Budgetary Code of Georgia

Part I
General Provisions and Terms

Chapter I
General Provisions

Article 1. Objectives of the Code

The present Code defines the principles of creation of the budgetary system of Georgia, regulates the rules for preparation, review, adoption, fulfilment, accounting and controlling the budgets of national, local self-government bodies, and the republican budgets of the Autonomous Republics. Also, it regulates budgetary relations and responsibilities between the central agencies, Autonomous Republics of Georgia and local self-government bodies.

Article 2. Budgetary system of Georgia

Budgetary system of Georgia represents a unity of budgetary relations regulated by normative acts required for mobilizing and usage of the financial resources for the purposes of fulfilment of the functions of the central agencies, Autonomous Republics of Georgia and local self-government bodies.

Article 3. Legal basis for the budgetary system of Georgia


Article 4. Main Principles of the Budgetary System of Georgia

1. Any participant in the budgetary system of Georgia at all the stages of the budgetary process shall fulfil the following principles:
   a) comprehensiveness – complete reflection of all the changes in the revenues, expenditures and balance in the relevant budgets;
   b) transparency – openness of the review procedure of the draft budgets in the representative agencies for the population and mass media; publishing of the reports on the approved budgets and their fulfilment; availability of the information about budgets (except for the secret information) for any physical and legal entities;
c) accountability – responsibilities of all the participants in the budgetary process for carried out activities and for provided budgetary information;
d) independence – independence of the state budget of Georgia, republican budgets of the Autonomous Republics and the budgets of the local self-governing units, which are provided for by their own revenues and balances, and also the right to independently define own taxes in accordance with the legislation of Georgia.
e) unity – usage of common principles defining the basis for the central agencies, Autonomous Republics and local self-government bodies of Georgia, uniform budgetary classification, single accounting system, and state financial control;
f) universality – direction of all the budgetary revenues for joint financing of expenditures except for the cases defined by the present Code. At the same time, no revenue, except for the revenues financed by donors, shall be earmarked for covering of a specific expenditure. Retaining of the revenues by a budgetary organization for its own purposes shall not be allowed except for the cases when the budgetary organization is represented by a legal entity of public law;
g) consolidation – bringing the revenues at all the budgetary levels within the uniform system of accounting of the state treasury and payment of expenditures within the rule defined by the legislation of Georgia, management of the uniform system of accounting of the state treasury by the State Treasury and their placement within the National Bank of Georgia and/or other banking institutions.

Article 5. Budgetary process
The budgetary process is an integral part of the budgetary system of Georgia. The budgetary process is the activity of the participants of the budgetary system of Georgia, which includes preparation of the draft budget, its submission, consideration, approval, amendment, fulfilment, accounting and control.

Article 6. Definitions of the terms used in the Code
The terms used in the present Code have the following definitions:
b) local government – local self-government bodies;
c) budget – unity of the changes in revenues received, expenditures covered, and the remaining balance with the purpose of fulfilment of the functions and responsibilities of the central agencies, Autonomous Republics of Georgia and local self-government bodies of Georgia, which is approved by the relevant central agencies, Autonomous Republics and local self-government bodies of Georgia;
d) Unified consolidated budget of Georgia – consolidated budget of Georgian central agencies, Autonomous Republics of Georgia and local self-government bodies. The unified consolidated budget is not subject to approval by any of the representative state bodies;
e) State budget – unity of the changes in the revenues received, expenditures covered, and the remaining balance with the purpose of fulfilment of the functions and responsibilities of the Georgian central agencies approved by the Parliament of Georgia;
f) Unified consolidated budgets of the Autonomous Republics – consolidated republican budgets of the Autonomous Republics of Abkhazia or Adjara and their corresponding local self-governing bodies. Unified consolidated budgets of the Autonomous Republics are not subject to approval by any of the representative state bodies;
g) Republican budgets of the Autonomous Republics – unity of changes in revenues received, expenditures covered and the remaining balance aimed at fulfilment of functions and responsibilities of the Autonomous Republics, which are approved by the Supreme Council of the Autonomous Republic;
h) budget of a local self-governing body – unity of changes in revenues received, expenditures covered, and the remaining balance aimed at fulfilment of functions and responsibilities of the local self-governing bodies, which are approved by the representative agency (Sakrebulo) of the local self-governing body;
i) approved budget – the budget approved by the relevant representative state body;
j) amended budget – the budget amended on the basis of Articles 31, 69 and 92 of this Code;
k) allotment – an authority to cover expenditures within the amount envisaged by the budget during the budgetary year;
l) budget breakdown - monthly and/or quarterly spread of changes of budgetary revenues, payments and balance in accordance with the budgetary classification (except for the expenditures and functional classification of operations with non-financial assets);
m) local self-government, local self-government body, exclusive, delegated and voluntary authority – same as the definition of the terms used in the Organic Law of Georgia “On Local Self-Government”;
o) offsetting transfer – amounts allocated from the state budget of Georgia to the budget of the local self-governing body, in accordance with the formula defined by the present Code, for the purposes of implementation of exclusive authorities, directions of usage of which are independently defined by a representative local self-governing body;
p) target transfer – amounts, in the form of financial support, allocated from the state budget of Georgia and/or the budgets of the Autonomous Republics to the budget of the local self-governing body for the purposes of implementation of their delegated authorities;
q) special transfer – amounts, in the form of financial support, allocated from one budget to another except for the offsetting and target transfers.
r) office of payment – a first class budgetary organization according to the budgetary organizational classification;
s) budgetary organization – an organization with budgetary financing, which receives allotments from the budget and which is responsible for their management, as well as drafts its own budget, is responsible for its implementation and accounting within the defined norms, procedures and rules;
t) state treasury – a treasury unit subordinate to the Ministry of Finance of Georgia;
u) financial agency – relevant agencies of the executive branches of the Autonomous Republic and the local self-government, responsible for drafting and implementation of the budget of the local self-government body and the republican budgets of the Autonomous Republic;
v) budgetary year – calendar year;
w) annual budget – budgets approved by the central agencies, Autonomous Republic and representative body of the local self-government of Georgia for a corresponding budgetary year;
x) balance – monetary means available in the accounts of the relevant budgets for the corresponding period;
y) free balance – a part of the balance, which is not earmarked for any purposes;
z) change of balance – usage or accumulation of monetary means available in the accounts of the relevant budget for the corresponding period;
z1) monetary funds – cash and deposits in national and foreign currencies available in the accounts of the state treasury, autonomous republics and local self-government bodies;
z2) circulation of monetary funds – receipt of monetary funds on and payment from the accounts of the state treasury, autonomous republics and local self-government bodies;
z3) responsibility for payments – registration of the responsibility, within the defined rule, for making payments during the budgetary year by the budgetary organization to the state treasury or a financial agency;
z4) undertaking financial responsibility – undertaking the responsibility by the budgetary organization for
future payments from the budget

Part II
General norms regulating the budgetary system of Georgia and allotments of revenues between the budgets

Chapter II
General norms regulating the budgetary system of Georgia

Article 7. Rights and responsibilities of the participants in the budgetary process
1. The following entities are responsible for budget drafting, implementation and accounting:
   a) for the state budget – the government of Georgia;
   b) for the republican budgets of the Autonomous Republics – supreme executive body of the relevant Autonomous Republic;
   c) for the budgets of local self-government bodies - executive body of the relevant local self-government body.
2. the following entities are entitled to review, adopt and control the budget:
   a) for the state budget – the Parliament of Georgia;
   b) for the republican budgets of the Autonomous Republics – supreme representative body of the relevant Autonomous Republic;
   c) for the budgets of local self-government bodies – representative body of the relevant local self-government body.
3. The following entities are responsible for preparing statistical data on consolidated budget:
   a) for the consolidated budget of Georgia – the Ministry of Finance of Georgia;
   b) for the consolidated budget of Autonomous Republics – financial agency of the corresponding Autonomous Republic.
4. The Minister of Finance of Georgia shall issue relevant legislative acts for the purpose of maintaining integrity of the budgetary process and ensuring compliance with the present Code at any level of the budgetary system of Georgia.

Article 8. Budgetary classification of Georgia
1. Budgetary classification includes classifications of revenues, expenditures and operations with non-financial assets; functional, non-financial assets and their operations; financial assets and liabilities and their operations; as well as organizational classification. Organizational classification, in turn, includes expenditures by organizations, programs and events and shall be defined by the budget.
2. Budgetary classification, apart from the organizational classification, in agreement with the Chamber of Control of Georgia, and the Financial-Budgetary Committee of the Parliament of Georgia, is approved by the Minister of Finance of Georgia.

Article 9. Program and capital budget
1. Program budget is a unity of indicators of projected results and assessment of programs, projects, measures and their budgets, to be carried out by the office of payment institution for achievement of set priorities.
2. Capital budget is an investment-type program budget.
3. Methodology required for drafting program and capital budgets shall be approved by Minister of Finance of Georgia in coordination with the Budget and Finance Committee of the Parliament of Georgia.

**Article 10. Budgetary revenues**

Budgetary revenues include cash inflows to the budget received for the accounting period:

- a) revenues, including:
  - a.a) taxes;
  - a.b) grants;
  - a.c) other revenues;
- b) non-financial assets (funds received as a result of the operations with non-financial assets);
- c) financial assets (funds received as a result of the operations with financial assets except for using the remaining balance);
- d) liabilities (funds received as a result of undertaking liabilities).

**Article 11. Budgetary payments**

Budgetary expenditures include the cash funds to be paid from the budget for the accounting period:

- a) expenditures, including:
  - a.a) salaries;
  - a.b) goods and services;
  - a.c) subsidies;
  - a.d) interests payments;
  - a.e) grants;
  - a.f) social security;
  - a.g) other expenditures;
- b) non-financial assets (funds earmarked for the operations with non-financial assets);
- c) financial assets (funds earmarked for the operations with financial assets excluding accumulation of the balance);
- d) liabilities (funds directed for coverage of the main part of the liabilities).

**Article 12. Budgeted profit and deficit**

1. The difference between the budgetary revenues and expenditures is the budgetary operational balance, whereas the difference between operational balance and non-financial assets is the total budgetary balance.
2. Total positive balance is budgeted profit, whereas negative total balance is budgetary deficit.

**Article 13. Allotments in case of failure of the budgetary approval**

In case of failure to approve the state budget of Georgia, republican budgets of the Autonomous Republics and the budgets of local self-government bodies before the beginning of the budgetary year, before approval of a new budget, for the state budget – Minister of Finance of Georgia, and, for the republican budgets of the Autonomous Republics and the budgets of local self-government bodies – the relevant executive body – are authorized to allocate monthly funds to the offices of payment within the amount not exceeding 1/12 of approved allotments for the past year.

**Article 14. Accounting and bookkeeping methodology and responsibility**

1. Minister of Finance of Georgia, in compliance with the international standards, shall issue relevant
normative acts, which provide for fulfilment of the requirements of standard bookkeeping and accounting procedures to be implemented by the budgetary agencies of the central authorities, Autonomous Republics and local self-governing bodies of Georgia.

2. Central authorities, Autonomous Republics and local self-governing bodies of Georgia are responsible for bookkeeping of the revenues, expenditures and remaining balance, their control and harmonizing them with the normative acts issued by the Minister of Finance of Georgia.

3. Together with the revenues, payments from the state budget and balance changes, Ministry of Finance of Georgia is responsible for bookkeeping of other operations connected with the state debt servicing and as envisaged by the legislation of Georgia.

Article 15. Methodology for bookkeeping of budgetary fulfilment

1. Payment offices financed from the state budget and the budgets of the local self-government bodies (except for Tbilisi) shall draft budget fulfilment reports in compliance with the requirements of the present Code on the basis of the legislative act issued by the Minister of Finance of Georgia.

2. Payment offices financed from the budget of the city of Tbilisi and the budgets of the Autonomous Republics shall draft budget fulfilment reports based on the rules defined by the executive body of a corresponding authority, in compliance with the requirements of Articles 85, 86, 87, 108, 109 and 110 of the present Code.

Article 16. Cash execution of the budget

1. Execution of the state budget, the republican budgets of the Autonomous Republics and the budgets of the local self-government bodies is implemented by the cash method.

2. The authorities for giving free allotments envisaged by the relevant budgets are terminated at 24:00 on December 31 of the current budgetary year.

3. Funds received on and paid from the joint budgetary account of the state treasury for the budgets at every level shall be covered by the revenues from the period when receiving or paying the funds was reflected in the joint account of the state treasury.

Article 17. Execution of budgetary revenues

1. The agencies responsible for collection of revenues shall provide for complete and timely collection of the funds to be transferred to the budget in accordance with the legislation of Georgia.

2. The revenues approved by the annual budget represent an approximated amount and do not limit actual collections in excess of the defined indicator.

3. All the revenues of the Georgian state budget, the republican budgets of the Autonomous Republics and the budgets of the local self-government bodies are subject to immediate deposition in the unified budget of the state treasury.

Article 18. Execution of budgetary expenditures

1. It is not allowed to undertake responsibility for covering expenditures in excess of the planned amount of the adjusted budget.

