



Draft Law #5600

Please, find below the summary of respective changes awaiting taxpayers in 2022 in tax control.

GENERAL PROVISIONS



Use of technical devices in course of tax audits (art. 17, 20, 83 of the TC of Ukraine)

FORMER PROVISIONS

NEW PROVISIONS

Not provided

Both taxpayers and tax authorities are enabled to make audio, photo, and video recordings during tax audits. Results of the tax audits could be based on such multimedia information.



Receiving tax information on other taxpayers (p. 42-1.2 of Art. 42-1 of the TC of Ukraine)

Not provided

Taxpayers can receive tax information on other taxpayers through the electronic cabinet (upon prior consent and within the scope specified by such taxpayers).

TAX DEBT



Temporary restriction on traveling abroad for the CEO of a legal entity having tax debt (art. 87 of the TC of Ukraine)

FORMER PROVISIONS

NEW PROVISIONS

Not provided

Can be applied upon a court decision if tax debt:

- Exceeds UAH 1 million.
- Has not been paid within 240 calendar days following the day of receiving the tax demand.

The restriction is not applicable if the taxpayer has erroneously and/or overpaid taxes or unrefunded VAT amounting to or exceeding the amount of tax debt.

The restriction terminates in case of the CEO's resignation.



Collection of tax debt without going to court (p. 95.5 art. 95 of the TC of Ukraine)

FORMER PROVISIONS

NEW PROVISIONS

Applicable in case if:

- The amount of tax debt exceeds UAH 5 million.
- The tax debt has not been paid within 90 calendar days.
- The taxpayer does not have erroneously and/or overpaid taxes.

Can be applied even if a taxpayer has erroneously and/or overpaid taxes.

A mandatory condition – the amount of tax debt exceeds the amount of erroneously and/or overpaid taxes.

In this case, the difference can be collected by the tax authority without approaching the court.

TAX CONTROL



Requests of the tax authorities for the provision of information according to art. 73 of the TC of Ukraine



Postponement of tax audits in case of loss, damage, or premature destruction of documents (p. 44.5 of art. 44 of the TC of Ukraine)

FORMER PROVISIONS

Requests can be sent upon revealing the facts that **indicate** a violation of tax and other legislation by the taxpayer.

NEW PROVISIONS

Requests can be sent upon revealing the facts that **may indicate** a violation of tax and other legislation by the taxpayer. Such facts must be specified in the request.

FORMER PROVISIONS

In case of loss, damage, or premature destruction of documents, the term of the audit is postponed to the date of renewal and submission of documents for the audit, but not longer than 120 days.

NEW PROVISIONS

The provision does not apply to the tax audits of the claimed budgetary VAT refund according to p. 78.1.8 of art. 78 of the TC of Ukraine.



The date of the beginning of remote tax audits (p. 79.2 of art. 79 of the TC of Ukraine)



Grounds for conducting unscheduled tax audits of claimed budgetary VAT refund (p. 78.1.8 of art. 78 of the TC of Ukraine)

There were no specific rules regarding the beginning of remote tax audits depending on the method of receiving (sending) a copy of the order for the appointment of a tax audit.

If a copy of the order for the appointment of a tax audit and the notification on the conduction of the audit are sent via post, the tax audit can begin not earlier than 30 calendar days from the date of sending.

An exception is the tax audit of the claimed budgetary VAT refund according to p. 78.1.8 of art. 78 of the TC of Ukraine.

The tax audit could be carried out only if the budgetary VAT refund had been generated as a result of transactions:

- carried out prior to 01.07.2015, which are not confirmed by documentary tax audits.
- concerning purchase of goods/services for the period prior to 01.01.2017 and from taxpayers using the special tax regime.

Restrictions on the type of transactions because of which the budgetary VAT refund has been generated are excluded.

LIABILITY



Violation of payment terms of the excise tax

FORMER PROVISIONS

Delay of up to 30 calendar days results in a fine in the amount of **5%** of the overdue tax.

Delay of more than 30 calendar days results in a fine in the amount of **10%** of the overdue tax.

NEW PROVISIONS

A fine in the amount of **10%** of the amount of overdue excise tax shall be imposed (regardless of the duration of delay).

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