




# EMPOWERMENT OF THE STATE REVENUE COMMITTEE

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**From 2024,** the State Revenue Committee of the Ministry of Finance of Kazakhstan is authorized to conduct currency control alongside the National Bank of Kazakhstan[1].

From now on, the State Revenue Committee and its territorial subdivisions will monitor repatriation of currency on export-import operations. In this regard, **the state revenue authorities will:**

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- ▶ TRACK VIOLATIONS;
  - ▶ CONDUCT INSPECTIONS AND APPLY OTHER MEASURES OF CURRENCY CONTROL;
  - ▶ HOLD INDIVIDUALS ACCOUNTABLE FOR VIOLATIONS IN CURRENCY REPATRIATION;
  - ▶ ENSURE TIMELY PROVISION OF INFORMATION AND DOCUMENTS REGARDING CURRENCY OPERATIONS, INCLUDING SHARING DATA WITH LAW ENFORCEMENT AGENCIES.

As of today, state revenue authorities use the National Bank's information system for conducting currency control. However, there are plans to develop a separate information system specifically for them.

[1] Law of the Republic of Kazakhstan dated 12 July 2023 № 23-VIII "On Amendments and Additions to Certain Legislative Acts of the Republic of Kazakhstan on the Return of Illegally Acquired Assets to the State".

Also, **starting from January 1, 2024**, the following currency transactions will be considered as operations that may involve the transfer of funds out of Kazakhstan and will be subject to currency monitoring [2]:



financial loan involving the provision of funds by a non-resident to a resident, if the terms of the corresponding currency agreement do not provide for the transfer of funds to the resident's bank accounts;



financial loan resulting in the resident having claims against the non-resident for repayment of funds, if the terms of the corresponding currency agreement do not provide for the transfer of funds to the resident's bank accounts;



financial loan involving the provision of funds by a resident to a non-affiliated non-resident, if the terms of the corresponding currency agreement do not include payment of interest for the use of the loan;



export operations, if the terms of the corresponding currency agreement stipulate that the non-resident's obligation to pay for the export exceeds 720 days from the date of performance by the resident;



import operations, if the terms of the corresponding currency agreement stipulate that the non-resident's obligation to deliver goods (perform works, provide services) or refund funds, including advance payment or prepayment in full, exceeds 720 days from the date of performance by the resident;



transfer of funds by a resident to a professional securities market participant non-resident, conducting currency operations on behalf of clients, in an amount exceeding 50,000 US dollars equivalent;

[2] Resolution of the Board of the National Bank of the Republic of Kazakhstan dated 26 September 2023 № 66 "On Amendments and Additions to the resolutions of the Board of the National Bank of the Republic of Kazakhstan dated 30 March 2019 № 40 "On Approval of the Rules of Currency Transactions in the Republic of Kazakhstan" and dated 10 April 2019 № 64 "On Approval of the Rules of Monitoring Currency Transactions in the Republic of Kazakhstan".



transfer of funds by a resident to their own account abroad in an amount exceeding 50,000 US dollars equivalent;



gratuitous transfer of funds by a resident to a non-resident in an amount exceeding 50,000 US dollars equivalent;



payments and/or transfers of funds by one person in a calendar month under 2 or more currency agreements with the same non-resident, totaling more than the threshold value (50,000 US dollars equivalent) for assigning a reference number to the currency agreement.

- Financial loans within trade finance transactions;
- Financial loans within Islamic finance transactions;
- Operations conducted by non-residents with their branches or representations in Kazakhstan;
- Operations between branches and/or representations of foreign organizations in Kazakhstan.

**DO NOT FALL UNDER OPERATIONS THAT MAY INVOLVE THE TRANSFER OF FUNDS OUT OF KAZAKHSTAN:**



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