



TAXATION OF DIVIDENDS IN KAZAKHSTAN

We are glad to share with you a brief overview of the taxation of dividends in Kazakhstan. For your convenience, the overview is prepared in the table. Please see the table on the next page.

Our recommendations

We recommend you to clarify any details and circumstances in each case, since the legislation and law enforcement practice often change in Kazakhstan.

We hope that this information will be useful for you.

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Tax rates for dividends from Kazakhstan

20% for offshore jurisdiction	15% for non-residents	10% or 5%	5% for individuals – residents of Kazakhstan	0% exemption
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When are the tax rates used?

If a Kazakh company pays dividends to a shareholder located in an offshore zone ¹	General rule for non-residents	If there is a Double Tax Treaty between Kazakhstan and a country of a dividend recipient	If the dividend recipient is an individual, resident of Kazakhstan	If the shareholder is holding the shares for more than three years in a row
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Mistakes that could cause additional tax charges and could cause higher tax rates

The shareholder of Kazakh company has a bank account in or is a permanent resident of the offshore zone	The shareholder is not registered in the offshore zone, but the dividends go to the bank account located in an offshore zone	<ul style="list-style-type: none"> • Defects and mistakes in the certificate of residence <i>or</i> • There is another multilateral convention (MLI) between Kazakhstan and the country of a dividend recipient, which sets extra requirements in addition to the Double Tax Treaty 	<ul style="list-style-type: none"> • Resident of Kazakhstan was abroad for more than 183 days <i>or</i> • An individual does not meet other Kazakhstan residency requirements 	<ul style="list-style-type: none"> • The share holding period does not match with the information from the corporate documents nor with the information from the state authorities <i>or</i> • The company is a subsoil user in Kazakhstan or associated with such subsoil user
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¹ The Ministry of Finance of Kazakhstan approved the list of countries that are considered as offshore zones

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