2. The authority for undertaking the responsibility for covering expenditures by the budgetary organizations and their actual execution is defined by the rules issued the Minister of Finance of Georgia or the relevant financial institution in compliance with the requirements of the present Code.

3. Undertaking financial liability exceeding the allotments is not allowed except for the liabilities envisaged by the international agreements and long-term procurement. In case of undertaking long-term procurement liabilities the funds required for their servicing by the offices of payment shall be envisaged
in a draft budget for the corresponding year.

**Article 19. Budget execution by the Chamber of Control of Georgia and supervision over payments of budgetary allotments**

The Chamber of Control of Georgia shall, within the rule defined by the legislation of Georgia, supervise the implementation of state budget, the republican and local self-government budgets of the Autonomous Republics of Georgia and spending of budgetary allotments.

**Article 20. Compliance of the legislative acts with budgetary parameters**

1. Draft legislation, leading to the increase in expenditures or decrease of revenues of the state budget for the current year, or to the incurrence of new financial liabilities by the state, may be enacted by the Parliament of Georgia only subject to the consent of the Georgian Government, whereas abovementioned draft legislations may be enacted within the limits of the basic parameters of the state budget as agreed by the Government with the Parliament of Georgia.

2. Draft legislative act, leading to the increase in expenditures or decrease of revenues of the current republican and local self-government budgets of the Autonomous Republic, and/or to incurrence of new financial liabilities by the authorities of the Autonomous Republics and of local self-governments, may be enacted by the representative bodies of the Autonomous Republics and local self-governments only subject to the consent of the relevant executive authority, whereas draft legislative acts of the representative bodies of the Autonomous Republics and local self-governments relating to the next financial year shall be in compliance with the budgetary parameters for the planned year.

3. The taking on the part of the supreme state authorities of Georgia, as well as on the part of the state authorities of the Autonomous Republics of Abkhazia and Adjaria of a decision which increases the amount of budgetary payments of the self-government unit or decreases its revenues, shall be compensated by the agency rendering such decision.

**Article 21. Authority for taking loans and issuing state guarantees**

1. Taking state loans and issuing state guarantees is allowed only to the Ministry of Finance of Georgia within the rules defined by the Georgian legislation.

2. Authorities of the Autonomous Republics and local self-government bodies have the right to borrow funds from the Government of Georgia and/or other sources with permission of the Government of Georgia.

**Article 22. Limits to state debt and state guarantees**

1. The annual budget defines the limits for the total amount of the state debt, which may not be covered by the end of the budgetary year. The limits are defined separately for internal and international liabilities. Credits from the National bank of Georgia are subject to separate limitations.

2. Annual budgetary law defines limits for guarantees for internal and external state credits, which can be allocated during the forthcoming budgetary year.

3. Ministry of Finance of Georgia is responsible for management of the state debt and other relevant issues.

**Article 23. Procedures for incurring debt and issuing state guarantees**

1. Ministry of Finance of Georgia, within the limits defined by annual budget and other normative acts and within the rule defined by the Georgian legislation, makes decisions on the matter of incurring state debt and issuing state guarantees.
2. Ministry of Finance of Georgia is authorized, within the rule defined by the legislation, in compliance with the Law of Georgia “On State Debt” to take credits in any form available for its acceptance and servicing. Ministry of Finance of Georgia is free in selection of the financial instruments, including their characteristics and terms. Within the interests of the monetary policy Ministry of Finance of Georgia acts with consultations with the National Bank of Georgia.

3. Under the Organic Law of Georgia “On National Bank” and on the basis of the written agreement concluded between the Ministry of Finance of Georgia and the National Bank of Georgia, the National Bank of Georgia shall provide for execution of relevant decision on state debt.

**Article 24. The right for issuing credits**

1. A credit shall be issued from the state budget in accordance with the rule defined by the present Code.
2. Credits from republican budgets of the Autonomous Republics and the budgets of local self-government bodies may be given only with the permission of the Ministry of Finance of Georgia.

**Chapter III**

**Allocation of revenues between the budgets**

**Article 25. The rule for allocation of revenues between the budgets**

1. Allocation of revenues between the state budget of Georgia, the republican budgets of Abkhazia and Adjara Autonomous Republics and the budgets of the local self-government bodies is in accordance with the Annex to the present Code. The list of state property and expenditures of general state importance included in the Annex is defined by the Ministry of Economic Development of Georgia.
2. Local taxes and duties are fully transferred to the budgets of local self-governing bodies.
3. Revenues accrued to the republican budgets of Abkhazia and Adjara Autonomous Republics are allocated between the budgets of different levels of the respective Republics within the rules defined by the supreme representative body of the Autonomous Republics.

**Article 26. Allocation of budgetary revenues received from annulled taxes**

Budgetary revenues received from the taxes annulled under the tax legislation of Georgia shall be allocated in the manner as follows:

a) budgetary revenues received from the following annulled taxes shall be fully transferred to the state budget of Georgia:
   a.a) fixed tax on import of cars;
   a.b) tax on ownership of vehicles;
   a.c) tax for general usage highways;
   a.d) tax for vehicles entering Georgia and extra-normative loads;
   a.e) fixed tax for import of cigarillos and filter cigarettes;
   a.f) social tax;

b) budgetary revenues from the following annulled taxes shall be fully transferred to the republican budgets of Abkhazia and Adjara Autonomous Republics and the budgets of the local self-government bodies:
   b.a) tax for pollution of environment by hazardous substances;
   b.b) tax for usage of national resources;
   b.c) tax for property transfer;
   b.d) tax for resorts;
b.e) hotel tax  
b.f) tax for advertisements  
b.g) tax for usage of local symbols;  
c) 80% from the amount of the tax on small businesses and the fixed tax shall be transferred to the state budget of Georgia, and the remaining 20% shall be transferred to the republican budgets of Abkhazia and Adjara Autonomous Republics and the budgets of the local self-government bodies.  

Part III  
State Budget  

Chapter IV  
General Norms for the State Budget  

Article 27. Expenditures of general state importance
1. Expenditures of general state purposes are the allotments to the annual budget envisaged by the first class of organizational code, which includes the following separate organizational codes:  
a) servicing and coverage of foreign debt;  
b) servicing and coverage of internal debt;  
c) reserve fund of President of Georgia;  
d) reserve fund of the Government of Georgia;  
e) fund of the projects implemented in the regions of Georgia;  
f) coverage of the debt accumulated for the past years and the fund of execution of court decisions;  
g) transfers to the budgets of the Autonomous Republics and local self-government bodies;  
2. Other categories of expenditures of general state importance may be included in the annual budget.  
3. An entity to manage other expenditures of the general state purpose shall be defined by the annual budget, except funds under the Chapter herein.  

Article 28. Reserve funds of the state budget of Georgia
1. Reserve funds of President of Georgia and the Government of Georgia shall be set up in the state budget of Georgia. The total size of each fund shall not exceed 2% of the total allotments envisaged by the annual budget.  
2. Resources from the reserve funds of President of Georgia and the Government of Georgia are used for financing the expenditures not included in the state budget. Directions of expenditures of the reserve funds of the state budget of Georgia are defined by President of Georgia and the Government of Georgia, respectfully, in accordance with the amounts provided for in the adjusted budget.  
3. Sums from the reserve funds of the President of Georgia and the Government of Georgia, on the basis of the corresponding decisions of the President of Georgia and the Government of Georgia, which includes the information on the amount of funds and their purposes, shall be allocated by the Ministry of Finance of Georgia.  
4. If the amount to be allocated from the reserve funds of the Government of Georgia does not exceed the sum of GEL 100 000, the decision on allocation of sums shall be made by Prime-Minister of Georgia, upon introduction of the Minister of Finance of Georgia.
Article 29. Funds of the projects implemented in the regions of Georgia
1. Fund for projects to be implemented in the regions of Georgia shall be set up in the state budget and shall be managed based on the decision made by the Government of Georgia.
2. The amounts from Georgian regional project funds shall be allocated by the Ministry of Finance of Georgia, based on a corresponding decision made by the Government of Georgia.
3. The amount of fund of projects to be implemented in the regions of Georgia shall be defined by the annual budget.

Article 30. Fund for coverage of the debt accumulated for the past years and execution of court decisions
1. The fund for coverage of the debt accumulated for the past years and execution of court decisions is created in the state budget of Georgia, and is managed in accordance with the rules defined by the Government of Georgia and on the basis of the decision made by the Government of Georgia.
2. The money from the fund for coverage of the debt accumulated for the past years and execution of court decisions, on the basis of the decision made by the Government of Georgia, is allocated by the Ministry of Finance of Georgia.
3. The amount of the fund for coverage of the debt accumulated for the past years and execution of court decisions is defined by the annual budget.

Article 31. Allocation of allotments of the state budget and changes in the organizational classification
1. Allocation of allotments from one office of payment to another may be conducted only through making changes to the annual budget law.
2. Allocation of funds between the articles and codes of the budgetary classification of the office of payment may be conducted only with the approval of the Minister of Finance of Georgia and shall not exceed 5% of the allotments envisaged by the annual budget for the office of payment.
3. On the basis of the suggestions presented by the office of payment and the decisions made by the Government of Georgia, the funds from the allotment of the office of payment may be allocated for the expenditures of general state importance under the condition that the allocated funds shall not exceed 2% of the allotments approved by the state budget for the expenditures of general state importance. The said re-allocation shall be notified by the Ministry of Finance of Georgia to the Financial-Budgetary Committee of the Parliament of Georgia.
4. On the basis of the relevant legislative act and the suggestions presented by the office of payment the Minister of Finance of Georgia is authorized, with the agreement of the Government of Georgia to introduce changes (inclusion of a new organizational code; change of the name of the budgetary organization, program, project or event) to the organizational classification.
5. Correction of the annual budget by the allocation of allotment for expenditures of general state importance and the changes envisaged by paragraph 2-4 of the present Article shall be implemented in compliance with the rule defined by the Minister of Finance of Georgia.

Article 32. Emergency budget
1. In case of state of emergency or military situation in Georgia or in any of its region the Parliament of Georgia may adopt the emergency budget as drafted by the Government of Georgia with approval of the President of Georgia for target financing of the events connected with emergency or military situation.
2. During enactment of the emergency budget, percentage limitations envisaged by Articles 28 and 31 are
Chapter V
Preparation, submission and approval of the state budget

Article 33. Coordination of the process of preparation and submission of the draft state budget
The process of preparation and submission of the draft state budget is coordinated by the Ministry of Finance of Georgia, which is responsible for the whole process.

Article 34. Basic Dimensions and Directions of the country
1. The document containing Basic Dimensions and Directions of the country’s development is the master plan of the country’s development, which includes the information on medium-term macroeconomic and fiscal forecast, as well as information on main issue-areas of the development of the central, autonomous and local self-government authorities of Georgia.
2. Ministry of Finance of Georgia is responsible for preparation of Basic Dimensions and Directions in coordination with the offices of payment designated by the National Bank of Georgia, State Representatives in the administrative-territorial units – Governors, the authorities of the Autonomous Republics, the authorities of local self-government bodies and the Government of Georgia, for which the mentioned above bodies shall present to the Ministry of Finance of Georgia the requested information.
3. With the purpose of presentation of Basic Dimensions and Directions before March 1 of every year the Government of Georgia defines in its decree the list of information to be presented by offices of payment, the State Representatives in the administrative-territorial units – Governors, the authorities of the Autonomous Republics and the authorities of local self-government bodies (except for the local self-government entities within the Autonomous Republics) and the terms for presentation of this information.
4. With the purpose of agreeing Basic Dimensions and Directions with the Georgian Parliamentary Committees, the Government of Georgia shall, prior to June 1, submit to the Parliament of Georgia the information concerning the main macroeconomic forecasts and the basic directions of Georgian Ministries. The resolutions of the Georgian Parliamentary Committees on the information concerned shall be transmitted to the Government of Georgia no later than June 20. Georgian Ministries shall annually, prior to June 30, approve their medium-term action plans which include the priorities, as well as the programmes and measures required in order to achieve such priorities.
5. Country’s Basic Dimensions and Directions document shall include at least the following information:
   a) for the three past, current, planned and post-planned years:
      a.a) forecast for main macro-economic indicators (nominal and real gross domestic product, economic growth, inflation, etc.) and their description;
      a.b) revenues and expenditures of the consolidated and state budgets, aggregate indicators of operations with financial and non-financial assets and liabilities;
   b) analysis of the final outcome of fulfilment of the state budget in the past budgetary year and readjusted forecast for the current budgetary year;
   c) for the planned budgetary year and three post-planned budgetary years:
      c.a) state priorities defined by the Government of Georgia;
      c.b) medium-term priorities of the offices of payment of the state budget as defined by the decree of the Government of Georgia and the amount of financing of the main programs and events required for their
execution, goals and results;
c.c) amounts of financing, goals and results of medium-term priorities of the Autonomous Republics and local self-governing bodies and the programs and events to be implemented for their fulfilment only for the information purposes;
c.d) aggregate indicators of approximate marginal volumes of allotment for each office of payment of the state budget;
d) approximate marginal number of employed individuals per each office of payment for the planned budgetary year.

