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# In 2020, new tax incentives will appear in the textile industry of Uzbekistan

The President of the Republic of Uzbekistan adopted a Resolution dated 16 September, 2019, No.PP-4453 "On measures for the further development of light industry and stimulation of finished goods production".

According to the Resolution, from 1 January, 2020, the following tax benefits will be introduced:

- ▶ enterprises with a share of finished sewing and knitwear export in the total revenue of at least 60% according to the results of the reporting period are exempted from property tax for a period up to 1 January, 2023;
- ▶ enterprises in textile, sewing, knitting, leather and shoe and fur industries have a right to reduce the tax base for income tax for 7 years in equal shares by the amount of expenses for the construction of modern sewage facilities;
- ▶ organizations commissioning modern automated slaughtering complexes and leather processing enterprises are exempt from paying land tax until January 1, 2023;
- ▶ Foreign consultants of "Uztekstilprom" and "Uzcharmsanoat" associations, as well as foreign specialists working in textile, sewing, knitting, leather, shoe and fur industries, pay a personal income tax from sources in Uzbekistan at 50% of the established rate.

In addition, customs privileges for the period up to 1 January, 2023 are granted to the Uzbek-Korean Textile Training and Research Technopark under the Tashkent Institute of Textile and Light Industry. The Technopark will also be provided with land in the Free Economic Zone "Angren" for the implementation of investment projects for manufacturing textile, sewed and knitted products.

## Practice areas

[TAX](#)

## Locations

UZBEKISTAN