

# **TENDER DOSSIER**

**For**

# **THE MODERNISATION OF ISKUR OFFICES**

## **VOLUME 6**

## **TAX AND CUSTOMS PROVISION**

## **6.0 TAX AND CUSTOMS PROVISIONS**

The following provisions shall apply to public contracts financed by the Community:

- i** Contracts shall not be subject to stamp duty and registration duty as provided for by the law of the Beneficiary country. Persons not resident in the Beneficiary country shall be subject to stamp duty on their registration card at a rate depending on the period for which they remain in the said country.
- ii** Goods, works and services financed by the Community for the State, local administrative units, public bodies or public-interest associations shall be exempt from VAT or similar taxes.
- iii** Natural persons not nationals and not resident in the Beneficiary country carrying out service contracts financed by the Community shall not be subject to income tax or turn over tax in the Beneficiary country during the period of their contract.

Legal persons, in the same way, provided that they don't have their principal establishment in the said country.

- iv** Profit and/or income arising from the execution of supply and works contracts shall be taxable according to the tax system of the Beneficiary country if the natural or legal persons who make such profit and/or obtain such income have their principal establishment in the said country.
- v** Equipment and materials required for the execution of public works, supply or service contracts may be imported temporarily in to the Beneficiary country as provided for by its national legislation, with import duties and taxes suspended. The Beneficiary country shall authorise the contractor to import temporarily, use and re-export such equipment.
- vi** Goods which are the subject of a public supply contract shall be imported into the Beneficiary country free of import duties and taxes.