

Flash Report

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0% VAT rate has been re-introduced on the export of grain and industrial crops



Contacts:

Ron Barden

Partner & TLS Leader
ron.j.barden@ua.pwc.com

Rob Shantz

Legal Partner
rob.shantz@ua.pwc.com

Slava Vlasov

Partner, Tax and Legal Services
slava.vlasov@ua.pwc.com

Viktoriya Tymoshenko

Manager, Indirect Tax Services
viktoriya.tymoshenko@ua.pwc.com

PwC Ukraine

75 Zhylyanska Street, Kyiv, 01032
Tel: +380 44 490 6777
Fax: +380 44 490 6738

www.pwc.com/ua

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0% VAT rate has been re-introduced on the export of grain and industrial crops

On 20 October 2011, the Ukrainian Parliament has adopted Law № 8521, which introduces amendments to the Tax Code of Ukraine.

According to the Law, starting from 1 January 2012, a 0% VAT rate will be applicable to the export of grain crops and industrial crops by agricultural producers, and entities which purchase such grain crops and industrial crops directly from agricultural producers.

The return of taxable status to export transactions will allow grain-traders to claim refunds of incurred input VAT.

Currently, the export of grain crops and industrial crops (except for rice and buckwheat) is VAT-exempt.

The Law has not yet been signed by the President. Provided it is signed by the President and officially published, the above provisions will come into force as of 1 January 2012.

We will keep you informed about further developments related to this matter.