

**Law of Georgia**  
**on Recognition of title to land plots possessed (used) by physical persons and private law entities**

**Chapter I. General Provisions**

**Article 1. Purpose of the Law (5.12.2008 N 614)**

The purpose of this Law is to make to use of land facilities and promote the development of land market by recognizing title to land plots legally possessed (used) by physical persons, private law entities and other organizational entities envisaged by law or to State-owned land plots arbitrarily occupied by the same (hereinafter, “recognition of title”).

**Article 2. Definition of terms (5.12.2008 N 614)**

Terms used in this Law shall have the following meaning:

- a) A Legally Possessed (Used) Land Plot shall mean a State-owned agricultural or non-agricultural land plot with any building thereon (already built, under construction or demolished) or without such buildings, to which (the plot or the buildings) a physical person, a private law entity or other organization entity envisaged by law has acquired a right to legal possession before the entry into force of this Law as well as any land plot arbitrarily occupied before the year of 1994 and registered in the Technical Inventory Archives; (5.12.2008 N 614)
- b) Deleted (5.12.2008 N 614)
- c) An Arbitrarily Occupied Land Plot shall mean a State-owned agricultural or non-agricultural land plot with a residential house (built or demolished) or a non-residential building (already built) thereon, which has been arbitrarily occupied by a physical person before the entry into force of this Law as well as an arbitrarily occupied land plot (with or without any building thereon), which is adjacent to a legally possessed land plot and the area of which is less than that of the legally owned or legally possessed plot. An arbitrarily occupied land plot shall also mean an arbitrarily occupied land plot adjacent to a land plot legally owned or legally possessed by a private law entity with a non-residential building (already built), if the area of the building is less than that of the legally owned or legally possessed plot and if the building has not been disposed of by the State by the date when recognition of title to the same was requested, unless the circumstances envisaged by paragraph (a) of this Article are present; (25.12.2009 N 2463)

- d) Recognition of Title shall mean the transfer of property title, with pay or free of charge, to a State-owned agricultural or non-agricultural land plot with or without any building (already built, under construction or demolished) thereon to a physical person, private law entity or other organizational entity envisaged by law, in accordance with rules and procedures envisaged by this Law and the Rules of Recognition of Title to Land Plots Possessed (Used) by Physical Persons and Private Law Entities approved by a Presidential Decree;
- e) An Interested Person shall mean [one of the following:] a physical person or his/her alleged heir or successor who legally possesses (uses) or who has arbitrarily occupied a State-owned agricultural or non-agricultural land plot with a residential house (built or demolished) or a non-residential building (already built) thereon; a private law entity who has arbitrarily occupied a land plot with a non-residential building (already built) thereon adjacent to a land plot legally owned or legally possessed by it; a private law entity or other organizational entity envisaged by law or its successor who legally possesses (uses) a State-owned agricultural or non-agricultural land plot with or without a building (built or demolished) thereon who wishes to obtain title to it under rules established by this Law; a physical person or a private law entity or other organizational entity envisaged by law who has acquired or obtained a property title to user of a State-owned agricultural or non-agricultural land plot according to rules established by the Georgian legislation; (25.12.2009 N 2463)
- f) A building shall mean a construction structure made of construction materials and items, which is immovably linked with the soil creating a roofed enclosure surrounded with walls, columns or other partition constructions, except temporary buildings; (25.12.2009 N 2463)
- g) A temporary building shall mean a compound made of individual components that can be assembled and disassembled or can be transported and that is linked to the soil with own weight and/or dry non-monolithic fastening and has not underground storage facilities. (25.12.2009 N 2463)

### **Article 3. Scope of regulation (5.12.2008 N 614)**

1. This Law determines basic conditions for recognition of title to legally possessed (used) land plots as well as arbitrarily occupied land plots and the competences of organs representing the State in the process of recognition of title.
- 1<sup>1</sup>. If a competent State organ has alienated only an essential part of a land plot and, pursuant to requirements of this Law, title to the land plot cannot be recognized, the Georgian Ministry of Economy and Sustainable Development will determine the plot to which the title has been awarded within the essential part of the land plot. (7.12.2010. N3889; *to become effective since 1 January 2011*)