6. The Government of Georgia shall prepare no later than July 10 the first draft of the Basic Dimensions and Directions (except for information indicated in para 5 “c.c” of the present Article).

7. The Basic Dimensions and Directions (except for information indicated in para 5 “c.c” of the present Article) shall be presented to the Parliament of Georgia in accordance with Article 38 and 39 of the present Code.

8. The Government of Georgia shall ensure further synergy of the Basic Dimensions and Directions with the draft state budget.

**Article 35. Budget call and marginal values**

1. The Ministry of Finance of Georgia shall, no later than within 5 days upon submission of the Basic Dimensions and Directions by the Government of Georgia, transmit to the offices of payment forms for budgetary requests, through application of which the offices of payment shall submit information on next year budget to the Ministry of Finance of Georgia.

2. The information on the budget for the next year submitted by the offices of payment to the Ministry of Finance of Georgia shall comply with marginal values of cadre and allotments defined by country’s Basic Dimensions and Directions document for the offices of payment.

**Article 36. Submission of budgetary requests by the offices of payment**

1. Heads of the offices of payment shall submit their budgetary requests to the Ministry of Finance of Georgia no later than September 1. Budgetary requests shall include at least the following information:

a) for the three past, current, planned budgetary years:
   a.a) calculation of allotment for the offices of payments for all lower-class groups (except for the organizational classification);
   a.b) calculation of allotment for the offices of payments according to the organizational classification;
   a.c) approved and forecast numbers of employees of the offices of payments;
   a.d) information on allotments for the projects implemented with foreign sources of funding and co-funding and co-participation of these projects;

b) funding, goals and expected results of the activities having priority implementation and the programs and events required for their execution from the allotments of the offices of payment for the planned and three post-planned budgetary years, for which separate codes are envisaged by the organizational classification;

c) program and capital budgets.

2. Submission of the budgetary call by the office of payment exceeding the marginal indicators (in any) envisaged by Article 34 para 5 “c.d” and “d” of the present Code is allowed only within the form provided by the budgetary call.

3. In case the information included in the budgetary call differs from the information given in Article 34 paragraph 5 subparagraphs “c.b”, “c.d” and “d” of the present Code, the office of payment shall, along with the budgetary call, submit to the Ministry of Finance of Georgia the information on cause of such
4. Ministry of Finance of Georgia is responsible for inclusion of the allotments envisaged for the expenditures of general state importance in the draft budget.

**Article 37. Preparation of draft state budget**

1. Ministry of Finance of Georgia shall review budgetary requests and shall submit the main parameters of the draft budget for consideration to the Government of Georgia no later than September 15.
2. Ministry of Finance of Georgia shall submit the draft state budget and the revised Basic Dimensions and Directions to the Government of Georgia no later than September 25.
3. In case of any disagreement between the Ministry of Finance of Georgia and the office of payment in process of undertaking any action as provided for under paragraph 1 and 2 of this Article, the Ministry of Finance of Georgia shall be authorized to submit to the Government of Georgia its own version of the draft state budget, the final decision whereupon shall be taken by the Government of Georgia.
4. Total volume of growth of the expenditures and non-financial assets of the state budget of Georgia shall not exceed 25% of the planned parameters of the nominal gross domestic product for the corresponding year.

**Article 38. Submission of the draft state budget and country’s Basic Dimensions and Directions document to the Parliament of Georgia**

1. The Government of Georgia shall submit the draft state budget approved by the President of Georgia, along with enclosed materials, to the Parliament of Georgia no later than October 1.
2. Country’s Basic Dimensions and Directions document, which is in compliance with the budget draft, shall be submitted for consideration to the Parliament of Georgia along with the draft state budget.
3. Draft state budget shall include at least the following information:
   a) balance of the state budget in accordance with the budgetary classification;
   b) revenues of the state budget, changes of balance and volumes of allotments envisaged for each office of payment in accordance with the second-level budgetary classification (except for the organizational classification);
   c) volumes of budgetary profits or deficits;
   d) volumes of budgetary allotments according to the organizational classification;
   e) volumes of expenditures of general state importance;
   f) state debt and marginal amounts of the credits with state guarantees;
   g) projects funded with the purpose credits and credits of donors;
   h) medium-term priorities of the offices of payment, their goals and results as envisaged by the Basic Dimensions and Directions;
   i) program and capital budgets.
4. Annexes to the draft state budget include the following:
   a) explanatory note to the draft state budget, which shall provide the following information:
      a.a) forecast of main macroeconomic indicators (nominal and real gross domestic product, economic growth, inflation, investments, etc.) and their descriptions;
      a.b) forecast of fiscal indicators and their descriptions;
      a.c) information on main programs and events funded from the state budget;
   b) short description of the state budget for the current year;
   c) package of legislative changes required for enactment of the Law on Annual Budget.
5. The information contained in paragraph 3 of the present Article, except for the information in subparagraphs “h” and “i”, shall be provided for the past, current and planned budgetary years.
6. The information contained in paragraph 3, subparagraphs “h” and “i” of the present Article shall be provided for the planned budgetary year and three post-planned budgetary years.

7. The draft state budget with enclosed materials and country’s Basic Dimensions and Directions document shall be made available to the public upon its submission to the Parliament of Georgia.

Article 39. Review and adoption of the draft state budget

1. The draft state budget with its annexes and the Basic Dimensions and Directions submitted to the Parliament of Georgia is reviewed by the Georgian Parliament Committees, parliamentary factions, parliamentary majority, minority and members of Parliament.

2. During the Committee hearings, the draft state budget shall be presented jointly by the Minister of Finance or his/her Deputy Minister and the relevant Ministry or his/her Deputy.

3. The remarks made during the Committee hearings, as well as the conclusions of the Chamber of Control of Georgia and the National Bank of Georgia, shall be transferred by the Parliament of Georgia to the Government of Georgia no later than October 22. The remarks made on the document of country’s main indicators and directions for the three post-planned years shall be regarded as recommendations.

4. The Government of Georgia shall re-submit the revised draft state budget and the Basic Dimensions and Directions, including the information on the remarks and nature of suggestions, to the Parliament of Georgia no later than November 5. The draft state budget shall be considered at the plenary sessions.

5. The report on draft annual budgetary law and brief overview of the current year state budget shall be presented at the plenary session of the Parliament of Georgia by the Prime Minister of Georgia or any member of the Government of Georgia being authorized by the relevant order of the Prime Minister. The Parliament of Georgia shall also hear the reports of the Chamber of Control of Georgia, the National Bank of Georgia and the Financial-Budgetary Committee of the Parliament of Georgia.

6. The remarks made during the plenary session shall be passed to the Government of Georgia no later than November 15.

7. The Government of Georgia shall submit the final versions of the draft state budget and the document containing Basic Dimensions and Directions, along with information on the remarks and nature of suggestions made during the plenary session, to the Parliament of Georgia no later than November 30.

8. The Parliament of Georgia shall vote the draft state budget of Georgia no later than the third Friday of December. The draft state budget law shall be adopted with the majority of votes, in one reading.

9. The state budget law adopted by the Parliament of Georgia shall include information envisaged by Article 38 paragraph 3 of the present Code.

10. Amendment to the draft state budget can be made in the Parliament of Georgia with the consent of the Government of Georgia. In such case the Government of Georgia, with approval of the President of Georgia, shall submit to the Parliament of Georgia the corresponding amended draft law. Amendment to the draft state budget may also be introduced during its hearing at the plenary session in case the reporter agrees with the made remark.

11. In the event the Parliament of Georgia fails to adopt draft state budget prior to the third Friday of December, the same draft budget or the amended document jointly prepared by the Conciliation Commission of the Government of Georgia and the members of the Parliament may be voted again within the period of 10 days, but no later than December 31.

12. In case of dissolution of the Parliament of Georgia as a result of failure to adopt the state budget, the President of Georgia shall adopt the state budget by a decree and in one month after recognition of the authorities of the newly elected Parliament shall submit it for its approval.

13. No later than in one month after the beginning of the planning budgetary year the Ministry of Finance of Georgia, on the basis of the information received from the local self-governments and Autonomous
Republics, shall complete the final draft of the Basic Dimensions and Directions and submit it to the Financial-Budgetary Committee of the Parliament of Georgia for consideration.

14. The annual budgetary law shall be made public in accordance with the rule prescribed by the Georgian legislation.

**Article 40. Changes/amendments to the annual budget law**

1. Introduction of amendments and/or addendum to the allotments envisaged by the annual budget, except for the rule established by Article 31 of the present Code, requires introduction of corresponding amendments and/or addendum to the annual budget law.

2. The materials enclosed with the draft law on amendments/addendum to the annual budget law shall include a revised medium-term macroeconomic and fiscal forecast and/or information on the nature of amendments/addendum introduced except for the case when their submission is not required based on the nature of amendments/addendum.

3. In 7 days after submission of the draft law on making changes/amendments to the law on state budget by the Government of Georgia to the Parliament of Georgia, the latter shall transmit the relevant conclusions about the draft law to the Government of Georgia.

4. The Government of Georgia shall submit the revised version of the draft law on amendments/addendum to the law on state budget for consideration to the Parliament of Georgia no later than within 5 days upon introduction of amendments. The draft shall be enclosed with information on the situation with taking into account suggestions and corrections made.

5. The Parliament shall conduct hearing of the draft law on amendments/addendum to the law on state budget at its plenary session no later than within 5 days upon submission of the revised version of the draft law.

6. The draft law on amendments/addendum to the annual state budget law shall be introduced at the plenary session of the Parliament of Georgia by Prime Minister of Georgia or a person designated by the Prime-Minister’s special decree. The Parliament of Georgia shall also conduct hearings of reports of the Chamber of Control of Georgia, the National Bank of Georgia and the Georgian Parliament’s Finance and Budget Committee.

7. The Parliament of Georgia, with its majority votes and in one hearing, shall adopt the draft law amendments/addendum to the law on the annual state budget.

8. If the Parliament of Georgia fails to adopt the draft law on amendments and/or addendum to the law on the annual state budget, the same variant of draft law on amendments and/or addendum to the law on the annual state budget or the draft law revised by the Joint Commission of the Government of Georgia and the Parliament of Georgia may be resubmitted to vote.

9. The law on making changes/amendments to the law on the state budget shall be published in accordance with the rule prescribed by the legislation of Georgia.

**Chapter VI**

**Rule for special financing from the state budget**

**Article 41. The Parliament of Georgia and the Chamber of Control of Georgia**

1. Draft budgets of the Parliament of Georgia and the Chamber of Control of Georgia shall be presented by the Parliament of Georgia to the Government of Georgia no later than June 15.

2. The procedure for the composition of the draft budgets of the Parliament of Georgia and the Chamber of
Control of Georgia shall be defined by the regulations of the Parliament of Georgia.

3. Decrease in the amount of expenditures envisaged in the state budget for the Parliament of Georgia and the Chamber of Control of Georgia as compared to those from the previous and current years may take place only subject to previous consent of, respectively, the Parliament of Georgia and the Chamber of Control of Georgia.

4. Subject to the agreement with the Ministry of Finance of Georgia, the Parliament of Georgia may, without limitation, exercise its right in respect to the re-allocation of funds allotted to it as prescribed by Article 31 of the present Code.

**Article 42. Constitutional Court of Georgia and common courts of Georgia**
Decrease in the amount of expenditures envisaged in the state budget for the Constitutional Court and common courts of Georgia as compared to those from the previous year may take place only subject to previous consent of, respectively, the Constitutional Court of Georgia and the Supreme Council of Justice of Georgia.

**Article 43. Prosecutor’s Office of Georgia**
Decrease in the amount of expenditures envisaged in the state budget for the Prosecutor’s Office of Georgia as compared to those from the previous year may take place only subject to previous consent of the Minister of Justice of Georgia.

**Article 44. Financing sports and cultural spheres**
The funds envisaged for development of sports and culture for the planned year by the state budget allotment for the Ministry of Culture, Monument Protection and Sport of Georgia may not be less than 75% of the funds transferred to the state budget as a result of sales of lottery tickets during the past year.

**Article 45. Condition for determining the amount of special financing**
The amount of expenditures provided for under paragraph 3, Article 41, Article 42 and Article 43 of this Code does not provide for the expenditures envisaged for the investment projects implemented through grants and foreign sources of funding and for co-funding of and co-participation in such projects.

Chapter VII
Execution of the state budget

**Article 46. Responsibility for execution of the state budget**
1. The budgetary organizations are responsible for making payments in accordance with the allotments and, within the scope of their competencies, for collection of revenues.
2. The Ministry of Finance of Georgia is responsible for monitoring the organizations and execution of the state budget.
3. The Parliament of Georgia is authorized to control the legality of budgetary expenditures of the Government of Georgia and in case of any violations to apply to the President of Georgia with a request to withhold budgetary expenditures. In case the illegality of the budgetary expenditures the President of Georgia shall make the relevant decision.

**Article 47. Breakdown of the state budget**
1. Within 5 working days after publishing of the state budget law, the offices of payment shall submit to
the Ministry of Finance of Georgia the information on approximate quarterly and/or monthly breakdown of the allotments assigned to them by the state budget.

