



The deadline for submission of the Notification on participation in a multinational enterprise group is approaching (annual transfer pricing reporting)

Contacts

Michael Ahern
Partner,
Tax & Legal Services
michael.ahern@pwc.com

Timur Zhursunov
Partner,
Tax & Legal Services
timur.zhursunov@pwc.com

Nursultan Nurbayev
Director,
Transfer Pricing Services
nursultan.nurbayev@pwc.com

Inkar Yessimova
Manager,
Transfer Pricing Services
inkar.yessimova@pwc.com

Elvira Haliulina
Manager,
Transfer Pricing Services
elvira.haliulina@pwc.com

If you are interested in additional information, please contact us.



Briefly

The deadline for submitting a Notification on participation in a multinational enterprise group ("CbCR Notification") for 2021 runs out on 1 September 2022.

The CbCR Notification should be submitted electronically. Submission of the CbCR Notification in a paper format is acceptable but only if electronic filing is not possible.

In details

We would like to remind you about the approaching deadlines for filing the CbCR Notification which is mandatory for submission to the Kazakh tax authorities by participants of multinational enterprise groups ("MNE Groups").

Submission deadlines

- The CbCR Notification is submitted on an **annual basis**;
- The submission deadline for 2021 is **before 1 September 2022**;
- The deadline does not apply to the submission of an **amended** Notification.

Who is required to provide the reporting data

An obligation for submission of the CbCR Notification to the authorized bodies is imposed to those participants of the MNE Groups which are subject to file any of the following types of transfer pricing reports: Local file, Master file and Country-by-Country Report. Taking into account the planned amendments to the TP Law, It is important to note that in the future all participants of the MNE Groups will be obliged to submit the CbCR Notification.

Changes to rules for filing the CbCR Notification

On 3 June 2022 came into force changes to the form and rules for filing the CbCR Notification. In particular the rules prescribe that in case of absence of software or detection of technical errors in the software of the tax authorities the participant may submit the CbCR Notification **in a paper format**. Thus, when submitting the Notification on paper, in order to avoid the risk of its non-acceptance, it is recommended **to provide the justification for impossibility of filing the Notification electronically**. Considering the above mentioned we recommend to submit the CbCR Notification electronically.

Responsibility for non-submission/incomplete submission

Please note that in case of non-submission or incomplete submission of the CbCR Notification, the legislation imposes an administrative fine of up to 500 MCI (~3,000 USD). The amount of the fine is not material, however, we note that this fact may attract attention of tax authorities, who may initiate a desk audit or a tax inspection regarding TP issues.

How can we help

We are ready to provide all the necessary consulting support to your company on this issue, to help with preparation of the CbCR Notification and support with its further submission to the authorized tax authority via the SONO tax reporting system.