



Amendments to the Transfer Pricing Law were approved

Contacts

Timur Zhursunov

Partner,
Tax, Legal and People
timur.zhursunov@pwc.com

Elena Kaeva

Partner,
Tax, Legal and People
elena.kaeva@pwc.com

Nursultan Nurbayev

Director,
Tax, Legal and People
nursultan.nurbayev@pwc.com

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

On 18 July 2025, the President of the Republic of Kazakhstan adopted the Law of the Republic of Kazakhstan "On Amendments and Additions to Certain Legislative Acts of the Republic of Kazakhstan on Taxation Issues", which among others, includes amendments and additions to certain legislative acts on transfer pricing issues (the "TP").

Below are the main changes aimed at strengthening control over TP.

- **Introduction of the new principle of substance over form** comparing the terms of controlled transactions involving intangible assets with market terms and conducting a functional analysis. The proposed article aims to provide a more detailed analysis of transactions involving intangible assets, paying particular attention to the concrete actions of the parties, the functions performed and the risks assumed, in order to ensure a fair distribution of income and compliance with market conditions. This new principle may provide an opportunity for tax authorities to challenge the subject or terms of controlled transactions, which may affect the conclusions about the compliance of prices in controlled transactions with market prices.
- **Reduction of the period for providing information and documents** justifying the transaction price at the request of authorized bodies from **90 to 30 days**.
- **Introduction of the definition of a "risk-free interest rate" for tenge, euro, dollar and other currencies**. Given this definition, it is likely that tax authorities will pay more attention to financial transactions to ensure that interest rates comply with the legislation requirements, taking into account the risk-free rate. Also, given the fixation of the risk-free rate, it is important for taxpayers to justify which risk factors are taken into account in the financial transaction and how they affect the amount of the premium.
- **Introduction of the definition of "intangible asset"**. The amendment proposes the introduction of a new definition of an intangible asset as an identifiable non-monetary asset that is an object of intellectual property, in accordance with the regulatory legal acts of the Republic of Kazakhstan.

The amendments will come into force on January 1, 2026.

The changes are aimed at tightening TP regulations and may lead to uncertainty in practical application. Therefore, we recommend conducting an analysis of contracts and the actual terms of controlled transactions, preparing the necessary documentation, and/or making appropriate adjustments to contractual arrangements and pricing, if necessary.

Contacts

Timur Zhursunov

Partner,
Tax, Legal and People
timur.zhursunov@pwc.com

Elena Kaeva

Partner,
Tax, Legal and People
elena.kaeva@pwc.com

Nursultan Nurbayev

Director,
Tax, Legal and People
nursultan.nurbayev@pwc.com

How can we help you?

We will be happy to discuss with you the amendments and their impact on your business, as well as to perform short diagnostics of your obligations arising under TP considering taking into account the introduced amendments and provide the necessary consulting support. You may send our team a separate request following the [link](#) on our website.

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