

TO BE SHUT DOWN OR TO RAISE PRICES: DILEMMA FOR SMALL AND MEDIUM BUSINESSES

The turnover tax percentage has doubled



Kingdom of the Netherlands



Due to this tax burden, a number of SMEs will close. Whether we like it or not, we will have to increase the price of each product by 5-10%.

Hripsime Kocharyan
Founder of “Ecobag with me”





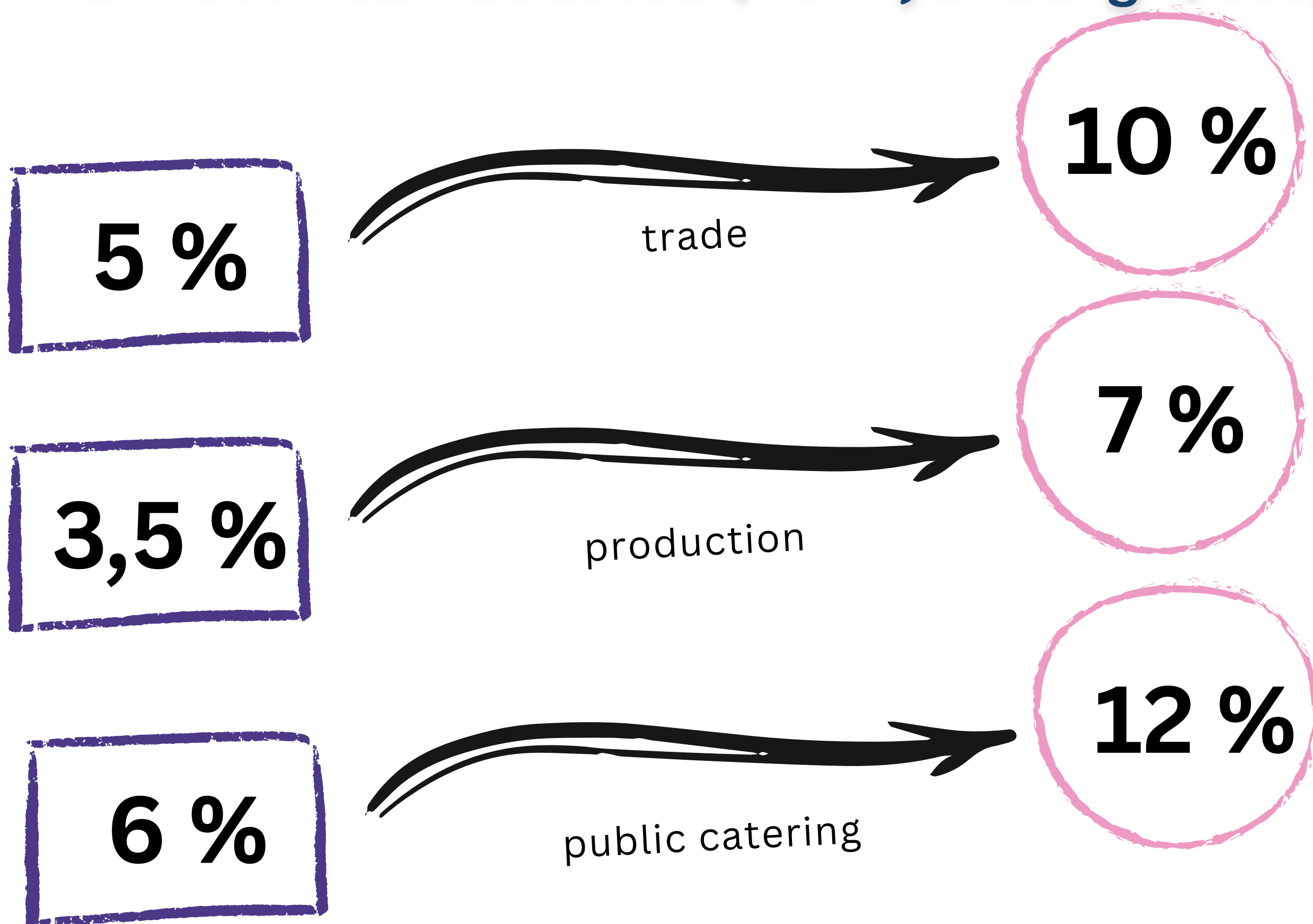
"Ecobag with me" is staffed by women with young children and children with health issues. They all work from home, combining work and childcare.

Tax increases have made female entrepreneurs in particular more vulnerable, as they are able to invest fewer financial resources in their businesses and receive a more modest salary from that business.

