



Working
with you

CONSULTING-INVEST

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Permissions in entrepreneurial activity *

According to the Article 42 of Constitution of Ukraine, everybody has a right to entrepreneurial activity which is not forbidden by a law. But freedom of entrepreneurial activity is not absolute and with the purpose of defence of competition, rights of consumers, control of quality and safety of products, all types of services and works, the state regulates entrepreneurial activity by means of permissions system.

A lot of land, building, apartment, equipments and machineries, that are put into operation or designed, the separate operation, economic activity of definite kind, work and service, require from a subject of entrepreneurial activity receipt of definite permission documents: permission itself, conclusion, concordance, certificate and others like that, which gives to the person a right for definite actions in relation to realization of economic activity.

On the whole, existance of the permissions system is regulated by Law of Ukraine «About the permissions system in the field of economic activity» from September, 6 in 2005 № 2806-IV, and also by several special laws: «About licensing of definite types of economic activity» from June, 1 in 2000 № 1775-III and «About patenting of some types of entrepreneurial activity» from March, 23 in 1996 № 98/96-VR, which determine the order of receipt of two the most common permissions in the field of entrepreneurial activity: licences and patents. Let's take a closer look at them.

I. Licences

A licence is the document of state standard which confirms the right of subject of economic activity to realization of marked in it type of economic activity during a definite term on condition of implementation of the organizational, qualifying and other special requirements.

Subject to licensing are all types of activity, marked in the article 9 of Law «About licensing...», and also bank activity, professional activity at the equity market, activity from the grant of financial services, foreign economic activity, licensing of activity in industry of television and broadcast, licensing in the field of electroenergy and use of nuclear energy, licensing in the field of education, licensing in the field of intellectual property, production and trade by an alcohol ethyl, a brandy and fruit alcohol, swizzles and tobacco wares, in the field of TV communications, which is carried out in accordance with the special laws, that regulate the relations in these spheres.

By a common rule, for the receipt of licence the subject of entrepreneurial activity applies to the proper organ of licensing (to which concretely – it is possible to define in accordance with Decision of Cabinet of Ministers from a November, 14 in 2000 N 1698 «About approval of list of organs of licensing») and submits such documents:

- statement
- copy of certificate about state registration of subject of entrepreneurial activity or copy of reference about bringing to the Sole state register of enterprises and organizations of Ukraine, witnessed by notary or organ which gave out the original of document
- other documents, that differ depending on the type of economic activity (in accordance with Decision of Cabinet of Ministers from July, 4 2001 N 756 «About approval of list of documents which are added to the statement about delivery of licence for the separate type of economic

* According to the legislation valid on 01.04.2007

activity»). Decision about delivery or refusal in delivery of licence is made usually during 10 days and in 3 days is sent to the person, that handed in an application.

II. Patents

A trade patent is a state certificate which confirms a right for legal person or subjects of entrepreneurial activity, that do not have status of legal entity - residents and non-residents, and also their separated subsections (branches, separations, representative offices and others like that), to carry on trade activity for cash, and also with the use of other forms of computations and credit cards on territory of Ukraine, by activity from the exchange of available currency values (including the operations with the cash circulating means shown in foreign currency, and with credit cards), and also activity from the grant of services in the field of game business and domestic services.

A trade patent is issued by state tax organs on the basis of request.

Patents are short-term, for 1-15 days, which cost 10 hryvnias in a day, and long-term, for a term of 12-60 months which cost from 30 to 320 hryvnias for month.

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