

FactCheck



Giorgi Kvirikashvili:

Prime Minister of Georgia



“We have an 8% growth in the number of visitors in 2015.” *true*

Ani NADIRASHVILI
FactCheck

On 28 December 2015, the Prime Minister of Georgia, Giorgi Kvirikashvili, stated: “We made special efforts in order to develop tourism. This year, we already have an 8% growth in the number of visitors. The number of visitors will reach 5.8 million by the end of the year.”

According to the data of the Ministry of Internal Affairs of Georgia, a total of 466 thousand visitors entered Georgia in December 2015, surpassing the numbers recorded in December 2014 by 7%. As for the number of visitors recorded in the 12 months of the previous year, it reached 5.9 million which is 7% more than it was at the end of the previous year.

As the chart makes clear, the growth of the number of

visitors entering the country was quite high from 2006 to 2013. In 2014, however, the number of visitors increased by just 2%. This was due to the incorrect visa policies implemented in the country as well as the tough economic conditions in the wider region. The growth of the number of visitors in 2015 was greatly influenced by enacting the electronic visa portal and loosening the tightened visa policies as well as by various marketing events carried out by the National Tourism Administration of Georgia.

It is important to note that of the visitors who entered the country in 2015, 2.3 million were tourists (those who stay in the country for more than 24 hours) and their number increased by 2.2% as compared to 2014. About 1.4 million visitors entered for transit which is 25.7% more than in 2014.

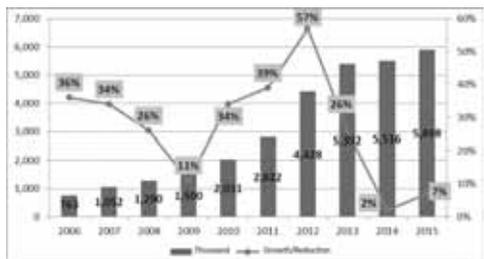
Similar to the previous years, the largest number

visitors entered Georgia from the neighbouring countries: Armenia, Azerbaijan, Turkey and the Russian Federation. We also took interest in the budget of the National Tourism Administration of Georgia over the past years (Table 1). As the table makes clear, the funding of the National Tourism Administration was at its highest in 2014 and 2015. The funding especially increased in 2015, going up from GEL 13 million to GEL 26 million.

Table 1: Budget of the National Tourism Administration of Georgia (2011-2016)

Year	Consolidated Budget
2011	10,416,900
2012	9,179,213
2013	6,431,347
2014	12,753,000
2015	25,809,739
2016	22,963,000

Chart 1: Number of International Travellers Entering Georgia from 2006 to 2015



CONCLUSION

THE NUMBER OF VISITORS INCREASED BY 7% IN 2015 AND REACHED 5.9 MILLION. OF THIS NUMBER, 2.3 MILLION WERE TOURISTS WHICH IS 2.2% MORE THAN IT WAS IN 2014. THE NUMBER OF THOSE ENTERING FOR TRANSIT WAS 1.4 MILLION WHICH IS 25.7% MORE THAN IN 2014.

HENCE, **FACTCHECK** CONCLUDES THAT **GIORGI KVIRIKASHVILI'S STATEMENT IS TRUE.**

TRUE



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Tom Hanks is America's Favorite Movie Star, Followed by Johnny Depp and Denzel Washington

The FINANCIAL -- His roles over the years have taken him into the past and the future, out into space and even into a child's toy chest, and this year Tom Hanks -- currently in theaters as attorney James B. Donovan in *Bridge of Spies* -- returns to the role of America's Favorite Movie



Star. This is Hanks' fifth time at the top of the list (with previous wins recorded in 2002, 2004, 2005 and 2013) and represents a four-spot jump from the No. 5 spot last year.

The Lady Vanishes



With Sandra Bullock and Julia Roberts returning to the top list this year, we thus bit a tearful adieu -- at least temporarily -- to two of last year's top 10. Meryl Streep drops off the list after a No. 7 showing last year, while Angelina Jolie drops off after holding the No. 10 spot last year.

Repeat performances

Both the top and bottom halves of this year's top 10 are composed of familiar faces who have spent time on this list before.

Sandra Bullock, who voiced a criminal mastermind in *Minions* and played a political consultant in *Our Brand is Crisis*, is at No. 6 this year (after taking a break from the list last year).

