

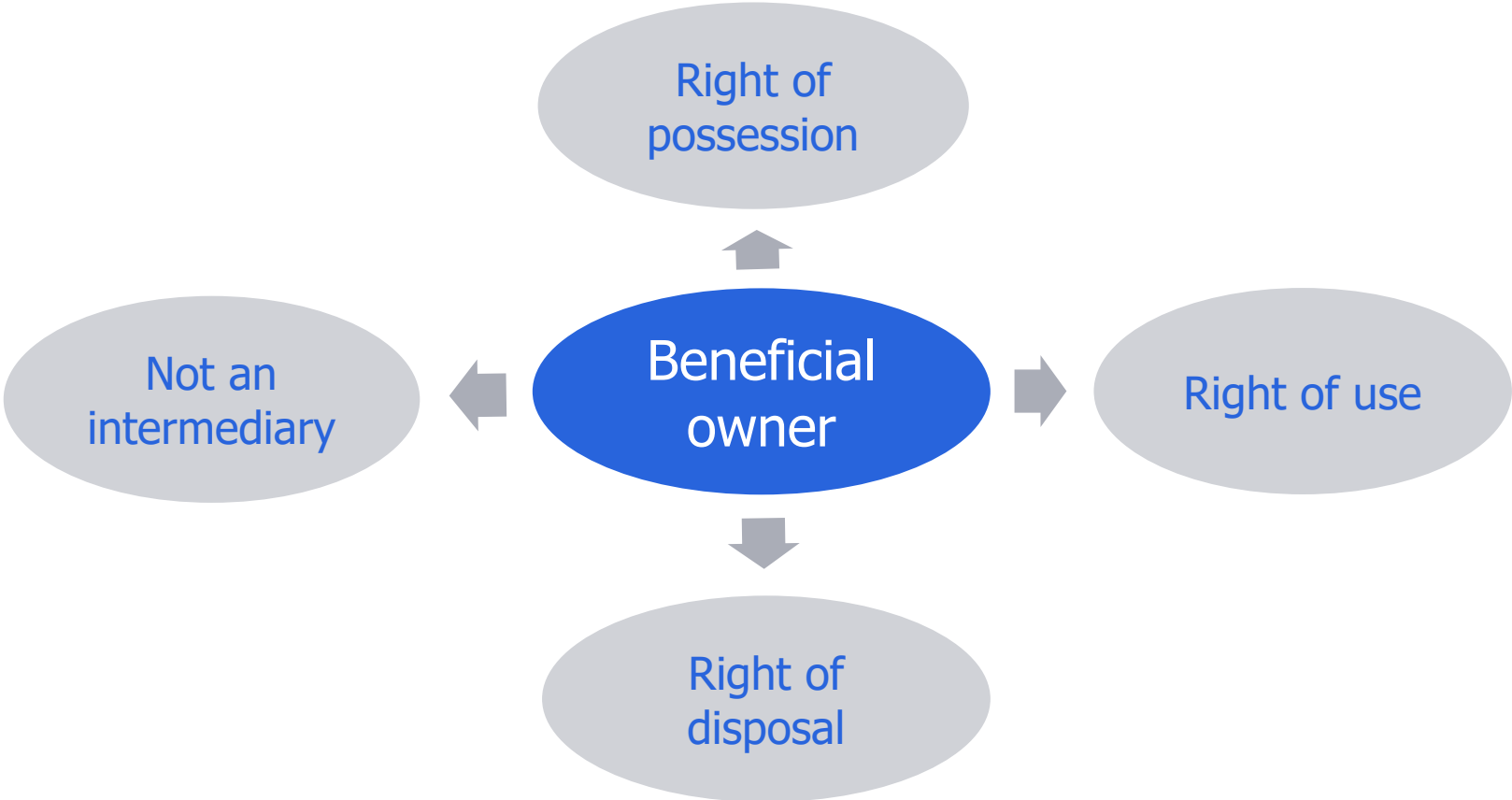


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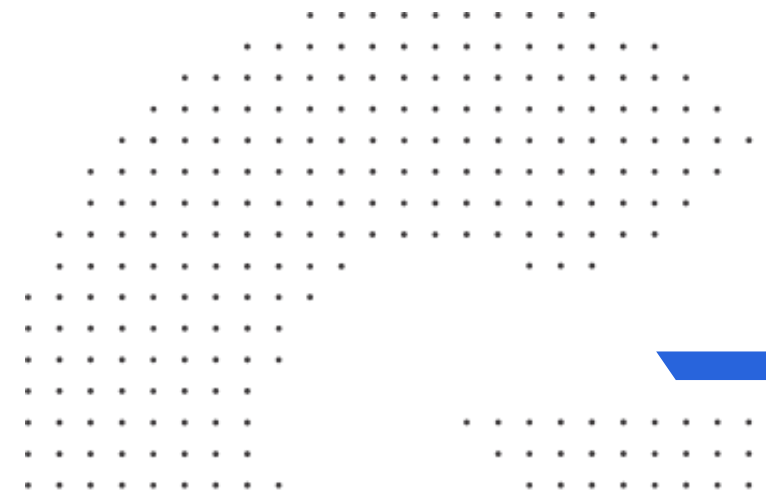
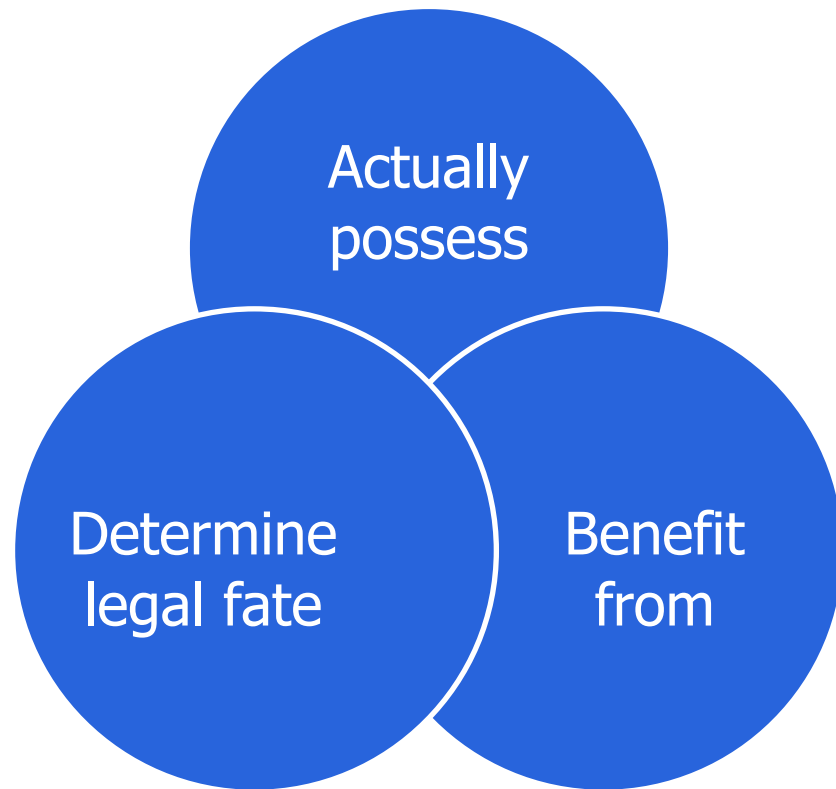
The concept of the beneficial ownership in Kazakhstan

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GRATA International Kazakhstan

