In order to encourage philanthropy in the Republic of Tajikistan, this Law establishes a framework for legal regulation of philanthropic activities, defines the types, the primary goals, and possible methods of the support thereof by state agencies and local authorities, as well as facilitates the creation and activity of philanthropic organizations by morally encouraging subjects participating in philanthropic activities.

**CHAPTER 1. GENERAL PROVISIONS**

**Article 1. Legislation on Philanthropic Activities**

The legislation of the Republic of Tajikistan on philanthropic activity is founded on the Constitution of the Republic of Tajikistan and consists of this Law, other regulatory acts of the Republic of Tajikistan, and international regulatory acts recognized by the Republic of Tajikistan.

**Article 2. Basic Definitions**

This Law utilizes the following basic definitions:

Philanthropic activity - the voluntary activities of individuals and legal entities to render material or other aid (support), including as charitable (non-recompensed or reduced-rate) transfers to individuals in need of such assistance or legal entities that directly render such assistance, including the transfer by philanthropic organizations of assets, money, charitable provision of services and labor, or scientific, instructional, educational, or any other activity effectuated in the interest of society.

Philanthropic organization - a private, non-profit organization founded in the manner established by the legislation of the Republic of Tajikistan to effectuate philanthropic aims the primary activities of which consist of performing philanthropic activities in the interests of society or certain categories of individuals.

Philanthropic program - a combination of measures for effectuating philanthropic activities designed to resolve concrete social issues that are in accordance with the fundamental goals of the philanthropic organization. The philanthropic program shall include a budget estimate reflecting projected income and planned expenditures for directly achieving the philanthropic goals and the maintenance of the philanthropic organization (including salaries for personnel involved in the implementation of the program).

Philanthropists - individuals or legal entities effectuating philanthropic activity in the following manners:

- charitable (non-recompensed or reduced-rate) transfers of assets, including monies and intellectual property;
- charitable (non-recompensed or reduced-rate) assignment of rights of ownership, use, and disposition of any subjects of title;
- charitable (non-recompensed or reduced-rate) provision of labor and services by philanthropic individuals and legal entities;
- Philanthropists have the right to determine the goals and manner of the use of their donations.
- Beneficiaries - individuals and legal entities for whom the philanthropic activity is effectuated.
- Volunteers - individuals effectuating philanthropic activities in the manner of uncompensated labor on behalf of the beneficiary, including for philanthropic organizations. The philanthropic organization may directly pay volunteers' expenses in connection with their activities in the organization (business trip and transportation expenses, etc).
- Philanthropic foundation - a philanthropic organization not having any membership founded by individuals and/or legal entities on the basis of voluntary asset contributions and pursuing philanthropic goals; Grants - property (including money) provided without recompense to individuals and non-profit organizations for effectuating a specific program or project;
- Donation - voluntary, uncompensated aid of monies or in another manner provided to non-profit organizations or needy individuals for philanthropic aims in the manner established by this Law.
Business entities formed by philanthropic organizations - organizations which direct their profits toward philanthropic aims the founders (members) of which are exclusively philanthropic organizations.