- 1<sup>1</sup>. If a competent State organ has alienated only an essential part of a land plot and, pursuant to requirements of this Law, title to the land plot cannot be recognized, the property manager envisaged by the Law of Georgia on State Property will determine the plot to which the title has been awarded within the essential part of the land plot. (5.06.2012. N6379; *to become effective since 17 September 2012*)
2. Recognition of title is not allowed to the following types of arbitrarily-occupied State-owned agricultural and non-agricultural land plots:
  - a) tracks for driving livestock;
  - b) land belonging to State-owned water resources except land plots which may be transferred into property and disposed of according to the requirement of the Law of Georgia on Water;
  - c) land belonging to State-owned forests except land plots occupied by physical persons, private law entities or other organizational entities envisaged by law that may be transferred into property in accordance with a conclusion issued by a relevant organ responsible for the management of State forests and that may be removed from the State forest without hindering the management and protection of the State forests;
  - d) protected territories except protected landscapes and territories of versatile usage;
  - e) recreational parks, forest parks, squares, etc, except the recreational territories determined by the Decree of President of Georgia No. 968 dated 29 November 2005 on Granting the Recreational Territories' Status to and Determining Borders of Georgian Resorts, Spas, Mountain and Skiing Centers and Black Sea Coast Territories;
  - f) historical, cultural, natural, worship and religious monuments;
  - g) land plots of public use (squares, streets, exits, roads, pavements, embankments), places for rest (parks, forest parks, squares, alleys), dendrological parks and botanical gardens;
  - h) land with a water reservoir or hydro-technical facilities above and sanitary protection areas around them;
  - i) land with objects of public infrastructure above (transportation and underground communications, water supply, sewerage, liaison and electric wiring);
  - j) land plots of special purpose (defense and mobilization);
  - k) land plots on which State-owned objects are stationed, including land plots with State property, which is not subject to privatization according to the Law of Georgia on State Property; (21.07.2010. N3517)
  - l) cemeteries and pantheons;

- m) sanitary and protective zones;
  - n) land designed for construction and exploitation of oil and gas main pipelines and the underground and on-surface facilities related to them;
3. On the territory of Tbilisi, title can be recognized to arbitrarily occupied State-owned agricultural or non-agricultural land located in the III and IV protective zones around the main pipelines as determined by the relevant Decree of the President of Georgia. (8.04.2010 N 2887)

#### **Article 4. Bodies having the competence to recognize title to arbitrarily occupied land**

1. A representative body of the relevant local self-governance is authorized to recognize title to arbitrarily occupied land. The body shall discharge this authority through a commission. The commissions shall perform their functions in accordance with rules of formal administrative proceedings contained in VIII of the General Administrative Code of Georgia and this Law. (5.12.2008 N 614)
- 1<sup>1</sup>. In relation to territories determined by the Decree of President of Georgia No. 968 dated 29 November 2005 on Granting the Recreational Territories' Status to and Determining Borders of Georgian Resorts, Spas, Mountain and Skiing Centers and Black Sea Coast Territories, the President of Georgia may, by its Decree, prescribe another organ having the competence of recognizing title to land. (24.06.2011. N4966)
2. Legal grounds for the setting up and operation of the commissions are determined in the Rules of Recognition of Title to Land Plots Possessed (Used) by Physical Persons and Private Law Entities approved by a Presidential Decree.
3. Commission members will not be remunerated for their performance of their tasks as commission members. This restriction shall not apply to members of the Commission of the Tbilisi Legislative Authority (Sakrebulo) for the Recognition of Title to Land Plots Possessed (Used) by Physical Persons and Private Law Entities. Activities of members of the latter commission may be financed from the Tbilisi local budget, in accordance with amounts and rules determined by the Tbilisi Sakrebulo. (27.03.2009 N 1134)

#### **Article 4<sup>1</sup>. Bodies having the competence to recognize title to legally possessed (used) land plots (5.12.2008 N 614)**

1. The National Agency of Public Register (hereinafter, "the Agency"), a public law entity under the Ministry of Justice of Georgia, is authorized to recognize title to legally possessed (used) land. The Agency shall discharge this authority according to rules established by the applicable legislation.

2. Title to legally possessed (used) land shall be recognized through registering the property title of the legal possessor (user) in the Register of Rights to Immovable Property.

