

Corporate income tax

- Who is a payer of corporate income tax?
- Resident legal entities of the Republic of Kazakhstan, applying generally accepted order
- Non-resident legal entities operating in the Republic of Kazakhstan through a permanent establishment or receive income from sources in the Republic of Kazakhstan.

What is the object of the corporate income tax?

Taxable income

Income taxed at source of payment,

Net income of the nonresident legal entity doing business in the Republic of Kazakhstan through a permanent establishment.

How is taxable income?

Taxable income is defined as the difference between the adjusted gross annual income and deductions provided by the Tax Code, as adjusted taxable income

income from the sale of (services), the income from the lease of property, income from capital gains, income from writing off liabilities, gratuitously received property, dividends, interest and other income. The total annual income of a taxpayer is subject to adjustment. For example, it excludes dividends

- The costs of the taxpayer related to obtaining the total annual income are deductible in determining taxable income, such as the cost of purchased or manufactured goods, services, transportation services, utilities, repairs and depreciation of fixed assets, etc.
- However, some types of expenses are deductible within the limits established by legislation, such as residues of the amount of compensation for business trips (daily maximum of 6 MCI per day within the Republic of Kazakhstan) and expenses, interest expense, income tax, the cost of fixed assets (maintenance and depreciation), the cost of training employees, etc.

- Deductions made by the taxpayer in the presence of the documents confirming the expenses incurred in obtaining the gross annual income. These expenses are deductible in the tax period in which they are actually paid, except for expenses for future periods. Prepaid expenses are deductible in the tax year to which they relate.
- Taxable income is subject to its further adjustment. In particular, the expenses actually incurred by the taxpayer for the maintenance of social infrastructure should be excluded from taxable income in the range of 3 percent of taxable income.

What are the stakes?

- 10% - applies to the taxpayer's taxable income for which the land is the main means of production
- 30% - applies to the taxpayer's taxable income, which adopted the generally established procedure
- 15% - applies to the amount of income paid (except for the income of non-residents from sources in the Republic of Kazakhstan). Some types of income are taxed at source. These include, in particular, dividend income of non-residents from sources in the Republic of Kazakhstan, the remuneration paid to legal entities, and others. The tax is withheld at source of payment in the payment of income regardless of the form and place of payment of income, and transferred, as a general rule, no later than five working days after the end of the month in which the payment was made.
- Corporate income tax is calculated for the tax period by applying the rate to the taxable income, taking into account adjustments made, reduced by the amount of losses carried forward for up to 3 years inclusive of the repayment due to the taxable income of subsequent tax periods.

What set the tax period?

- The period for which the calculated CPN - calendar year (from January 01 to December 31)

What are the deadlines for the declaration?

- Declaration CIT consists of a Declaration and its annexes on the disclosure of information about the objects of taxation and objects related to taxation by CIT submitted to the tax authorities no later than 31 March of the year following the reporting tax period.
- The final payment (payment - the difference between accrued advance payments for the reporting tax period and actually the calculus of corporate tax) for the tax period, the taxpayer shall, within ten working days after March 31.

What are the terms of payment of the tax?

Taxpayers pay the corporate income tax by making advance payments in equal installments during the tax period no later than the 20th of the current month.

Advance payments are calculated based on the estimated amount of corporate income tax for the current tax period, but not less than the assessed amounts of monthly advance payments in the calculation of the amount of advance payments for the previous fiscal period:

- for the calculation of the period before the submission of the declaration by the CPN from January to March, served within the period until 20 January
- on the calculation after the submission of the declaration by the CPN from April to December, shall be filed within 20 working days after the submission of the declaration, but not later than April 20.

- Taxpayers, for the tax period received the loss or non-taxable income, within 20 working days from the date of submission of the declaration of corporate income tax as well as the newly created taxpayers within 20 working days from the date of creation must submit to the tax authority calculation of the estimated amount of advance payments payable during the fiscal period
- The taxpayer is entitled to a tax period is to introduce an additional payment of advance payments for the months of the tax period, except for advance payments to be paid to the submission of the declaration for the previous tax period