2. Ministry of Finance of Georgia shall review the submitted information and, taking into account existing resources, no later than in 15 days after publishing of the state budget law make a decision about quarterly and/or monthly breakdown of the state and consolidated general budgets (in their expenditure part).

3. With the purpose of funding allotments during quarterly and/or monthly breakdown of the state budget free balance may be used under the condition that the annual volume of change of the balance envisaged by the annual budget shall remain intact.

4. Amendments and/or addendum to the budgetary law require approval of such a breakdown or introduction of amendment to the existing breakdown.

Article 48. Information on state procurement

1. Legal Entity of Public Law - the State Procurement Agency shall, within 15 days after end of each month, submit to the Ministry of Finance of Georgia the information on condition of the state procurements in accordance with the form defined by the Ministry of Finance of Georgia.

2. If change in the state procurement plans of the budgetary organizations being on state financing causes allocation of the allotments envisaged by the amended budget, the budgetary organization, before making changes to the state procurement plans, shall amend the allotments in accordance with the rule of Article 31 of the present Code.

Article 49. Receipt of the overpaid or underpaid amounts from the revenues of the state budget or transfer into the accounts of payment of other expenditures

1. The rule for returning over-paid or underpaid revenues to the combined account of the State Treasury and transfer them into the other types of revenues is defined by the order of the Ministry of Finance of Georgia.

2. Bookkeeping and accounting of the description of execution of the revenues received from payment of taxes is conducted without the sums of the returned overpaid amounts of the revenues from taxes to the sub-accounts.

3. During bookkeeping and accounting of the budget, the amounts of overpaid or incorrectly paid revenues returned or transferred in the form of other revenues are corrected.

Article 50. Payment of taxes and/or other liabilities by another entity

Payments of taxes, custom duties and/or other fees to the budget by a taxpayer individual/entity as defined by the legislation of may be fulfilled by another person within a specially designed form by the National Bank of Georgia, for which he shall submit to the organization receiving the taxes and/or duties the receipt for paying taxes and/or duties as defined by the legislation of Georgia and/or another document designed by the Minister of Finance of Georgia. At the same time, the proof for paying taxes and/or duties may be provided in an electronic form in accordance with the rule defined by the Minister of Finance of Georgia. Completed payments of taxes, custom duties and/or other liabilities fees are not subject to return to the third persons.

Article 51. Schedule for management of funds and their distribution

1. With the purpose of funding the expenditures of the budgetary organizations, distribution of funds from the combined account of the State Treasury is conducted on the basis of budgetary breakdown and monthly operational financial plan.

2. Monthly operational financial plan of distribution of funds is defined by the Minister of Finance of
Georgia according to the revenues, changes of the balance and forecasts of expenditures indicators for the corresponding period.
3. Monthly operational financial plan defined by the Minister of Finance of Georgia shall comply with the indicators given in the budgetary breakdown.
4. Elaboration and approval of draft monthly operational financial plan of distribution of funds, as well as actual distribution of the money are carried out by the Minister of Finance of Georgia in accordance with corresponding rule adopted by the present Code.

Article 52. State Treasury
1. State Treasury shall provide for the transparency and full accountability of the operations in respect to the reception of budgetary revenues and payment of state budgetary expenditures, as well as of the operations with the financial resources available on the accounts of the State Treasury.
2. State Treasury is responsible for full bookkeeping of the revenues of the state budget, the budgets of republican and local self-governing bodies of the Autonomous Republics, expenditures of the state budget and the changes in remaining balance of the state budget.
3. State Treasury has a unified account at the National Bank of Georgia. State Treasury is authorized to open additional bank accounts in other banks.
4. The State Treasury is alone responsible for issuing permission for management of the unified account of the State Treasury and other accounts and control over operations, as well as distribution of monetary funds from these accounts, apart from exceptions envisaged by the Georgian legislation.
5. Funds of the State Treasury are deposited in the uniform account of the State Treasury, as well as in other accounts of the State Treasury.
6. By the end of each month the State Treasury shall prepare a report on circulation of the monetary funds.
7. Without the consent of the State Treasury opening of a bank account of the budgetary organization of the central authorities of Georgia is prohibited. The State Treasury is authorized to revoke its permit for opening of a bank account and to close the account. The budgetary organizations shall attest that all the revenues they received are fully and immediately transferred to the uniform account of the State Treasury except for non-budgetary revenues of legal persons of public law.
8. State Treasury is authorized to use electronic documentation in its operations.
9. In agreement with the Autonomous Republic or local self-government bodies, the State Treasury is authorized to offer them treasury services. Ministry of Finance of Georgia shall design the procedures and bookkeeping methodology, which shall be applied by the relevant authorities.
10. With the purpose of receiving additional budgetary revenues, the State Treasury is authorized to deposit free and available monetary funds in the commercial banks in accordance with the rule approved by the Minister of Finance of Georgia in compliance with the present Code.

Chapter VIII
Bookkeeping, reporting and audit of the state budget

Article 53. Bookkeeping and reporting of the state budget
1. State Treasury conducts reporting on the expenditures of the budgetary organizations according to the budgetary classification, which includes the information on all the stages of payments. Also, State Treasury conducts reporting of the revenues and return of the overpaid funds included in the budgetary
classification.
2. Within 20 days after the end of each month the State Treasury shall prepare accounts of the revenues, expenditures, changes of the balance and the total balance of the state budget and shall submit it to the Parliament of Georgia.

**Article 54. Quarterly review of execution of state budget**
Within 1 month from the end of each quarter the Ministry of Finance of Georgia shall submit to the Parliament of Georgia the quarterly review of execution of cumulative state budget, which includes the following:
- developments in the macroeconomic and budgetary spheres;
- revenues, expenditures (including expenditures of general importance), changes of the balance and comparison of actual value of total balance with the forecast parameters for the corresponding period.

**Article 55. Annual report of execution of the state budget, preparation and submission of the accounting overview**
In accordance with the instructions of the Ministry of Finances of Georgia and within the defined terms, the offices of payment shall prepare the final report and accounting overviews, which are submitted to the Ministry of Finance of Georgia. The Ministry of Finance of Georgia, on the basis of the data from the State Treasury, and the information received from the offices of payment, shall prepare annual report on execution of the state budget, which shall be submitted to the Parliament of Georgia no later than within 3 months after the end of the budgetary year.

**Article 56. Annual report on execution of state budget**
The annual report on execution of state budget includes detailed information on execution of the state budget according to the budgetary classification, in particular,
- balance of the state budget according to the budgetary classification;
- macroeconomic overview
- comparison of the budgetary revenues and expenditures with the planned parameters of corresponding period;
- balances available in the uniform account of the state treasury for the beginning and end of the year;
- explanation of discrepancies between the approved and revised allotments according to the organizational codes, if such a discrepancy exceeds 30% except for the funds, included in the annual budgetary law as general state expenditures.
- explanation of the discrepancy between the allotments revised according to the organizational codes and the funds paid if such a discrepancy exceeds 15%;
- information on condition of payment of expenditures of general state purpose (including on outstanding liabilities by the end of the budgetary year);
- description of the results of the priorities included in the annual budget by the offices of payment and the programs/events to be implemented with the purpose of achieving these priorities;
- information on execution of the program and capital budgets

**Article 57. Monitoring by the Chamber of Control of Georgia of the annual report on execution of the budget**
The Chamber of Control shall, no later than 1 month after submission of annual budget execution report to the Parliament of Georgia by the Government of Georgia, submit to the Parliament a statement with
Article 58. Approval of the annual report on execution of the state budget
1. After review of annual report on execution of the state budget and hearing the statement of the Chamber of Control of Georgia the Parliament of Georgia, no later than June 15, shall made a decision on adoption or rejection of the reports.
2. If the Parliament of Georgia does not adopt annual report on execution of the state budget, the President of Georgia shall review the authorities of the Government of Georgia and inform the Parliament with 1 month about his substantiated decision.

Chapter IX
Allocation of credits from the state budget

Article 59. Basis for issuing credits
1. Issuing credits from the state budget and controlling for their flows is implemented in accordance with the requirements and rules of the present Chapter. Interactions related to lending, control over target spending and coverage of credits shall be regulated by the present Code and normative act of the Government of Georgia.
2. The norms under the present Chapter shall not apply to:
   a) credits to be issued within the programs funded by foreign donors;
   b) credits to be issued by the state budget to the republican budgets of the Autonomous Republics and the budgets of the local self-government bodies;
   c) credits issued before enactment of the present Code.
3. A credit shall be issued from the state budget only on the basis of the decree of the President of Georgia or the Government of Georgia, which shall define as follows:
   a) purpose of the credit;
   b) source of lending (the reserve fund of the President of Georgia as envisaged by the state budget, the reserve fund of the Government of Georgia, allotments of the office of payment and/or other );
   c) the means for fulfilment of credit request as envisaged by the present Code and/or other exceptional cases;
   d) a creditor, an entity allocating the credit, an entity receiving the credit, controlling agencies and other entities parties to the credit agreement;
   e) amount of credit;
   f) annual interest rate for using the credit;
   g) terms of utilization and return of credit.
4. The decree may also define other conditions, necessary for issuing and returning the credit, as well as its efficient and target usage.

Article 60. A creditor and a recipient of the funds
1. The creditor of funds from the state budget shall be the budgetary organization from the allotments of which credit is granted or/and to which, pursuant to the procedure established by the legislation, the resources (amounts of money) required for the grant of credit are given from the funds provided for by the state budget or/and from other sources.
2. The recipient of the credit may be an enterprise or an organization as envisaged by the Tax Code of
Georgia or an entrepreneur with any legal form or a physical person as envisaged by the Law of Georgia “On Entrepreneurship”.

**Article 61. Means for satisfying the credit request**

1. With the purpose of exercising responsibility for issuing credits, a recipient of the credit shall present one of the means for fulfilment of credit requests as envisaged by paragraph 2 of the present Article.
2. The means for fulfilment of credit requests are as follows:
   a) a bank guarantee, which, in case of failure to fulfil the undertaken responsibility by the recipient of the credit, the guarantor bank shall respect in a written form upon a written request of the creditor by transferring the money to the state budget to cover the overdue credit debt of the recipient of the credit;
   b) insurance certificate (insurance policy) of the insurance organization, with which the insurance organization issuing the policy undertakes the responsibility, in a written form, in case of the insurance case, upon a written request of the creditor, to transfer the money to the state budget to cover the overdue credit debt of the recipient of the credit;
   c) leasing and/or mortgage of own property or that of the third party to the creditor.
3. The form of satisfaction the credit request in each specific case based on specific circumstances, shall be chosen by the creditor.
4. In case of an outstanding credit, the creditor is authorized to use the means and conditions for requests to cover the overdue credit as envisaged by the legislation of Georgia.
5. The credit agreement shall envisage additional means for satisfaction of the request, under which the recipient of credit shall be held responsible in case of failure to fulfil credit responsibility and/or fulfilling it in bad faith.

**Article 62. Control over intended use of credit**

1. Control over intended use of credit shall be exercised by creditor, unless other administrative body responsible for control is envisaged by the directive.
2. In case of inappropriate use of credit the creditor shall cease non-purposeful spending of credit, correct the breached terms within a sound deadline, for the purpose of the credit agreement transfer the fund used non-purposefully from its own funds.
3. If the recipient of the credit failed to fulfil the responsibility as envisaged in paragraph 2 of the present Article, the recipient of the credit shall return inappropriately used credit (tranche) within 30 calendar days upon receipt of written warning and repay the interests accrued, fine, and duties, which shall be continued until the corresponding responsibility is fully fulfilled.

**Article 63. Failure to fulfil the responsibilities on the part of the credit recipient; means and terms for coverage of overdue credit debt**

1. Immediately from the moment when the overdue credit debt is generated, the creditor shall have the right to apply to the credit recipient the authorities conferred to him under the credit agreement, the present Code and the Georgian Legislation in order to ensure the coverage of overdue credit debt.
2. Following measures may be used as means to ensure the coverage of overdue credit debt: means of fulfillment of credit request, additional means of fulfillment of the request, forced execution of the terms imposed on the recipient of the credit in accordance with the Law of Georgia “On Execution of Decisions” and/or other measures as envisaged by the legislation of Georgia.
3. For the purpose of covering overdue credit debt, the creditor must, within 6 month from the moment when overdue credit debt is generated, apply in writing to the Ministry of Finance of Georgia. The written notification from the creditor must be based on the existence of the overdue credit debt, must specify the
amount of overdue credit debt, the causes of its generation and must be duly substantiated.

4. The application of the means of coverage of overdue credit debt is based on the individual administrative-legislative act of the Minister of Finance of Georgia, which is issued pursuant to the written notification from the creditor, in compliance with the requirements of the General Administrative Code of Georgia, on the basis of formal administrative proceedings.

5. No later than six months from the date of the registration at the Ministry of Finance of Georgia of the written notification from the creditor concerning the application of means of covering overdue credit debt, the Minister of Finance of Georgia shall review and, basing on state interests, take decision on the issue of the application or non-application of the means of covering overdue credit debt. The credits granted to legal entities of public law, enterprises (with over 50% of their shares and other equities being owned by the state or an authority of local self-government) and credits granted to the legal/natural persons participating in state programs shall be regarded to constitute state interest. After the expiry of the said period, the request of the creditor in respect to the application of the means of covering overdue credit debt shall be considered to be unsatisfied.