Definition



Right of possession/use/disposal



Example

Individual

Dividends ↑ ↓ 100% shares

Company A

Beneficial owner



WHT 10% instead of 15%





Example

Individual

Beneficial owner



Dividends from A   100% shares

Company B

Beneficial owner

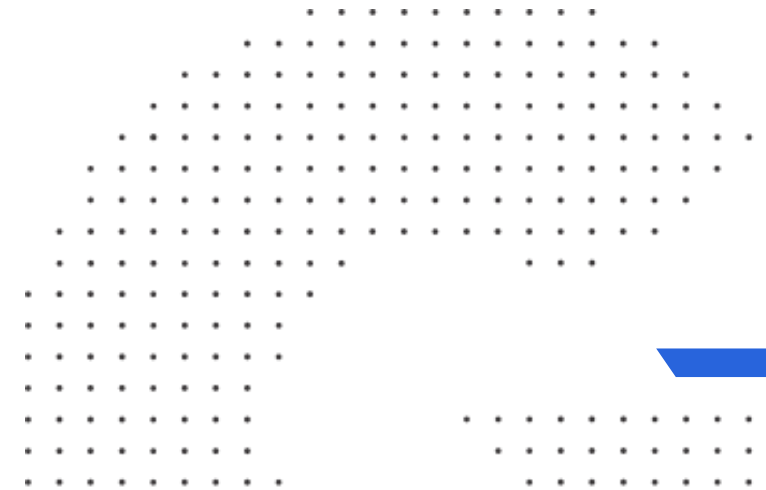


Dividends   100% shares

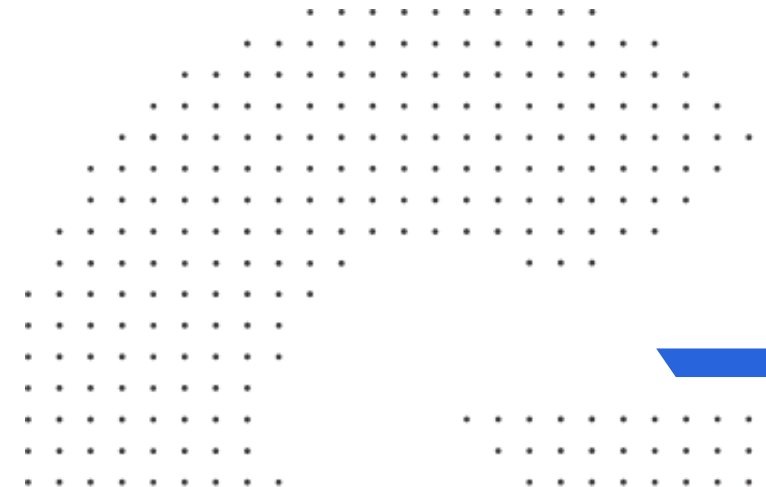
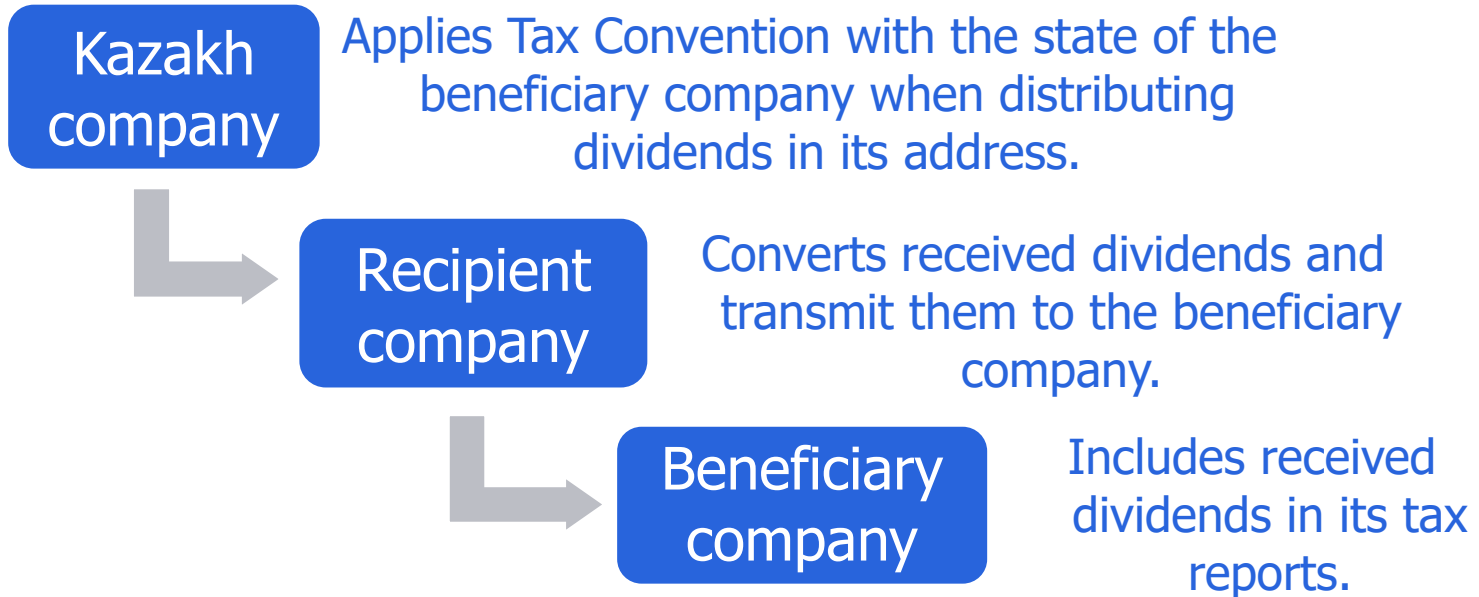
WHT 5% instead of 15%



