

## **AISA Business Registration for all private sector businesses, except:**

Trading companies (registered with MoC) and small retail businesses (registered with the Kabul Municipality)

By law, AISA registers all private sector enterprises, whether foreign or local, or joint ventures of any nature between foreigners and locals.

With its private businesses – whether local or foreign – define the legal status of their business and obtain a tax number with the Ministry of Finance. With it they are obliged to pay corporate taxes in line with the Afghanistan Tax Law. Enterprises with initial capital of US\$ 3mil and above require the approval of the High Commission on investment before we can register them. AISA has succeeded at streamlining the procedure for obtaining the **AISA business registration**. Generally investors receive it within 5 working days.

Certain businesses require an additional “**Operation License**” from the respective ministries. **These are in addition to the AISA registration, not in its place.** AISA is now able to give clear advice on these additional government licenses. The **Ministry of Commerce** is legally not authorized to issue any license or business registration except **Traders’ Licenses** for trading companies only.

Steps to acquire a Business Registration at the Afghan Investment Support Agency

1. Establish investor’s legal identity
  - a. for an Afghan citizen, an individual investor presents a National ID card, passport or other documents that certify the identity of the applicant.
  - b. a foreign *individual* can present a passport as identification but must also provide a background check through the nearest embassy.
  - c. a foreign company (i.e., a company that is incorporated and has operations outside Afghanistan) obtains a corporate background check through its nearest embassy.Once obtained, a certification from the Economic Department of the Ministry of Foreign Affairs will be sent to AISA which then enables us to register the foreign entity or foreign individual.
2. The investor fills out the AISA application form for a business registration with such information as the name and address of the company and its contact person, business plan for investments over ten thousand dollars (output, number of workers, amount of investment, etc), industry in which it will operate, type of business ownership, and so on.
3. AISA provides the investor with a “Request for Tax Identification Number” form to be filled out by the investor. AISA uses this form to obtain a Tax Identification Number (TIN) for the investor.
4. The investor also fills out a standard “company statute”, similar to an “Articles of Association.” This form is provided by AISA.
5. AISA checks in its data base as to whether the chosen company name has already been used in Afghanistan. If it has been used already, the investor must choose another name.
6. The investor can choose the firm’s form of incorporation: sole proprietorship, partnership, corporation or limited company. Relevant documents should be attached by the investor to the application form to establish which form of business structure the investor has chosen.

7. AISA arranges for the publication of a “public information summary” of the information contained in the investment license application form in one of the newspapers in the city in which the firm proposes to operate.
8. AISA, on the investor’s behalf, registers the company at the Commercial Court (check to see if there are any outstanding cases against the applicant and to register the firm as a legal entity). AISA also has the company’s information published in the official government Gazette.

## Licensing Fees

### 1. Manufacturing and Health Service<sup>1</sup>

Amount of Initial Capital	Investment Category	Licensing Fee
\$5,000 - \$10,000	Small	\$100
\$10,001 - \$1,000,000	Medium	\$700
\$1,000,001 and above	Large	\$1,000

Annual renewal fees are 25% of initial fee

### 2. Service Sector<sup>2</sup>:

US\$1,000 regardless of investment size. Renewal is 50% of the initial fee per year

### 3. Construction

Amount of Initial Capital	Category	Licensing Fee
\$10,0001 – \$1,000,000	Intermediate	\$700
\$1,000,001 and above	Big	\$1,000

Annual renewal fees are 50% of the initial fee

### 4. Confirmation of activity

A fee of will also be charged to defray AISA’s expenses in assessing if the investor has conformed to the conditions stated on its license application form after the investment is made: \$100 for investors in the manufacturing construction, and some services sectors (noted under #1); \$250 for investors in the remaining service sectors.

### 5. Publication in the Official Gazette

A fee of \$10 is charged for certified copies of the investment license and a fee of Afs. 1,500 for advertising the investment in the Gazette.

<sup>1</sup> Industry, Agriculture, animal husbandry, construction materials, film industry, pharmaceutical, hospital, health clinics, etc.

<sup>2</sup> Security services, telecommunications, banking, hotel and restaurant, travel agency, accounting and information technology.