Article 3. Aims of Philanthropic Activity

Philanthropic activity includes:
- social assistance to and the rehabilitation and protection of persons, including by improving their material situation, the social rehabilitation of the unemployed, handicapped, and other persons that due to their physical and mental handicap or other circumstances are unable to actualize their rights and legal interests;
- assistance to low-income and large families or individuals needing rehabilitation or social protection;
- assistance to children that do not have parents (parent) or preschools or other children’s institutions that care for such children;
- assistance to maternal and child health;
- strengthening the prestige and role of the family in society;
- assistance to the disabled and elderly or organizations that care for them;
- assistance to victims of natural disasters, ecological, industrial, or other catastrophes, social, national, or regional conflicts, victims of repression, refugees, and needy immigrants;
- support to individuals in need of medical assistance or social support in terms of payment for medical or related services (including transport to the location such services are to be rendered) or organizations that have the status of a medical institution;
- assistance in the sphere of preventative health and health care for citizens, as well as disseminating information on a healthy lifestyle, and improvement of the moral and psychological state of the population;
- assistance in the sphere of education, science, culture, the arts, enlightenment or the spiritual development of the personality, including by setting up grants;
- assistance in the sphere of fitness and popular sports;
- protecting the population and the environment from pollution or any other harmful impact;
- assistance to penal (correctional) institutions if such activity is directed at improving the conditions of incarceration or medical services for the inmates;
- assistance in improving relations in the world, friendship, and good-will among nations, preventing social, national, and religious conflicts;
- the preservation and maintenance of buildings, facilities, and territories of historical, religious, ceremonial, and cultural significance;
- other socially-significant goals defined in accordance with the legislation of the Republic of Tajikistan.

Article 4. The Right to Conduct Philanthropic Activities

Individuals and legal entities have the right to freely effectuate philanthropic activity on a voluntary basis and are free to choose universally beneficial aims.

Individuals and legal entities have the right to freely effectuate philanthropic activity individually or in union with each other by creating or not creating philanthropic organizations.

No one has the right to limit freedom of choice in the philanthropic aims and the manner of the accomplishment thereof established by this Law.

Article 5. Participants in Philanthropic Activity

Participants in philanthropic activity include the following:
- individuals and legal entities effectuating philanthropic activity, including by means of supporting existing or the formation of new philanthropic organizations (philanthropists, volunteers);
- individuals and legal entities in whose interests philanthropic activity (Beneficiaries) is being effectuated.

Article 6. Philanthropic Organizations

A philanthropic organization is a non-governmental, non-profit organization created with the intent of effectuating philanthropic activity and registered as a philanthropic organization in the manner established by the legislation of the Republic of Tajikistan.

In the event the philanthropic organization's revenues exceed its expenses, the remainder is not divided amongst the founders (members) thereof but is rather directed toward the implementation of those aims for which the philanthropic organization was formed.

Article 7. Types of Philanthropic Organizations
Philanthropic organizations are formed as public organizations (associations), foundations, institutions, and other structures as set forth by the legislation of the Republic of Tajikistan for philanthropic activity.

A philanthropic organization can be formed as an foundation if the founder thereof is another philanthropic organization.

CHAPTER 2. THE MANNER IN WHICH A PHILANTHROPIC ORGANIZATION IS FORMED, REORGANIZED, AND DISSOLVED

Article 8. Founders of a Philanthropic Organization

The founders of a philanthropic organization, depending on its structure, may be either individuals or legal entities.

State and local authorities, as well as state enterprises and institutions cannot serve as founders of philanthropic organizations.

Article 9. Forming Philanthropic Organizations

A philanthropic organization can be formed through establishment or reorganization of an existing legal entity (merger, acquisition, breakup, spin-off, reorganization).

A philanthropic organization shall be founded by resolution of the founders (founder) thereof.

A philanthropic organization shall be a legal entity at that point it is registered with the state in accordance with the legislation of the Republic of Tajikistan.

Article 10. The Charter of a Philanthropic Organization

The charter of a philanthropic organization should stipulate:
- the name, aims, and objectives of the philanthropic organization;
- the structure of the philanthropic organization, the managing and internal auditing bodies of the philanthropic organization; the conditions and manner of adding and excluding members in the philanthropic organization, the rights and obligations of the members of this organization in the organizations that are members;
- the rights and obligations of the philanthropic organization;
- the purview and method of organization of the philanthropic organization's managing bodies, the terms of authority thereof, and the location of the continuously operating organization;
- the manner in which the introduction of amendments and addenda to the philanthropic organization's charter,
- the sources of the monies and other assets of the philanthropic organization, the rights of the philanthropic organization and the structural subdivisions thereof in terms of managing assets;
- the manner in which the philanthropic organization is to be reorganized and dissolved;
- other provisions set forth by the legislation of the Republic of Tajikistan.