6. Pursuant to the individual administrative-legislative act issued by the Minister of Finance of Georgia, there shall be drafted an act of execution, which shall be enforced in accordance with procedure prescribed by the Law of Georgia “On Execution of Decisions”.

7. The individual administrative-legislative act of the Minister of Finance of Georgia on application of means of covering overdue credit debt may be appealed against in the court in the prescribed manner established by the legislation of Georgia. The appeal lodged against the act shall not entail the suspension of its enforcement or the suspension of the acts carried out in process of the enforcement.

Article 64. Registry of the credits given from the state budget

1. The data on the credits given from the state budget are included in the registry, which is maintained by the creditor. He/she shall provide information included in the registry to the Ministry of Finance of Georgia on quarterly basis.

2. The rule for producing the registry of credits issued from the state budget and the form of registry shall be approved by the Minister of Finance of Georgia.

Part IV
Budgets of the local self-government units

Chapter X
General norms for the budgets of the local self-government units

Article 65. Independence of the budgets of the local self-government units

1. Each local self-government body shall have its own independent budget.

2. The budget of the local self-government body shall be independent both, from budgets of other local self-government bodies, as well as from the state budget and the republican budget of the Autonomous Republics.

3. Independence of the local self-government bodies in the budgetary matters is safeguarded by: own revenues and independent definition of payment of expenditures for exclusive authorities as defined by
the present Code, as well as the authorities delegated within the frameworks defined by the law for making independent decisions.

4. Central and Autonomous Republic authorities of Georgia shall not be entitled to interfere in the budgetary powers of the local self-government bodies.

**Article 66. Own or external revenues of the local self-government bodies**
1. Own revenues of the budgets of the local self-government bodies include local taxes and duties, offsetting transfers and other revenues as provided by the legislation of Georgia to the local self-government bodies.
2. External revenues of the local self-government body’s budget include special and target transfers as well as other revenues as provided by the legislation of Georgia.

**Article 67. Reserve fund of the local self-government budget**
1. With the purpose of funding unforeseen expenses, reserve funds are created within the budgets of the local self-government bodies, the volumes of which shall not exceed 2% of the total amount of allotments envisaged by the annual budget.
2. The funds from the reserve funds are allocated by the financial agency on the basis of the decisions of the city mayors or governors, which shall include the information on the amount of the funds and the purpose of their allocation.

**Article 68. Fund for repayment of debts accrued for the past years and for execution of court decisions**
1. The funds for coverage of the debts for the past years accrued and for execution of court decisions can be created in the budgets of the local self-governing bodies, which are managed within the rule defined by the legislation of Georgia and in accordance with the decisions made by local self-government executive bodies.
2. The volumes of funds for coverage of debts accrued for the past years and for execution of court decisions shall be envisaged by the annual budget.

**Article 69. Allocations of allotments for budgets of the local self-governing bodies and changes in the organizational classification**
1. Transfers of funds from one office of payment to another office of payments, except for the allotments allocated in accordance with Articles 67 and 68 of the present Code, shall be possible only through introduction of amendment to the adopted annual budget.
2. Allocation of the funds between the offices of payments and the articles and codes of the budgetary classification may be implemented within the limit of 5% of the expenditures approved by the annual budget for the office of payment except for the allotments allocated in accordance with Articles 67 and 68 of the present Code.
3. On the basis of the relevant legislative act and the proposal of the office of payment, the executive entity of the local self-government body is authorized to introduce changes to the organizational classification (inclusion of an addition organizational code, change of the name of the budgetary organization, program, project or an event).
4. The executive body of the local self-government shall be entitled, on the basis of relevant legislative act, with the purpose of inclusion of funds allocated from the expenditures of general state purpose envisaged by the state budget of Georgia, to introduce changes in the revenues and expenditures approved by the budget (including additions to the organizational classification). These changes shall, within the period of 1 month, but no later than the end of the budget year, be presented to the representative body.
5. Adjustment of the annual budget the allotments allocated in accordance with Articles 67 and 68 of the present Code and amendments envisaged by paragraphs 2, 3 and 4 of the Article herein, shall be implemented in accordance with the rule defined by representative body of the local self-government (for Tbilisi – in accordance with the rule defined by Tbilisi government).

Article 70. Emergency budget
1. In case of state of emergency on the entire territory of Georgia or its separate municipalities, representative body of the local self-government may approve the emergency budget presented by the relevant executive authority for target financing of the activities relevant to the emergency condition.
2. During enactment of the emergency budget the procedural limitations envisaged by Article 67 and 69 of the present Code are losing their effects.

Chapter XI
Equalization transfer

Article 71. Purpose of equalization transfer
1. Equalization of socio-economic development of the local self-government bodies shall be ensured by state through equalization transfer allocated from the state budget.
2. With the purpose of implementation of exclusive rights, the local self-government body shall be granted equalization transfer as financial aid from the state budget.
3. The purpose of equalization transfers is to equate financial resources between different local self-government bodies for implementation of their exclusive authorities.

Article 72. Equalization transfer
1. Equalization transfers shall be allocated annually from the state budget.
2. The volume of equalization transfer shall be calculated by the rule and formula defined by the present Code.

Article 73. The rule for equalization transfer calculation
1. Calculation of the equalization transfer shall be made according to each local self-government body.
2. For the purposes of formula for determining equalization transfer, at the initial stage, pursuant to an individual administrative-legislative act of the Ministry of Finance of Georgia, there shall be determined the entire amount of the increase of budgetary expenditures and non-financial assets of local self-government bodies, which shall be no less than 4% of forecasted amount of nominal gross domestic product for the planned budget year.
3. At the second stage, the calculation of total volume of increase of expenditures and non-financial assets for the budgets of each local self-government body shall be made.
4. At the next stage the budget revenues (except for grants) of local self-government bodies shall be calculated.
5. Equalization transfer shall not be allocated to those local self-government bodies, the budget revenues (except for grants) of which exceed the total volume of increase of expenditures and non-financial assets.
6. At the next stage, the amounts of equalization transfers for each local self-government body, which arrived in accordance with formula under the Article 74 of this Code, shall be calculated.
Article 74. Formula for determining the volume of equalization transfer

1. The amounts of equalization transfers to be assigned to the budgets of each local self-government body shall be determined through the following formula:

\[ T = E - R \]

where:

a) \( T \) - the transfer to be allocated to the budget of a local self-government body;

b) \( E \) – total amount of increase of expenditures and non-financial assets of a local self-government body, which is calculated based on statistical data (number of population, number of children under 6 years of age, number of adolescents from 6 up to 18 years of age, number of population with the social and economic status indicator (rating point) less than threshold value established by the Government of Georgia, the area of a local self-government body concerned and the length of local roads) and equalization coefficients, with a distinction made between self-governing towns and municipalities;

c) \( R \) – Budget revenues of local self-government body (except for grants), which is calculated for each self-government body based on the forecast for the current year and the trend shown by actual indicators for the last 3 years.

2. The guidelines for calculation of equalization transfer (including the status and support rates used in process of calculation) shall be approved by the Minister of Finance of Georgia.

Chapter XII
Preparation, submission and adoption of the draft budget of local self-government body

Article 75. Coordination of the process of preparation and submission of the draft budget of local self-government body

1. The process of preparation and submission of the draft budget of local self-government body is coordinated by the financial agency of the local self-government body.

2. For the purposes of preparation, submission and adoption of the draft budget of local self-government body, the Ministry of Finance of Georgia shall provide the local authorities with the relevant methodological guidance.

3. The local authorities shall, upon request of the Ministry of Finance of Georgia, in a timely and comprehensive manner, submit to it the information on the budget of the self-government body.

Article 76. Document of the priorities of local self-government body

1. The document of priorities of the local self-government body is the development master plan of the administrative entity, which includes the information of the medium-term action-plan.

2. The document of priorities of the local self-government body shall be drafted by the executive authority of the self-government body concerned, in coordination with the administration of the respective state representative – the Governor.

3. With the purpose of drafting the document of priorities of the local self-government body, the executive body of the local self-government shall begin work from March 1 each year, for which it shall issue a corresponding legislative act that defines the list of information for setting the priorities and terms of submission.

4. The document of priorities of the local self-government body shall include at least the following:
a) revenues and expenditures of the budgets of local self-government bodies, operations with financial and non-financial assets and aggregate indicators of liabilities for the past, current, planned and post-planned three budgetary years;
b) analysis of the final results for fulfilment of the past budgetary year by the budgets of local self-government bodies and adjusted forecast for the current year;
c) for the planned budgetary year and three post-planned budgetary years:
c.a) priorities of the local self-government body, defined by the executive body of the local self-government;
c.b) medium-term priorities of local self-government body and volume, purpose and outcome of funding of the main programs and events implemented for their fulfilment;
5. The executive bodies of the local self-government (except for the local self-government of the Autonomous Republics) shall present the priority documents to the representative body of local self-government and the Ministry of Finance of Georgia no later than November 15.
6. The local self-government body within the Autonomous Republic shall present the local self-government body’s priority documents to the financial agencies of the Autonomous Republics in accordance with the rules defined by the Autonomous Republics.

Article 77. Preparation and submission of draft budget of the local self-government body
1. Ministry of Finance of Georgia shall provide the basic budgetary parameters for the planned budgetary year to the local self-government bodies by July 15.
2. On the basis of the information received from the Ministry of Finance of Georgia, the financial agency shall calculate forecast indicators of the revenues and expenditures and enact the relevant procedures for drafting the budget.
3. In case the organizational classification of the budget of the self-government body includes more than one office of payment, on the basis of the information contained in paragraph 2 of the present Article, with the purpose of preparation of the draft budget, the financial agency shall transmit budgetary request forms to the offices of payments with indication of the forecast marginal values of allotments and numbers of employees.
4. Budgetary request shall include at least the following information:
   a) for the past, current and planned budgetary years:
      a.a) calculation of the allotments for the offices of payment according to each low-level category of the budgetary classification (except for the organizational classification);
      a.b) calculation of the allotments for the offices of payment according to the organizational classification;
      a.c) forecast numbers of employees for the offices of payment;
      a.d) the information on the projects implemented with the sources of foreign funding and the allotments (if any) for co-financing of these projects and joint participation;
   b) priorities funded from the allotments for planned and three post-planned budgetary years of the offices of payment and funding, purposes and expected results of the programs and events required for reaching these priorities for which separate codes are envisaged by the organizational classification.
   c) program and capital budgets.
5. Submission of budgetary request exceeding marginal indicators (if any) envisaged by para 3 of the present Article for the offices of payment is allowed only by the form provided by the budgetary request.
6. In case the information contained in the budgetary request differs from the information provided by the document of priorities of the local self-government bodies, the office of payment, together with the budgetary request, shall submit the information on the causes of such a discrepancy to the financial agency.
7. The Ministry of Finance of Georgia shall, no later than October 5, notify the local self-government bodies on the forecast indicators of financial assistance and the revenues from taxes transferred to their corresponding budgets as envisaged by the draft state budget.

8. No later than November 15:
   a) draft budget of Tbilisi and enclosed materials shall be submitted by the Mayor of Tbilisi to the representative body for review;
   b) draft budget of a local self-government unit (except for Tbilisi) and enclosed materials shall be submitted by the head (mayor) of the relevant local self-government unit to the chairman of the representative body, who shall submit the draft budget to the representative body for review.

9. The document of priorities of the local self-government bodies shall be submitted to the local representative bodies together with the draft budget.

10. The draft budget shall include at least the following information:
   a) budgetary balance according to the budgetary classification;
   b) budgetary revenues, changes of balance, and volumes of allotments for each office of payment according to the second-level budgetary classification (excluding the organizational classification);
   c) volumes of budgetary profits or deficits;
   d) volumes of budgetary allotments according to organizational classification;
   e) volume of reserve fund;
   f) project funded by target credits and grants provided by the donors;
   g) medium-term priorities, goals and results of the local self-government bodies envisaged by the document of priorities of the local self-government bodies;
   h) program and capital budgets.

10. The annexes to the draft budget include the following:
   a) draft budget explanatory note;
   b) a short overview of fulfilment of the current year’s budget.

12. The information contained in paragraph 10 of the present Article, except for the information contained in subparagraphs “g” and “h”, shall be submitted for the past, current and planned years.

13. The information contained in subparagraphs “g” and “h” of paragraph 10 of the Article herein shall be submitted for the planned and three post-planed budgetary years.

Article 78. Consideration and adoption of draft budget of the local self-government body

1. Within 5 days from submission of the draft budget to the representative body of the local self-government, it shall be released for public review;

2. Local self-government representative body shall publicly review the budget and before the beginning of a new budgetary year shall make a decision on adoption of the budget of the local self-government body. The decision on adoption of draft budget shall be taken by the majority of listed members of the representative body.

3. In the event of any remarks, the chairman of the representative body of the local self-government shall, no later than November 25, return the draft budget together with remarks to the head (mayor) of local self-government unit.