## **Chapter II. Rules of recognition of title to legally possessed (used) land and arbitrarily occupied land (5.12.2008 N 614)**

### **Article 5. Rules of recognition of title to legally possessed (used) land (5.12.2008 N 614)**

1. For having a claim for recognition of title to legally possessed (used) land examined, an interested person shall submit a written application to the Agency.
2. In support of his/her claim for recognition of title to legally possessed (used) land, an interested person shall provide the following:
  - (a) a document confirming legal possession (usage) of the land;
  - (b) a cadastral measurement drawing of the land plot;
  - (c) a document confirming the payment of the fee for recognition of title;
  - (d) identification documents of the interested person;
  - (e) other documents envisaged by the Georgian legislation.
3. Title to legally possessed (used) land will be recognized in accordance with rules and terms prescribed by the legislation.

### **Article 5<sup>1</sup>. Rules of recognition of title to arbitrarily occupied land (5.12.2008 N 614)**

1. For having a claim for recognition of title to arbitrarily occupied land examined, an interested person shall submit a written application to the Commission.
2. In examining a claim for recognition of title to arbitrarily occupied land, compatibility of the claim with the spatial territorial planning conditions and the Land Management Strategic Plan must be taken into account.
3. In support of his/her claim for recognition of title to arbitrarily occupied land, an interested person shall provide the following:
  - (a) a document confirming the arbitrary occupation of the land and/or a witness testimony;
  - (b) a cadastral measurement drawing of the land plot and, in the event described in Article 3(3) of this Law, a cadastral measurement drawing of the land indicating the location of the main pipeline and a distance between the pipeline and the land plot; (8.04.2010 N 2887)

- (c) information necessary to ascertain the amount of fee for title recognition;
  - (d) copies of identification documents of the interested person.
4. The Commission will examine an application within 2 months after its receipt. If more than 2 months is necessary for ascertaining circumstances having substantial importance for the title recognition, the Commission is authorized to prolong the examination term for no more than additional 6 months.
  5. If an interested person's claim for having his/her title to the arbitrarily occupied land recognized meets with the requirements prescribed by this Law in full or in part and the Commission decides in his/her favor, the Commission will notify the interested person in writing about the amount of fee for the title recognition and the obligation of the interested person to pay the fee in full. If the interested person pays the fee for title recognition as communicated to him/her by the Commission through its notification, the Commission will issue a property title certificate and a verified cadastral measurement drawing indicating, in addition to other cadastral data, the boundaries and the area of the land plot and the building thereon to which the interested person's title has been recognized. (25.12.2009 N 2463)
  6. The Georgian legislation determines the rules of issuing a certificate of inheritance after a property title certificate has been issued to an alleged heir.
  7. If an interested person's claim for having his/her title recognized fails to meet the requirements of this Law or if the documents appended to his/her application fail to confirm the fact of his/her arbitrary occupation of the land, the Commission will issue its written decision rejecting the claim.
  8. If the Commission makes no decision on either upholding or rejecting the claim for recognition of title to land within the term prescribed by this Law, it shall be deemed that the Commission has rejected the claim and the rejection may be challenged in accordance with rules established by the Georgian legislation.

#### **Article 6. Amount of the fee for title recognition and rules of payment**

1. A legally possessed (used) land will be transferred into the interested physical person's property free of charge except when the legal possession (usage) of the land has been ascertained from the documentation on privatization of the buildings located on the land. (5.12.2008 N 614)
2. For private law entities and in the event described in paragraph 1 of this Article, the fee for title recognition per each square meter of legally possessed (used) land shall amount to five times the amount of annual rate of the property tax on land per each square meter of non-agricultural land determined by a representative organ of local self-governance in accordance with the Georgian Tax Code and in force by the date of title recognition

claim. Per each hectare of agricultural land, the fee for title recognition shall amount to five times the annual rate of property tax on land determined by the Georgian Tax Code and in force by the date title recognition was requested. (17.08.2010 N3596; *to become effective since 1 January 2011*)

3. Fee for recognition of title to arbitrarily occupied land shall amount to: (17.08.2010 N3596; *to become effective since 1 January 2011*)

a) for private law entities: a normative price of the relevant land applicable by the time of title recognition claim per each square meter of non-agricultural land or a hundred times the annual rate of property tax on land applicable by the time of title recognition claim established by the Government of Georgia per each hectare of agricultural land;

b) for physical persons: ten times the amount of annual rate of the property tax on land determined by the Georgian Tax Code and applicable by the time of title recognition claim per each hectare of agricultural land and twenty times the amount of annual rate of the property tax on land determined by the Georgian Tax Code and applicable by the date of title recognition claim per each square meter of non-agricultural land but, if twenty times the annual property tax rate on land determined by the Georgian Tax Code exceeds the normative price per square meter of the land, then the fee for recognition of title to each square meter of arbitrarily occupied land shall amount to the applicable normative price of the land by the time of title recognition claim. (7.12.2010, N3889; *to become effective since 2 January 2011*)

