

EXPATRIATES UKRAINE

Tax facts for International Assignees



INCOME TAX: WHO IS LIABLE

Residents are taxed on worldwide income (unlimited taxation). Non-residents are taxed only on income sourced in Ukraine (limited taxation). An individual with a place of residence in Ukraine is a person who:

- Has a place of living in Ukraine.

or

- Has a center of personal and/or economic interests within Ukraine (center of vital interests).

or

- Is physically present in Ukraine for more than 183 days during a tax year,

The above rules are applied considering the provisions of relevant tax treaties and these would generally override the Ukrainian domestic tax legislation.

BREAKING RESIDENCY - EXIT PROCEDURES

Residents are obliged to submit tax return no later than 60 days before the departure date if the person permanently leaves Ukraine.

Within 30 days after tax return submission, the tax office should check the tax return and the tax payments and issue a certificate on the absence of tax debt that is needed for customs control.

INCOME TAX RATES AND SOCIAL SECURITY CONTRIBUTIONS

Income tax rates

Type of income	Rate
General tax rate ^{1 2}	18%
Dividends paid by the resident CIT payers	5%
Dividends paid by the non-residents and non-CIT payers	9%
Payroll and remuneration of Diia.City residents, income on sale of movables and real estate ²	5%

1. *Subject to tax allowances*
2. *Some type of income is non-taxable: inheritance, saving income on treasury bonds, social help (within the limit), etc*
3. *The first sale of a car or real estate is non-taxable*

Social security contribution

Employer social security contributions monthly rate is 22%. The income cap is 15 minimal wages (UAH 6 700 starting 1st October 2022).

There is no employee social security contribution.

Military tax

All the income subject to income tax is subject to military tax.

The military tax rate is 1.5%.

For further information and to register for future updates contact expat@bdo.global

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