Jennifer Lawrence hit the holiday season box office with the one-two punch of *The Hunger Games: Mockingjay -- Part 2* and *Joy*, and with a repeat in the No. 7 spot she has plenty to be joyful about indeed.

Despite neither starring in nor directing any films in 2015, Clint Eastwood -- America's favorite movie star as recently as 2009 -- is in the No. 6 position this year, up two spots.

Two occasional costars are tied in the No. 9 spot this year:

Brad Pitt, currently in theaters in *The Big Short* (he held the No. 3 spot last year), and Julia Roberts, most recent-



ly seen in *Secret in Their Eyes*, who returns to the top 10 after a 1-year hiatus.



These are some of the results of The Harris Poll of 2,252 U.S. adults surveyed online between December 9 and 14, 2015.

The next two performers on the list have both fallen two spots since last year. First, Denzel Washington -- who topped the list last year but didn't appear in any major releases in 2015 -- falls to the No. 3 position. Meanwhile, the late John Wayne, who hasn't appeared in a major release in... well, quite a bit longer, nonetheless remains a

Top Men.

A great many factors seem to impact America's favorite movie star selection:

John Wayne is again the top pick among men, while women turn to Johnny Depp. Millennials also name Depp as their top pick, while Gen Xers call out Harrison Ford, Baby Boomers point to Tom Hanks and John Wayne rides away with the top spot among Matures.

Looking at Americans by region: Harrison Ford takes the East, Johnny Depp rules the South, Denzel Washington commands the Midwest and Tom Hanks on top in the West.

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The Perfect Score

Many of these top-10 performers are garnering other strong scores as well. Perfect scores for endorsement potential, in fact. According to Nielsen Talent Analytics data, many of these stars show perfect N-Scores of 100 out of 100 among many, if not all, Americans:

Tom Hanks, Denzel Washington and Sandra Bullock each show perfect N-Scores among all U.S. adults (aged 18+).

Harrison Ford and Julia Roberts each earn this distinction among those aged 35 and up. Johnny Depp achieves



Urbanites look to Washington and Suburbanites cite Hanks as their top pick, while Depp takes the top spot among Rural Americans. The Duke, John Wayne, is again Republicans' top pick, while Democrats again lean toward Washington. Independents -- drawn perhaps by the rugged streak epitomized by his two most iconic roles -- choose Harrison Ford.



Closing out the top half of the list -- and soaring from No. 9 last year to No. 5 this year -- is Han Solo himself, Harrison Ford.

Johnny Depp achieves

Georgian Railways Warns People Not To Cross Train Traffics Due to Weather Conditions

Georgian Railways notifies drivers that railway stations, passenger platforms, railway crossing, railway tracks and all other facilities (territories) related to train traffic represent places of excessive hazard.

RSC Georgian Railway asks you to cross the railroad in only specially marked and arranged places to prevent life threats. Citizens are able to safely cross the railroad by footbridges, tunnels, undergrounds and specially arranged pavements.

Crossing railway tracks in forbidden zones and beyond special zones, violates the 9th part of the 106th article of the Georgian Code of Administrative Offenses and results in

due sanctions.

At the first stage, the citizen will be warned. At the next stage, the citizen will be forfeited by a 1/10 part of the salary. In the railway stations without bridges or tunnels, a pedestrian must cross the railway track in the place that is marked by "Crosswalks". Before walking on the pavement, the citizen must make sure no train, locomotive or wagon moves on the tracks. The citizen must wait until the approaching train has passed away and make sure no train moves on the second railroad. When crossing the railway track, the citizen must look at the traffic light, listen to the voice signal and determine the state of the level crossing gate.

The railroad may be crossed when the level cross-

ing gate is open. If there is no level crossing gate in the railroad crossing zone, the citizen must make sure that no train is approaching the crossing zone and only after that he/she is let cross the railroad. It is categorically forbidden to cross the railroad when the level crossing gate is closed. It is banned to get beneath the halted wagons. It is also banned to walk along the railroad tracks within a 5 meter distance.

It is inadmissible to walk on bridges and tunnels without special paths for pedestrians. It is categorically banned to cross the railroad without due signs.

Georgian Railway urges you to cross railway tracks in only special crosswalks by protecting all due regulations!



