

Comparison table indicating legal status of the economic activities in Iran's Free Trade-Industrial Zones and Special Economic Zones

Row	Description	Free Trade-Industrial Zones	Special Economic Zones
1	Entry to the Zones	No entry visa needed to entry into the Zone. Visa shall be issued at entrance	Subject to the law concerning alien's entrance into the mainland.
2	Employment in the Zones	After issuance of work permit	After issuance of work permit
3	Applying for investment	Subject to the relevant regulations enforced in the Free Zone	Subject to the law enforced in the mainland.
4	Registration of a company in the free zone, intellectual ownership, trademarks, brands, patents, etc.	Application must be submitted to the free zone authority. The free zone registers and issues the relevant documents.	Application must be submitted to the S.E.Z. Authority The "State Title Deeds and Estates Organization" shall register the company based on the application made and supported by the S.E.Z.
5	The amount ratio (percentage) of foreign capital investment allowed in the Zone	Up to one hundred percent of foreign capital investment	Subject to the law and regulations on foreign capital investment enforced in the mainland.(Up to 49% of foreign capital investment is allowed)
6	Tax exemption	For a period of 30 years from start up day	Inland law and regulations, but some SEZs may grant some exemptions
7	Import of goods from abroad into the Zone to be sold in the zone or re-exported abroad, but not re-imported to the mainland	Free from all kinds of taxes and duties, but local levies and fees are collected according to the services rendered by the executive departments	Free from all kinds of taxes and duties, but local levies and fees are collected according to the services rendered by the executive departments
8	Re-export abroad of imported goods to the zone	Free from all kinds of taxes and duties	Free from all kinds of taxes and duties
9	Warehousing in Zone	Available having no grace period for clearance of goods	Available having no grace period for clearance of goods
10	Partial clearance of goods deposited in the customs warehouse	Goods and merchandises can be cleared out partially from the customs. Warehouse receipts issued to the owner is transferable to the third parties	Goods and merchandises can be cleared out partially from the customs. Warehouse receipts issued to the owner is transferable to the third parties
11	Goods, semi finished parts, raw materials from mainland to the Zone	If exported, subject to General Exports –imports regulations in the mainland	If exported, subject to General Exports –imports regulations in the mainland

12	Import of goods from abroad into the free zone, then to the mainland	Subject to the General Exports-Imports regulations in the mainland	Subject to the General Exports-Imports regulations in the mainland
13	Goods made in the Zones, but permissible to the mainland	To the extent of value added caused by utilization of domestic production factors	To the extent of value added caused by utilization of domestic production factors
14	Unloading, loading , transit and Transshipment of merchandises abroad	Free from all kinds of taxes and duties, only warehousing and local charges shall be collected	Free from all kinds of taxes and duties, only warehousing and local charges shall be collected
15	Utilization of land and natural reserves	Land is sold and/or leased to the Iranian nationals, but only leased to the foreigners	Land is sold and/or leased to the Iranian nationals, but only leased to the foreigners
16	Certificate of Origin	Issued by the Zone Authority for the goods to be re-exported partially, and or for those percentage of the amount of goods made in the Zone	Issued by the S.E. Zone Authority for the goods to be re-exported partially, and or for those percentage of the amount of goods made in the Zone
17	Retail selling	Allowed, except in the Arvand, Aras and Anzali Free Zone	Only to foreigners if taken out abroad
18	Banking services	Offshore banking as well as domestic banking available in the free zones	Only domestic banking services operation by the state banks
19	Insurance activities	In accordance with the free zone law	In accordance with the mainland law
20	Protection of Foreign capital investment	Accepted, protected and guaranteed	Accepted, protected and guaranteed
21	Guaranteeing of foreign investments against nationalization and confiscation	Guarantee shall be made against nationalization and confiscation	Subject to the "Law on the attraction and protection of foreign investments
22	Social security, social insurance	The mainland social security regulations enforced	The mainland social security regulations enforced
23	Labor law, labor and industrial relations	Subject to the regulations enforced in the Free Zones	Subject to the regulations enforced in the Free Zones(according to the new Law)
24	Employment of foreign work force	Up to the 10 % of the work force employed in the enterprise.	Up to the 10 % of the work force employed in the enterprise. (according to the new Law)