Company A



Practice: Background



Practice: Arguments

Tax authorities

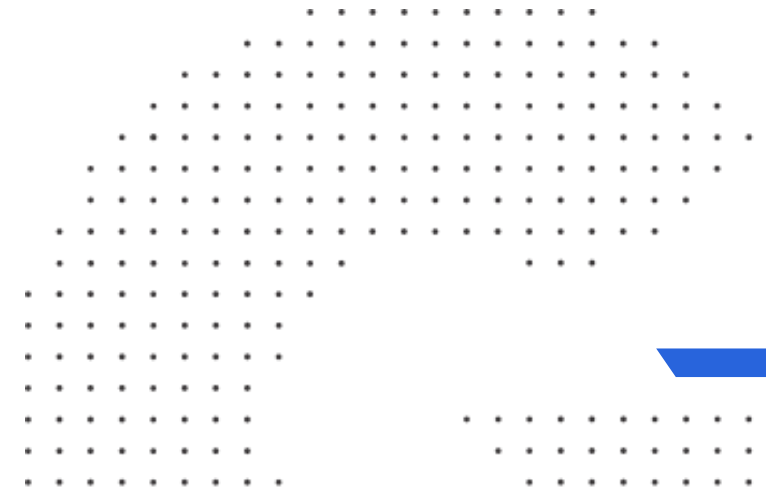
The recipient company
≠
the beneficial owner

