



Customs Alert

Waybills for goods

Important customs and tax law changes that may impact your business

On 31 December 2019 the Ministry of Finance issued Order No. 1424 from 26 December 2019 approving a list of goods requiring waybills and the corresponding rules on how to complete them.

In this alert we will be providing what we think are the most important points around the introduction of waybills for goods.

So, a good place to start would be to ask what waybills for goods are, what they are used for and how they are completed.

First of all, the State Revenue Committee has said that the new waybill rules should provide end-to-end traceability for specific products.

According to the rules, waybills for goods are completed by suppliers (for imports - by recipients) using the form in Appendix 1 to the Rules, through the e-invoice data system ("IDS") "Virtual Warehouse" module, in Kazakh or Russian, signed using a digital signature as prescribed for electronic invoices and the Law dated 7 January 2003 *On Electronic Documents and Electronic Digital Signatures*.

Waybills for goods are completed electronically, except when taxpayers are entitled to do so in hard copy for specific reasons. However, the version in the IDS is recognised as the original, which is why all waybills should be entered into the system.

What you need to know

1. Purpose of waybills for goods for tax and customs administration purposes

Waybills for goods are used for tax purposes, and in tax and customs administration as a:

- shipping document, including one confirming the shipment of goods to a taxpayer;
- primary accounting document.

In Order No. 379 from 13 April 2020, the Ministry of Finance has amended Order No. 1424 from 26 December 2019 approving the goods requiring waybills and the rules for registering them, setting a new deadline for the introduction of waybills for goods.

2. List of goods and the introduction of the completion of waybills for goods:

- biofuel, whose production and turnover is regulated by the Law dated 15 November 2010 *On the State Regulation of the Production and Turnover of Biofuels* - **from 1 July 2020**;
- ethyl alcohol and/or alcohol products, whose production and turnover is regulated by the Law dated 16 July 1999 *On the State Regulation of the Production and Turnover of Ethyl Alcohol and Alcoholic Products* - **from 1 July 2020**;
- certain types of petroleum products, whose production and turnover is regulated by the Law dated 20 July 2011 *On the State Regulation of the Production and Turnover of Certain Types of Petroleum Products* - **from 1 July 2020**;
- tobacco items, whose production and turnover is regulated by the Law dated 12 June 2003 *On the State Regulation of the Production and Turnover of Tobacco Items* - **from 1 July 2020**;
- goods whose Eurasian Economic Union Foreign Economic Activity Commodity Nomenclature (EAEU FEA CN) code and name are included in a list of goods for which Kazakhstan, in accordance with its World Trade Organisation (WTO) obligations, applies import customs duties lower than EAEU Integrated Customs Tariffs approved in accordance with an international treaty to which Kazakhstan is a party - **from 1 January 2021**;
- goods imported into Kazakhstan from EAEU member countries - **from 1 July 2020**;

- goods exported from Kazakhstan to EAEU member countries - **from 1 July 2020**;
- goods that should be labelled in accordance with international agreements and Kazakhstan law - **from 1 January 2021**;
- goods whose EAEU FEA CN and whose name are included in a list of goods for which Kazakhstan, in accordance with its WTO obligations, applies import customs duties lower than EAEU integrated customs tariffs, approved in accordance with an international treaty to which Kazakhstan is a party, and for which electronic invoices are issued through the IDS "Virtual Warehouse" module - **from 1 July 2020**.

3. Waybills for goods are completed:

- **when moving**, selling and/or shipping goods in Kazakhstan;
- **when importing** goods into Kazakhstan from non-EAEU countries and EAEU member countries;
- **when exporting** goods from Kazakhstan to non-EAEU countries and EAEU member countries.

4. Waybill completion deadlines

The deadlines for completing waybills for goods are as follows:

1. when moving, selling and/or shipping goods in Kazakhstan:

- no later than the moving, sales and/or shipping date.

2. when importing goods into Kazakhstan:

From non-EAEU countries:

- no later than the day following the day goods are introduced into free circulation;

From EAEU member countries:

- no later than the day preceding the day goods cross the Kazakhstan state border.

3. when exporting goods from Kazakhstan to non-EAEU countries and EAEU member countries:

- no later than the moving, sales and/or shipping date.

