



# Switzerland-Kazakhstan Double Tax Treaty to be updated with MLI-compliant provisions

## Contacts

### Elena Kaeva

Partner  
Tax and Legal Services  
elena.kaeva@pwc.com

### Timur Zhursunov

Partner  
Tax and Legal Services  
timur.zhursunov@pwc.com

### Alexey Zhukov

Director  
Tax Services  
alexey.zhukov@pwc.com

### Anna Levina

Manager  
Tax Services  
anna.levina@pwc.com

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

## In brief

There is a draft law which is under the public discussion aiming to modify the Double Tax Treaty between Switzerland and Kazakhstan ("DTT") through the signing of an additional Protocol between the two states.

The objective of this Protocol is to bring the DTT in line with The Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting ("MLI").

## In details

The primary changes anticipated for the DTT include:

- Modifying the DTT's preamble in order to eliminate double taxation without creating opportunities for non-taxation or reduced taxation through tax evasion or avoidance.
- Limitation related to entitlement to benefits granted by the DTT by passing the "principle purpose test" ("PPT").

In this regard, if these amendments are approved, it will become essential to assess their impact on the taxation of transactions involving tax residents of Switzerland, considering the stipulations outlined in Articles 666 and 667 of the Kazakhstan Tax Code.

## Are you interested in this topic?

If you are interested in additional information and would like to discuss how the potential amendments to the DTT can impact your business, please contact us.