
The Draft law, inter alia, suggests amending the Tax Code of Ukraine for implementation of the following Organisation for Economic Co-operation and Development Base Erosion and Profit Shifting (BEPS) actions:

- **Action 3**: Taxation of controlled foreign corporations
- **Action 4**: Restrictions on interest deductions in the financial transactions with related parties
- **Action 6**: Preventing application of the tax treaties in inappropriate circumstances
- **Action 7**: Preventing artificial avoidance of permanent establishment status
- **Actions 8-10**: Strengthening of control over transfer pricing
- **Action 13**: Country-by-country reporting for multinational corporations

If the Parliament considers and approves the Draft law by the end of this year, the new law would be enacted in several phases during 2019-2021.
The Draft law was developed according to the transitional provisions of the Law of Ukraine “On currency and currency transactions.”

The Law on currency required that within six months following the day when the law entered into force, the Cabinet of Ministers and the NBU prepare legislative proposals related to the implementation of anti-BEPS measures as well as enactment of automatic exchange of financial account information and submit these proposals to the Parliament for consideration.

We will continue monitoring the developments and will report on significant changes.

For additional information with respect to this Alert, please contact the following:

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