

# Flash Report

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## ***Transfer pricing: amendments to advance pricing agreement procedure***



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## ***Changes to the Advance Pricing Agreement procedure adopted***

On March 29, 2017 the Cabinet of Ministers of Ukraine (the CMU) approved changes to the so-called Advance Pricing Agreement\* (further – “APA”) procedure for transfer pricing purposes.\*

The key changes adopted by the CMU are as following:

1. The term for which the APA may be concluded was extended from the current 3 to 5 calendar years.
2. The APA may now come into effect either on a date agreed with the tax authorities or starting from January 1 of the year following the year in which the APA was concluded.
3. The taxpayer may now agree with tax authorities the form and term for submitting the report on the APA's execution.

The changes will become effective on April 10, 2017.

### **PwC commentary:**

The proposed change will be an improvement, that will make the conclusion of an APA more beneficial.

We will keep you updated on further changes in respect of TP legislation.

For more information on the APA procedure please see our Flash Report #34 dated 24 July 2015.

*\*The CMU Resolution No. 194 dated 29 March 2017.*