Article 11. State Registration of the Philanthropic Organization

State registration of the philanthropic organization shall occur based upon and in the manner set forth by the legislation of the Republic of Tajikistan.

A decision by the registering agency to reject the philanthropic organization's registration with the state, as well an attempt to circumvent such registration may be filed in the manner provided for by law.

Article 12. The Philanthropic Organization's Highest Body of Governance

The philanthropic organization's highest body of governance is the board (general meeting) thereof, created in the manner set forth by the philanthropic organization's charter.

The resolution to form a philanthropic organization and the approval of the charter thereof shall be adopted at a general meeting.

The philanthropic organization's highest body of governance shall be exclusively responsible for the following:
- modifications to the charter of the philanthropic organization;
- the formation of executive departments within the philanthropic organization, the auditing agencies thereof, and the premature termination of their authority;
- approval of the philanthropic programs;
- approval of the annual plan and budget of the philanthropic organization and the annual report.
thereof;
- approval of resolutions about the formation of commercial and non-commercial organizations, about participating in such organizations and opening chapters and representative offices;
- approval of resolutions about the reorganization and dissolution of the philanthropic organization (with the exception of the philanthropic foundation).

The members of the philanthropic organization's highest body of governance and executives of the philanthropic organization do not have the right to occupy full-time positions in the administration of any commercial organization that this philanthropic organization is either the founder of or a participant in.

Article 13. The Reorganization and Dissolution of Philanthropic Organizations

The reorganization and dissolution of philanthropic organizations shall be effectuated in the manner established by the legislation of the Republic of Tajikistan.
When the dissolution of a philanthropic organization occurs, any remaining assets after the demands of its creditors have been satisfied shall be used for philanthropic aims in the manner set forth by the organization's charter or by the decision of the commission dissolving the organization if the manner of use of the philanthropic organization's assets has not been set forth in the charter thereof.

CHAPTER 3. CONDITIONS FOR AND MANNER OF EFFECTUATING PHILANTHROPIC ACTIVITIES

Article 14. Philanthropic Activity

A philanthropic organization has the right to effectuate activities designed to achieve the goals it was formed to accomplish, as well as any philanthropic activity designed to achieve goals set forth by this Law.

The philanthropic organization has the right to engage in commercial activity to attract resources and conduct non-operating activities.

The philanthropic organization has the right to effectuate business operations only in order to achieve those goals for which it was formed and related activities for those goals.

In order to create the requisite material conditions for achieving its goals, the philanthropic organization has the right to start commercial enterprises. Philanthropic organizations are not entitled to participate in commercial enterprises in conjunction with other entities.

Philanthropic organizations are not entitled expend any monies or use their assets to support political parties, movements, groups, or campaigns.

Article 15. Chapters and Representative Offices of a Philanthropic Organization

A philanthropic organization has the right to open chapters and open representative offices within the Republic of Tajikistan as established by the law of the Republic of Tajikistan. Starting chapters and opening representative offices by a philanthropic organization on the territory of a foreign state shall be effectuated in accordance with the legislation of that state if not otherwise set forth by an international treaty recognized by the Republic of Tajikistan.

Chapters and representative offices are not legal entities, are endowed with assets by the philanthropic organization which started them, and operate on the basis of the directives enacted by it. Chapters and representative offices shall have their assets calculated on separate balance sheets, as well as on the balance sheets of the philanthropic organization which formed them.

Heads of chapters and representative offices shall be appointed by the philanthropic organization's highest body of governance and operate on the basis of a power of attorney executed by the philanthropic organization.

Chapters and representative offices shall effectuate their activities on behalf of the philanthropic organization that started them. The philanthropic organization that started the chapters or opened the representative offices shall bear liability for them.

Article 16. Associations (Societies and Coalitions) of Philanthropic Organizations

Philanthropic organizations, independent of their organizational and legal structure, have the right to create associations (societies and coalitions) that are non-profit organizations on the basis of founding contracts and charters adopted by the philanthropic organizations.

