

eba tax index

May 2017 – November
2017

- Quality of tax legislation
- Complication/easiness of the tax administration
- Fiscal pressure
- Quality of tax service

44 tax experts from EBA member-companies took part in survey

Period: May 2017 – November 2017

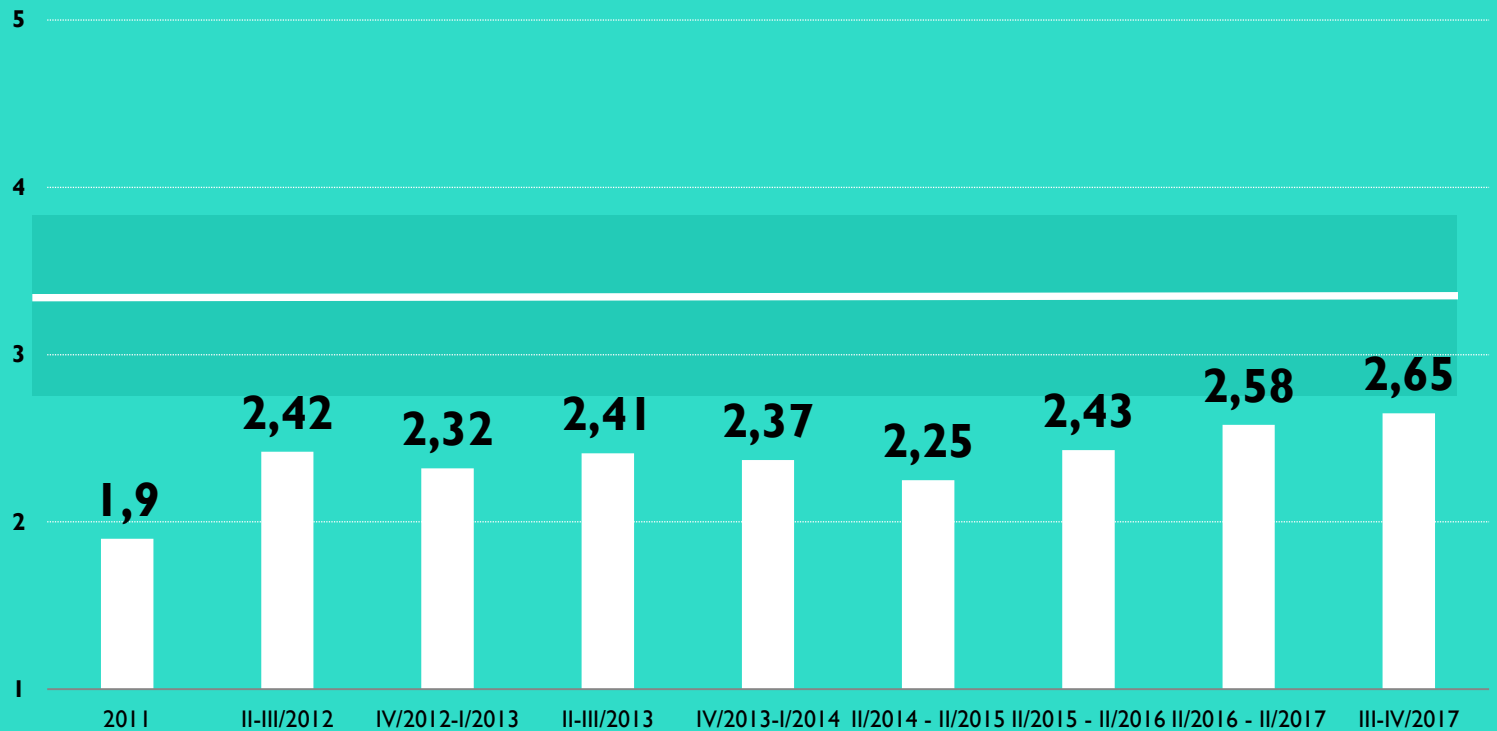
eba tax index dynamics

2011-2017

POSITIVE

NEUTRAL
VALUE

NEGATIVE



tax index: tax legislation

70% of tax experts

evaluate the quality of tax legislation in Ukraine as (mainly) low-quality,
needs complex revision and amendments

“The ability of tax authority during inspections to recognize any transaction as fictitious if the legislation does not establish an exhaustive list of documents confirming the fact of the transaction. It leads to constant manipulations and fictitious tax notification decisions.”

