Tax

Today, at a time when tax legislation is subject to frequent and continuous changes, it is quite hard to monitor all tax legislation updates. At the same time, the vast scope of tax legislation, its complexity and ambiguity of its definitions can pose a challenge to companies and put their business at risk.

GRATA International can provide assistance and guide you through intricacies of tax legislation, identify existing and potential risks, and find solutions to mitigate them.

Our experts have expertise in various areas, such as subsoil use, investment projects, financial transactions, M&As, and corporate structuring. We monitor not only legislative changes but also current economic and political frameworks in the country and worldwide. Undoubtedly, these frameworks influence legislative changes and tracking them enables us to provide accurate, timely and effective advice.

Majority of GRATA International’s tax team is formed by tax lawyers and tax auditors who have experience of working for tax authorities.

Services:

► Withholding Tax Refund;
► VAT Refund from the State Budget;
► Corporate Taxation;
► Tax Support and Structure in M&A Transactions;
► Tax Investment Preferences and Tax Planning;
► Taxation of bank and financial transactions;
► Taxation of Subsoil Users;
► Taxation of non-residents;
► Taxation of individuals;
► Tax Due Diligence (Tax Audit);
► Representation and protection of interests in the course of tax disputes.

Brochure:
Once again, GRATA’s tax lawyers

Kazakhstan

Legal 500, Tier 1, 2018-2019, Tax lawyers
GRATA’s Tax lawyers team of GRATA

Legal 500, Tier 1, 2020, Tax Lawyers
Once again, GRATA’s tax lawyers
International is ‘responsive and provides clear and complete analysis’, underpinned by a ‘deep knowledge of local legislation’. maintain their top position in the rankings. The team was praised for assisting clients on a variety of complex issues, including tax and customs control issues and the protection of interests during disputes.
**Azerbaijan**

- Advised a large oil company on various matters in connection to finance/banking law in Azerbaijan. Provided regular legal support on tax administration, dispute resolution and corporate issues;
- Development of policies for an international transport company taking into account antitrust and tax law requirements;
- Advised a German multinational software corporation on various matters including contracts review, tax and customs law advice;
- Advised a Dutch multinational technology company on permanent establishment, WHT, VAT, CIT and double taxation under Azerbaijani laws;
- Provided legal advice on various taxation, transfer pricing and customs issues for domestic equipment and devices manufacturers.

**Belarus**

- The analysis of activities and the assessment of tax risks of recognizing a representative office of a foreign organization as a permanent representation for taxation purposes, the assessment of the risks associated with the need to pay tax payments in Belarus.
- Counseling on the taxation system related to the import of civil helicopters, on the risk of recognition of activities as a permanent representation for tax purposes.
- Tax counseling on the most appropriate form of business (initially structured in the form of multi-level marketing) for the distributor network in Belarus on tax-inclusive sale of nutritional supplements.
- Preparation of the consultation on the issues of the taxation system for a foreign organization in case of acquisition of immovable property in Belarus and its subsequent leasing to a resident and a non-resident, assistance in tax registration.
- Counseling on the tax registration of a foreign organization providing services in the electronic form to resident individuals.
- Tax counseling on the issues of tax risks of the development of an online store and a stationary trading object for the sale of different facilities in Russia and Belarus.
- Tax counseling on the issues of taxation of income of non-residents on sale of shares in the authorized fund of a Belarusian resident, on the distribution and payment of dividends.
- Counseling a non-resident of Belarus - a company registered in EAEU, on the income tax for foreign organizations and VAT on providing educational services in the electronic form to residents of Belarus.
- Legal and tax analysis of business risks for sellers of construction products when they pay bonuses to dealers-residents of Belarus.
- Tax counseling on the issues of income tax payment by non-resident individuals from Germany, Poland, Lithuania, Latvia, Slovakia, UK, and Russia considering the provisions of double taxation treaties in case of sale of a share in the authorized fund of Belarusian residents.
Counseling a foreign manufacturer of pharmaceutical products and medicines on the possibility of selling the property owned by a foreign company on the territory of Belarus on issues of taxation of income received by a foreign company in the Republic of Belarus.

