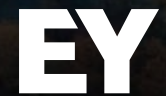


Tax Agenda Ukraine

October 2025



The better the question. The better the answer. The better the world works.













Shape the future
with confidence



No.	Fact	Action
1	<p>Preferential regime for defense sector enterprises</p> <p>A special preferential regime for qualifying defense sector enterprises (Defense City) has been introduced. The laws governing this regime will take force on 5 October 2025. Defense City residents will be entitled to the following key tax and customs benefits (not available for Diia City residents):</p> <ul style="list-style-type: none"> Exemption from corporate profit tax, subject to reinvestment of profit into business development (research and development, intellectual property, fixed assets, infrastructure, etc.), except for transactions subject to transfer pricing control and profit of a controlled foreign company. Unused or misapplied profit is taxable. Exemption from land tax, real estate tax and ecological tax. The right to export military and dual-use goods without prior authorization from the State Export Control Service. Simplified customs procedures for defense goods, including faster clearance and fewer licensing/permit formalities. <p>These benefits shall be effective until 1 January 2036, but no later than the year Ukraine joins the European Union.</p>	<p>Consider applicability and, if applicable, assess the potential impact and monitor practicalities</p> <div> ● ● ● </div>
2	<p>Military levy is increased</p> <p>On 1 December 2024, the law increasing military levy has entered into force. The law provides for:</p> <ul style="list-style-type: none"> Increase of a military levy for individuals from 1.5% to 5% - starting 1 December 2024 till the end of the year when martial law ends Introduction of a military levy for private entrepreneurs at a rate of 10% of the minimum wage per month or at a rate of 1% of income (depending on the applied group of single tax payers) - starting 1 January 2025 till the end of the year when martial law ends. 	<p>Assess the potential impact and ensure compliance.</p> <div> ● ● ● </div>





Use text boxes above the timeline to plan your actions for coming months

● Compliance
 ● Risk management
 ● Cash-flow and ETR impact

No.	Fact	Action
3	<p>Corporate profit tax rate for banks and other financial institutions is increased</p> <p>The corporate profit tax (CPT) rate for financial institutions (excluding insurers) has been increased:</p> <ul style="list-style-type: none"> 25% CPT rate is introduced for financial institutions (except for insurers) for the periods starting 2025 (vs standard 18% rate). Increased 50% CPT rate applied for banks for the years 2023 and 2024. 	<p>Consider applicability and assess the potential impact.</p> 
4	<p>CPT advances are introduced for retail fuel traders</p> <p>Starting 1 December 2024, companies involved in retail fuel sales are required to make monthly CPT advances by the 20th of each month. The amount depends on the type of fuel sold:</p> <ul style="list-style-type: none"> UAH 60.000 per fuel retail point. UA 30.000 for points selling only liquefied gas. UAH 45.000 for points where 50% or more of sales (by volume adjusted to 15°C) are from liquefied gas. <p>There is no possibility to transfer CPT advances to the next years and to offset against other taxes, only offset against annual CPT is allowed.</p>	<p>Consider applicability of changes and their potential impact. Assess the required compliance actions.</p> 
5	<p>Monthly reporting on personal income taxes is introduced</p> <p>From January 2025 monthly reporting period applies for personal income tax, unified social tax and military levy. The submission deadline is 20th of the month following the reporting month.</p> <p>Before 2025, quarterly reporting period applied for this purpose.</p>	<p>Consider required compliance actions.</p> 
6	<p>Most of the martial law tax relief rules are canceled</p> <p>Most of the tax incentives introduced for the period of martial law are canceled and pre-war tax obligations are resumed as follows:</p> <ul style="list-style-type: none"> Possibility to apply special 2% single tax rate based on income is canceled. Freeze of statute of limitation and other procedural terms for tax purposes foreseen for the period of martial law is abolished. Moratorium for tax audits is canceled. <p>The criteria for inclusion of the taxpayer on the schedule for the tax audit are defined by law. Updating the schedule within a year is allowed.</p> <p>The updated schedule for tax audits for the year 2025 has been published on 27 June 2025.</p>	<p>Consider potential applicability of changes and their potential impact. Assess whether any compliance actions are required.</p> 

