# Kazakhstan

### VAT Standard rate

12%

### Zero VAT rate

Turnover taxed at 0% VAT includes:

- Export sales of goods;
- Transborder transportation services;
- Sales of oil and lubricants by airports when fueling aircraft of an overseas air carrier engaged in international transportation;
- Sales of goods to special economic zones;
- Sale of fine gold.

### Thresholds

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### Deductible VAT

- Export of goods subject to a zero rate;
- VAT paid on goods, works, services purchased at the expense of grant funds;
- Implementation of transborder transportation services taxed at a zero rate.

## Registration procedure

For conditional registration as a taxpayer, an overseas corporate body sends a confirmation letter by mail on paper to the tax authority indicating:

- the full name of the overseas corporate body;
- tax registration number (or it's equivalent), if there is such a number in the country of establishment or the country of residence of the non-resident;
- number of state registration (or its equivalent) in the country of establishment of the non-resident or the country of residence of the non-resident;
- bank details from which the value-added tax will be paid when carrying out electronic trade in goods, providing services in the electronic form to individuals;
- postal details (contact email address, address of location in the country of establishment, or country of residence of a non-resident).

## Tax representative

A simplified registration procedure has been introduced for overseas companies, so there is no need to appoint a tax representative. However, if necessary, you can always contact a tax specialist.

## Keeping records

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## VAT filing and payment

To determine the amount of tax, the turnover must be converted into tenge. The exchange rate is calculated on the last working day preceding the date of receipt of payment for the goods.

An overseas corporate body is obliged to pay the calculated value-added tax in the implementation of electronic trade in goods to individuals to the budget, for each quarter no later than the 25th day of the 2nd month following the reporting period.

## Penalties

The Administrative Offences Code imposes administrative penalties for non-compliance with tax regulations, including the following:

- under-declaration of taxes — 20% to 80% of the under-declared amount;
- failure to withhold taxes — 20% to 50% of the non-withheld tax.

Interest is charged on late tax payments at a rate equal to 1.25 times the National Bank's base rate (currently 9%) for each day of the delay.

Criminal liability is generally deemed to have committed the crime of tax evasion when underpaid tax exceeds 50,000 MCI (approximately US$354,000 in 2021). Tax evasion includes failing to submit a declaration. The Criminal Code provides for individuals who have committed a tax offense to be exempted from criminal liability if they voluntarily pay taxes and other amounts due to the budget and acknowledge that they are at fault.