



# Kazakhstan

From January 1, 2022, the provisions of the Tax Code on the obligations of overseas Internet companies to pay VAT on provided services to individuals located in Kazakhstan come into force.

## VAT Standard rate

The standard VAT rate in Kazakhstan in 2024 is 12%.

## Thresholds

The threshold for exceeding which it is necessary to register is not set. Any company providing electronic services is obliged to register for tax and pay VAT on each transaction.

## E-services list

Services in electronic form – services provided to individuals through the telecommunications network and the Internet. The Tax Code does not contain a named enumeration of services related to electronics in Kazakhstan, but based on the definition, the following can be attributed to such:

- Electronic books, images, movies, and videos, whether buying a copy from Shopify or using a service (for example Amazon Prime). In tax materials, these products are referred to as “Audio, visual or audiovisual products”;
- Downloadable and streaming music, whether buying an MP3 or using music services;
- Cloud-based software and as-a-Service products (SaaS, PaaS, IaaS);

Websites, site hosting services, and Internet service providers;  
Online ads and affiliate marketing.

## Pieces of evidence

VAT on electronically supplied services will apply to all foreign online companies if one of the following conditions are met:

- Buyers of services are domiciled in Kazakhstan;
- Bank accounts used for the purchase of services are opened in financial institutions located in Kazakhstan;
- IP addresses used for the purchase of services are registered in Kazakhstan;
- Country codes of phone numbers used for the purchase or payment of services are assigned to Kazakhstan.

## Registration procedure

A simplified procedure is applied to the registration of electronic service providers. It is enough to send a confirmation letter by mail on paper to the tax authority with the indication:

- The full name of the foreign company;
- Tax registration number (or its equivalent), if there is such a number in the country of incorporation or the country of residence of a non-resident;
- State registration numbers (or its equivalent) in the country of incorporation of a non-resident or the country of residence of a non-resident;
- Bank details from which the value-added tax will be paid when carrying out electronic trade in goods, rendering services in the electronic form to individuals;
- Postal details (official email address, address of the location in the country of incorporation or the country of residence of a non-resident).

## Tax representative

The appointment of a tax representative is not mandatory.

## **VAT filing and payment**

Foreign companies providing services electronically are liable to pay VAT in Kazakhstan in tenge by the 25th day of the second month following the reporting period (quarter) to Kazakh tax authorities.

## **Keeping records**

The retention period of accounting documentation is at least 5 years starting from the tax period following the period in which the tax liability is calculated based on such accounting documentation.