WHY?

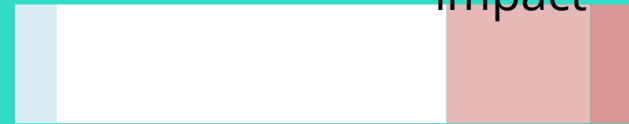
[Factors which had a negative impact on the quality of tax legislation in Ukraine]

eba tax index

May 2017 – November 2017

1,2 High negative impact

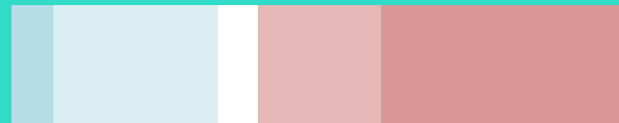
1 Discrepancies and ambivalent provisions



2 Permanent changes



3 Scope of documents



4 Complexity



5 Baseless tax rates



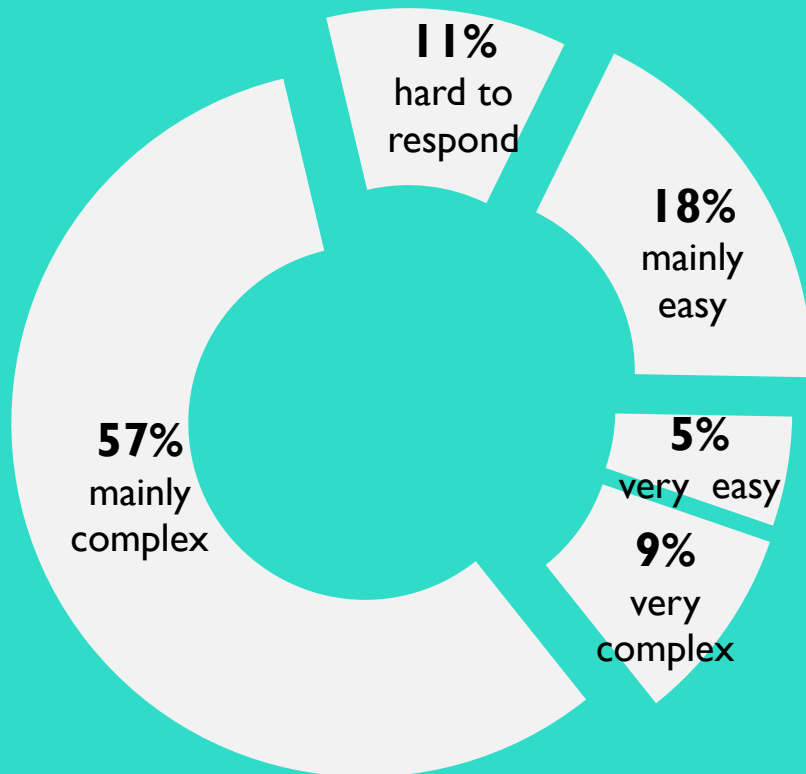
4,5 Low negative impact

66% of tax experts

evaluate tax regime as unfavorable for both doing business in a company and for attraction of foreign investments.

21% evaluate tax regime as favorable for doing business

tax index: complexity/easiness of tax administration



23% of tax experts evaluated complexity/easiness of tax reporting and tax administration positively.

66% find procedure difficult.

WHY?

[Factors which impacted on complexity/easiness of tax reporting and tax administration]

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1,2 High negative impact

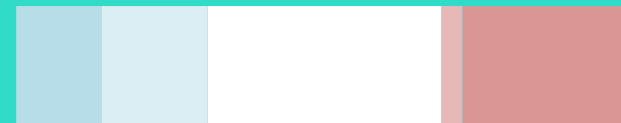
1 Unclear rules and clarifications regarding the preparation of tax reporting and conducting of payments



2 Imperfection of the electronic tax reporting system



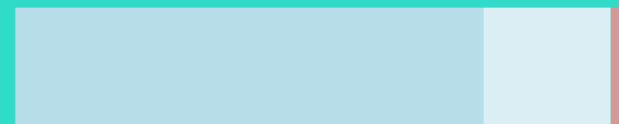
3 Very fast implementation of the new rules and lack of time for getting used to them



