JULY 2026

# TAX ALERT

HLB TAXENCE

**Law of the Kyrgyz Republic No. 119 dated July 22, 2026 “On Amendments to Certain Legislative Acts of the Kyrgyz Republic Concerning the International Dispute Resolution Center in the Special Financial and Investment Territory ‘Tamchy’ with a Special Legal Regime and Status”**

For the Special Financial and Investment Territory **“Tamchy”**, it is established that the provisions of the legislation on state social insurance shall apply only to the extent that they are not regulated by and do not contradict the special Law **“On the Special Financial and Investment Territory ‘Tamchy’ with a Special Legal Regime and Status”** and the acts adopted pursuant thereto.

**Resolution of the Cabinet of Ministers of the Kyrgyz Republic in the Field of State Social Insurance No. 500 dated July 21, 2026 “On Amendments to Certain Decisions of the Cabinet of Ministers of the Kyrgyz Republic in the Field of State Social Insurance”**

## Key Amendments

**1. Voluntary Contributions for Labor Migrants**

- It has been established that for individuals working abroad and voluntarily paying social insurance contributions, the calculation base shall be the **average monthly wage in the Republic for the previous calendar year**.
- Labor migrants are now entitled to purchase **voluntary insurance policies**.

**2. Garment and Textile Industry**

- The preferential procedure for calculating social insurance contributions has been extended until **January 1, 2030**.
- Contributions shall be calculated based on **40% of the average monthly wage in the relevant district or city for the previous year**.

**3. Limitation on the Maximum Amount of Social Insurance Contributions**

- A unified maximum amount of social insurance contributions has been introduced for each insured person:
  - not exceeding the amount calculated on the basis of **20 times the average monthly wage in the Republic**.
- Examples of calculations for various categories of employees have been provided.

**4. Reporting Upon Change of Tax Registration**

- Rules have been established for filing reports when changing the district of tax registration:
  - if the change occurs **before the 15th day of the month**, the report shall be submitted to the previous place of registration;
  - if the change occurs **after the 15th day of the month**, the report shall be submitted to the new place of registration.

**5. Changes Relating to Insurance Policies**

- The transition to electronic insurance policies has been formalized.
- Insurance policies may be purchased through:
  - the taxpayer's personal account;
  - banks;
  - mobile applications and other digital platforms.
- The procedure for calculating the cost of an insurance policy for individuals working under a patent regime has been further specified.
- The purchase of insurance policies for **past, current, and future periods** is allowed.

**6. Refund of Social Insurance Contributions**

- As a general rule, contributions paid under an issued insurance policy are non-refundable.
- A procedure has been introduced allowing the cancellation of certain insurance policies for persons with disabilities and the refund of amounts paid.

**7. Foreign Employees**

- For citizens of the **EAEU, Turkey, and China**, social insurance contributions shall be calculated using the rates applicable to citizens of the Kyrgyz Republic.
- Preferential rates for pensioners and persons with disabilities apply only where the relevant status is recognized under the legislation of the Kyrgyz Republic.
- A procedure has been introduced for exempting certain citizens of the People's Republic of China from social insurance contributions upon presentation of supporting certificates under the agreement between the Kyrgyz Republic and China.

**8. Agricultural Cooperatives**

- The procedure for distributing social insurance contributions among owners of land shares leased to cooperatives has been clarified.
- Contributions shall be allocated **proportionally to the ownership shares of the land plots.**

**Entry into Force:** The Resolution entered into force **15 days after its official publication (August 8, 2026)**. Certain provisions apply retroactively from **January 1, 2026**.

**Resolution of the Cabinet of Ministers of the Kyrgyz Republic No. 398 dated June 5, 2026 "On Guarantees and Compensation for Persons Living and Working in High-Mountain Areas of the Kyrgyz Republic"** (as amended on July 15, 2026)

The Resolution:

- establishes regional coefficients applicable to wages and social benefits for persons living and working in high-mountain areas;
- approves monthly allowances to the official salaries of employees of organizations located in high-mountain districts;
- determines the procedure for calculating length of service for the purpose of granting such allowances.

**Resolution of the Cabinet of Ministers of the Kyrgyz Republic No. 399 dated June 5, 2026 "On Regulating the Application of Guarantees and Compensation for Persons Living and Working in Remote, Hard-to-Reach, and Certain High-Mountain Settlements of the Kyrgyz Republic"** (as amended on July 15, 2026)

The Resolution:

- establishes regional coefficients applicable to wages and benefits for persons living and working in remote and hard-to-reach settlements;
- sets additional coefficients for certain high-mountain settlements;
- approves monthly allowances to the official salaries of employees of organizations located in remote and hard-to-reach areas;
- establishes the procedure for calculating length of service for the purpose of granting such allowances.

**Resolution of the Cabinet of Ministers of the Kyrgyz Republic No. 504 dated July 23, 2026 "On Amendments to the Resolution of the Cabinet of Ministers of the Kyrgyz Republic 'On Goods Subject to a Zero (0) Percent Value Added Tax Rate Applied for the Purposes of Ensuring the Country's Food Security and Stabilizing Market Prices' dated April 30, 2022 No. 249, and on Repealing Certain Decisions of the Cabinet of Ministers of the Kyrgyz Republic in the Field of Food Security"**

The conditions for applying the **0% VAT rate** to the import and supply of grain (**EAEU CN FEA code 1001**) have been clarified.

The 0% VAT rate shall apply to:

- imports and supplies of grain between the **State Material Reserves Fund under the Ministry of Emergency Situations of the Kyrgyz Republic** and flour producers; and
- transactions between flour producers themselves, provided that the grain is used for their own production purposes.

**Resolution of the Cabinet of Ministers of the Kyrgyz Republic No. 501 dated July 22, 2026 "On Amendments to the Resolution of the Cabinet of Ministers of the Kyrgyz Republic 'On Measures for Implementing the Requirements of Articles 296, 297, and 364 of the Tax Code of the Kyrgyz Republic' dated November 22, 2024 No. 709"**

The **Public Association "Sailing Federation of the Kyrgyz Republic"** has been added to the list of entities eligible to receive supplies of goods intended for sports development that are exempt from VAT and sales tax and the list of entities importing goods intended for sports development that are exempt from VAT.

In addition, the list of goods intended for sports development exempt from VAT and sales tax has been expanded to include:

- sailing vessels of various lengths (exclusively without an engine or equipped with an electric motor);
- sails;
- synthetic-fiber ropes and cables.

**Resolution of the Cabinet of Ministers of the Kyrgyz Republic No. 445 dated June 29, 2026 "On Matters of Product Conformity Assessment Through the Adoption of a Declaration of Conformity"**
Amendments have been made to the **Regulation on the Procedure for Adopting a Declaration of Conformity to the Requirements of the Technical Regulations of the Eurasian Economic Union (Customs Union) in a Unified Form**. The powers of accredited certification bodies have been expanded. **Effective date: November 1, 2026.**