



VAT Standard rate

The standard VAT rate in Armenia in 2024 is 20%, which applies to goods and services where the place of supply is Armenia, and importation of goods into Armenia.

VAT Zero rate

Export of goods and services is taxed at zero rate as a rule.

VAT registration threshold

The Armenian VAT registration threshold is AMD 115 million (approx. €200,000).

Deductible VAT

In Armenia, VAT taxable persons deduct VAT paid on inputs from VAT charged on sales and report the difference to the tax authorities.

VAT is accounted for as follows:

VAT on sales of goods is recognized when the goods are delivered to customers.

VAT on services is recognized when services are provided to customers.

The right to deduct VAT on purchases is realized on the date of payment on condition that the invoice is received before the end of the reporting period.

The right to a tax deduction for imported goods is realized on the date of import.

Services provided to Armenia by non-residents not registered in Armenia are subject to the application of the reverse VAT rate. In order to substantiate the relevant claim for tax credit, the recipient of the services must independently issue an invoice on behalf of the non-resident and indicate its identification number as a service provider.

Registration procedure

Non-resident organizations will enter the corresponding electronic system from the official website of the State Revenue Committee of the Republic of Armenia, through which they will register with the tax authority, submit calculations, and pay VAT.

Keeping records

The period of keeping records in Armenia must be at least 5 years, starting from the reporting period to which the records refer.

VAT returns filing and payment date

VAT payers should file return and pay VAT before the 20th day of the month following the reporting period. The VAT reporting period is considered to be every quarter. If the income in the previous calendar year exceeded AMD 60 million, declarations must be submitted every month.

Penalties

A penalty of 10% of the amount of VAT is applied to taxpayers for violating the procedure for filling tax returns.

In cases of withholding or reducing turnovers subject to VAT, as well as withholding or reducing the amount of VAT payable to the budget, the VAT payer shall be charged 50 percent of this amount.

If the amounts of VAT for supplies and purchases provided, as well as goods and services received are not included (not reflected in the reporting), a fine of AMD 5,000 (approx. €12) per unit of false information (tax invoice) is charged from the person who submitted the information.

In cases when tax invoices are issued without transactions on provision of goods and services, the VAT amounts included in the tax invoices, as well as a fine in the amount of 100% of the VAT amount, but not less than AMD 1 million (approx. €2400) shall be charged from the individuals.