4 The amount of time spent to prepare tax reporting and tax payments



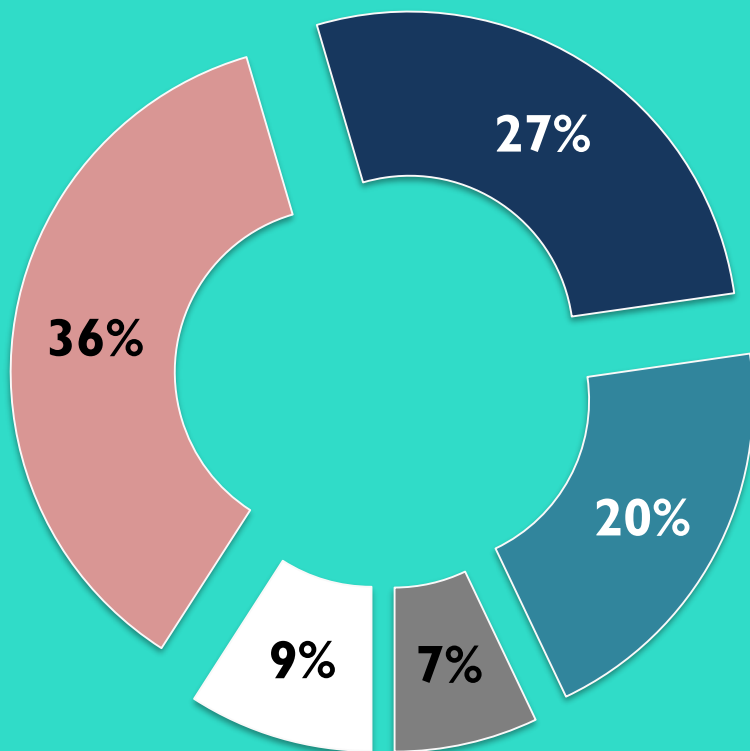
5 The number of payments



4,5 Low negative impact

tax index: fiscal pressure

evaluation of fiscal pressure towards the business



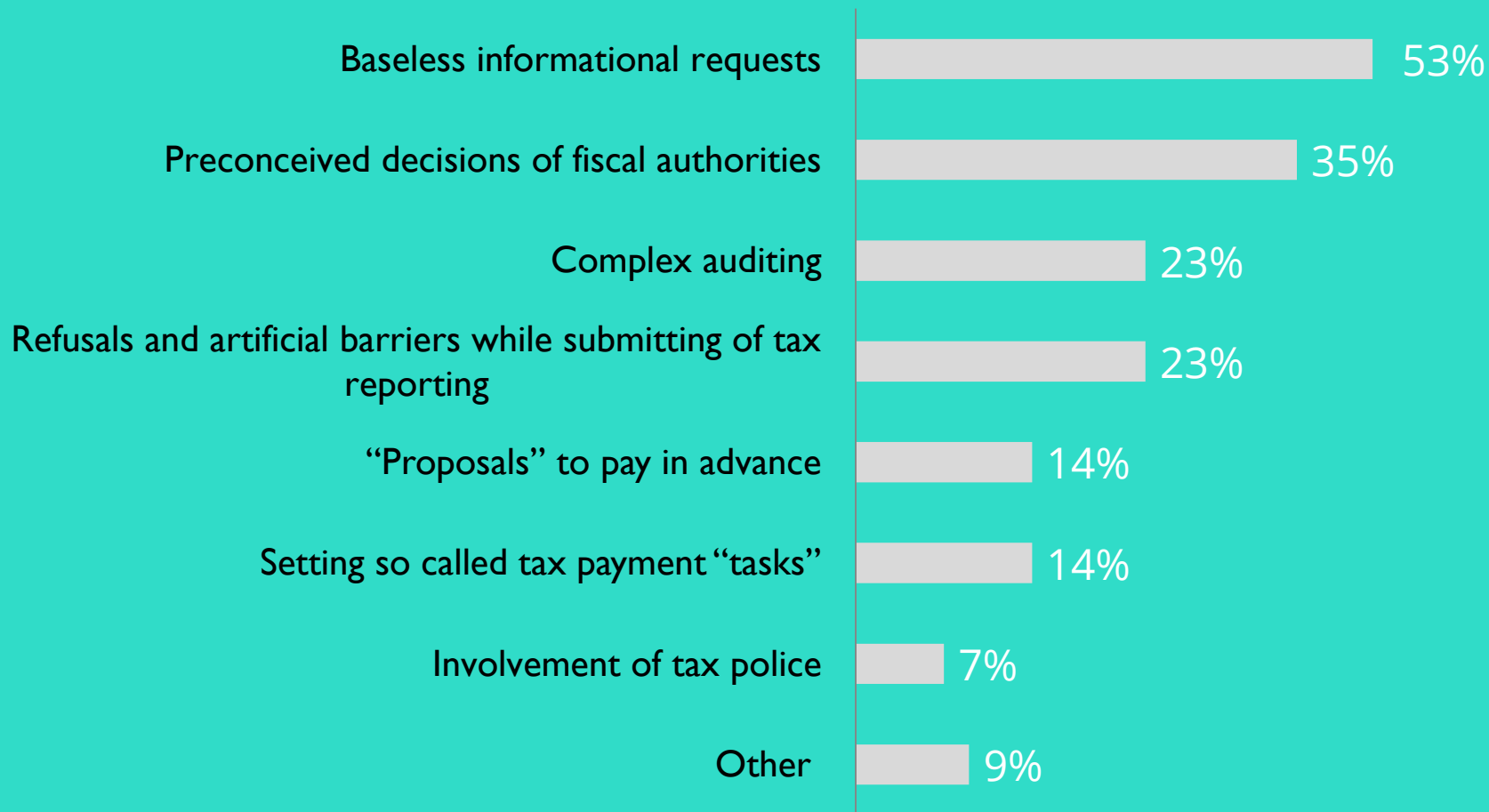
- Fiscal pressure leads to significant difficulties in our company's activity
- Fiscal pressure leads to some difficulties in our company's activity
- Hard to respond
- No significant displays of fiscal pressure
- No displays of fiscal pressure at all