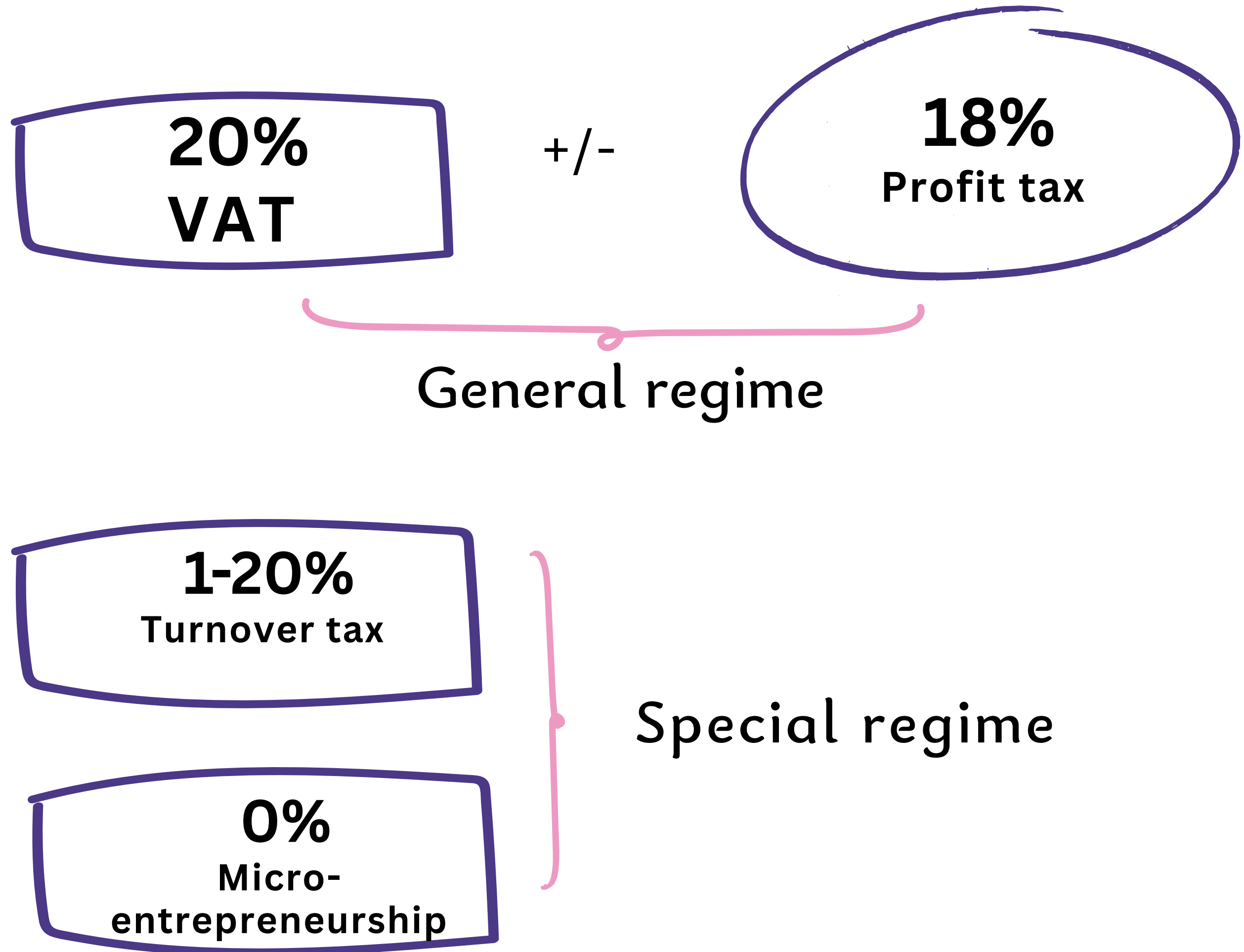
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Turnover tax doubled from January 1, 2025



Taxation Regimes in Armenia





"We talk to regional small and medium-sized entrepreneurs, and they say, no, they have imposed such a burden that is unbearable; we, on the contrary, will go into hiding. In other words, the same tax forecast."

Hakob Avagyan
The president of the SME Association

“Business operators will either exit the market, declaring themselves bankrupt, or go abroad, where the tax policy is more favorable, or they will go into the shadows.”

Aghasi Tavadyan
Economist



“The list of these programs is large, they can support businesses to avoid closure and be able to increase their turnover. In other words, in essence, privileges are not being reduced, but expanded, a vivid proof of this was the adoption of another support program by the government last week.”

Ministry of Economics