3<sup>1</sup>. Deleted (5.12.2008 N 614)

3<sup>2</sup>. In the circumstances and according to rules determined by the President of Georgia, the fee for recognition of title to arbitrarily occupied land may amount to a normative price of the land. (24.06.2011. N4966)

4. Fee for title recognition must be paid as a lump sum.

5. The President of Georgia may (25.12.2009 N 2463) determine circumstances in which the interested person is liberated from the payment of the fee for recognition of title to arbitrarily occupied land. (25.12.2009 N 2463)

### **Chapter III. Transitional and concluding provisions**

#### **Article 7. Transitional provisions**

Before 15 September 2007, the President of Georgia shall elaborate and approve:

(a) Rules of Recognition of Title to Land Plots Possessed (Used) by Physical Persons and Private Law Entities;

- (b) a template of property title certificate.

**Article 7<sup>1</sup>. Rules of transfer of property title to land arbitrarily occupied by families residing in the villages of the Kobuleti and Khelvachauri municipalities**

Families residing in the villages of the Kobuleti and Khelvachauri municipalities of the Achara Autonomous Republic who have not received title to land plots according to rules established by the Georgian legislation, shall receive, in addition to their legally possessed land plots, agricultural land plots with an area up to 0,30 hectares they have arbitrarily occupied before the entry into force of this Law free of charge.

**Article 7<sup>2</sup>. Rules of transfer of property title to land arbitrarily occupied by families resettled in the territory of the Tsalka municipality (31.07.2009 N 1565)**

Families who have been resettled in the territory of the Tsalka municipality before 1 June 2009 and who have not received title to land plots within the Tsalka municipality boundaries according to rules established by the Georgian legislation and/or who have arbitrarily occupied State-owned agricultural land plots, shall receive, within their administrative unit and according to their place of residence, land plots with an area between 0,30 and 1 hectares free of charge.

**Article 7<sup>3</sup>. Additional conditions for recognition of title of private law entities to legally possessed (used) land (7.12.2010, N3889; to become effective since 1 January 2011)**

1. Since 1 July 2011, the fee for recognition of title of a private law entity to its legally possessed (used) land shall be equated to the fee for recognition of title to land arbitrarily occupied by a private law entity.
2. Except in the event described in paragraph 3 of this Article, within 6 months after registration of its property tile under title recognition rules, a private law entity is prohibited from alienating, mortgaging or using as a source of payment in performance of its obligations of the immovable property indicated in this Article.
3. The restriction referred to in paragraph 2 of this Article may be lifted by a decision of the relevant commission of the registering organ chaired by the Chairman of the Agency. The commission will make a decision based on an interested person's application taking into account State or public interests as well as the functional purpose of the immovable property in question.

**Article 7<sup>4</sup>. Term of recognition of title to land legally possessed (used) by private law entities (7.12.2010, N3889; to become effective since 1 January 2011)**



Since 1 January 2012, private law entities lose their right to have their title to legally possessed (used) land as well as arbitrarily occupied land recognized. After this date, title may be obtained under general rules established for State property privatization.

#### **Article 8. Invalidated normative act**

The Law of Georgia on Declaring the Non-agricultural Land Used by Physical Persons and Private Law Entities as Private Property (Georgian Legislative Herald, #4, 1998, Art. 33) shall become invalidated immediately after the Decree of President of Georgia approving Rules of Recognition of Title to Land Plots Possessed (Used) by Physical Persons and Private Law Entities enters into force.

#### **Article 9. Concluding provisions**

1. Except its Articles 1 to 6 and 8, this Law shall enter into force upon its publication.
2. Articles 1 to 6 and 8 of this Law shall enter into force immediately after the Decree of President of Georgia approving Rules of Recognition of Title to Land Plots Possessed (Used) by Physical Persons and Private Law Entities enters into force.

President of Georgia

Mikheil Saakashvili

Tbilisi

11 July 2007

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