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**Hungary – Current Tax  
Amnesty Program to End  
31 December 2012**

by Gabriella Nink, KPMG,  
Budapest (KPMG in Hungary is  
a KPMG International member  
firm)

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Based on information from the Hungarian Ministry of National Economy, there are no plans to extend the tax amnesty program beyond the 31 December 2012 deadline, reports the KPMG International member firm in Hungary.

Therefore, after 31 December 2012, the benefits arising to taxpayers under the rules of the amnesty program will no longer be available.

Individual taxpayers have been eligible to pay personal income tax at a reduced rate on repatriated financial assets held abroad, under the terms of the program. Furthermore, no punitive tax penalty or criminal consequences may be applied regarding the source of such income.

Based on the provisions of the Act (Act Nr. 2010/CLII,) favorable tax treatment under the tax amnesty is available in the following three cases: (1) transferring an individual's money from a foreign bank account to Hungary, (2) "domesticating" the ownership of a Hungarian company which is/was under the ownership of an offshore company, or (3) acquiring the ownership of Hungarian real estate, vehicle, or shares within a transfer for consideration.

For the complete article, see "Tax Amnesty will be over by 31 December 2012, in *Tax Alert* (August 2012), a publication of the KPMG International member firm in Hungary. To access the publication, click [here](#).

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The information contained in this newsletter was submitted by the KPMG International member firm in Hungary. The information contained herein is of a general nature and based on authorities that are subject to change. Applicability of the information to specific situations should be determined through consultation with your tax adviser.

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