



Armenia Expense Reimbursement Procedure

This guide explains how expense reimbursements work in Armenia, including which costs are eligible, the conditions for tax treatment, and documentation requirements. All reimbursements must follow Armenian tax law and Native Teams' internal policies.

Eligible expenses

The following business-related expenses are eligible for reimbursement:

- ◆ **Travel expenses** – flights, accommodation, and per diems.
- ◆ **Work-related purchases** – office supplies, software, and tools.
- ◆ **Home office costs** – internet and electricity (if specified in the contract).
- ◆ **Business meals and entertainment** – with clients or partners.
- ◆ **Other business-related costs** – subject to case-by-case approval.

Reimbursement conditions



1. Travel expenses

- No fixed reimbursement cap, but government-set thresholds apply for tax treatment.
- If accommodation or per diem limits are exceeded, the excess is taxed at 20%.
- International travel expenses are deductible only up to 5% of the company's annual income.
- Per diem rates are determined by the Armenian government and updated annually. Contact Native Teams to confirm current rates.



2. Home office costs

- Must be defined in the employment or service agreement.
- These expenses are considered part of gross salary and are processed accordingly.



3. Work-related expenses

- All purchases must be made via card or bank transfer.
- Cash purchases are not eligible for reimbursement.
- Receipts must be issued in the name of Native Teams LLC.



4. Client & business entertainment

- Treated as representative expenses for professional relationship-building.
- Deductible up to 0.5% of annual income; any excess is taxed at 20%.

⚠ Special considerations

- For VAT refund, ensure that invoices meet all requirements for recovering input VAT.
- Non-resident reimbursements are subject to double taxation treaties and withholding tax rules.
- Freelancers' expenses must be invoiced separately and comply with contract terms.

⚠ Documentation requirements

Receipts & invoices

- Local vendors must issue either a cash register receipt or an invoice that includes Native Teams' TIN.
- Foreign vendors must include all legally required details of both the buyer and supplier.

Justification requirements

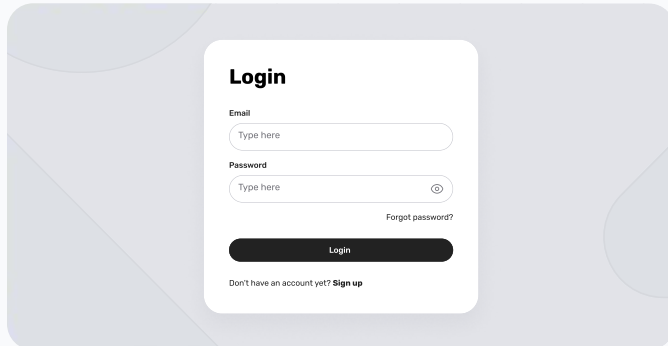
- Travel expenses must be supported by an official travel order, including the employee's name, trip purpose, and travel dates.
- Purchases must include a report with the document number, a list of items, the employee's name, and the total amount.

Approval & record-keeping

- Approval requirements vary based on the type and value of the expense.
- Pre-approval may be required for some expenses.
- Retention periods are defined on a case-by-case basis.
- Digital submission is preferred (PDF or Excel format).

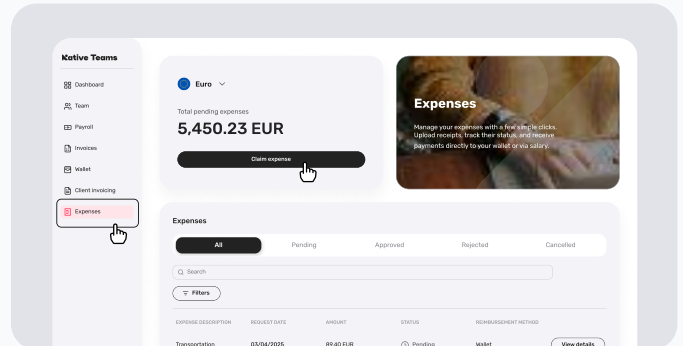
Expense Submission Process

Submitting via **Native Teams** Platform



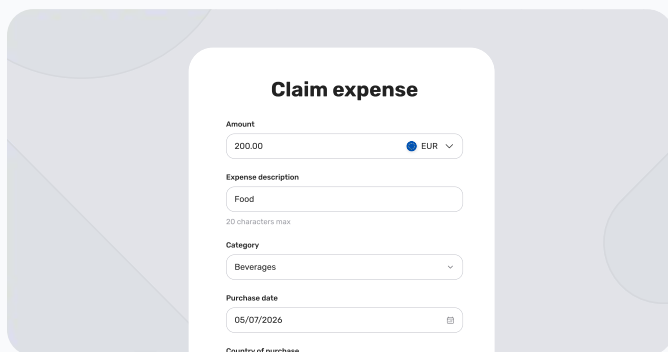
STEP 1

Log in to your Native Teams account.



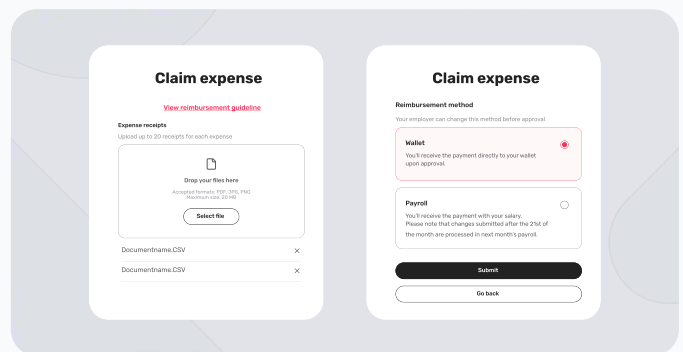
STEP 2

Click on the **Expenses** section on the left side menu and then on the **Claim expense** button.



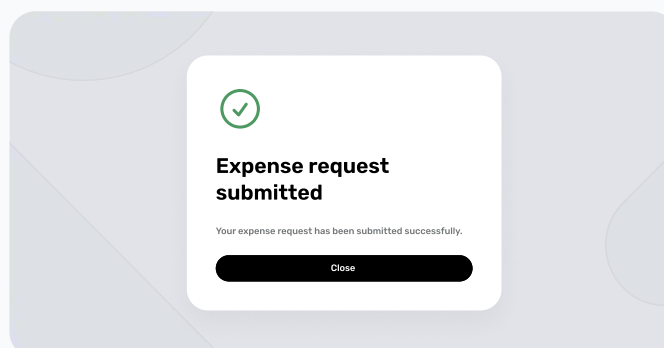
STEP 3

Fill in the required fields for the amount, expense description, category, purchase date, and country of purchase.



STEP 4

Attach a proof and select your reimbursement method: wallet or payroll.



STEP 5

Submit the claim and wait for your employer's approval of the reimbursement.

⚠ Submission deadlines

- All expense claims must be submitted by the **10th of the month** to be processed in the same payroll cycle.
- Claims submitted after the 10th will be included in the following month's payroll.
- If the 10th falls on a weekend or public holiday, the deadline will be brought forward to the previous working day.

Native Teams legal entity - Armenia



◆ **Entity name:** Native Teams LLC

◆ **TIN:** 00221549

◆ **Registered address:** 4/3 Pirumyanner, Yerevan 0054, Armenia.

Native Teams

For any questions regarding expense reimbursements, please
contact customersuccess@nteam.com