Preparation of the consultation for a Russian university on the payment of income tax, contributions to the Social Security Fund for the employment of Belarusian teachers under international agreements.

Preparation of objections to the acts of tax audit in terms of transfer pricing in the field of lease relations for the manufacturer of medical devices.

Preparation of application to the court to invalidate the decision of the tax authority on the collection of taxes, fees, penalties in terms of transfer pricing.

Preparation of a legal conclusion on the issues of permanent representation for taxation purposes in Belarus in the activities of a Lithuanian organization in the framework of the financial investigation conducted by the Financial Investigation Department of the State Control Committee.

Advising on taxation of transactions with residents of offshore zones.

Kazakhstan

Advising a US Company on Kazakh tax implications of operation of a virtual currency service platform on the territory of Astana International Financial Centre as well as other territories of Kazakhstan for a telecom company;

Providing tax advice to one of the largest Russian metallurgical plants on the optimal corporate structure of Kazakh operational companies (mining and processing companies) as well as advising on choice of tax jurisdiction for an offshore holding company;

Successful legal support of the Tobacco Production Company during a tax audit, as a result of which the company saved over USD 5 million;

Successful representation of interests of a Kazakh subsidiary of a major European manufacturer of electrical and power engineering equipment in a criminal case initiated following a tax audit. As a result, a decision was made to terminate the criminal case due to the absence of corpus delicti;

GRATA conducted a limited tax due diligence of a Kazakh subsidiary of a major Japanese car manufacturer and identified main tax risks, their legal implications, and proposed measures to eliminate them;

Advising a major USA e-commerce company on criminal liability of a company director for tax crime and on other tax administration issues;

Preparation of legal opinion for a Russian bank on the tax consequences of a loan provided to the Kazakh borrower by foreign and Kazakh banks including taxation interest to be paid by the borrower to banks, the tax gross-up provision in the loan agreement, and the final beneficiary of income;

Advising a Chinese tungsten carbide manufacturer on liabilities to assess and pay the commercial discovery bonus when transitioning from exploration to extraction under the mining contract;

Advising and representing interests of a large Russian information technology company before the Kazakh tax authorities on the taxation of royalties for the use of software and the provision of information services;

Tax structuring of the transaction on the disposal by a mining company of the subsoil use right on a copper deposit in
Kazakhstan, including the advising on taxation of potential future;

- Representing interests of a Kazakh subsidiary of one of the largest producers of mineral fertilizers before Kazakh tax authorities in connection with the requirement to calculate and pay additional amounts of the withholding tax from payments for engineering services;
- Advising a Kazakh branch of a Turkish construction company on the requirements to provide a report to the Kazakh tax authorities.

Kyrgyzstan

- Advising AAEngineering on doing business in Kyrgyzstan, preparing a complex memorandum on general and specific issues of corporate law, customs law, labour law, tax law, environmental protection, construction standards, etc.;
- Advising Sinoma Group (Chinese state-owned engineering corporation) on the acquisition of a limestone deposit in the south of Kyrgyzstan and potential construction of a cement plant. Our advice included finance and investment structuring of the whole project and, particularly, tax structuring of daily activities of the operating company, including corporate profit tax, income tax, and VAT planning;
- Advising Alstom Holding Company (French mine drilling company) on tax due diligence of its representative office in the Kyrgyz Republic, for the purpose of preparing for state tax inspection and eliminating possible risks of additional taxation;
- Advising Samsung Electronics (a Kazakhstani legal entity) on tax due diligence of its representative office in the Kyrgyz Republic, for the purpose of preparing for state tax inspection and eliminating possible risks of additional taxation;
- Advising Fresenius Medical Care Deutschland GmbH on VAT applicability and procedure of applicability of tax benefits in the framework of the first PPP project in the Kyrgyz Republic “Organization and provision of haemodialysis services in Bishkek, Osh and Jalal-Abad” (Public partner – Ministry of Health of the Kyrgyz Republic;...
Advising a foreign investor on non-resident income taxation pertaining to the sale of a majority stake in a commercial bank in the Kyrgyz Republic.

