



Further tax measures due to COVID-19

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In detail:

The following categories of taxpayers are exempt from payroll taxes / social payments due from 1 April until 1 October 2020 (for micro, small, medium-sized businesses) and from 1 April until 1 July 2020 (for large businesses) (Government Decree No. 224*, 20 April 2020 (the "Decree")):

Taxes and social payments	Until 01 April 2020	From 01 April to 01 July and 01 October 2020	Who is eligible for the exemption?
Individual Income Tax (IIT)	10,0%	0,0%	<ul style="list-style-type: none"> - Individuals engaged in private practice; - Micro, small, medium-sized businesses carrying out activities according to the list of activities approved by the Government (Appendix No. 1 to Government Decree No. 224); - Large businesses carrying out activities according to the list of activities approved by the Government (Appendix No. 2 to Government Decree No. 224).
Obligatory Pension Contributions (OPC)	10,0%	0,0%	
Employee Contributions to Obligatory Social Medical Insurance	1,0%	0,0%	
Social Tax	9,5%	0,0%	
Social Contributions	3,5%	0,0%	
Employer Contributions to Obligatory Social Medical Insurance	2,0%	0,0%	

A full list of activities exempt from payroll taxes / social payments is available at: <https://primeminister.kz/ru/decisions/20042020-224>

In addition, the Decree provides the following:

- zero coefficients of property tax rates for the period of 1 April 2020 - 1 October 2020 for:
 - flight strips at aerodromes and airport terminals;
 - entities engaged into private practice.
- extension of RC VAT payment on (i) technical maintenance services and (ii) legal support of aircrafts leasing for Kazakhstan tax residents engaged into air-passenger transport activities. Such RC VAT should be paid before 1 January 2021 and, if paid, could be taken for offset in a period when purchase of respective services is recognized as VATable turnover;
- extensions of the deadline for submitting tax reports for 2019 tax obligations from 31 March 2020 to 31 May 2020.

* "On further measures to implement the Decree of the President of Kazakhstan dated 16 March 2020 No. 287 "On further measures to stabilize the economy" on taxation issues".

If you are interested in additional information, please contact us.