WHAT?

[Fiscal pressure displays that experts have faced]

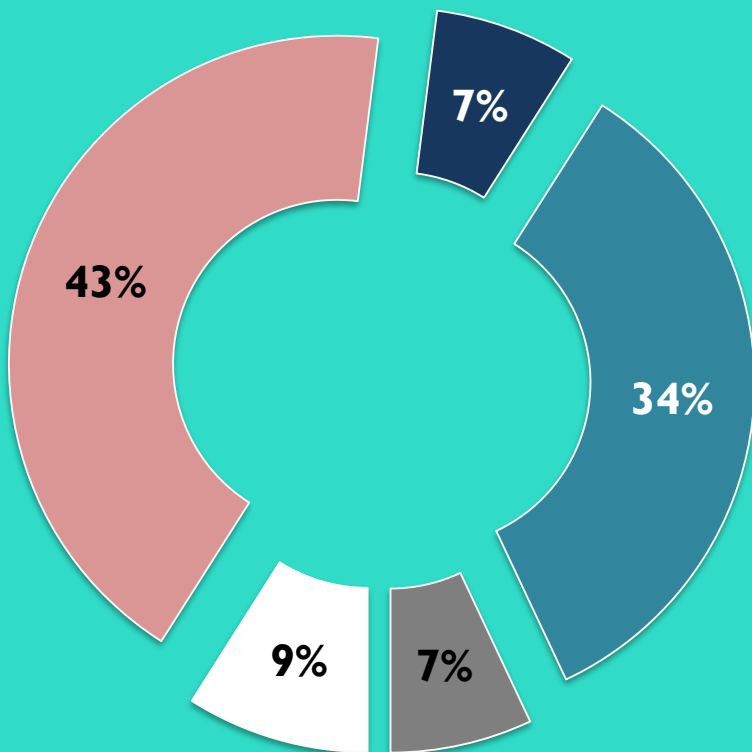
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tax index: quality of tax services

evaluation of the quality of tax services provided by the fiscal authorities



- Absolutely unsatisfied with the quality of tax services
- Mainly unsatisfied with the quality of tax services
- Hard to respond
- Mainly satisfied with the quality of tax services
- Absolutely satisfied with the quality of tax services: all issues were solved quickly, clearly and qualitatively

What tax law changes are required by business?