Mongolia

- Prepared a legal memorandum on taxation of corporate income, personal, value-added and excise duties for Cyprus investor to start petroleum products import and production project in Mongolia;
- Advised on tax obligations of resident taxpayer in Mongolia to My Greenway, a Russian trading company;
- Advised CFA Institute of US on personal income taxation in Mongolia in regards to individual service payment from the US;
- Advised a non-resident taxpayer on tax obligations under Mongolian laws applicable to an international testing and analyzing service provider;
- Advised a mining investment project on double taxation avoidance and tax exemption under the treaties and legislations of Mongolia;
- Advising on VAT and customs duty of used equipment from Mongolia to other country;
- Advised on requirements for registration of representative office for taxation purposes in Mongolia for a German heavy equipment manufacturer on project of selling equipment to the largest mine in Mongolia;
- Advised an international game service company on personal income taxation for its product sales.

Moldova

- Representing one of the largest pharmaceutical distribution companies from Egypt in a complex fiscal litigation with the annulment of certain administrative acts for the establishment of financial obligations related to customs duties (customs taxes and VAT) in connection with some types of medicines;
- Advised one of the leading Ukrainian retail companies in relation to a tax audit process, including assistance with procedures during the audit, as well as subsequent tax challenge exercise. We also assisted on other tax matters, such as: restructuring of the retail business at local level, compliance with various regulatory obligations, implementation of electronic cashiers, tax aspects in relation to various supplier damages;
- Represented one of the largest French pharmaceutical companies in relation to challenging a tax decision issued by the Moldovan tax authorities and successful representation of the client before the court for suspension of the enforcement of respective decisions;
- Representing a Polish elderly care company in extension of the activities performed by the company in Moldova and providing various scenarios for contracting workforce in Moldova. Our involvement in the project included tax advice applicable to various scenarios regarding the local incorporation and contracting of work force;
- Representing a leading German healthcare company, following extensive tax and legal due diligence, on the tax effects of the consolidation of its Moldova-based vehicles, including a representative office and a subsidiary, via transfer of assets and related personnel as well as day-to-day legal assistance.
Russia

Kazan:

- Successful representation of a major European manufacturer in a tax dispute that arose during the construction of a plant in the Sverdlovsk Region;
- Preparation of national transfer pricing documentation for one of the world's largest ceramic manufacturers;
- Successfully represented a major Moscow souvenir shop in a tax dispute related to a trade fee;
- Preparation of national documentation on transfer pricing for the official distributor of a German manufacturer of agricultural machinery;
- Tax support of an investment project for the acquisition by a Russian organisation of real estate abroad;
- Successful representation of one of the largest logistics companies in Russia in a tax dispute related to the accounting of severance pay upon dismissal by agreement of the parties;
- Successfully represented one of the world's largest ceramic manufacturer in a tax dispute related to royalties;
- Assessment of tax risks and development of recommendations when agreeing on the terms of the concession agreement on the collection of fees as compensation for damage caused to federal highways vehicles with a maximum weight of over 12 tons;
- Advising one of the largest car manufacturers on the tax implications of importing cars into Russia, as well as developing the most optimal import option in terms of taxation;
- Successful representation of the interests of one of the largest Russian manufacturers of plastic bags in a tax dispute related to marketing expenses and rental property insurance expenses;
- Advising one of the largest Russian confectionery manufacturers on the issue of VAT refunds and out of court settlement;
- Successful reimbursement of VAT in the amount of RUB 63 million from the state budget in favor of a development company which was in the stage of bankruptcy;
- Advising a major Russian sports goods retailer on complex tax issues;
- Tax support of an investment project for the construction of business and shopping centers in Russia;
- Advising an official distributor of a German manufacturer of agricultural machinery on tax issues related to the implementation of warranty repairs.

St. Petersburg:

- Analysis of financial and economic activities in order to avoid penalties from the tax authorities, as well as optimisation and structuring of the work and interaction of departments of the customer - a major manufacturer of specialised laboratory furniture;
- A full analysis of the financial and economic activities of petroleum products wholesaler in connection with a tax audit. As a result, the tax risks were minimised and the client's financial position was strengthened. The project estimated over RUB 32 mln;
Local Knowledge for Global Business

Protecting interests of a local road network operator and its employees during on-site tax audits and other tax control measures. Financial claims of the tax authority were reduced;

Providing legal assistance during the tax audit of a large construction company in St. Petersburg, for the period of 2013-2015. As a result, tax claims from the were reduced by 95%. The project was valued at RUB 300 mln.

