

**Master Project/Thesis: The Challenges and Opportunities of International  
Construction Companies to Develop in Georgia from the Perspective of Finance  
and Taxation**

**Xize Pan**

***Group 9***

*Master's Project/Thesis is submitted for Ilia State University Business School*

Project Supervisor: Nikoloz Kavelashvili, Professor

**Ilia State University**

**Tbilisi, ( 2020 )**

## **Abstract**

This article studies Georgian international construction corporation and explores the opportunities and challenges of international construction corporation in Georgia from the perspective of finance and taxation. Through the design of questionnaires and interviews, the financial and tax issues involved in the international construction company's entry into the construction industry in Georgia are specifically demonstrated to demonstrate the opportunities and challenges of the international construction company in Georgia. In order to confirm our views, we conducted investigations on two Georgian international construction companies. At present, for international construction companies in Georgia, opportunities and challenges coexist. In the two cases we investigated, case 1 caused a significant increase in labor costs due to higher taxes and other issues, resulting in tens of millions of Lari losses. Case 2 Adjust the profit rate in a timely manner and effectively reduce the burden of profit tax; rationally arrange the cost accounting and invoice collection through the IPC billing estimation; avoid overpayment cash flow pressure due to output tax through the project's full-cycle cost situation. From this, we made recommendations on how Georgia international construction company responds to the financial and tax challenges.

## **Keywords**

opportunities, challenges, taxation, construction, external environment, international