

Flash Report

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Ukraine-Ireland Double Tax Treaty was adopted

Contacts:

Camiel van der Meij

Partner

Tax and Legal Services

camiel.van.der.meij@ua.pwc.com

Slava Vlasov

Partner

Tax and Legal Services

slava.vlasov@ua.pwc.com

Yaroslav Guseynov

Director

Tax and Legal Services

yaroslav.guseynov@ua.pwc.com

Oksana Borovets

Senior Manager

Tax and Legal Services

oksana.borovets@ua.pwc.com

PwC Ukraine

75 Zhylyanska Street, Kyiv, 01032

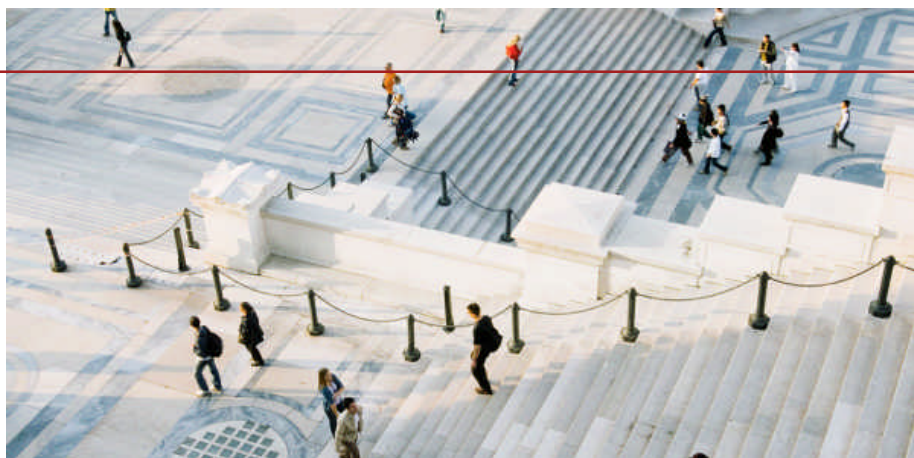
Tel: +380 44 354 0404

Fax: +380 44 354 0790

www.pwc.com/ua

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The law ratifying the Ukraine-Ireland Double Tax Treaty was adopted

On 15 July 2015 Parliament passed the law ratifying the double tax treaty between Ukraine and Ireland.

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

Type of income	WHT rate
Dividends	<ul style="list-style-type: none">• 5%, if the 25% ownership threshold is met• 15% in other cases
Interest	<ul style="list-style-type: none">• 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• 10% in other cases
Royalties	<ul style="list-style-type: none">• 5%, if royalties are paid for the right to use any copyright to scientific work, any patent, trademark, secret formula or process, or for information concerning industrial, commercial or scientific experience• 10% in other cases

We are aware that Ireland has already finished the procedure of ratification of the double tax treaty.

Thus, the tax treaty ratification process will be completed after the law on ratification will be signed by the President of Ukraine and the exchange of ratification letters between Ukraine and Ireland occurs. If this happens before 31 December 2015, the new treaty will apply from 1 January 2016.

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