

# Flash Report

Ukraine • Issue 15/2013 • 24 April 2013

## ***New Ukraine-Ireland Tax Treaty***

### **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

#### **Svetlana Bilyk**

Director, Tax and Legal Services  
svetlana.bilyk@ua.pwc.com

#### **PwC Ukraine**

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

[www.pwc.com/ua](http://www.pwc.com/ua)

This flash report is produced by PricewaterhouseCoopers' tax and legal services department. The material contained in this alert is provided for general information purposes only and does not contain a comprehensive analysis of each item described. Before taking (or not taking) any action, readers should seek professional advice specific to their situation. No liability is accepted for acts or omissions taken in reliance upon the contents of this alert.

© 2013 Limited liability company «PricewaterhouseCoopers». All rights reserved. PwC refers to the Ukrainian member firm, and may sometimes refer to the PwC network. Each member firm is a separate legal entity. Please see [www.pwc.com/structure](http://www.pwc.com/structure) for further details.



### ***New Tax Treaty signed with Ireland***

On 19 April 2013, a new tax treaty between Ukraine and Ireland and a protocol to the treaty were signed.

The treaty introduces the following withholding tax (WHT) rates:

Type of income	WHT rate
Dividends	<ul style="list-style-type: none"><li>• 5%, if 25% ownership threshold is met</li><li>• 15% in other cases</li></ul>
Interest	<ul style="list-style-type: none"><li>• 5%, if interest is paid (i) in respect of any loans granted by a bank, or (ii) in connection with the sale on credit of any industrial, commercial or scientific equipment</li><li>• 10% in other cases</li></ul>
Royalties	<ul style="list-style-type: none"><li>• 5%, if royalties are paid for the right to use any copyright to scientific work, any patent, trade mark, secret formula or process, or for information concerning industrial, commercial or scientific experience</li><li>• 10% in other cases</li></ul>

The new treaty sets forth the beneficial ownership requirement in order to enjoy reduced WHT rates on dividends, interest and royalties.

To become effective, the treaty needs to be ratified by the parliaments of the two states. If such ratification happens before 31 December 2013, the new treaty will apply from 1 January 2014.

We will continue monitoring the status of the tax treaty and will provide further updates.