

business & finance lawflash

14 February 2013

Amendments to Kazakhstan's Registration Law

Key changes affect the registration and re-registration of legal entities in Kazakhstan.

On 8 January, amendments to various Kazakhstan codes and laws relating to the registration of legal entities (the Amendments) became effective. This LawFlash highlights the key changes introduced by the Amendments.

Electronic Application

Legal entities may now register electronically by submitting a standard application form on www.egov.kz. Previously, electronic filing was available only for small enterprises.

Registration

The Unified State Register of Legal Entities (including branches and representative offices) has been abolished and replaced by the National Register of Business Identification Numbers. Additionally, the local taxpayer registration number (TRN) has been replaced with a business identification number (BIN). As a result, legal entities will no longer be required to register with the tax authority, and a legal entity can now be registered by the Ministry of Justice in one business day.

Registration Certificate

The paper form of the certificate (*svidetel'stvo*) of state registration (re-registration) of legal entities (including branches and representative offices) has been abolished and replaced by an electronic statement (*spravka*) of registration through the assignment of a BIN. Registration certificates issued prior to the Amendments will remain valid. The founders (e.g., participants/shareholders) of a legal entity are no longer required to physically obtain registration (re-registration) documents from a local Population Services Center (*Center Obsluzhivania Naselenia*), although they may still elect to physically file and obtain registration (re-registration) documents at such centers.

Timing and Practice

The Ministry of Justice will complete state registration (re-registration) of a legal entity (branch and representative office) within one business day from the date the registration application is submitted for state registration (re-registration). Previously, the Ministry of Justice was required to complete registration (re-registration) within seven business days from an application's submission date. In practice, registration (re-registration) previously took at least 15 business days, including registration with the tax authority. Although the Amendments provide that the Ministry of Justice must register (re-register) legal entities within one business day of filing, in practice, registration (re-registration) may still take up to seven business days from filing.

Charter

Limited liability partnerships and their branches/representative offices may now register without filing their constitutive documents (e.g., charter) with the Ministry of Justice. Joint stock companies and their branches/representative offices must still file their constitutive documents with the Ministry of Justice.

Tax Certificate for Foreign Legal Entities

The founders (e.g., participants/shareholders) of a Kazakhstan legal entity are no longer required to provide a certificate confirming the absence of tax debt in the Republic of Kazakhstan prior to registration (re-registration) (also known as a tax letter confirming that the founder does not have a presence in Kazakhstan).

Office Location

Previously, the founders of a Kazakhstan legal entity were required to submit a document confirming the location of the legal entity's office (branch/representative office) when registering the legal entity in Kazakhstan. The Amendments abolished this requirement but increased the administrative responsibility for providing false information or failing to update the registration authority of the legal entity's address in the event of a change of office location (legal address). Kazakhstan legal entities must notify the registration authority in writing in the event of a change of legal address. Previously, a legal entity had to undergo the re-registration process to change its legal address.

Liquidation

Legal entities are no longer required to provide a certificate confirming the absence of tax (issued by the tax authorities), pension, and social liabilities when filing for liquidation, except for branches/representative offices of foreign legal entities, which still must provide such a certificate. Legal entities are also no longer required to provide a liquidation balance (tax audit) during the liquidation process. However, legal entities will continue to be required to submit a certificate confirming the absence of customs and tax liabilities from the customs authorities. The Ministry of Justice will register the liquidation (de-registration) of a legal entity within five calendar days from the complete submission of an application. This process previously took 10 days. During the liquidation (de-registration) process, the tax authorities are now required to provide information regarding a legal entity's tax liability (branch/representative office) directly to the registration authorities.

Contacts

If you have any questions or would like more information on the issues discussed in this LawFlash, please contact any of the following Morgan Lewis lawyers:

Almaty

Aset A. Shyngyssov
Vladimir Shuster

+7 727 250 7575
+7 727 250 7575

ashyngyssov@morganlewis.com
vshuster@morganlewis.com

About Morgan, Lewis & Bockius

With 24 offices across Europe, the United States, and Asia, Morgan Lewis provides comprehensive litigation, corporate, transactional, regulatory, intellectual property, and labour and employment legal services to clients of all sizes—from globally established industry leaders to just-conceived start-ups. Our international team of lawyers, patent agents, benefits advisers, regulatory scientists, and other specialists—more than 1,600 legal professionals total—serves clients from locations in Almaty, Beijing, Boston, Brussels, Chicago, Dallas, Frankfurt, Harrisburg, Houston, Irvine, London, Los Angeles, Miami, Moscow, New York, Palo Alto, Paris, Philadelphia, Pittsburgh, Princeton, San Francisco, Tokyo, Washington, D.C., and Wilmington. For more information about Morgan Lewis or its practices, please visit us online at www.morganlewis.com.

This LawFlash is provided as a general informational service to clients and friends of Morgan, Lewis & Bockius. It should not be construed as, and does not constitute, legal advice on any specific matter, nor does this message create an attorney-client relationship. These materials may be considered **Attorney Advertising** in some jurisdictions. Please note that the prior results discussed in the material do not guarantee similar outcomes. Links provided from outside sources are subject to expiration or change. © 2013 Morgan, Lewis & Bockius. All Rights Reserved.