PAYMENT OF BONUSES TO CITIZENS OF FOREIGN STATES

Foreign citizens in terms of taxation in Kyrgyzstan are considered as:

1) INDIVIDUAL - NON-RESIDENT

This category includes individuals who spent in Kyrgyzstan less than 180 days a year.

1.1. Taxes

Bonuses are subject for 10% withholding TAX.

If FBO is a citizen of a country with which the Kyrgyz Republic has signed a Double Taxation Avoidance Agreement (hereinafter referred to as DTAA), may receive tax exemption in Kyrgyzstan, upon presentation of a Certificate of Residency received from the Tax Authorities of his country in an Approved Form.

List of countries with which the DTAA has been signed at the time of preparation of this document (Austria, Belarus, Germany, India, Iran, Kazakhstan, Canada, Qatar, China, South Korea, Kuwait, Latvia, Lithuania, Malaysia, Moldova, Mongolia, UAE, Poland, Russia, Saudi Arabia, Tajikistan, Turkmenistan, Turkey, Uzbekistan, Ukraine, Finland, Switzerland, Czech Republic, Estonia).

1.2. List of required documents for receiving Bonuses

- Agreement for the provision of Services (sent by mail upon request) original.
- Deed of Completes Services (sent by mail upon request) original.
- Bonus Payment Instruction (sent by mail upon request) original.
- Bank details for receiving a transfer in USD
- Scan of Passport

Bonuses are transferred according to the details provided after receiving the originals of the necessary documents by postal services.

2) INDIVIDUAL - RESIDENT

This category includes persons who spent in Kyrgyzstan 180 or more days a year.

2.1. Taxes

- 2.1.1. Bonuses are subject for 10% withholding TAX or
- 2.1.2. FBO can register as an Individual Entrepreneur (IE) in the Kyrgyz Republic and independently conduct tax reporting, and pay taxes and social payments. In this case, the company transfers the entire amount of bonuses without any deductions.

Upon request, we can send instructions for registering an individual entrepreneur by mail.



2.2. <u>List of required documents for receiving Bonuses</u>

- Agreement for the provision of Services (sent by mail upon request) original.
- Deed of Completes Services (sent by mail upon request) original.
- Bonus Payment Instruction (sent by mail upon request) original.
- Bank details for receiving a transfer in USD or KGS
- Scan of Passport
- Certificate of IP Registration and notice from the Social Fund (if IP is registered).

Bonuses are transferred according to the details provided after receiving the originals of the necessary documents by mail.

Please send your questions and requests to flpkyrgyzstan@yahoo.com

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