No.	Fact	Action	
7	<p>Starting 1 July 2024 new statute of limitations apply for withholding tax purposes</p> <p>From 1 July 2024, tax authorities are entitled to audit withholding tax for a period of 2,555 days (7 years). Similarly, new rules require taxpayers to retain documents and information necessary for withholding tax control not less than 2,555 days (7 years).</p>	Consider applicability and arrange for changes in internal processes to ensure compliance (if required).	  
12	<p>Submission of the audit file (SAF-T UA) with the tax authorities</p> <p>Large taxpayers are required to submit the SAF-T UA at the request of the tax authority during tax audit. This file follows a standardized template, in a xml format.</p> <p>The bill which proposed to introduce mandatory annual submission of SAF-T UA (from 2025 for all large taxpayers and from 2027 for all VAT payers) and introduced penalties for incompliance was withdrawn in July 2025.</p> <p>As of September 2025, a new bill has not yet been submitted.</p>	Arrange internal processes if applicable and monitor developments.	  
13	<p>Exemption from real estate and land tax during martial law</p> <p>There is exemption from real estate tax on property and tax for land plots located at the affected territories for the months in which such territories were subject to hostilities or occupation according to the approved list of the affected territories.</p> <p>There are special rules for taxation of destroyed or damaged property as a result of the Russian Federation actions.</p>	Assess applicability of the exemption to Ukrainian business and monitor developments.	  
14	<p>Import of drones' components are temporary exempted from VAT and import duties</p> <p>Temporarily, for the period of martial law in Ukraine, import of components of drones, such as materials, nodes, aggregates, equipment and components imported by business entities for use in their own production or repair activities, are exempted from VAT and import duties.</p> <p>The exemption has been extended till 1 January 2026.</p>	Analyze applicability and consider the potential impact.	  
15	<p>VAT rules for non-residents supplying electronic services to Ukrainian customers</p> <p>Supplies of electronic services by non-resident providers to Ukrainian private customers became VAT-able in 2022. Qualifying foreign suppliers are required to register for VAT in Ukraine, charge 20% VAT on their services, submit simplified VAT returns and pay VAT in Ukraine.</p> <p>Based on publicly available information, the Ukrainian tax authorities have started imposing penalty to non-residents who failed to undergo VAT registration in Ukraine as providers of e-services.</p>	Non-resident companies providing electronic services to Ukrainian private customers should assess whether the obligation to register for VAT purposes in Ukraine arises.	  

No.	Fact	Action
16	<p>Tax measures to combat bribery of foreign public officials introduced</p> <p>On 25 March 2025, the law introducing tax measures to combat bribery of foreign public officials in international business transactions entered into force.</p> <p>Key provisions include:</p> <ul style="list-style-type: none"> Prohibition of tax deductibility of bribes to foreign public officials Authorizing the tax authority to notify National Anti-Bribery Bureau of the fact that could evidence of bribery revealed during tax audits Introduction of unscheduled audits based on court verdicts on bribery <p>The law contributes to the implementation of international anti-bribery standards and supports Ukraine's OECD accession process.</p>	Consider applicability and assess the potential impact.
		
17	<p>Increase in excise tax rates for tobacco products</p> <p>In March 2025, the law, which envisages gradual increase in excise tax rates on tobacco products from 2025 to 2028 to harmonize with EU legislation entered into force. Specifically, the excise tax rates will increase as follows:</p> <ul style="list-style-type: none"> Cigars: from EUR 73 per 1 kilo in January 2025 to EUR 81 per kilo in 2028. Cigarillos: from EUR 58 per 1.000 pieces in January 2025 to EUR 64 per 1.000 pieces in 2028. Cigarettes: from EUR 58 per 1.000 pieces in January 2025 to EUR 64 per 1.000 pieces in 2028. Tobacco and tobacco substitutes: from EUR 73 per 1 kilo in January 2025 to EUR 81 per 1 kilo in 2028. Heated tobacco products: from EUR 70.40 per 1.000 pieces in January 2025 to EUR 71.14 per 1.000 pieces in 2028. <p>The ad valorem rate on cigarettes and cigarillos between 1 January 2025 and 31 December 2027 has been set at 12%.</p> <p>In addition, the rules for calculation of the base for charging the excise tax are changed resulting in increase of such base.</p>	Consider applicability and assess the potential impact if applicable.
		

