

Flash Report

Ukraine • Issue 14 /2010 • 18 May 2010

Changes in taxation of dividends



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Taxation of dividends

Yesterday the President of Ukraine signed the Law # 2156-VI (the "Law") which introduces the following new rules for taxation of dividends:

- Dividends received by Ukrainian companies from foreign companies controlled by these Ukrainian companies (except for those having "offshore status") are exempt from corporate income tax;
- Dividends distributed by Ukrainian companies to the extent of dividends received from companies under their control are not subject to advance corporate income tax.

The Law will enter into force after its official publication, which is expected within 15 days.