

Belarus

Baker & McKenzie

Belarusian Ministry of Taxes and Duties Resolution No. 9 dated January 20, 2004

On Amendments to the Instructions on the Procedure for Assessment and Payment of Tax on Income Drawn by Foreign Legal Entities Other Than Those Doing Business in the Republic of Belarus Through Permanent Establishments The numerous amendments made to the Instructions, originally approved by Resolution No. 92 of the Belarusian Ministry of Taxes and Duties of October 14, 2003, bring the measure into line with the applicable provisions of the national Tax Code. According to one restated clause, for example, those legal entities and self-employed entrepreneurs paying out income to a foreign legal entity are re-

quired to withhold income tax, as assessed on the entire amount of such disbursements.

Where income is paid in kind, the tax is assessed on its monetary value. Such tax should be withheld and transferred to the government budget on or before the day following that on which the payment due to the foreign legal entity was assessed.

Other amendments concern the procedure for determining the income tax base, requirements for documents describing the substance of transactions or confirming the latter's implementation and related expenses, and the procedure for determining the assessment date of the disbursements made to the foreign legal entity. The Resolution has been in force since February 19, 2004. □