No.	Fact	Action
18	<p>Penalties for failure to submit CFC reports during martial law are abolished</p> <p>Ukrainian controllers will not be subject to fines for failure to submit or late submission of reports on controlled foreign companies (CFC) until the termination of martial law, provided they fulfil their obligations within six months after termination of martial law. Administrative and criminal liability for related violations will not be imposed.</p> <p>The rules on CFC reporting and tax control over the CFC apply in Ukraine starting 1 January 2022. The first reporting period is the year 2022.</p>	<p>Consider applicability and assess the potential impact if applicable.</p> 
19	<p>Common Standard on Reporting and Due Diligence for Financial Account Information (CRS)</p> <p>On 28 June 2024, the Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information (CRS MCAA) entered into force for Ukraine. The State Tax Service of Ukraine (STS) informed that the first automatic exchange of information on financial accounts was carried out in 2024.</p> <p>Going forward, the STS will annually receive information about foreign accounts belonging to tax residents of Ukraine (as well as organizations (such as legal entities) under the control of such residents). In return, the STS will provide similar information to the competent authorities of partner countries regarding the accounts of their tax residents.</p>	<p>Assess applicability of new reporting obligations.</p> 
20	<p>Post-clearance controls and import tax assessments</p> <p>Ukrainian customs authorities have launched a pilot project on conducting post-clearance customs controls (requesting additional documents from the importer within 30 days after release of goods). Post-clearance controls normally do not envisage assessment of taxes by customs and are aimed at enhancing voluntary compliance by the taxpayers.</p> <p>In March 2024, Ukrainian Parliament adopted a law waiving a ban for customs audits (implying assessment of import taxes). Customs audits were previously suspended after start of martial law in 2022. Customs would be able to conduct both scheduled and unscheduled customs audits, focusing on areas where risk of underpayment of customs taxes is possible (applying import tax exemptions by the importers, etc.).</p>	<p>Importers may wish to review their risky areas where tax assessment is possible (e.g., royalties, customs valuation, tariff classification) and take measures to manage these risks.</p> 
21	<p>Blockage of border crossing points at the EU border</p> <p>As of September 2025, certain border crossing points on the UA-PL border are occasionally blocked due to farmer's protests on Polish side. This results in major delays when crossing the border.</p>	<p>Situation with border blockade may change rapidly.</p> <p>Exporters and importers are advised to check the actual condition of the contemplated border crossing and look for alternative transportation routes if required.</p> 

No.	Fact	Action	
25	<p>Initiative to introduce excise tax on sugar-sweetened beverages</p> <p>A bill to introduce excise tax on beverages, including mineral and carbonated, with the addition of sugar or other sweetening or aromatic substances was registered in the Parliament. The proposed tax rate is EUR 0.1 per 1 liter.</p>	Monitor developments if applicable.	● ● ●
26	<p>Introduction of electronic excise stamp</p> <p>From 1 January 2026, alcoholic beverages, tobacco products and liquids used in electronic cigarettes are required to be labelled with electronic excise stamp in accordance with the procedure specified by the Tax Code of Ukraine.</p>	Monitor legislative developments, if relevant.	● ● ●
27	<p>Legalization of virtual assets</p> <p>On 3 September 2025, the Parliament passed the bill to legalize virtual assets and introduce a taxation framework at first reading . The bill provides for:</p> <ul style="list-style-type: none"> Standard tax rate of 18% PIT and 5% military levy on profit from sales of virtual assets. Preferential 5% rate for fiat conversions during the first year after entry into force of the law. Tax exemptions for crypto-to-crypto transactions, sales below one minimum wage, and digital assets received gratuitously or via issuance. 	Monitor developments if applicable.	● ● ●
28	<p>Initiative to cancel an act of transfer and acceptance</p> <p>The Government has announced plans to abolish obligation to formalize act of transfer and acceptance of services. This could significantly impact business processes.</p> <p>Currently bookkeeping rules and VAT rules are heavily dependent on such acts.</p> <p>As of 9 September 2025, the respective draft law has not been published yet. Depending on what exactly would be the wording of the draft law, there could be unexpected issues.</p>	<p>Monitor developments and consider potential impact.</p> <p>Prepare for transition to documentation under the new rules if needed.</p>	● ● ●

Contacts:

Vladimir Kotenko

Partner, Tax & Law Leader
Ernst & Young LLC (Ukraine), Kyiv
vladimir.kotenko@ua.ey.com

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