of the State Ih Hural of Mongolia.

N Bagabandi

Ulaanbaatar 15 July 1993