Zakaria Kutsnashvili:

Member of the Parliament of Georgia



"We have introduced a preferential tax treatment for villagers and farmers."

Valeri KVARATSKHELIA
FactCheck

Member of the Parliament of Georgia, Zakaria Kutsnashvili, on air on GDS, stated: "With exemptions from corporate income and income taxes, we have provided villagers and farmers with GEL 200,000 in annual income to incentivise their production. Based on my calculations, all of this will give us tangible results in 2016-2017."

Legal relations in regard to tax obligations in Georgia are regulated by the Tax Code of Georgia. Articles 82 and 82a deal with the exemption of income and corporate income taxes, respectively. The 8th Parliament of Georgia held its opening session on 21 October 2015. At that time, the version of the Tax Code of Georgia as of 20 October 2012 was valid. According to the Point K of Article 82 of the consolidated version of the Tax Code of Georgia, as of 20 October 2012: "Income received from agricultural products produced by an individual employed in the agricultural sector in Georgia is exempt from income tax until 1 January 2014 provided that the gross income received from these products by such individual during the calendar year does not exceed GEL 200,000." Additionally, the salaries of individuals under the aforementioned category were also exempt from income tax.

According to Points E and F of Article 99 of the Tax Code of Georgia: "Profit received from agricultural products prior to their industrial processing (prior to the changing of a commodity code) produced in Georgia by an individual employed in agricultural production until 1 January 2014 provided that the gross income received by such individual does not exceed GEL 200,000 during the calendar year" together with "the portion of profit received from agricultural activity that is reinvested in the same field" are exempt from corporate income tax. Of note is that after the meeting of the 8th Parliament of Georgia, according to Law N189 adopted on 28 December 2012, Point F of Article 99 of the Tax Code of Georgia was amended. The new version of the article introduced an additional requirement – only that portion of income that is reinvested in the agricultural field during the following three years from the end of the corresponding tax year is exempt from corporate income tax.

On 30 July 2013, the new Law N906 was adopted which amended the Tax Code of Georgia once again. The dura-

tion of the validity of Points K and Z.a of Article 82 and Point E of Article 99 was extended to 1 January 2017. There were no other changes of content in the descriptive parts of the legal norms. Of additional note is that as a result of changes of a technical nature in Point K of Article 82, the term Individual was replaced with the term Person. Therefore, the legal norm now covers legal entities with a seemingly expanded circle of people receiving the preferential tax treatment. However, according to Article 79 of the Tax Code of Georgia, income tax treatment of the individual. Therefore, this amendment did not affect those individuals under preferential tax treatment who are individuals.

In order to fully analyze the issue, it is necessary to take those tax preferences into account which were introduced by Law N817 on 12 July 2013. However, Mr Kutsnashvili has not mentioned these. According to Law N817: "Profit received from agricultural products produced in Georgia by an agricultural cooperative together with the 'dividend' received from an agricultural cooperative by a member of that agricultural cooperative" and property under the ownership of an agricultural cooperative (with the exception of land) including the leased movable property are exempt from taxation.

CONCLUSION

ACCORDING TO THE VERSION OF THE TAX CODE OF GEORGIA WHICH WAS VALID AS OF 20 OCTOBER 2012, INDIVIDUALS AND LEGAL ENTITIES EMPLOYED IN THE AGRICULTURAL SECTOR WERE EXEMPT FROM INCOME AND CORPORATE INCOME TAXES BEFORE 1 JANUARY 2014 PROVIDED THAT THEIR INCOME RECEIVED FROM AGRICULTURAL PRODUCTS DID NOT EXCEED GEL 200,000 PER ANNUM. THE SALARIES OF INDIVIDUALS UNDER THIS CATEGORY WERE ALSO EXEMPT FROM INCOME TAX. THE PORTION OF THE PROFIT RECEIVED FROM AGRICULTURAL PRODUCTS WHICH WAS REINVESTED IN THE AGRICULTURAL FIELD WAS ALSO EXEMPT FROM CORPORATE INCOME TAX BEFORE 1 JANUARY 2014 NOTWITHSTANDING THE TOTAL INCOME OF A TAXPAYER. AFTER THE CHANGES ENACTED IN THE TAX CODE OF GEORGIA BY THE 8TH PARLIAMENT OF GEORGIA, ONLY THE VALIDITY OF THE PREFERENTIAL TAX TREATMENT WAS EXTENDED WHILST A NEW REQUIREMENT WAS INTRODUCED TO USE THE PREFERENTIAL TAX TREATMENT FOR THE REINVESTED PORTION OF THE PROFIT. AFTER THE AMENDED VERSION OF THE TAX CODE OF GEORGIA, ONLY THAT PORTION OF INCOME WHICH IS REINVESTED IN THE FOLLOWING THREE YEARS FROM THE END OF THE CORRESPONDING TAX YEAR IS EXEMPT FROM CORPORATE INCOME TAX. THE NORMS OF THE PREFERENTIAL TAX TREATMENT NAMED BY THE MP HAD ALREADY BEEN IN FORCE BEFORE THE 8TH PARLIAMENT OF GEORGIA HELD ITS OPENING SESSION AND ONLY THE DURATION OF THEIR VALIDITY WAS EXTENDED WHILST THE DESCRIPTION OF ONE OF THE NORMS EVEN BECAME STRICTER.

