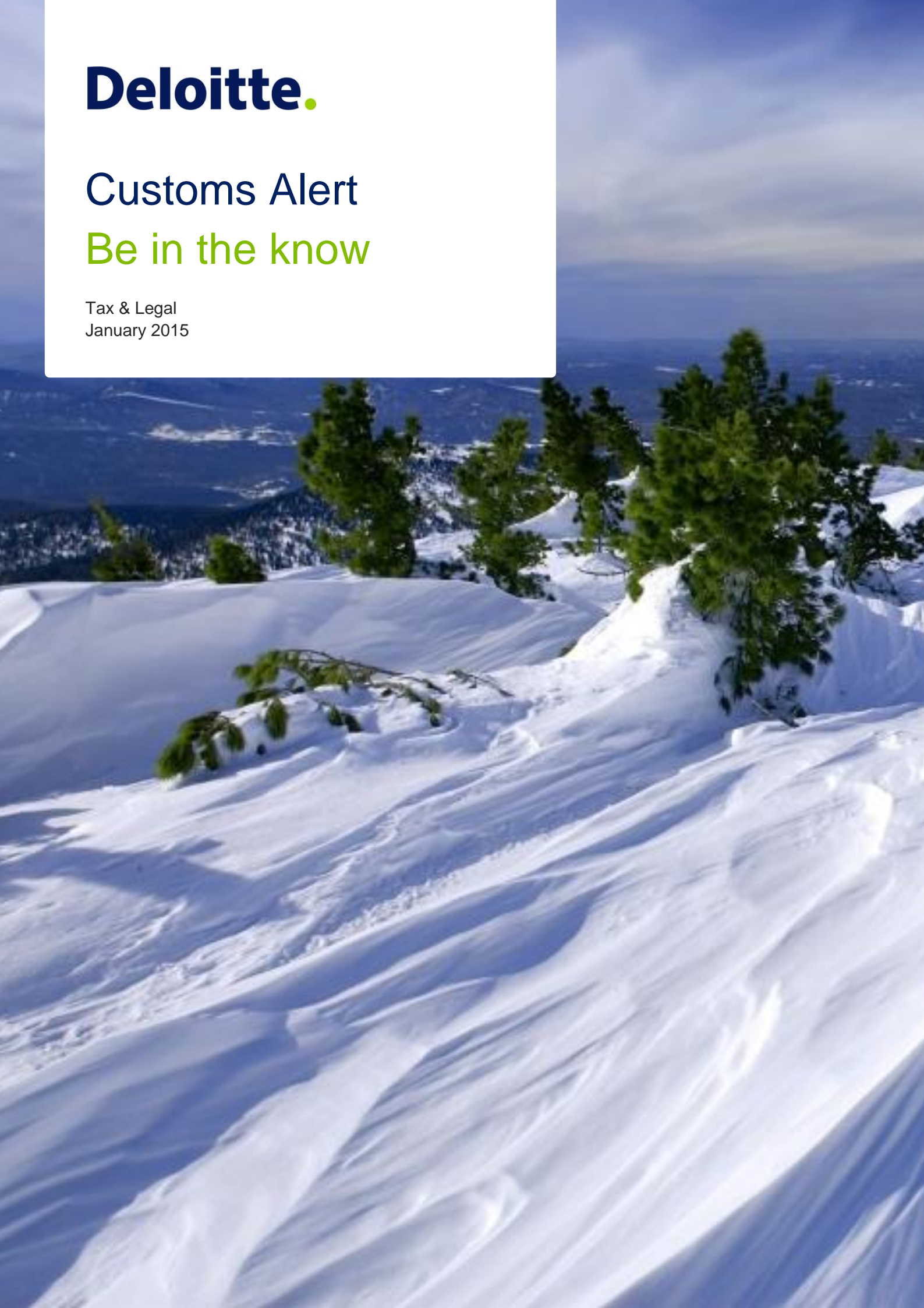


The Deloitte logo, consisting of the word "Deloitte" in a bold, dark blue sans-serif font, followed by a small green dot.

Customs Alert

Be in the know

Tax & Legal
January 2015



1. General

In this Customs Alert, we provide a brief summary of new documents adopted during sessions of the Eurasian Economic Commission (the “EEC”) within the framework of the Eurasian Economic Union (the “EEU”) between Belarus, Kazakhstan, Russia and Armenia, and published on the official website of the EEU <http://eaeunion.org/> and EEU legal portal <http://docs.eaeunion.org/ru-ru/>. Also, we offer you a summary of new Kazakhstan regulatory legal acts dealing with international trade.

2. Eurasian Economic Union

Protective measures in relation to wrought steel bars for metal-rolling mills

EEC Board Resolution № 3 dated 20 January 2015 has extended anti-dumping measures in relation to wrought steel bars originating from Ukraine and imported into the EEU for metal-rolling mills, and classified as 8455 30 310 1, 8455 30 310 9, 8455 30 390 1 and 8455 30 390 9 EEU FEA CN until 25 June 2019.

Anti-dumping duties are 26% of the customs value of imported goods.

The Resolution enters into force 28 February 2015.