4. The same or amended version of draft budget shall, no later than December 10, be submitted by the head (mayor) of the local self-government unit (except for Tbilisi) to the chairman of the representative body, and the Mayor of Tbilisi shall, within the same period of time, submit it to the representative body.

5. During consideration of the draft budget at the representative body of the local self-government, changes may be made to the draft only with consent of the representative body.

6. In case of failure on the part of representative body of the local self-government to approve the amended
version of draft budget, 1/2 of listed members of the representative body (except for Tbilisi) may approve the draft budget initiated by a faction or at least 1/3 of listed members of representative body (and by 2/3 of listed members of the representative body of Tbilisi), wherein there must be taken into consideration only the remarks transmitted by the chairman of the representative body to the head (mayor) of the local self-government unit.

7. In case of failure to approve the budget of a local self-government body before the beginning of planned year, the relevant executive body shall be authorized to allocate monthly funds to the offices of payment within the amount not exceeding 1/12 of approved allotments for the past year. In case of failure to approve the budget of local self-government unit within the period of three months after the approval of the state budget, the President of Georgia shall be authorized to terminate the powers of the representative body. The decision taken by the representative body of the local self-government on approval of draft budget shall include the information provided for under paragraph 10, Article 77 of the present Code.

8. No later than in 20 days after budgetary approval the local self-government bodies (except for the local self-government bodies within the Autonomous Republic) shall submit to the Ministry of Finance of Georgia the documents of priorities, which are in compliance with the approved budgets.

9. The annual budget shall be published and be made available for public.

Article 79. Inclusion of target transfers in the budgets of local self-government bodies

1. Ministry of Finances of Georgia shall inform the local self-government bodies about the forecast indicators of target transfers before October 5 of each year.

2. On the basis of legislative acts and/or agreements of Georgia, the local self-government executive body, based on the parameters presented by the Ministry of Finance of Georgia, shall prepare calculation of the programs and events of delegated authorities within the budgets of the local self-government bodies, volumes of target transfers and, together with the draft budget, submit them to the local self-government representative body. The local self-government representative body shall review them and, taking into account the result of its review, shall draft the agreement between the government and local self-government bodies (if required) on the matter of authorities delegated by the government.

3. Within 1 month upon publication of the state budget law, the agreement on delegation is concluded between the local self-government executive body and a corresponding state agency (if required).

4. The rules for inclusion in the republican budgets of the Autonomous Republics of target transfers from the republican budgets of the Autonomous Republics to the budgets of local self-government bodies of the Autonomous Republics and their usage are defined by the representative bodies of Autonomous Republics.

Article 80. Changes and additions to the budgets of local self-government bodies

1. Changes or/and additions to the allotments for the annual budget, except for the rule contained in Article 69 of the present Law, requires introduction of amendments and/or addendum to the budget of the local self-government body.

2. Changes or/and additions to the budget of local self-government unit may be made by the representative body solely on a submission from the head (mayor) of the local self-government unit.

Chapter XII

Execution of budgets of local self-government bodies
Article 81. General regulations for execution of budgets of local self-government bodies
Execution of budgets of local self-government bodies within its competencies is the responsibility of the local self-government executive body.

Article 82. Breakdown of the local self-government bodies
1. No later than 15 days upon publication of the local self-government body's budget, the financial agency shall prepare quarterly and/or monthly breakdown of the budget of the local self-governing body.
2. During quarterly and/or monthly breakdown of the budget, free balance may be used with the purpose of financing allotments with the condition that annual volume of change envisaged by the annual budget shall remain constant.

Article 83. Responsibility for execution of the budgets of local self-government bodies
1. Budgetary organizations shall be responsible, within their allotments, for making payments and, within the scope of their competencies, collection of revenues.
2. Collection of local taxes to the budgets of local self-government bodies is provided by the taxation agencies within the rule defined by the Government of Georgia, whereas collection of other revenues of local self-government bodies and the funds from the operations with non-financial assets are within the responsibilities of the relevant local self-government agencies if otherwise envisaged by the legislation of Georgia.
3. Cash receipts of the budgets of local self-government bodies are collected by the principle of treasury service (according to the order of the Minister of Finance of Georgia), via banks.

Chapter XIV
Registration, accounting and audit of the local self-government body budget

Article 84. Accounting and bookkeeping of the budgets of local self-government bodies
1. Only the financial agency is responsible for exercising control over accounting and operations of the budgets of local self-government bodies, as well as the right for issuing permits for transfer of funds from these accounts, except for the cases envisaged by the legislation of Georgia.
2. Without the consent of the financial agency of local self-government body, opening of the accounts for budgetary organizations with the budgetary financing is not permitted.
3. Financial agency of the local self-government body shall register expenditures of budgetary organizations under each office of payment, which includes the information on every stage of paying expenditures according to the budgetary classification. It also registers the revenues envisaged by the budgetary classification, according to the information received from the State Treasury.
4. Financial agency of the local self-government body shall, within 10 days from the end of each month, prepare the report on revenues, expenditures, changes of balance and total balance for each local self-government budgets.

Article 85. Quarterly review of execution of the budgets of local self-government bodies
Within 1 month from the end of each quarter local self-government executive body shall submit to the relevant representative body quarterly review of execution of the budget with the cumulative, which includes: comparison of factual volumes of the revenues, expenditures (including, the funds allocated from the reserve funds), changes of balance and total balance with the planned indicators for the corresponding
Article 86. Annual report of execution of the budgets of local self-government bodies, preparation and submission of its bookkeeping

Financial agency of a local self-government body shall prepare annual budget execution report and shall submit it to the representative agency no later than 2 months following the end of the budgetary year.

Article 87. Annual budgets execution report of the local self-government bodies

The annual report on execution of budget of the local self-government body includes at least the following information on execution of the annual budget by the budgetary classification:

a) budgetary balance according to the budgetary classification;

b) comparison of revenues and expenditures with the planned indicators for the corresponding period;

c) balances in the budgetary accounts at the beginning and the end of the year;

d) explanation of discrepancy between the revised allotments and funds paid according to organizational codes if the aforementioned discrepancy exceeds 30% except for the reserve debt and the debt accrued for the past years and the funds for execution of court decisions;

e) information on coverage of the reserve debt and the debt accrued for the past years and on the money allocated from the funds for execution of court decisions;

f) information on fulfilment of priorities of the offices of payment and the programs/events implemented within these priorities.

g) on execution of program and capital budgets.

Article 88. Approval of the annual report of execution of the budgets of local self-government bodies

1. Local self-government representative bodies shall publicly review annual report on budgets execution and, no later than May 1, shall make decisions on approval or rejection of the annual reports.

2. Audit review and annual report on execution of budget of the local self-government body is public information and shall be available for population in accordance with the rules prescribed by the Georgian legislation.

Part V
Republican budgets of the Autonomous Republics

Chapter XV
General norms for the republican budgets of the Autonomous Republics

Article 89. Independence of the republican budgets of the Autonomous Republics

1. Autonomous Republic has its own independent republican budgets.

2. Independence of the republican budget of the Autonomous Republic is safeguarded by their own revenue sources and independence in the right for definition of own taxes in accordance with the legislation of Georgia.

Article 90. Reserve fund of the republican budgets of the Autonomous Republics

1. The reserve fund is created with the purpose of financing unforeseen expenditures of the republican budgets, the volume of which shall not exceed 2% of the total amount of allotments envisaged by the
Article 91. Funds for coverage of debts accrued for the past years and for execution of court decisions
1. The funds for coverage of debts for the past years accrued and for execution of court decisions can be created in the republican budgets, which are managed within the rule defined by the legislation of Georgia and in accordance with the decisions made by executive bodies of Autonomous Republics.
2. The volumes of the funds for coverage of debts for the past years accrued and for execution of court decisions are defined by the annual budget.

Article 92. Allocations of allotments for the republican budgets of the Autonomous Republics and changes in the organizational classification
1. Transfers of the funds from one office of payment to other offices of payments, except for the allotments used in accordance with Articles 90 and 91 of the present Code, are possible only via amendments to the annual state budget.
2. Allocation of the funds between the offices of payments and the articles and codes of the budgetary classification may be implemented within the limit of 5% of the expenditures approved by the annual budget for the office of payment except for the allotments allocated in accordance with Articles 90 and 91 of the present Code.
3. On the basis of the relevant legal act and the proposal of the office of payment, the executive body of the Autonomous Republic is authorized to introduce changes to the organizational classification (inclusion of an addition organizational code, change of the name of the budgetary organization, program, project or an event.
4. The executive body of the Autonomous Republic shall be entitled, on the basis of the relevant legal act, with the purpose of inclusion of the funds allocated from the expenditures of common state importance envisaged by the state budget, to introduce changes in the revenues and expenditures approved by the budget (including additional organizational codes). These changes shall be introduced to the representative body of the Autonomous Republic within the period of 1 month, but no later than the end of the budgetary year.
5. Adjustment of the annual budget with the allotments allocated in accordance with Articles 90 and 91 of the present Code and amendments envisaged by paragraphs 2, 3 and 4 of the present Article, shall be implemented in accordance with the rule defined by executive body of the Autonomous Republic.

Article 93. Emergency budget
1. In case of state of emergency throughout Georgia or on the territory of the Autonomous Republic, representative bodies of the Autonomous Republics shall be entitled to approve the emergency budget introduced by executive authority for target financing of the activities relevant to the state of emergency.
2. During enactment of the emergency budget the procedural limitations envisaged by Article 90 and 92 of the present Code are withheld.

Chapter XVI
Preparation, submission and adoption of the draft budget of the Autonomous Republic
Article 94. Coordination of the process of preparation and submission of the draft budget of the Autonomous Republic

1. The process of preparation and submission of the draft budget of the Autonomous Republic is coordinated by the financial agency of the Autonomous Republic.

2. For the purposes of preparation, submission and adoption of the draft budget of the Autonomous Republic, the Ministry of Finance of Georgia shall provide the leadership of the Autonomous Republic with the relevant methodological guidance.

3. In case of a request coming from the Ministry of Finance of Georgia, the leadership of the Autonomous Republic shall, in a timely and complete manner, submit to it the information about the republican budget of the Autonomous Republic.

Article 95. Document of the priorities of the Autonomous Republic

1. The document of priorities of the Autonomous Republic is the development master plan of the Autonomous Republic, which includes the information of the medium-term action-plan.

2. The financial agency of the Autonomous Republic shall be responsible for drafting of the document of the priorities of the Autonomous Republic.

3. With the purpose of drafting the document of the priorities of the Autonomous Republic, executive body of the Autonomous Republic shall issue the corresponding legislative act before March 1 of every year.

4. With the purpose of agreeing Basic Dimensions and Directions with the Supreme Council of the Autonomous republics, the Chairman of the Government of the Autonomous Republic shall, prior to June 15, submit the information concerning the basic directions of the ministries of the Autonomous Republic concerned. The resolution of the Supreme Council of the Autonomous Republic shall be transmitted to the Government of the Autonomous Republic no later than June 30.

5. The document of the priorities of the Autonomous Republic shall include at least the following:
   a) aggregate indicators of the republican budget revenues and expenditures, operations carried out with financial and non-financial assets, and liabilities of the Autonomous Republic for the last, current, planned and three post-planned budgetary years;
   b) analysis of the final results in respect to fulfilment of previous year republican budget of the Autonomous Republic, as well as adjusted forecasts for the current budget year;
   c) for the planned and three post-planned budgetary years:
   c.a) Autonomous Republic priorities defined by the executive body of the Autonomous Republic;
   c.b) medium-term priorities of the offices of payment of the budget of the Autonomous Republic, as well as the amount of financing, objectives and expected results of the main programs and measures to be implemented in order to fulfil the said priority targets;
   c.c) aggregate indicators for the estimated marginal amounts of the allotments envisaged for the offices of payment of the budget of the Autonomous Republic;
   d) estimated marginal quantity of employed staff for the planned budgetary year per each office of payment;
   e) medium-term priorities of the local self-government bodies within the Autonomous Republic, as well as the amount of financing, objectives and expected results of the main programs and measures to be implemented in order to fulfil the said priority targets.

6. Executive body of the Autonomous Republic shall, no later than July 25, approve the document of priorities (except for the information provided for in subparagraph (e), paragraph 4 of this Article).
Article 96. Terms for preparation and submission of request for financial assistance
1. In case of need for assistance from the state budget for the planned budgetary year, the executive authorities of the Autonomous Republics, no later than June 15, shall submit the main parameters to the Ministry of Finance of Georgia for definition of the scope of financial assistance.
2. Ministry of Finance of Georgia shall provide the information to the executive authorities of the Autonomous Republics about the main parameters for the planned year before July 15 of the current year, and the information on allocation of financial assistance from the state budget to the republican budgets of the Autonomous Republics – no later than October 5.

Article 97. Budgetary request and marginal values
1. No later than in 5 days from the submission of the documents of priorities by the governments of the Autonomous Republics, the financial agency shall transmit budgetary request forms to the offices of payment, which shall be used by the offices of payment for submission of the information on the budgets for the planned years to the financial agency.
2. The information on the budgets for the planned years submitted by the offices of payment to the financial agency shall comply with the marginal indicators of cadre and allotments defined by the documents of priorities of the Autonomous Republics.

