



GRATA
INTERNATIONAL

Local Knowledge
for Global Business

www.gratanet.com

Clarification of the State revenue committee on deduction of losses of foreign branch of a Kazakh company

Please be informed that the State revenue committee of the Ministry of Finance of the Republic of Kazakhstan (hereinafter – the ‘SRC’) clarified in its letter dated 30 January 2017 No. КГД-07-1-3343-КГД-2247 that a Kazakh company is obliged to declare income and expenses of its foreign branch in the declaration on corporate income tax (hereinafter – ‘CIT’). Thus, the Rules on filling of CIT declaration^[1] stipulates that income of Kazakh residents received from sources outside Kazakhstan is to be included in the line 100.00.26 of this declaration. However, the SRC noted that the line 100.00.26 is of informative nature and its data is not included in taxable income calculation. In this regard, pursuant to the SRC clarification, a Kazakh company is not entitled to deduct the losses of its foreign branch.

[1]subparagraph 2 of paragraph 10 of the Rules on filling of tax return (declaration) on corporate income tax (form 100.00) approved by the Order of the Ministry of finance of the Republic of Kazakhstan dated 25 December 2014 No. 587

This alert for informational purposes only and shall not be recognized as legal advice. GRATA Law Firm LLP is not responsible for any consequences arising from the use of the aforementioned information without its consent.

[Download alert in PDF](#)

Services

- ▶ Representation and Protection of Client's Interests in Tax Disputes;
- ▶ VAT Refund from the Budget;
- ▶ Support in Tax Audits;
- ▶ Taxation of Subsoil Users;
- ▶ International Taxation;
- ▶ Finance Taxation (securities, financial instruments, loan agreements);
- ▶ Corporate Taxation and Tax Planning;
- ▶ Individual Taxation;
- ▶ Tax Support and Structuring in M&A Transactions;
- ▶ Due Diligence of Tax Accounting (Tax Audit);
- ▶ Tax Administration;

For additional information, please contact:

Assel Ilyassova
Partner
Head of Tax Department

+7 (727) 2445-777

+7 (701) 763-07-14

ailyassova@gratanet.com

Байршил

КАЗАКСТАН

Key contacts




Assel Ilyassova

Partner

 Almaty, Казакстан

 +7 701 763 0714

 ailyassova@gratanet.com