Amendments to the EEU Common Customs Tariff

The table below shows a number of EEC Resolutions regarding the EEU Common Customs Tariff:

EEC Board Resolution No., publication date	EEU FEA CN code	Brief description of goods	Import customs duties
1 ¹ 21 January 2015	0804 10 000 0	Dates	5%
2 ² 21 January 2015	8421 39 800 2	Separators	4.7%
	8603 90 000 0	Railway wagons	5%
	8605 00 000 8		10%
4 ³ 28 January 2015	3105 30 000 0	Hydrogen phosphate diammonium (diammonium phosphate)	6.5%
	7103 10 000 1	Jadeite	10%
	7103 10 000 9		10%
	7103 99 000 1		15%
	7103 99 000 9		15%
	7104 20 000 1		18%
	7104 20 000 9		18%
	7104 90 000 1		17.6%
	7104 90 000 9		17.6%

More detailed information on these changes can be found on the EEC official website and EEU legal portal.

¹ Resolution excludes positions 0804 10 000 1 and 0804 10 000 9. Resolution enters into force 20 February 2015.

² Resolution excludes positions 8603 90 000 1, 8603 90 000 9, 8605 00 000 4 and 8605 00 000 9. Resolution enters into force 20 February 2015.

³ Resolution excludes positions 7103 10 000 0, 7103 99 000 0, 7104 20 000 0 and 7104 90 000 0 and enters into force at the end of 30 calendar days from its official publication.

3. Republic of Kazakhstan

Law № 269-V dated 29 December 2014 On the Introduction of Amendments and Additions to Certain Legislative Acts of the Republic of Kazakhstan regarding Cardinal Improvements to Business Conditions in the Republic of Kazakhstan

The Law amends 11 Codes, 94 Laws and makes other improvements to business conditions in Kazakhstan. Below, we provide an overview of the main changes to tax and customs law.

Tax Regulation

A new article 51-3 has been added to the Tax Code changing the import VAT and excise duty payment deadlines for goods released into domestic circulation. The exception is excise duties on goods that require excise duty stamps under the Tax Code. The payment deadline for indirect taxes changes if:

1. customs clearance documents stipulated by customs law are filed with the customs authorities
2. in accordance with a risk management system an entity has not been prohibited from changing the deadline for paying indirect taxes

The deadline for changing the deadline for paying indirect taxes is permitted if the tax authorities enter the amount of tax for payment in a personal account by the 20th of the month following the month in which goods are released.

At an Association of Taxpayers of Kazakhstan roundtable held in Astana on 22 January 2015, the tax authorities announced that the change in the indirect tax payment deadline for imports extends to entities included in the list of major taxpayers subject to monitoring under tax law⁴.

Customs regulation

Classification of goods. During a customs audit, the customs authorities are entitled to review the classification of goods after they have been released, if:

1. it has been established that documents provided by the declarant for customs declaration are inaccurate or incomplete, and if this has led to the incorrect classification of the goods
2. it has been proved that a customs official incorrectly classified the goods before they were released. If this is the case, the declarant would not be subject to administrative accountability

The deadline for paying customs duties and taxes will be day of acceptance of the revised customs authority decision on the classification of goods.

If additional documents required to classify goods are not filed by the established deadlines, the customs authorities will release the goods if the payment of customs duties and taxes has been secured. The validity of this type of security, which should be no less than 40 calendar days from the date goods are released, has been extended.

In-house customs audit. Another introduction is the in-house customs audit, which may be carried out in line with the application of the risk management system.

If a customs declaration is filed electronically, the customs authorities are entitled to request the documents referred to in it. The deadline for filing these documents is five working days from that following the day the request is made.

⁴List approved by Government Resolution № 1434 dated 31 December 2014.

If after an in-house audit the customs authorities declare a transgression in a customs declaration, the entity being audited will be entitled to correct it. At the same time, the declarant will not be made accountable provided it corrects any transgressions within 10 working days of the day following that on which notification was served.

Filing of documents for the customs declaration of goods. The Law has reduced the list of documents to be filed for the customs clearance of goods when using a hard copy customs declaration. The newly worded list of obligatory documents is shown below:

1. an invoice, if an invoice is not available, then a document confirming the conclusion of a foreign economic transaction
2. a transportation document (document of carriage), depending on the mode of transport used

In addition, a document confirming payment of customs charges and taxes has been removed.

Declarant's responsibility. The Law establishes that declarants cannot be made accountable according to the Code of Administrative Offences of the RoK for:

1. changing codes if goods have been reclassified because it has been proven that a customs official incorrectly classified the goods in question before they were released
2. correcting transgressions discovered by an in-house customs audit themselves within 10 working days of the day following that on which in-house customs audit notification was received to correct transgressions
3. discovering and voluntarily correcting transgressions themselves within one year of the release of goods and before a field or on-site customs audit is started.

The above provisions of the Law entered into force from 1 January 2015.

4. Dear Clients,

Please contact us should you have any questions regarding the application of Customs Union or Kazakhstan customs law.

The Deloitte customs group provides services specifically designed to assist those performing foreign economic activities understand and apply statutory rules and regulations concerning the import and export of goods. We have a team of experts to work on our engagements who have both theoretical and practical customs knowledge, which, in our opinion, is the key to a quality and professional job.

We are always glad
to be of assistance!

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