5. Registration, correction and revocation of waybills for goods

Waybills for goods should be confirmed or rejected by the recipient within 20 calendar days of their IDS registration date.

Recipients are not required to confirm waybills for goods:

- when selling goods for export;
- when selling goods to individuals who are not individual entrepreneurs.

Correcting waybills for goods:

- Amendments and/or additions to a previously issued waybill for goods that do not entail replacing the supplier and/or recipient of goods, will involve cancelling the previously issued waybill for goods.

Revoking waybills for goods:

- Waybills for goods can be revoked without issuing a new waybill for goods;
- Incomplete and/or inaccurate waybills for goods may be cancelled or recalled by the supplier (for imports – by the recipient) within 5 working days of their registration date, if they have not been confirmed or rejected by the recipient.

6. Waybill for goods currency

When moving goods in Kazakhstan and when exporting to outside of Kazakhstan, waybills for goods are completed in tenge, except for the following cases, when it is possible to complete in a foreign currency:

- for transactions (operations) to sell goods concluded (performed) under a production sharing agreement (contract);
- for transactions (operations) to sell goods for export, which are subject to 0% VAT in accordance with articles 386, 446 and 449 of the Tax Code;
- for sales turnover taxable at 0% VAT, in accordance with point 3 of article 393 of the Tax Code;
- when importing goods into Kazakhstan, waybills for goods are completed in tenge or the invoice currency.

7. Administrative liability

The Code on Administrative Offences stipulates liability for failing to complete or provide a waybill for goods.

Article 283-1. Failure to submit or the late submission of waybills for goods; incorrect name and quantity (volume) of goods in waybills, and incorrect reference in waybills for goods to personal identification numbers-codes for petroleum products, tobacco items, ethyl alcohol and alcoholic products, and biofuels

1. A failure to submit or a late submission of waybills for goods:

entails a fine on individuals of 5, small businesses or non-profit organisations of 10, on medium-sized businesses of 20, and on large businesses of 30 times the monthly calculation index.

2. The action stipulated in part one of this article committed repeatedly within a year after the imposition of an administrative penalty:

entails a fine on individuals of 10, on small businesses or non-profit organisations of 20, on medium-sized businesses of 40, and on large businesses of 60 times the monthly calculation index.

3. An incorrect name and quantity (volume) of goods in waybills for goods, and incorrect personal identification number-code for petroleum products, tobacco items, ethyl alcohol and alcoholic products, biofuels:

entail a fine on individuals of 10, on small businesses or non-profit organisations of 20, on medium-sized businesses of 40, and on large businesses of 50 times the monthly calculation index.

4. The actions stipulated in part three of this article committed repeatedly within a year of the imposition of an administrative fine:

entail a fine on individuals of 20, on small businesses or non-profit organisations of 40, on medium-sized businesses of 60, and on large businesses of 100 times the monthly calculation index.

5. A failure to complete a waybill for goods, and the turnover of certain types of petroleum products, tobacco items, biofuels; the turnover and movement of ethyl alcohol and/or alcoholic products without waybills for goods:

entail a fine on individuals of 20, on small businesses of 50, on medium-sized enterprises of 100, and on large businesses of 200 times the monthly calculation index

with the confiscation of the ethyl alcohol and/or alcohol products, certain petroleum products, tobacco items, biofuels that are the direct object of an administrative offence and/or income or money received as a result of the administrative offence.

6. The actions stipulated in part five of this article committed repeatedly within a year of the imposition of an administrative fine:

entail a fine on individuals of 40, on small businesses of 100, on medium-sized businesses of 200, and on large businesses of 400 times the monthly calculation index, with the confiscation of the ethyl alcohol and/or alcohol products, certain petroleum products, tobacco items, biofuels that are the direct object of an administrative offence and/or income or money received as a result of the administrative offence.

How Deloitte can help:

The Deloitte team can provide you with consulting services and project assistance in connection with changes related to changes in accounting systems caused by legislative updates around the implementation of waybills for goods.

We will be pleased to discuss any questions you may have related to the issues highlighted in this alert. The contact details of our key tax and legal team members are provided below.

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