Insufficient evidence of the beneficial ownership status

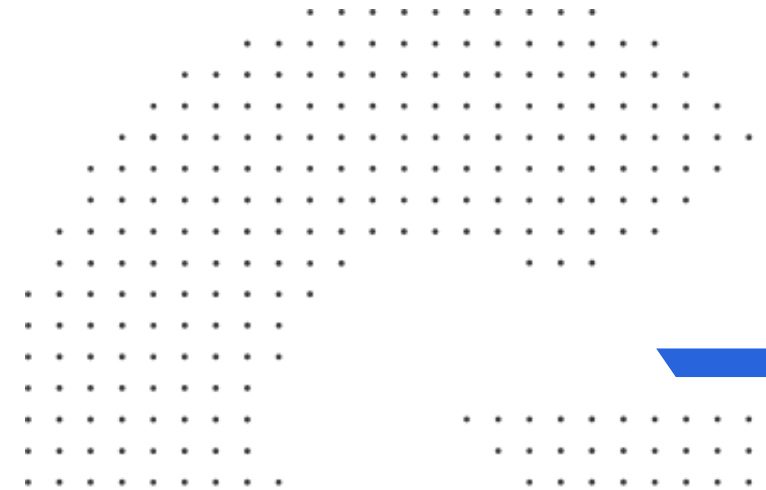
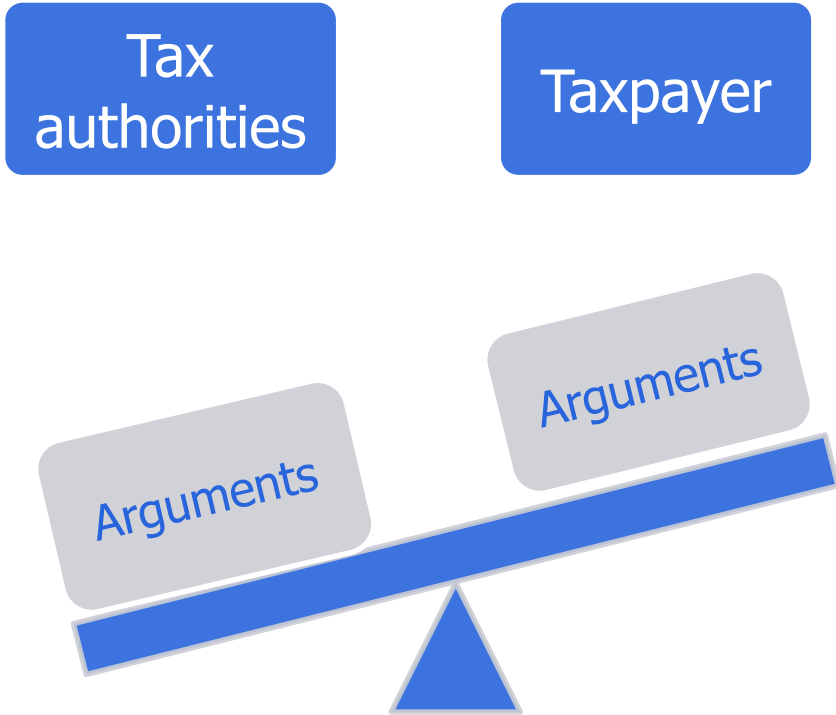
Taxpayer

No such requirement under the Kazakh tax law

Extensive amount of evidence of the beneficial ownership status



Practice: Outcome



Recent amendments

Until 1 January
2018

“Unlimited” and
“unconditional”
application.

From 1 January
2018 until 1
January 2021

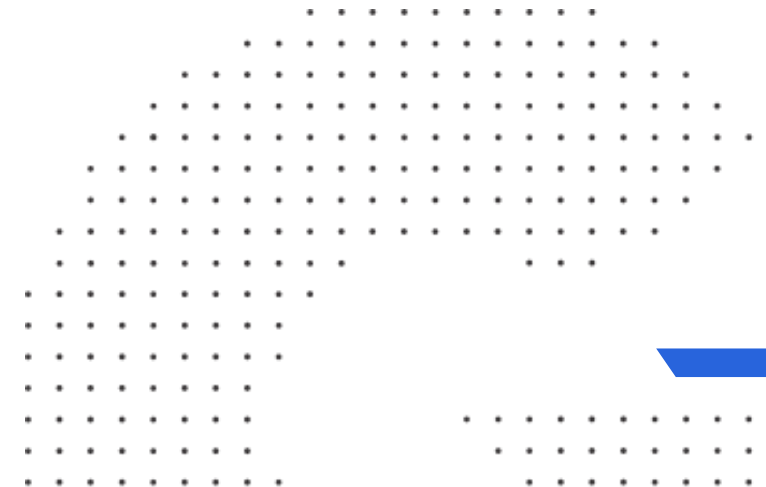
Applicable to related
persons only.

From 1 January
2021

No MLI:
Applicable to related
persons only.

MLI:

- Applicable to related persons only;
- Income is taxed at 15% rate in the non-resident’s state.





THANK YOU!

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