

Issuer: Riigikogu
Type: act
In force from: 01.05.2019
In force until: In force
Translation published: 05.06.2019

Use of Privatisation Proceeds Act

Passed 03.04.1996
RT I 1996, 26, 529
Entry into force 03.05.1996

Amended by the following acts

Passed	Published	Entry into force
29.01.1997	RT I 1997, 13, 210	02.03.1997
18.03.1997	RT I 1997, 28, 424	19.04.1997
20.10.1998	RT I 1998, 97, 1521	13.11.1998
17.02.1999	RT I 1999, 23, 352	19.03.1999
18.02.1999	RT I 1999, 23, 356	19.03.1999
16.06.1999	RT I 1999, 54, 583	23.06.1999
08.12.1999	RT I 1999, 95, 841	01.01.2000
15.11.2000	RT I 2000, 92, 600	01.01.2001, partially 09.12.2000
20.06.2002	RT I 2002, 64, 393	20.07.2002
17.12.2003	RT I 2003, 88, 588	01.01.2004
17.12.2003	RT I 2003, 88, 594	08.01.2004
26.01.2006	RT I 2006, 7, 40	04.02.2006
10.12.2013	RT I, 27.12.2013, 6	01.01.2014
19.06.2014	RT I, 29.06.2014, 109	01.07.2014, the titles of ministers substituted on the basis of subsection 107 ³ (4) of the Government of the Republic Act in the wording in force as of 1 July 2014.
09.12.2015	RT I, 30.12.2015, 5	01.01.2016
14.06.2017	RT I, 04.07.2017, 1	01.01.2018
21.11.2018	RT I, 12.12.2018, 2	22.12.2018
20.02.2019	RT I, 19.03.2019, 13	01.05.2019

§ 1. Scope of Act

(1) This Act determines the use of the proceeds from the privatisation of assets, including land (hereinafter *assets*) based on the Republic of Estonia Principles of Ownership Reform Act and the Acts based thereon, unless otherwise provided by these Acts.

(2) This Act does not apply upon privatisation of assets to be privatised on the basis of § 40 of the Republic of Estonia Principles of Ownership Reform Act.

§ 2. Proceeds from privatisation of assets

[Repealed -RT I, 12.12.2018, 2 - entry into force 22.12.2018]

§ 3.–§ 6.[Repealed as of 01.01.2002 – see subsection 11 (6) of the Act]

§ 7. Ownership reform reserve fund of Government of Republic

(1) Using the funds allocated pursuant to clause 3 (1) 2) and clause 6 2) of this Act, the Government of the Republic shall form the ownership reform reserve fund (hereinafter in this section *reserve fund*), and the funds received therein shall be used for covering the expenses related to the organisation of the return and privatisation

of and compensation for assets and other expenses related to the land and ownership reform. The income received from the management of the reserve fund shall be paid into the state budget. More specific purposes for the use of the funds received in the reserve fund shall be determined by the Government of the Republic.

(1¹) The funds received in the reserve fund may also be used for:

- 1) covering the expenses related to the prevention and resolution of problems pertaining to employment and created in the course of ownership reform or as a result thereof;
- 2) funding of national employment programmes and development of enterprise and creating of the environment and conditions necessary therefor;
- 3) carrying out of environmental impact assessments and liquidation of damage to the environment on objects that are to be privatised or have been privatised;
- 4) conducting the pension reform and covering the accompanying expenses related to the financial market development.
- 5) granting of loan to tenants living in dwellings to be returned to cover their resettlement expenses and cost of acquisition of the specified dwellings. Tenants living in dwellings to be returned may repay the loan taken for the acquisition of dwellings in privatisation vouchers, which shall be governed by the provisions of § 29 of the Privatisation Act;
- 6) granting of loan to local governments for the construction, renovation or purchase of leased spaces for tenants living in dwellings to be returned;
- 7) granting of support for the maintenance, repair, conservation, restoration and reconstruction of an architectural monument returned in the course of ownership reform.

[RT I, 19.03.2019, 13 - entry into force 01.05.2019]

(2) The funds in the reserve fund shall be allocated as a non-reimbursable grant, reimbursable appropriation or loan on the basis of an order of the Government of the Republic. The allocated funds shall be used for specific purposes, and the beneficiaries shall keep separate accounts of the spending thereof. The unused balances of the allocated money and the money not used for specific purposes shall be returned to the reserve fund. The funds allocated from the reserve fund may be transferred to the following budgetary year.

(3) The applications for money from the reserve fund shall be reviewed and the records of the allocation and use of the funds shall be kept by the Ministry of Finance.

