



# NewsFlash

## Tax and Legal

January 2020

Dear Readers,

**To improve the environment for the development of small businesses, Kazakhstan introduced three-year tax benefits and a moratorium on inspections for small and micro enterprises starting 1 January 2020. We offer you a short overview of the initiated benefits.**

### Tax Benefits<sup>1</sup>

Small taxpayers working under special tax regimes are exempt from the following taxes:

- Corporate (personal) income tax (other than income tax withheld at the source of payment);
- Social tax;
- Unified land tax

for the period from 1 January 2020 to 1 January 2023.

The exemption does not apply to taxpayers engaged in certain types of activities defined by the law. Definitions of small and micro-enterprises are established in the Entrepreneurship Code.

### Moratorium on Inspections<sup>2</sup>

The President introduced a three-year moratorium on state inspections and preventive supervisions of small and micro business for the period from 1 January 2020 to 1 January 2023. The list of the officially allowed inspections that do not fall under the moratorium includes customs inspections, cross-check tax audits, reviews conducted under a criminal case or upon a taxpayer's request to review its activities.

The moratorium does not apply to inspections started in 2019.

<sup>1</sup> Law No. 290-VI On Amendments and Additions to Certain Legislative Acts of Kazakhstan on Improvement of Bankruptcy and Rehabilitation Procedures, State Budget, Tax and Railroad Legislation, dated 27 December 2019

<sup>2</sup> Presidential Decree No. 229 On Introduction of Moratorium on Inspections and Preventive Supervisions in Kazakhstan, dated 26 December 2019

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