

Review of amendments to the legislation on the application of the Special Tax Regime of Retail Tax

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REVIEW OF AMENDMENTS TO THE LEGISLATION ON THE APPLICATION OF THE SPECIAL TAX REGIME OF RETAIL TAX

In order to implement the Address of the Head of State dated September 1, 2023 "The Economic Course of Just Kazakhstan," the list of types of activities permitted for the application of the special tax regime for retail tax has been expanded. By the Government Decree №1240 dated 29 December 2023, the list has been expanded from 190 to 364 types of activities.



The list now includes the types of activities from the spheres of agriculture, forestry, and fisheries, manufacturing industries, construction, trade, transportation and storage, education and science, film and music production, etc.

The complete list of activities permitted for the application of the special tax regime for retail tax can be found [here](#).

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The amendment comes into force on **January 15, 2024,**

after 10 calendar days from the day of the first official publication.



Consequently, expanding the scope of the special tax regime for retail tax will ensure a reduction in the tax burden for small and medium-sized businesses.

Entrepreneurs wishing to switch to the retail tax regime must submit a notification of the applied regime in January 2024. The effective date of the special tax regime for retail tax will be the first day of the month following the month in which such notification is submitted (i.e., February 1, 2024). Additionally, at the end of 2023 and January 2024, the entrepreneur must file a declaration under the tax regime applied before.

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The Tax Code is also amended in relation to the special retail tax regime from 2024.

Individuals engaged in collection and receipt of glassware can apply special tax regimes for small business. The amendment is made by revising Article 683 (2 (3)) of the Tax Code and came into force on January 1, 2024.

Legal entities are not allowed to apply the special retail tax regime in case their founder or participant simultaneously acts as the founder or participant of another legal entity which applies special tax regime. Previously, this restriction applied only if the other legal entity applied the special tax regime of retail tax. The amendment is made by revising Article 696-3(2) of the Tax Code and comes into force on February 12, 2024.



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Taxable income of the taxpayers applying the special retail tax regime is determined in the same way as income of the taxpayers applying the special tax regimes of patent or simplified declaration. The amendment is made by revising Article 696-3(7) of the Tax Code and comes into force on February 12, 2024.





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