Article 98. Submission of budgetary requests by the offices of payment
1. The leaderships of the offices of payment shall submit budgetary requests to the financial agency no later than August 25. Budgetary request shall include at least the following information:
   a) for the past, current and planned budgetary years:
      a.a) calculation of the allotments for the offices of payment according to each low-level categories of the budgetary classification (except for the organizational classification);
      a.b) calculation of the allotments for the offices of payment according to the organizational classification;
      a.c) forecast and approved numbers of employees for the offices of payment;
      a.d) information on projects implemented with funding from foreign sources and allotments provided for co-funding and joint participation in these projects;
   b) priorities funded from the allotments for planned and three post-planned budgetary years of the offices of payment and funding, purposes and expected results of the programs and events required for reaching these priorities for which separate codes are envisaged by the organizational classification;
   c) program and capital budgets.
2. Submission of the budgetary request by the offices of payment (if any) exceeding the marginal values given in subparagraphs (c.c) and (d), paragraph 4, Article 95 of the present Code is allowed only within the form envisaged by the budgetary request;
3. If the budgetary request data differ from the information given in subparagraphs (c.b), (c.c) and (d), paragraph 4, Article 95 of the present Code, the office of payment, together with the budgetary request, shall submit the information to the financial agency about the cause of such a discrepancy.

Article 99. Consideration of the budget request and preparation of the draft republican budgets of the Autonomous Republics
1. Financial agency shall consider the budgetary requests and shall submit the main parameters of the draft republican budgets of the Autonomous Republics to the executive bodies of the Autonomous Republics no later than October 15.
2. Final decision on the issues of disagreements between the offices of payment and the financial agency is made by the executive body of the Autonomous Republic.
3. Financial agency shall submit the draft republican budget of the Autonomous Republic and the
document of priorities to the executive body of the Autonomous Republic no later than October 25.

Article 100. Introduction of draft republican budget law of the Autonomous Republic
1. Chairman of Government of the Autonomous Republic, before the beginning of a new budgetary year
and no later than November 1, shall submit to the Supreme Council the draft law on the republican
budget of the Autonomous Republic with all the enclosed materials.
2. Together with the draft law on the republican budget of the Autonomous Republic, the document of
priorities of the Autonomous Republic corresponding to the draft budget shall be submitted to the
Supreme Council of the Autonomous Republic for consideration.
3. The draft law on the republican budget of the Autonomous Republic shall include at least the following:
a) balance of the republican budget of the Autonomous Republic in accordance with the budgetary
classification;
b) revenues of the republican budget of the Autonomous Republic, changes of balance and volumes of
allotments envisaged for each office of payment in accordance with the second level of the budgetary
classification (except for the organizational classification);
c) volumes of profits or deficits of the republican budget of the Autonomous Republic;
d) volumes of budgetary allotments of the republican budget of the Autonomous Republic according to
the organizational classification;
e) volume of the reserve fund;
f) medium-term priorities of the offices of payment, their goals and results as envisaged by the document
of the priorities of the Autonomous Republic;
g) program and capital budgets.
4. Annexes to the draft republican budget include the following:
a) explanatory note to the draft republican budget of the Autonomous Republic, which shall provide the
following information:
a.a) forecast of budgetary indicators and their descriptions;
a.b) information on main programs and events funded from the republican budget of the Autonomous
Republic;
b) short description of fulfilment of the republican budget of the Autonomous Republic for the current
year;
c) package of legislative changes required for enactment of the Law on Annual Budget.
5. The information contained in paragraph 3 of the present Article, except for information in sub-
paragraphs “f” and “g”, shall be provided for the previous, current and planned years.
6. The information contained in paragraph 3 “f” and “g” of the present Article shall be provided for the
planned and post-planned three years.
7. The draft republican budget of the Autonomous Republic with its annexes and the priority document of
the Autonomous Republic shall be made available to the public upon its submission to the representative
body.

Article 101. Inclusion of the financial assistance in the budgets of local self-government bodies
Executive body of the Autonomous Republic shall inform the relevant body of the local self-government
units of the Autonomous Republic about the forecast amounts of financial assistance no later than
November 5.

Article 102. Review and adoption of the draft republican budget of the Autonomous Republic
1. The draft law on republican budget of the Autonomous Republic and report of the Government on execution of the current republican budget of the Autonomous Republic at the meeting of the Supreme Council of the Autonomous Republic are presented by the Chairman of the Government or any other member of the Government of the Autonomous Republic according to the order given by the relevant legislative act. Supreme Council of the Autonomous Republic shall also hear the reports of the Commission on financial-budgetary and economic issued and the Chamber of Control of Georgia.
2. The Supreme Council of the Autonomous Republic shall approve the new annual republican budget before the beginning of a new budgetary year.
3. The law on the republican budget of the Autonomous Republic shall be published in accordance with the rule defined by the legislation and shall be made available to the public.
4. No later than in 20 days upon approval of the budget the executive body of the Autonomous Republic shall submit to the Ministry of Finance of Georgia the document of priorities of the Autonomous Republic made in compliance with the approved budget.

**Article 103. Introduction of amendments and/or addendum to the budget law of the Autonomous Republic**

1. Making changes to the allotments envisaged by the annual budget, except for the rule established by Article 92 of the present Code, requires also relevant changes/amendments to the annual budget law.
2. The rule for drafting, submission, review and adoption of amendments and/or addendum to the law on annual republican budget of the Autonomous Republic is defined in accordance with the regulations of the Supreme Council of the Autonomous Republic.

**Chapter XVII**

**Execution of republican budget of the Autonomous Republic**

**Article 104. General provisions of execution of the republican budget of the Autonomous Republic**

Within the scope its competencies, the executive body of the Autonomous Republic is responsible for execution of the republican budget of the Autonomous Republic.

**Article 105. Breakdown of the republican budget of the Autonomous Republic**

1. Within 5 working days after publishing of the republican budget law of the Autonomous Republic, the offices of payment shall submit to the financial agency the information on approximate quarterly and/or monthly breakdown of the allotments assigned to them by the budget.
2. The financial agency, jointly with the offices of payment, shall review the submitted information and, taking into account existing resources, no later than within 15 days since publication of the budget, make decision on quarterly and/or monthly breakdown of the budget.
3. With the purpose of funding allotments during quarterly and/or monthly breakdown of the republican budget of the Autonomous Republic, free balance may be used under the condition that the annual volume of change of the balance envisaged by the annual budget shall remain intact.

**Article 106. Responsibility for execution of the republican budget of the Autonomous Republic**

1. Budgetary organizations shall be responsible for making payments in accordance with the allotments and, within the competencies, for collection of revenues.
2. Taxation agencies are responsible for collection of taxes for the republican budget of the Autonomous Republic.
Republic within the rules defined by the legislation of Georgia.
3. Cash receipts of the republican budget of the Autonomous Republic are collected by the principle of treasury service via banks.
4. Supreme Council of the Autonomous Republic shall be entitled to control the legality of spending of funds from the republican budget of the Autonomous Republic by the government of the Autonomous Republic and, in case of any violations, to apply to the Chairman of the Government of the Autonomous Republic with the request to stop further budgetary expenditures.

Chapter XVIII
Registration and accounting of execution of the republican budget of the Autonomous Republic

Article 107. Registration and accounting of execution of the republican budget of the Autonomous Republic
1. Financial agency has the right for exercising the control over managements of the accounts and operations of the republican budget of the Autonomous Republic, as well as for giving permits for allocation of funds from these accounts, except for the cases envisaged by the legislation of Georgia.
2. Without the consent of the financial agency of the Autonomous Republic opening of an account of the budgetary organization being funded from the relevant budget is not permitted.
3. The financial agency of the Autonomous Republic shall exercise control over the expenditures of budgetary organizations under each office of payment, which includes the information on all the state of payment of expenditures according to the budgetary classification. Also, on the basis of the information received from the treasury, the agency shall register all the revenues envisaged by the budgetary classification.
4. Within 10 days after the end of each month, the financial agency of the Autonomous Republic shall prepare the report on the volumes of revenues, expenditures, changes of balance, and total balance of the republican budget of the Autonomous Republic.

Article 108. Quarterly review of execution of the republican budget of the Autonomous Republic
Within one month from the end of each quarter government of the Autonomous Republic shall submit the quarterly budgetary review to the Supreme Council of the Autonomous Republic with cumulative, which shall include the following: comparison of the factual values of revenues, expenditures (including the money allocated from the reserve funds), changes of balance and total balance with the planned indicators for the corresponding period.

Article 109. Preparation and submission of the annual report and accounting of execution of the republican budget of the Autonomous Republic
1. The offices of payment shall, upon request of the financial agency of the Autonomous Republic and within the defined terms, prepare and submit the final report to the financial agency of the Autonomous Republic no later than February 15. The financial agency of the Autonomous Republic shall prepare the annual report of execution of the republican budget of the Autonomous Republic and shall submit it for consideration to the government of the Autonomous Republic.
2. Government of the Autonomous Republic shall submit the annual report on execution of the republican budget of the Autonomous Republic to the Supreme Council of the Autonomous Republic no later than within 2 months.
Article 110. Annual report on execution of republican budget of the Autonomous Republic
The annual report includes detailed information on execution of the state budget according to the budgetary classification, in particular:

a) balance of the republican budget of the Autonomous Republic according to the budgetary classification;
b) comparison of the budgetary revenues and expenditures with the planned parameters of the corresponding period.
c) balances available in the budgetary account for the beginning and end of the year;
d) explanation of discrepancies between the approved and revised allotments according to the organizational codes, if such a discrepancy exceeds 30%.
e) explanation of the discrepancy between the allotments revised according to the organizational codes and the funds paid if such a discrepancy exceeds 15%;
f) information on coverage of the reserve debt and the debt accrued for the past years and the condition with money allocated from fund of execution of court decisions (if any);
g) information on the priorities of the offices of payment and fulfilment of the programs/events implemented within those priorities.
h) information on execution of the program and capital budgets.

Article 111. Approval of the annual report of execution of the republican budget of the Autonomous Republic
Supreme Council of the Autonomous Republic shall, no later than May 1, make a decision on approval or rejection of the republican budget of the Autonomous Republic.

Part VI
Transitional and final provisions

Chapter XIX
Transitional provisions

Article 112. Expenditures approved by the state budget of Georgia and increase of non-financial assets in relation to the gross domestic product
Total volume of the expenditures approved by the state budget of Georgia and increase of non-financial assets in 2011 shall not exceed 29% of the forecast indicators of the nominal gross domestic product, and 27% in 2012.

Article 113. Limitation for allocation of allotments
Allocation of the allotments of the republican budgets of the Autonomous Republic and the budgets of local self-government bodies in 2010 shall be within 10% limit.

Article 114. Actions in relation to enactment of the Code
Executive and representative bodies of the Autonomous Republics shall be required, within 3 months from enactment of the present Code, shall introduce relevant changes to the legislative acts in force on the
Chapter XX
Final provisions

**Article 115. Void normative acts**
Upon enactment of the present Code the following shall be considered void:

a) Law of Georgia (April 24, 2003) “On the Budgetary System of Georgia” (The Legislative Herald of Georgia, #12, 21.05.2003, Article 62);

b) Law of Georgia (December 28, 2007) “On Allocation of Revenues Between the Budgets” (The Legislative Herald of Georgia, #50, 29.12.2007, Article 437);

c) Law of Georgia (May 24, 2006) “On the Budgets of Local Self-Government Bodies” (The Legislative Herald of Georgia, #20, 09.06.2006, Article 170);

d) Law of Georgia (March 14, 2008) “On the Future Generations and Sustainable Development Funds” (The Legislative Herald of Georgia, #7, 26.03.2008, Article 37);

e) Law of Georgia (March 14, 2008) “On Global Competitiveness of the Financial Sector” (The Legislative Herald of Georgia, #7, 26.03.2008, Article 28);

**Article 116. Coming into effect of the Code**
1. The present Code, except for subparagraph (c), paragraph 1, Article 36; paragraph 4, Article 37; subparagraph (i), paragraph 3, Article 38; subparagraph (i), Article 56; subparagraph (c), paragraph 4, Article 77; subparagraph (h), paragraph 10, Article 77; subparagraph (g), Article 87; subparagraph (c), paragraph 1, Article 98; subparagraph (g), paragraph 3, Article 100; and subparagraph (h), Article 110 of the present Code, shall come into effect from January 1, 2010.

2. Subparagraph (c), paragraph 1, Article 36; subparagraph (i), paragraph 3, Article 38 of the present Code shall come into effect from January 1, 2011.

3. Subparagraph (c), paragraph 4, Article 77; subparagraph (h), paragraph 10, Article 77; subparagraph (c), paragraph 1, Article 98; and subparagraph (g), paragraph 3, Article 100 of the present Code shall come into effect from January 1, 2012.

4. Paragraph 4, Article 37 and subparagraph (i), Article 56 of the present Code shall come into effect from January 1, 2013.

5. Subparagraph (g), Article 87 and subparagraph (h), Article 110 of the present Code shall come into effect from January 1, 2014.


