

CORPORATE SEAT AND PLACE OF BUSINESS

To operate in Azerbaijan, an entity must declare and maintain an address. All public agencies, authorized registrars of entities, require of registrants a physical address: (i) the Ministry of Economy (through the State Tax Service under it), for commercial entities, (ii) the Ministry of Justice, for non-commercial entities, and (iii) the State Committee for Affairs of Religious Institutions, for religious institutions.

The Civil Code defines an entity's seat as the place where the entity's permanently functioning body is located, which is essentially a place of the entity's decision-making. The address of the seat serves as a point of contact, including location for interacting with relevant authorities.

The registered seat coincides with the fiscal address (tax domicile) unless a taxpayer has a business located outside, in which case, it must re-register the address of that business; for taxpayers with multiple places of business (except those paying taxes in consolidated manner), the registration must occur at the address of the center of its economic interests (principle place of business). Regardless of the location of an entity's decision-making, such center is where most of its revenue is generated.

Additionally, a business must tax-register all its branches and places of business. A failure to so register results in an AZN40.00 financial penalty for micro-enterprises and an AZN400.00 for other businesses.

Only one registered address, which is typically that of the place of decision-making, is included in an entity's publicly available register information.

Maintaining a registered address at locations making the process difficult or impossible to serve may pose significant risks to operations.

NATIONAL AI STRATEGY

Acknowledging an urgency of a systematic approach to emerging artificial intelligence (AI), Azerbaijan approved on 19 March 2025 by Presidential Instructive Order No. 530 the *National AI Strategy for 2025–28*. The Strategy aims to: (i) boost economic competitiveness, (ii) create a favorable environment for application of AI, (iii) train a skilled AI workforce, and (iv) raise public awareness of AI's benefits.

Targets through 2028 include a legal framework for ethical and responsible AI by 2027, regulations to address data protection risks, and the adoption of at least three national AI standards. Plans also include testing Azerbaijani-language Natural Language Processing technologies in five public services, as well as establishing an AI Academy, training 500 AI engineers, building a 3,000-member community, and upskilling 500 public officers.

To drive private sector adoption, the government plans to support at least 50 businesses with preferential loans and guarantees and attract residents involved in AI technology development to national tech parks and industrial zones. Investment priorities include at least three pilot projects, alongside planned infrastructure upgrades such as GPU installations in data centers.

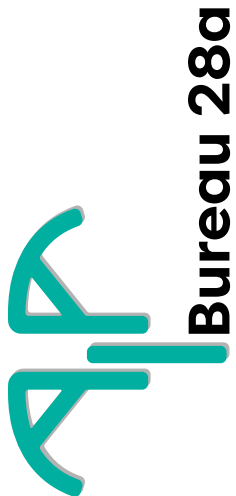
DIGITAL ADS

On 22 April 2025, the Milli Maclis passed bill No. 182-VIIQD introducing several amendments, including Law No. 1281-IVQ, *On Advertisement*, dated 15 May 2015. Effective 22 May, the Law expands to cover online promotion directed at consumers in Azerbaijan *via*:

- digital platforms, *i.e.*, internet resources, telecommunications networks, and their mobile applications, excluding governmental;
- digital platform influencers, *i.e.*, individuals and entities who promote products for compensation using their influence on these platforms; and
- advertising alerts and SMS.

Under the Law, particularly, advertising by digital platform influencers (excluding audiovisual ones) must disclose advertiser's details, such as a name, actual address, tax ID number, phone, and e-mail.

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

Republic of Azerbaijan

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