(4) The applications for money from the reserve fund shall be reviewed, the money shall be allocated, the allocation conditions shall be determined and the allocated money shall be used pursuant to the procedure established by the Government of the Republic.

(5) The reserve fund shall take over the rights and obligations arising, pursuant to clause 3 4), clause 5 (1) 1) and clause 6 (1) 1) of the Use of State and Municipal Property Privatisation Proceeds Act (RT I 1993, 24, 430; 1994, 33, 508; 1995, 57, 979), from the allocation and use of the funds received in the reserve fund of the Government of the Republic for covering the expenses related to the organisation of the restitution and privatisation of and compensation for unlawfully expropriated property.

[RT I 2006, 7, 40 - entry into force 04.02.2006]

§ 8. Use of proceeds from privatisation of assets received by foundations established by state

[Repealed -RT I, 04.07.2017, 1 - entry into force 01.01.2018]

§ 9. Use of proceeds from privatisation of assets received in ownership reform reserve fund and housing fund of local government

[Repealed -RT I, 04.07.2017, 1 - entry into force 01.01.2018]

§ 10. Supervision and reporting

(1) Supervision over the receipt, distribution and use of the privatisation proceeds shall be exercised by the Ministry of Finance.

[RT I, 12.12.2018, 2 - entry into force 22.12.2018]

(2) [Repealed -RT I, 04.07.2017, 1 - entry into force 01.01.2018]

(3) [Repealed -RT I, 04.07.2017, 1 - entry into force 01.01.2018]

(4) [Repealed -RT I, 04.07.2017, 1 - entry into force 01.01.2018]

(5) [Repealed -RT I, 04.07.2017, 1 - entry into force 01.01.2018]

(6) The supervisory authority can make a written precept to the organiser of privatisation and the agencies and legal persons using the money allocated from the ownership reform reserve fund of the Government of the Republic for the termination of an offence or performance of acts prescribed by legislation, granting the term therefor.

[RT I, 04.07.2017, 1 - entry into force 01.01.2018]

(7) In case of non-compliance or improper compliance with the precept, the supervisory authority shall be entitled to have recourse to the courts, and the supervisory control provided for in Chapter 7 of the Government

of the Republic Act (RT I 1995, 94, 1628; 1996, 49, 953; 88, 1560) shall be imposed on a state authority that has failed to comply or improperly complied with the precept.

(8) [Repealed -RT I, 12.12.2018, 2 - entry into force 22.12.2018]

(9) [Repealed -RT I, 12.12.2018, 2 - entry into force 22.12.2018]

§ 11. Implementing provisions

(1) This Act enters into force on 3 May 1996.

(2) Sections 1–9 of the Use of State and Municipal Property Privatisation Proceeds Act (RT I 1993, 24, 430; 1994, 33, 508; 1995, 57, 979) are repealed.

(3) The Use of State and Municipal Property Privatisation Proceeds Act shall apply to the use and distribution of money received in the special privatisation accounts before 2 May 1996.

(4) The money received in the special privatisation accounts before 1 January 2000 shall be distributed on the basis and pursuant to the procedure in force before 31 December 1999.

(5) The balance of the privatisation proceeds received by the Environmental Fund and the Environmental Centre Foundation before 1 January 2000 shall be transferred no later than 10 January 2000 to the non-budgetary ownership reform reserve fund of the Government of the Republic.

(5¹) The privatisation proceeds received by the Estonian Housing Foundation before 1 January 2001 shall be used on the basis and pursuant to the procedure in force before the specified date.

(6) Sections 3–6 of this Act are repealed as of 1 January 2002 and all the privatisation proceeds from which the debts and expenses specified in subsection 2 (2) have been deducted shall be transferred, in case of privatisation of state assets, state land, state dwellings, non-residential premises and apartment ownerships, to the Stabilisation Reserve Fund and in case of privatisation of municipal property to the budget of a local government.

(7) As of 1 January 2004, the money in the state assets special privatisation account and the proceeds from privatisation of state assets from which the debts and expenses specified in subsection 2 (2) have been deducted shall be transferred to ownership reform reserve fund of the Government of the Republic.

(8) As 1 March 2006, 50 per cent of the proceeds from privatisation of state land from privatisation of state assets from which the debts and expenses specified in subsection 2 (2) have been deducted shall be transferred to ownership reform reserve fund of the Government of the Republic and 50% to the Stabilisation Reserve Fund. [RT I 2006, 7, 40 - entry into force 04.02.2006]

(9) As of 1 January 2014, the proceeds from privatisation of state land from which the debts and expenses specified in subsection 2 (2) have been deducted shall be transferred to ownership reform reserve fund of the Government of the Republic. [RT I, 27.12.2013, 6 - entry into force 01.01.2014]