Members of the association (society or coalition) of philanthropic organizations shall not forfeit their independence or rights as a legal entity.
The association (society or coalition) of philanthropic organizations shall not be liable for the obligations of the other members. Members of the association (society or coalition) of philanthropic organizations shall be jointly liable for their obligations in the amount and manner set forth by the founding documents of the association (society or coalition).

The formation, operation, reorganization, and the dissolution of an association (society or coalition) of philanthropic organizations, including with the participation of non-profit associations, are effectuated in the manner established by the legislation of the Republic of Tajikistan.

Article 17. Philanthropic Organization Asset Sources

Asset sources for philanthropic organizations can be the following:
- contributions of the philanthropic organization's founders; member contributions (for philanthropic organizations founded on membership);
- philanthropic donations, including targeted donations (philanthropic grants) provided by individuals and legal entities as money or goods;
- revenue from non-operating activities; revenue from securities;
- revenue from business activities authorized by this Law;
- income from attracting resources (conducting campaigns for attracting philanthropists and volunteers, including by organizing entertainment, cultural, and sporting events, conducting philanthropic donation collection campaigns, conducting lotteries and auctions) in the manner established by the legislation of the Republic of Tajikistan, as well as the disbursement of assets and donations received from philanthropists in accordance with their desires;
- revenue from commercial enterprises started by the philanthropic organization;
- volunteer labor;
- other sources of revenue provided for by the legislation of the Republic of Tajikistan and connected with the effectuation of the primary activities of the philanthropic organization.

Article 18. Assets of Philanthropic Organizations

A philanthropic organization may own or otherwise have ownership rights to: buildings, facilities, equipment, monetary instruments, securities, IT resources, intellectual property, and other types of property if another method has not been determined by the legislation of the Republic of Tajikistan.

The philanthropic organization may execute any transaction it so chooses in relation to any property in its possession that does not contradict with the legislation of the Republic of Tajikistan, the organization's charter, and the rights of the philanthropist.

The philanthropic organization is not entitled to pay its administrative and managerial staff more than 20% of the organization's budget for that financial year.

In the event that a philanthropist or philanthropic program establishes otherwise, no less than 80% of a philanthropic donation in monetary form should be used for a philanthropic goal within a year from the moment the philanthropic organization receives the donation. Philanthropic donations in the form of goods shall be used for philanthropic goals within a year from the moment they were received if not otherwise established by the philanthropist or philanthropic program.

Transfer (by means of sale, payment for goods, labor, services, and in other forms) of the philanthropic organization's assets to the founders (members) of said organization under conditions that are more profitable to them than for other individuals/entities, is prohibited.

Article 19. Expenditures of Philanthropic Organizations

The resources of philanthropic organizations can be spent on philanthropic goals and on the maintenance of the philanthropic organization.

Expenditures on the organization's maintenance may include expenses for:
- salaries for administrative personnel and management;
- payroll;
- office supplies and business expenses;
- business and office trips;
- equipment and inventory purchases;
- maintenance and repairs;
- rent;
- other expenses (settlements with budgetary and extra-budgetary funds, etc.).

Donations targeting specific philanthropic programs shall be used in accordance with the conditions of the donation.

Limitations on payments of salaries shall not apply to payments for labor of individuals working on philanthropic programs.

Funds spent on the publication of a report on the philanthropic organization's activities, as well as
on conducting mandatory auditing checks of the philanthropic foundations' activities shall be counted as expenses for philanthropic goals.

Disbursement of funds from state and local budgets and other state targeted funds to philanthropic organizations is prohibited.

Article 20. Philanthropic Programs

A philanthropic program consists of a number of events approved by a philanthropic organization's highest body of governance and designed to solve concrete tasks corresponding to the aims found in the charter of the organization.