**Tax
legislation**

Eliminating contradictions between existing standards

Resolving the issue of blocking tax invoices

Possibility to convert a loan from a non-resident into the authorized capital

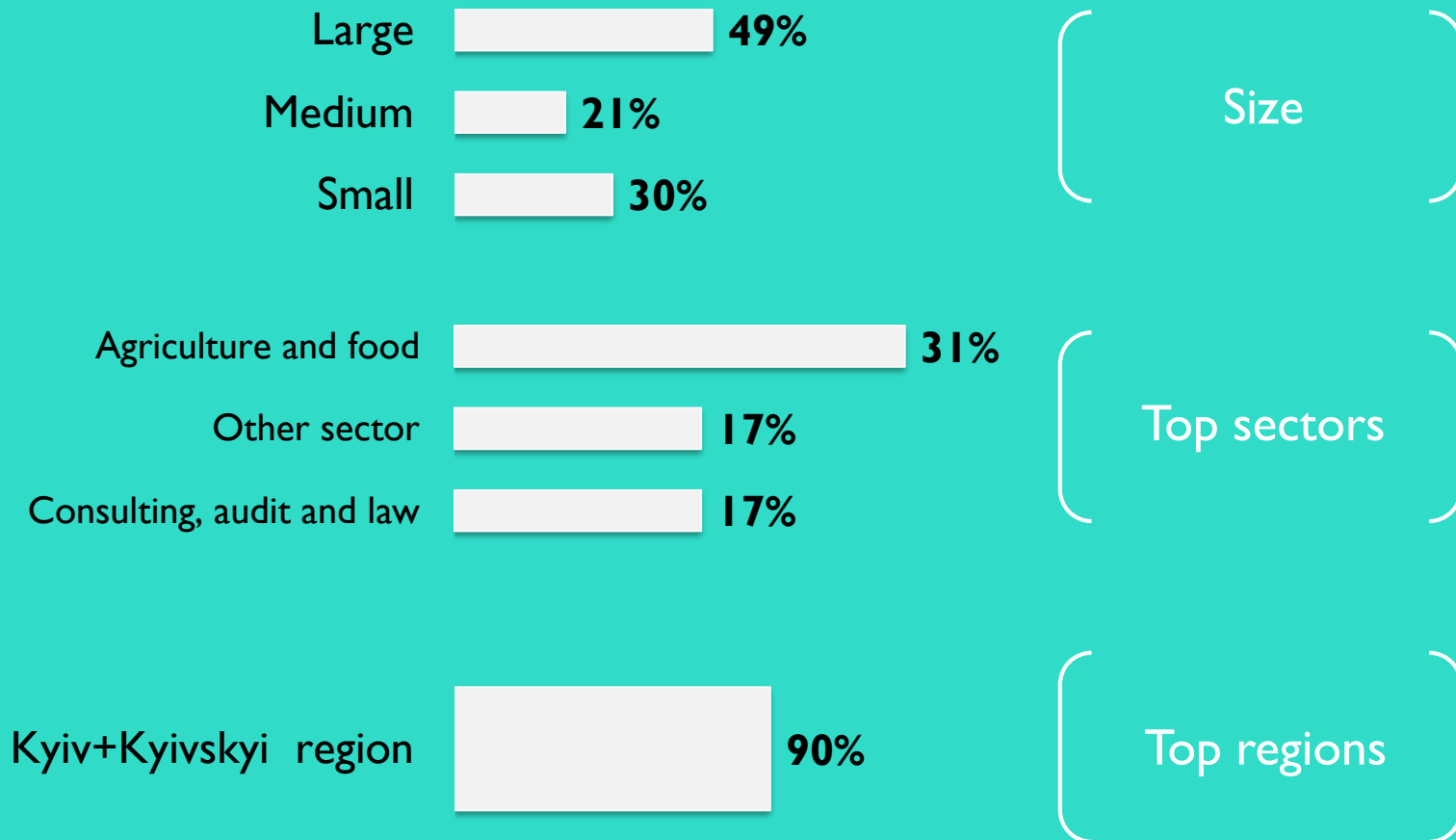
Resolving issues of customs clearance of imported cars

Introduction of a consolidated tax return for groups of companies.

Personal responsibility of tax officials for an illegal decision or omission.

Early clarification of future tax changes

company's profile: size, industry, region





thank you!

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