

FINANCIAL LEASING LAW ENACTED

The Milli Maclis adopted the [Law, On Financial Leasing](#), on 26 May 2026, and it was subsequently promulgated by Presidential Decree on 25 June 2026. The Law will enter into force on 25 December 2026. Existing leasing operators will be required to bring their activities into compliance and apply for registration within the transition period provided by the Law and implementing regulations.

NEW RULES FOR INVESTMENT PROJECTS IN TOURIST CENTERS

On 22 June 2026, the Cabinet of Ministers approved by Resolution No. 187 the *Rules for Lease and Use of State-Owned Real Estate in Tourist Centers and Implementation of Investment Projects*. The Rules apply to state-owned land plots and construction facilities located in tourist centers within tourism and recreational zones and establish the legal framework for allocating such assets to investors.

State-owned land plots intended for investment projects will generally be allocated through a competitive procedure designed to identify the most effective investment proposal. In addition to rental considerations, proposals may be assessed based on financial and technical feasibility, implementation timelines, sustainability considerations, environmental impact and anticipated economic contribution.

Investors are required to submit an investment project concept describing the project's objectives, structure, estimated cost, funding sources, sustainability arrangements, environmental and climate impact, and expected workforce. The competition process, administered by the Center for Management and Development of Tourism and Recreational Zones public entity under the State Tourism Agency, must generally be completed within 90 business days.

The Rules introduce a participation fee ranging from 0.1 percent to 0.5 percent of the starting annual rent of the relevant property and provide for evaluation through a scoring system. Decisions and actions of the managing organization and competition commission may be challenged administratively or before the courts, and competition results may be cancelled where violations of the Rules are identified.

Following the competition, the investor must obtain resident status in the relevant zone and implement the project in accordance with the approved investment plan. The managing organization is empowered to monitor implementation through reporting requirements, site inspections and compliance measures.

The Rules also govern the lease and use of state-owned construction facilities in tourist centers by both residents and non-residents for business, cultural, educational, scientific, public and social purposes, with lease and use arrangements required to be formalized in a notarized agreement. Where such facilities constitute historical or cultural monuments, or are located within protected monument zones, any restoration, reconstruction or other works must comply with monument protection legislation and be coordinated with the relevant authorities.

ANNUAL CORPORATE STATUS REPORT FORM APPROVED

The State Tax Service has approved the form of the *Report on Changes Occurred in Constituent Documents and Registered Facts of Commercial Entities and Representative Offices or Branches of Foreign Commercial Entities*. The form implements recent amendments to the Law, *On State*

Registration of Entities and State Registry, which introduced a new annual reporting obligation for commercial entities and foreign commercial entities' representative offices and branches.

Under Article 9.5 of the Law, reporting entities must submit the report to the State Tax Service no later than 31 January following the end of each calendar year, regardless of whether any changes have occurred during the reporting period. According to guidance issued by the State Tax Service, the report may be filed either electronically or in paper form.

The approved form requires entities to indicate whether changes have occurred in a number of registered particulars, including the entity's name, legal address, legal representative, founders, charter capital, supervisory board members, beneficial ownership information, organizational-legal form, liquidation or bankruptcy status, and information regarding entities established by the reporting entity. The form also allows entities to confirm that no reportable changes have occurred.

The new reporting requirement forms part of broader changes to the corporate registration framework adopted on 30 December 2025 under *Law Amending Laws, On Notaries, and State Registration and Register of Entities* No. 336-VIIQD. In addition to introducing the annual report, the amendments provide for electronic transmission to the State Tax Service of information relating to transfers, inheritance and encumbrances of participation interests in commercial entities, as well as the appointment of estate administrators in certain circumstances.

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Republic of Azerbaijan

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*Information does not, and is not intended to, constitute legal advice

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