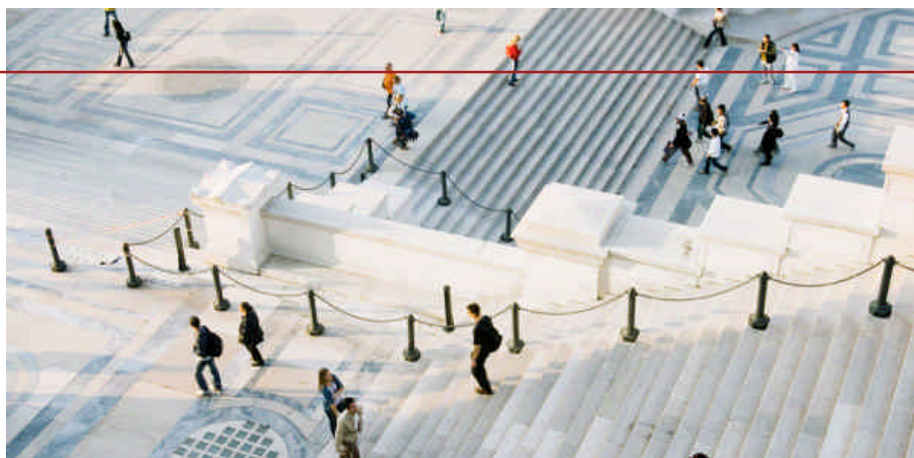


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Certain CPT incentives to be abolished



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Changes to the Tax Code in respect of CPT

Yesterday, the Parliament of Ukraine passed the Law* introducing changes to the Tax Code.

Some CPT incentives will be abolished. This will result in following:

- Taxable gains on the sale of securities will be subject to the standard CPT rate of 18% (instead of the reduced CPT rate of 10%).
- Power generating companies that receive profit from the generation of electric energy from renewable energy sources, as well as three, four, and five stars hotels, will not be entitled to benefit any more from the CPT exemption.
- CPT exemption for profit of investment funds will no longer apply to interest income, obtained by such funds.

The Law* should enter into force starting from the next day following the day of its official publication.

**The Draft Law # 4309a dated 21 July 2014*