FACTCHECK CONCLUDES THAT ZAKARIA KUTSNASHVILI'S STATEMENT IS FALSE.

Two Global Leaders with Very Different Global Perceptions



Continued from p. 6

Over 20% of Georgia's internationally recognized territory is occupied by Russia. Less than 3% of the population residing within Tbilisi-controlled territory identifies as ethnically Russian. And yet, the Russian Alpha Male's favourability rating in Georgia is steadily growing: today, three out of every ten surveyed respondents have either favourable or somewhat favourable attitudes towards him.

In September 2014, when writing a column for this paper, I made a wrong prediction while talking about Mr. Putin's chances of winning Georgian hearts in the near future. I wrote – "in the last 7 years [this favourability] has quintupled, garnering 15% of the Georgian public's favourability in the August 2014 survey. If this trend continues, Russia's top leader's favourability rating would reach 50% by 2025 and 70% by 2030".

Too, what happened in less than 2 years and why was my math so wrong? Well, nothing dramatic really happened, compared to what we are used to, and what we have been receiving from our neighbour for centuries. However, on another hand, we no longer hear harsh rhetoric from the ruling coalition leaders, and there is certainly no government-backed anti-Russia TV campaign on the air. Russia's top officials - including the Foreign Minister Lavrov and President Putin - have expressed their readiness to start talks with their Georgian neighbours. As a result, Georgians are once

again allowed to export products to Russia and there are open talks about liberalization of the visa regime... but there are still a number of causes of Russian troops kidnapping Georgians less than 20 miles from Tbilisi's surrounding villages (farmers and locals visiting centres or going to church on or near occupied territories). Even then, we are still seeing progress compared to the scene from 2008-2013 in this regard.

What about the American president? Mr. Obama has always enjoyed high positive attitudes among Georgians, with better polling numbers than he has in the USA. Two thirds of Georgian respondents are favourably disposed towards him.

More than half of adult respondents in Ukraine including Crimea and territories that are controlled by pro-Russian rebels also have favourable or somewhat favourable attitudes towards the U.S. President.

Russia seems more hostile towards Mr. Obama than any surveyed country worldwide - including Iran, Pakistan, the Palestinian Territories, and even Afghanistan. At the same time low number of people in Russia (7%) hold favourable attitudes towards the American president.

One development in particular has likely had a big impact on the acceleration of Mr. Putin's positive ratings among Georgians. The increase of Russia's visibility in the country is becoming obvious, and I am not talking about Russian businessmen or tourists. While the Kremlin has always been be-

hind a few political players, their soft power was never especially active in Georgian anti-Western propaganda was always heard only haphazardly. This is quickly changing. Can Georgia resist the Russian propaganda machine? Unlikely, at least not without help. Last Thursday I read that NATO's military committee is working on a policy of strategic communications to combat Russia's "information weapon" and both NATO and the European Union are concerned by Russia's ability to use television and the Internet to project what they say is deliberate disinformation. Can the EU and NATO succeed at this mission? Yes, and it is because they simply don't have another choice. But still, their goal would be easier to achieve with cooperation and help from this region: Georgia should be actively seeking this shield, regardless of its EU or NATO prospects.

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FALSE

EUROPEAN
INDEPENDENT
GALLUP
RESEARCH

Kingdom of the Netherlands