

Suppliers Due Diligence (Updated Pilot Project)

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



Briefly:

On October 16, 2023, the draft Order "On approval of the Rules and timeline for implementation of a pilot project for taxpayers to exercise tax due diligence" (pilot project) was submitted for public discussion.

Public discussion within the framework of which it is possible to send the suggestions and additions to the pilot project will last until October 31, 2023.

In detail:

10n October 16, 2023, the Ministry of Finance published an updated draft Order regarding the Rules for Due Diligence by Taxpayers (as part of a pilot project).

The draft Order provides for a procedure for taxpayers to exercise due diligence.

The pilot project is expected to be implemented from January 1, 2024 to January 1, 2025, and the participation of taxpayers -buyers in the pilot project is carried out exclusively on a voluntary basis.

Main changes in the updated pilot project:

- division of suppliers based on the results of generating a report in the system (https://kyc.kz/) into the "green" zone (low risk) and the "red" zone (high risk);
- deadlines have been established for exercising tax due diligence (generating a report in the system):
 - no earlier than 10 working days before the transaction date:
 - for long-term transactions a quarter before signing the act of acceptance (including interim acts);
 - in case tender procedures are carried out no earlier than 10 working days before the tender results are finalised.
- upon receipt of a supplier due diligence report from a taxpayer, the tax authority must:
 - assign the taxpayer at least 4 positive points in the RMS;
 - take into account the report as one of the circumstances of disagreement of the person who provided an explanation for the desk control notification:
 - do not submit statements of claim to the judicial authorities to invalidate transactions in relation to suppliers from the "green" zone.



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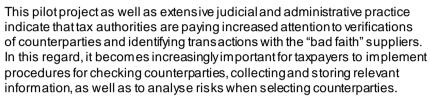
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Are you interested in this topic?

B We have automated solutions at our disposal that allow us to carry out mass diagnostics of a large number of your suppliers to identify potential risky transactions and (or) counterparties. Based on the screening results, work can be carried out to reduce the identified risks.

Furthermore, taking into account the established judicial practice, as well as our relevant international experience, we can diagnose the effectiveness of the organization of the related functions and procedures of your company and suggest steps to improve them.

