

Legislative Alert

Changes in relation to value added tax (VAT)

This alert is part of a series of alerts dedicated to cover the most significant changes in Kazakhstan's tax legislation.

Value added tax

In this publication we would like to present a brief overview of the most significant provisions of the Law of the Republic of Kazakhstan № 356-IV dated 26.11.10 "On amendments into some legislative acts of the Republic of Kazakhstan" with regard to value added tax.

The Law of the Republic of Kazakhstan № 356-IV "On amendments into some legislative acts of the Republic of Kazakhstan" (Law) expanded the list of zero-rated turnover and turnover which is exempt from VAT. The Law was signed by the President of Republic of Kazakhstan on 26 November 2010. It is effective from 1 January 2011.

Zero-rated turnover

- ▶ Sales turnover of petroleum-oil lubricants (POL) carried out by airports fuelling aircraft of foreign air companies conducting international transportation is taxed at the zero rate.
- ▶ Exemption does not apply if the shipment point and destination point are located in the territory of the Republic of Kazakhstan.
- ▶ The list of documents confirming zero-rated turnover from sales of POL to the aircraft of foreign air companies conducting international air transportation is determined.

Turnover and import which are exempt from VAT

- ▶ Sales of investment gold are considered to be turnover which is exempt from VAT under the conditions established by the Tax Code.
- ▶ Investment gold is added to the list of imported goods which are exempt from VAT.
- ▶ The conditions under which import of investment gold shall be exempt from VAT are determined.

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We hope that you will find this overview helpful. For more detailed information, please contact the following specialists:

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