



“TAX RELIEF FOR JOBS AND ECONOMIC GROWTH”

The Government of Mongolia (GoM) is committed to implementing tax policy reforms that will reduce the tax burden on labor and businesses, encourage private sector growth, and strengthen Mongolia’s competitiveness in the global market.

The following are objectives of tax reform ~~measures under consideration~~ package aimed at “strengthening of economic capacity and increasing competitiveness”:

1. Increase country competitiveness by lowering the tax burden on businesses, enabling job creation
2. Relief the tax burden on workers by reducing the tax rate and labor costs on wage earners
3. Simplify tax administration procedures to reduce compliance costs and arbitrariness, by focusing more on service to tax payers
4. Expand the tax base by reducing the size of the shadow economy
5. Support domestic investors by removing discriminatory tax provisions
6. Create a sound fiscal environment by adjusting the tax system into a proper structure

The proposed tax reform package aimed at provision of above objectives has the following specifics:

- Tax relief clears the way for companies to create new jobs, enabling more Mongolians to participate in our economic future.
- Tax relief makes it easier for all Mongolians to participate in our economic growth by establishing more equitable tax rates
- This pro-taxpayer tax relief package eases the burden on workers with fairer tax rates that leave more money in the hands of the wage earners
- Pro-competitiveness tax relief will reduce the tax and labor costs to business, freeing up critical resources for investments in innovation and growth of companies
- Pro-growth tax relief captures the full economic power of the country, increasing revenue growth as people move out of the shadow economy into the taxpayer base, and adding more people to the workforce as new jobs are created.