

THE ADOPTION OF TAX AND OTHER BENEFITS TO ALLEVIATE THE CRISIS SITUATION IN THE COUNTRY DUE TO THE COVID-19

The Presidential Decree “**On additional measures to support the population and business entities during the coronavirus pandemic**”¹ has been signed to alleviate the crisis situation in the country caused by the COVID-19. The Decree includes a number of benefits to support the population and businesses. Some of the benefits will be extended until the end of this year.

1. Thus, starting from April 1 till October 1, it is set:
 - All cash and goods (services) are considered as deductible expenses when calculating income tax, and goods (services) are also exempt from value added tax and are not included in the object of taxation for turnover tax, if they are transferred free of charge to: funds and the population in need of social support;
 - Citizens can get an interest-free deferred payment of personal income tax on income from renting housing to individuals and non-residential premises to business entities whose activities are suspended due to COVID-19. The deferred amount is payable in equal installments by April 1, 2021;
 - the amount of interest income accrued and deferred by leasing companies on leasing is not included in the total income when calculating income tax during the deferred period;
 - the current credit agreements of business entities are subject to the procedure for compensation of interest expenses by the State Fund for business support.
2. The amount of financial assistance that is not taxed on personal income will increase from 4.22 to 7.5 of minimum wage (MPOT). In monetary terms, this is from 2866772 UZS (approx. 281 USD) to 5094975 UZS (approx. 499 USD).
3. All amounts owed by pensioners for overpaid pensions as of April 20 will be written off, which means that pensioners will not have any debts.
4. From May 1, 2020, payments for working pensioners will be paid directly by the non-budgetary Pension Fund.

From April 27, till December 31, 2020, the term for granting interest-free deferrals (installments) for the payment of taxes on a simplified basis was extended. State authorities (khokimiyats) were allowed to independently determine the period during which the amount of deferred taxes will be paid in the future (it should not be more than 2 years).

© 2020 Unicase Law Firm

Unicase Law Firm thanks you for attention and hopes that this information will be useful to you. The information contained in this publication is provided in a



¹ PD “On additional measures to support the population and business entities during the coronavirus pandemic” from 27.04.2020

condensed form and is intended only for general knowledge of the Clients. Please note that this information can not be considered as a legal analysis and serve as a basis for making a professional judgment. The Unicase Law Firm is not liable for damage caused to any person as a result of an action or refusal to act on the basis of the information contained in this publication.

OUR SERVICES:

- Corporate Services
- Technologies
- Subsoil use
- Energy and Renewables
- PPP and Infrastructure
- Dispute resolution and arbitration

asiaLaw
PROFILES

THE
**LEGAL
500**

CHAMBERS
AND PARTNERS

IFLR
1000

- **ALMATY**

BC "Nurly-Tau"
Al-Farabi ave. 19
Block 1B, Office 204
Kazakhstan 050059

- **TASHKENT**

Said Barak st. 18, office 22
Uzbekistan 100060