

May 2026

# TAX FRESH





## Decree of the President of the Kyrgyz Republic No. 207 dated June 11, 2026 “On Measures to Improve the Tax System and Tax Administration”

### Important

By this Decree, the President instructed the Cabinet of Ministers to initiate amendments to tax legislation providing tax preferences for certain categories of business entities.

In particular, it is proposed **to exempt for a period of five years from tax payments entities engaged in the following activities:**

- development of software and information systems, including artificial intelligence solutions;
- creation, placement, and distribution of publicly accessible information on the Internet (blogging activities);
- remote outsourcing of business processes;
- startups based on innovative ideas or unique technologies;
- production of films, video, and television programs;
- other types of creative and artistic activities, the list of which will be determined by the Cabinet of Ministers.

**Additionally, it is proposed for these entities to:**

- set the personal income tax rate at **5%**;
- set the rate of state social insurance contributions at **12% of the average monthly salary**.

**It is also proposed to:**

- abolish the requirement to pay Sales Tax and Unified Tax when receiving advance payments;
- set a Unified Tax rate of **4% regardless of the form of payment** for entities engaged in the primary sale of residential and non-residential premises;
- **cancel the accrual of penalties on Property Tax** for 2026 in cases of automatic tax assessment;
- allow a transition from the simplified tax regime to the general regime until **October 1, 2026**;
- allow correction of data on goods without primary documents (until April 1, 2025);
- write off tax debts for companies that built housing for the Batken region;
- **increase taxes for mining companies (gold, silver)** taking into account global prices;
- introduce differentiated penalties for illegal import of goods from Eurasian Economic Union (EAEU).

