



Responding to COVID-19: BRITACOM PERSPECTIVE, 2 June 2020

Script of speech

**Mr. Marat Sultangaziyev, Chairman, State Revenue Committee of the Ministry of
Finance of the Republic of Kazakhstan**

Honorable Chairman of the Council, Mr. Wang Jun, Dear colleagues, good evening!

I am glad to welcome you to the virtual conference in full health and well-being.

As you know, Kazakhstan, country of the Vice-Chairman of the Council, planned to hold the Second Belt and Road Initiative Tax Administration Cooperation Forum from May 19-21 of this year.

Unfortunately, the coronavirus which is ravaging the world as we speak is forcing us to change our plan.

The pandemic is plaguing every sphere of our lives, inflicting hardships upon enterprises, in particular.

It is also gratifying to note that all countries are making maximum efforts to support businesses in this situation. Kazakhstan also plays our part.

Please allow me to share with you our experience in helping taxpayers during the pandemic.

The main goal of the ongoing supportive measures is to help businesses cope with the situation and, subsequently, after the end of the pandemic, get on their feet with ease.

We have taken a number of urgent measures for small and medium-sized enterprises aimed at maintaining favorable business environment, including:

- Exemption of property tax;
- Exemption of land tax on agricultural land;
- Applying zero rate to individual income tax;
- Reducing VAT rate for sales and imports of essential goods from 12% to 8%;
- Exemption of excise taxes for refineries selling gasoline and diesel fuel for export;
- Exemption of customs duties on light petroleum products for exportation;
- Exemption of relevant taxes and payments (including social tax, individual income tax, compulsory pension contribution and compulsory medical insurance).

Supportive measures have also been taken in the field of tax administration:

- Extending deadlines for filing tax returns;
- Suspending tax audits and review on cases of violation of administrative law for the period of emergency;



-Exempting SMEs from fines and late-payment interest on the tax payment and other compulsory social security contributions that have been allowed to be deferred;

-VAT for non-residents on maintenance and legal support of aircraft leasing transactions has been allowed to be paid by the end of this year.

In general, the work of the fiscal authorities aims at preventing crime through remote analysis.

It is worth noting that tax authorities and businesses of Kazakhstan have been working together and able to respond to the challenges.

We have been forced to leave workplace and work remotely. But our information system and human resources enable us to re-arrange the work smoothly.

To some extent, we need to give heed to the positive impacts of restrictive measures:

-For example, we have learned to quickly and efficiently provide many services in electronic format remotely;

-We have avoided the long queues in tax offices and physical contacts between tax officials and businesses.

It is no doubt that digitalization and development of information systems are essential for us to communicate with each other freely and quickly.

That's why we are able to put all these together for today's meeting.

Moreover, information systems have given us the opportunity to continue our cooperation, despite of the restrictive measures in the world to contain the pandemic.

Besides, the State Revenue Committee sent several inquiries to the State Taxation Administration of China and received timely responses. Taking this opportunity, I want to express my gratitude to STA for supporting our work.

We all understand that the exchange of information, experience and best practices contributes to the improvement of tax administration.

Therefore, Kazakhstan, as before, stands ready to strengthen cooperation, both bilaterally and within the framework of BRITACOM.

Indeed, the mission of tax authorities is not only to collect taxes, but also to ensure fairness, so as to facilitate the development of businesses.

I believe this has been embodied in measures taken by the Government of Kazakhstan during the pandemic.

We are confident that measures aimed at countering the pandemic, coupled with coordinated international cooperation, will help us overcome the after-effects of COVID-19 and avoid global economic shocks.

In conclusion, please allow me to express my gratitude to the Secretariat for hosting the virtual conference and to all parties for your support during this trying times.



I hope to welcome you to participate in the Second Belt and Road Initiative Tax Administration Cooperation Forum which will be held in May 2021, in Kazakhstan.

Thank you!

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