A philanthropic program includes an estimate of expected inflows and planned outflows (including payment for the labor of individuals/entities participating in the implementation of the philanthropic program) and establishes the stages and time frames for the realization thereof.

No less than 80% of the revenue received in a financial year should be used to finance a philanthropic program (including expenditures for their material, technical, organizational, and other needs, for payment for the work of individuals/entities participating in the implementation of the philanthropic program). When undertaking a long-term philanthropic program, the funds received should be utilized within the frame of time established by said programs.

CHAPTER 4. STATE ASSURANCES OF PHILANTHROPIC ACTIVITY

Article 21. State Support of Philanthropic Activity

The state assures and safeguards the rights set forth by the legislation of the Republic of Tajikistan and the legal interests of individuals and legal entities participating in philanthropic activity.

Government officials interfering with the exercise of the rights individuals or legal entities in terms of effectuating philanthropic activities shall be held responsible in accordance with the legislation of the Republic of Tajikistan.

State and local autonomous agencies that recognize the social value of the philanthropic activity may render participants in the philanthropic activity support by awarding them with: plaques and awards; providing them, in accordance with the legislation of the Republic of Tajikistan, with tax breaks, customs fee and other collections and payment reductions; funding of philanthropic activities on the basis of competitions; transferring to philanthropic organizations state assets for free or at a discount as part of the privatization process in the manner set forth by law.

In order to support philanthropic activities, interaction between state and local authorities and philanthropic organizations can be handled using philanthropic support councils (committees) composed of representatives of the legislature, executive branch, philanthropic and public organizations, and community leaders. These councils (committees) do not possess actual authority in relation to participants in philanthropic activity.

Their resolutions are only recommendations.

Article 22. Monitoring Philanthropic Organizations' Activities

The state agency that has registered the philanthropic organization shall monitor that the organization is in compliance with the provision of its charter in respect to the philanthropic activity's aims. The philanthropic organization shall perform accounting in the manner established by the legislation of the Republic of Tajikistan.

The philanthropic organization shall provide free access to its annual reports, including to mass media outlets.

Information on the amount and nature of a philanthropic organization's revenues, as well as its assets, expenditures, number of employees, salaries, and efforts to attract volunteers cannot be considered a trade secret.

State monitoring agencies shall monitor the activity of philanthropic organizations under their purview.

Disagreements on the use of funds provided to philanthropic organizations by individuals and legal entities shall be resolved in a court of law.

CHAPTER 5. FINAL PROVISIONS

Article 23. International Philanthropic Activities

Participants in philanthropic activity have the right to conduct philanthropic activities internationally in the manner established by the legislation of the Republic of Tajikistan and international treaties recognized by the Republic of Tajikistan.
International philanthropic activity shall be effectuated by participating in international philanthropic projects and the activities of international philanthropic organizations, working with foreign partners who are operating in a corresponding sphere of philanthropic activity, as well as in any other form accepted internationally that does not conflict with the legislation of the Republic of Tajikistan or any rules or principles of international law.

A philanthropic organization has the right to open an account at banking institutions in foreign countries in accordance with the legislation of those nations.

A philanthropic organization has the right to receive philanthropic donations from citizens of foreign nations, stateless individuals, and also from foreign and international organizations. The use of said donations shall be effectuated in the manner so decided and established by this Law.

Article 24. Philanthropic Activities of Foreign Citizens, Stateless Individuals, and Foreign and International Organizations

Foreign citizens, stateless individuals, and foreign and international organizations have the right to serve as participants in philanthropic activity on the territory of the Republic of Tajikistan in accordance with this Law.

Article 25. Responsibility for Violating This Law

Individuals and legal entities in violation of the requirements of this Law shall be held responsible in accordance with the legislation of the Republic of Tajikistan.

Article 26. Procedure for This Law to Come into Effect

This Law shall come into effect once it has been officially published.

The City of Dushanbe,
April 22, 2003
No. 18

The President of the Republic of Tajikistan
E. Rahmon