

Flash Report

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Deadline for 2013 TP reporting



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Report on controlled transactions for the year 2013 is deferred to 1 October 2014

On 13 May 2014 Parliament passed the Law*, which envisages the following important changes in the transfer pricing regulations:

- postponement of the deadline for 2013 reporting on controlled transactions from 1 May 2014 to 1 October 2014;
- significant reduction of penalties for non-reporting: 100 minimum wages as of 1 January of the reporting year for non-filing of the report on controlled transactions, and 10 minimum wages as of 1 January of the reporting year for non-filing of the transfer pricing documentation;
- the fines for transfer pricing adjustments will constitute UAH 1 for the period from 1 September 2013 until 31 December 2014;
- the fines for transfer pricing self-adjustments for the period from 1 September 2013 until 31 December 2014 will not apply.

As a result, companies that filed a report on controlled transactions by 1 May 2014 need not take any action; however, they can amend their returns with no penalty.

We will continue monitoring this issue and keep you updated on further developments in this area.

** The Draft Law "On changes to the Tax Code of Ukraine in respect of the reporting period on transfer pricing" No. 4527 dated 24 March 2014.*