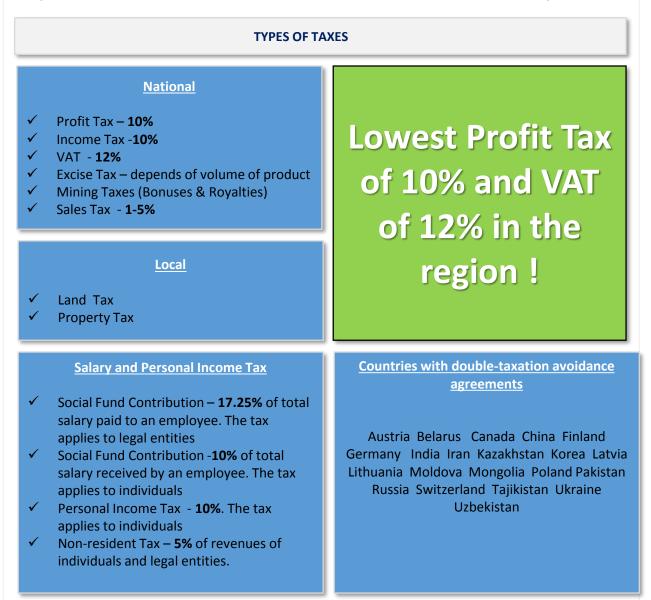
Kyrgyz Republic. Taxes

Taxation in the Kyrgyz Republic is regulated by the Tax Code of the Kyrgyz Republic and other regulatory legal acts. The competent authority exercising control over compliance with tax laws and full and timely payment of taxes is the State Tax Service under the Government of the Kyrgyz Republic. The current Tax Code was enacted in October 2008 and took effect on January 1, 2009.



TAX EXEMPTION FOR AGRICULTURAL PRODUCERS

This tax regime applies to entrepreneur locate at subsidy settlements to stimulate production. There are 560 such settlements throughout the Republic. The preferences apply to food production & processing, light industry and export-oriented production. Entrepreneurs get exemption from all taxes except for Social Fund payments.

PREFERENTIAL TAX REGIME

Preferences are provided in terms of exemptions from paying for four types of taxes: sales tax, income tax, land tax and real estate tax. Type of businesses to be considered for preferences are all industrial producers based on innovative technologies, agriculture, light and agriculture producers and any type of export-orientated businesses. Preferential locations are mostly regional cities and towns of the country.

The decision on granting preferences is made on the basis of an investment agreement concluded by local governments and investor. One of requirement is that only businesses duly registred after January 1, 2019 are allowed for preferences.

SPECIAL TAX REGIMES

- Simplified Taxation on the basis of Unified Tax 2-6%
- Mandatory Patent based Tax is a substitute of Income Tax for services like saunas, night clubs, currency exchange offices, etc.;
- Voluntary Patent based Tax applies to non-VAT paying individuals provided specific services stipulated by the GoKR. Overall income to date should not exceed KGS 8 mln. Tax rates are determined by the GoKR;
- Tax Contract based taxation fixed tax (Income Tax, Sales Tax and VAT) for the next calendar year agreed by upon by tax payer and the State Tax Service;
- Taxation regime in Free Economic Zones applies to tax payer with production facilities on territories of free economic zones;
- IT-park Resident taxation applies to residents of IT-parks.

CONTACTS