Samara:

Represented the interests of Samara-Nafta CJSC (oil fields and oil production), an affiliate of the American Hess Corporation, in court and challenged the results of an on-site tax audit with an additional amount of USD 500,000;

Successful representation of the interests of the Samara-Nafta oil company during on-site tax audits and, subsequently, in arbitration courts on tax claims related to the calculation of the tax base for income tax and VAT;

Successful advice and further representation of the oil-producing company in the arbitration courts of the Russian Federation on tax claims related to the application of a reduction coefficient in the calculation of the tax base for mineral extraction tax.

Tajikistan

Advising Siemens on the tax liabilities of their employees in Tajikistan;

Advised Regus on corporate taxation in Tajikistan;

Advising FIDAL on taxation of the company TRAKTEBEL ENGINEERING in Tajikistan;

Advising KPMG Tax M.Michna sp.k. on taxation of employees of the Philip Morris tobacco company in Tajikistan and filing their tax returns for 2016, 2017, 2018 and 2019;

Advised PricewaterhouseCoopers Kazakhstan Tax & Advisory LLP on tax matters for employees of an American non-profit organization;

Advised JTI Kazakhstan LLC on tax issues in Tajikistan;

Advised PricewaterhouseCoopers Kazakhstan Tax & Advisory LLP on the taxation of Tethys Petroleum employees in Tajikistan and filed their tax returns;

Advised KPMG MEIBURG & CO on the VAT of foreign companies in Tajikistan;

Advising and conducting a preliminary tax audit of “OBK-Service” LLC, a subsidiary of the Russian company Orenburg Drilling Company;

Advised PricewaterhouseCoopers Kazakhstan Tax & Advisory LLP on taxation of foreign citizens in Tajikistan.

Uzbekistan

Advising a Russian taxi service provider on issues related to providing services through an online platform without any physical presence in Uzbekistan;

Advising Amazon on taxation of non-residents operating in Uzbekistan through online platforms without any physical servers in Uzbekistan;

Advising Apple on emergence of a permanent establishment as a result of selling and making applications available for
purchase through Apple Store to Uzbek buyers;

- Advising a major Russian oil and gas investor in a local PSA project on issues related to mandatoryvolentary opening of a bank account and appointing a head of PE in Uzbekistan;
- Advising a Big4 company on issues related to emergence of a PE in Uzbekistan in respect to consultancy services provided from abroad;
- Advising a Spanish train manufacturer on taxation of warranty and repair services provided within Uzbekistan;
- Advising a government owned Chinese financial institution on tax implications related to providing a secured loan facility to Uzbek energy company;
- Advising a group of companies based in Israel, the USA and the UK on tax obligations and emergence of permanent establishment in Uzbekistan in relation to a long term EPC contract in the telecommunications industry;
- Advising an Italian based engineering company on tax implications (permanent establishments and taxation under Double Tax Treaties) in relation to EPC contract for construction of the Gas-To-Liquid plant;
- Advising a Korean engineering and construction company in relation to taxation of services provided under the EPC contract for construction of compressed power plant in Uzbekistan;
- Advising a Singaporean educational institution in relation to taxation of its Uzbek subsidiary’s educational activities in Uzbekistan;
- Advising a Swedish service company in relation to taxation of its expatriate’s profits in Uzbekistan;
- Successful defended the interests a UK based international inspection company in USD 3 mln tax evasion case;
- Advising manufacturer of juices and nectars (holder of 26% local manufacturers’ market) on reorganisation of activities and saving the status of a small enterprise for the purposes of paying taxes under the simplified system and excluding the VAT;
- Successful representation of an Israeli telecommunications company before Expert Council of the State Tax Committee of Uzbekistan in a tax status dispute on providing services in the telecommunications sector.

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