

# FLASH REPORT

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This flash report is produced by PricewaterhouseCoopers' tax and legal services department.

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## Tax privileges for energy saving activities

•Starting from 1 January 2008 tax privileges on energy saving activities will come into force:

- VAT and customs duty exemption on import of energy saving and alternative energy supplying equipment (Equipment);

- CPT exemption on income from sales of Equipment manufactured in Ukraine if the income is reinvested in the production;

- up to 50% exemption of taxable profit of the entities considered by the state authorities to be involved in the development, implementation or utilisation of energy saving projects.

•The list of exempt Equipment, respective import quotas and procedure of claiming for these exemptions will be developed by the Cabinet of Ministers of Ukraine.