President of Georgia         Mikheil Saakashvili

Tbilisi
December 1, 2009
### Allocation of revenues between the state budget of Georgia, republican budgets of Abkhazia and Adjara Autonomous Republics and local self-government bodies in percentage indicators

<table>
<thead>
<tr>
<th>#</th>
<th>Revenues</th>
<th>State budget of Georgia</th>
<th>Budgets of Abkhazia and Adjara Autonomous Republics</th>
<th>Budgets of local self-governance bodies</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Income tax</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.1</td>
<td>Except for the income tax for the republican budgets of the Autonomous Republics</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.2</td>
<td>For the republican budgets of the Autonomous Republics</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Revenue tax</td>
<td></td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Property tax</td>
<td></td>
<td></td>
<td>100</td>
</tr>
<tr>
<td>4</td>
<td>VAT</td>
<td></td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Excise tax</td>
<td></td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Customs duties</td>
<td></td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Other taxes (including fines imposed by the tax and customs agencies, which are not included in a specific tax), except for the annulled taxes</td>
<td></td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Interest (profit) from different types of financial assets, in particular, deposits (shares from securities), loans, accounts receivable, and other revenues from interests, especially:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8.1</td>
<td>for the central government</td>
<td></td>
<td></td>
<td>100</td>
</tr>
<tr>
<td>8.2</td>
<td>for the governments of the Autonomous Republics</td>
<td></td>
<td></td>
<td>100</td>
</tr>
<tr>
<td>8.3</td>
<td>for local self-government bodies</td>
<td></td>
<td></td>
<td>100</td>
</tr>
<tr>
<td>9</td>
<td>Revenues from dividends and incomes of the National Bank of Georgia</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9.1</td>
<td>From revenues of active enterprises with the state shareholding and with private ownership</td>
<td></td>
<td></td>
<td>100</td>
</tr>
<tr>
<td>9.2</td>
<td>From revenues of active enterprises with shareholding of the Autonomous Republics and with private ownership</td>
<td></td>
<td></td>
<td>100</td>
</tr>
<tr>
<td>9.3</td>
<td>From revenues of active enterprises with the shareholding of local self-government bodies of the Autonomous Republic and with private ownership</td>
<td></td>
<td></td>
<td>100</td>
</tr>
<tr>
<td>9.4</td>
<td>From incomes of the National Bank of Georgia</td>
<td></td>
<td></td>
<td>100</td>
</tr>
<tr>
<td>10</td>
<td>Duties on utilization of natural resources, especially:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10.1</td>
<td>for the natural resources extracted from the territories of the Autonomous Republics</td>
<td></td>
<td></td>
<td>100</td>
</tr>
<tr>
<td>10.2</td>
<td>for the natural resources extracted from the territories of the local self-government bodies (except for the local self-government bodies of the Autonomous Republics)</td>
<td></td>
<td></td>
<td>100</td>
</tr>
<tr>
<td>11</td>
<td>Revenues from leasing and management of the state-owned land (usufruct, rent, etc.), which:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11.1</td>
<td>is located on the territories of the Autonomous Republics but is not owned by the Autonomous Republics</td>
<td></td>
<td></td>
<td>65</td>
</tr>
<tr>
<td>11.2</td>
<td>is located on the territories of the local self-government bodies (except for the local self-government bodies of the Autonomous Republics) is not owned by the local self-government bodies</td>
<td></td>
<td></td>
<td>65</td>
</tr>
<tr>
<td>11.3</td>
<td>is owned by the Autonomous Republics</td>
<td></td>
<td></td>
<td>100</td>
</tr>
<tr>
<td>11.4</td>
<td>is owned by the local self-government bodies (except for those</td>
<td></td>
<td></td>
<td>100</td>
</tr>
<tr>
<td></td>
<td>Description</td>
<td></td>
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<td>------------------------------------------------------------------------------</td>
<td>---</td>
<td>---</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Revenues from transfer the land owned by the Autonomous Republics into external management (usufruct, leasing, rent, etc.)</td>
<td>35</td>
<td>65</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Revenues from transfer the land owned by the local self-government bodies into external management (usufruct, leasing, rent, etc.)</td>
<td></td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>Revenues from the cost of issuing licenses for usage, collected by:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14.1</td>
<td>relevant agencies of the central authorities</td>
<td></td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>14.2</td>
<td>relevant agencies of the authorities of the Autonomous Republics</td>
<td></td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>Rent (except for land), collected by:</td>
<td></td>
<td>100</td>
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<td>15.1</td>
<td>relevant agencies of the central authorities</td>
<td></td>
<td>100</td>
<td></td>
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<tr>
<td>15.2</td>
<td>relevant agencies of the authorities of the Autonomous Republics</td>
<td></td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>15.3</td>
<td>relevant agencies of the local self-government bodies</td>
<td></td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>Custom duties</td>
<td></td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>License fees, collected by:</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>17.1</td>
<td>the relevant agencies of the central authorities</td>
<td></td>
<td>100</td>
<td></td>
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<tr>
<td>17.2</td>
<td>the relevant agencies of the authorities of the Autonomous Republics</td>
<td></td>
<td>100</td>
<td></td>
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<tr>
<td>18</td>
<td>Permit fees, collected by:</td>
<td></td>
<td>100</td>
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<tr>
<td>18.1</td>
<td>the relevant agencies of the central authorities</td>
<td></td>
<td>100</td>
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<td>18.2</td>
<td>the relevant agencies of the authorities of the Autonomous Republics</td>
<td></td>
<td>100</td>
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<tr>
<td>18.3</td>
<td>the relevant agencies of the local self-government bodies</td>
<td></td>
<td>100</td>
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</tr>
<tr>
<td>19</td>
<td>State certification fees</td>
<td></td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>20</td>
<td>Registration fees</td>
<td></td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>21</td>
<td>State expertise fees</td>
<td></td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>22</td>
<td>State duties, collected for:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>22.1</td>
<td>the cases in the courts of Georgia</td>
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<td>100</td>
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<tr>
<td>22.2</td>
<td>For issuing identity cards and citizenship documents on the territory of Georgia, for documents issued by civil registry offices, for consideration of the citizenship and emigration-migration cases on the territory of Georgia:</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>22.2.1</td>
<td>relevant agencies of the central authorities</td>
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<tr>
<td>22.2.2</td>
<td>relevant agencies of the authorities of the Autonomous Republics</td>
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<td>22.2.3</td>
<td>relevant agencies of the local self-government bodies</td>
<td></td>
<td>100</td>
<td></td>
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<tr>
<td>22.3</td>
<td>Other state duties, collected by:</td>
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<td>100</td>
<td></td>
</tr>
<tr>
<td>22.3.1</td>
<td>relevant agencies of the central authorities</td>
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<tr>
<td>22.3.2</td>
<td>relevant agencies of the authorities of the Autonomous Republics</td>
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<td>100</td>
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<tr>
<td>22.3.3</td>
<td>the relevant agencies of the local self-government bodies</td>
<td></td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>23</td>
<td>Consular fees</td>
<td></td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>24</td>
<td>Public information copy fees, collected by:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>24.1</td>
<td>the relevant agencies of the central authorities</td>
<td></td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>24.2</td>
<td>the relevant agencies of the authorities of the Autonomous Republics</td>
<td></td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>24.3</td>
<td>the relevant agencies of the local self-government bodies</td>
<td></td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>25</td>
<td>Probation fees</td>
<td></td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>26</td>
<td>Tender fees – during state procurement operations:</td>
<td></td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>26.1</td>
<td>with state budgetary funds</td>
<td></td>
<td>100</td>
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<tr>
<td>26.2</td>
<td>with funds from republican budgets of the Autonomous Republics</td>
<td></td>
<td>100</td>
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</tr>
<tr>
<td>26.3</td>
<td>with funds from the budgets of local self-government bodies – local tender fees</td>
<td></td>
<td>100</td>
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</tr>
<tr>
<td>27</td>
<td>Revenues from outdoor advertisements permits</td>
<td></td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>28</td>
<td>Fees for postponement of compulsory state military service, collected by:</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>28.1</td>
<td>relevant agencies of the authorities of the Autonomous Republics</td>
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<td>90 10</td>
<td></td>
</tr>
<tr>
<td>28.2</td>
<td>relevant agencies of the local self-government bodies</td>
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<td>90 10</td>
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<tr>
<td></td>
<td>Description</td>
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<td>-----------------------------------------------------------------------------</td>
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<td></td>
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</tr>
<tr>
<td>29</td>
<td>Fees gambling businesses</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>30</td>
<td>Fees for cleaning of the populated areas</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>31</td>
<td>Fees for infrastructure of the area with rehabilitation of cultural heritage</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>32</td>
<td>Free for issuing special (zonal) permits</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>33</td>
<td>Fees for construction permits (except for radiation and nuclear facilities of special importance)</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>34</td>
<td>Fees for regular passenger transportation</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>35</td>
<td>Other fees, collected by:</td>
<td></td>
<td></td>
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<tr>
<td>35.1</td>
<td>relevant agencies of the central authorities</td>
<td>100</td>
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<tr>
<td>35.2</td>
<td>relevant agencies of the authorities of the Autonomous Republics</td>
<td>100</td>
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<tr>
<td>35.3</td>
<td>relevant agencies of the local self-government bodies</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>36</td>
<td>Non-market goods and services</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>36.1</td>
<td>Revenues from nominal values of excise stamps</td>
<td>100</td>
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<td></td>
</tr>
<tr>
<td>36.2</td>
<td>Revenues from sales of other goods, collected by:</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>36.2.1</td>
<td>relevant agencies of the central authorities</td>
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<td></td>
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<tr>
<td>36.2.2</td>
<td>relevant agencies of the authorities of the Autonomous Republics</td>
<td>100</td>
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<tr>
<td>36.2.3</td>
<td>relevant agencies of the local self-government bodies</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>36.3</td>
<td>Revenues from services provided by:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>36.3.1</td>
<td>relevant agencies of the central authorities</td>
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<td></td>
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<tr>
<td>36.3.2</td>
<td>relevant agencies of the authorities of the Autonomous Republics</td>
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<td></td>
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</tr>
<tr>
<td>36.3.3</td>
<td>relevant agencies of the local self-government bodies</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>36.4</td>
<td>Revenues from leasing or transfer of management rights of common state importance property</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>36.5</td>
<td>Revenues from leasing or transfer of management rights of state property (except for land) (usufruct, rent, etc.), which:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>36.5.1</td>
<td>is located on the territory of the Autonomous Republics and is owned by the state</td>
<td>65  35</td>
<td></td>
<td></td>
</tr>
<tr>
<td>36.5.2</td>
<td>is located on the territories of the local self-government bodies (except for those of the Autonomous Republics) is owned by the state</td>
<td>65  35</td>
<td></td>
<td></td>
</tr>
<tr>
<td>36.5.3</td>
<td>is managed by the Autonomous Republics</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>36.5.4</td>
<td>is managed by the local self-government bodies (except for those of the Autonomous Republics)</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>36.6</td>
<td>Revenues from leasing or transfer of management rights of the property of the Autonomous Republics (except for land) (usufruct, rent, etc.)</td>
<td>35  65</td>
<td></td>
<td></td>
</tr>
<tr>
<td>36.7</td>
<td>Revenues from leasing or transfer of management rights of the local self-government bodies (except for land) (usufruct, rent, etc.)</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>36.8</td>
<td>Revenues from leasing or transfer of management rights of other property (except for land) (usufruct, rent, etc.)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>36.8.1</td>
<td>By the relevant agencies of the central authorities</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>36.8.2</td>
<td>By the relevant agencies of the authorities of the Autonomous Republics</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>36.8.3</td>
<td>By the relevant agencies of the local self-government bodies</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>37</td>
<td>Revenues from sanctions (fines, fees)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>37.1</td>
<td>Revenues from administrative violations in different spheres, collected by:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>37.1.1</td>
<td>relevant agencies of the central authorities</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>37.1.2</td>
<td>relevant agencies of the authorities of the Autonomous Republics</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>37.1.3</td>
<td>relevant agencies of the local self-government bodies</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>37.2</td>
<td>Revenues from the fees from violation of traffic rules</td>
<td>40   60</td>
<td></td>
<td></td>
</tr>
<tr>
<td>37.3</td>
<td>Revenues from illegal crossing borders</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>37.4</td>
<td>Revenues for the fees for violation of the deadlines for paying loans, collected by:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>37.4.1</td>
<td>Revenues from administrative violations in different spheres, collected by:</td>
<td>100</td>
<td></td>
<td></td>
</tr>
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<td>37.4.2</td>
<td>relevant agencies of the central authorities</td>
<td>100</td>
<td></td>
<td></td>
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<tr>
<td>Section</td>
<td>Description</td>
<td>Percentages</td>
<td></td>
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<td>Revenues from sales of agricultural land owned by the Autonomous Republic</td>
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<td>Revenues from subterranean resources</td>
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<td>Revenues from licenses for usage of radiofrequency spectrum</td>
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<td>Resources from other natural assets</td>
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<td>Revenues from non-produced non-material assets (patents, leasing agreements and other similar contracts, including goodwill), collected by:</td>
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<td>Revenues from acknowledgment of property rights for land</td>
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