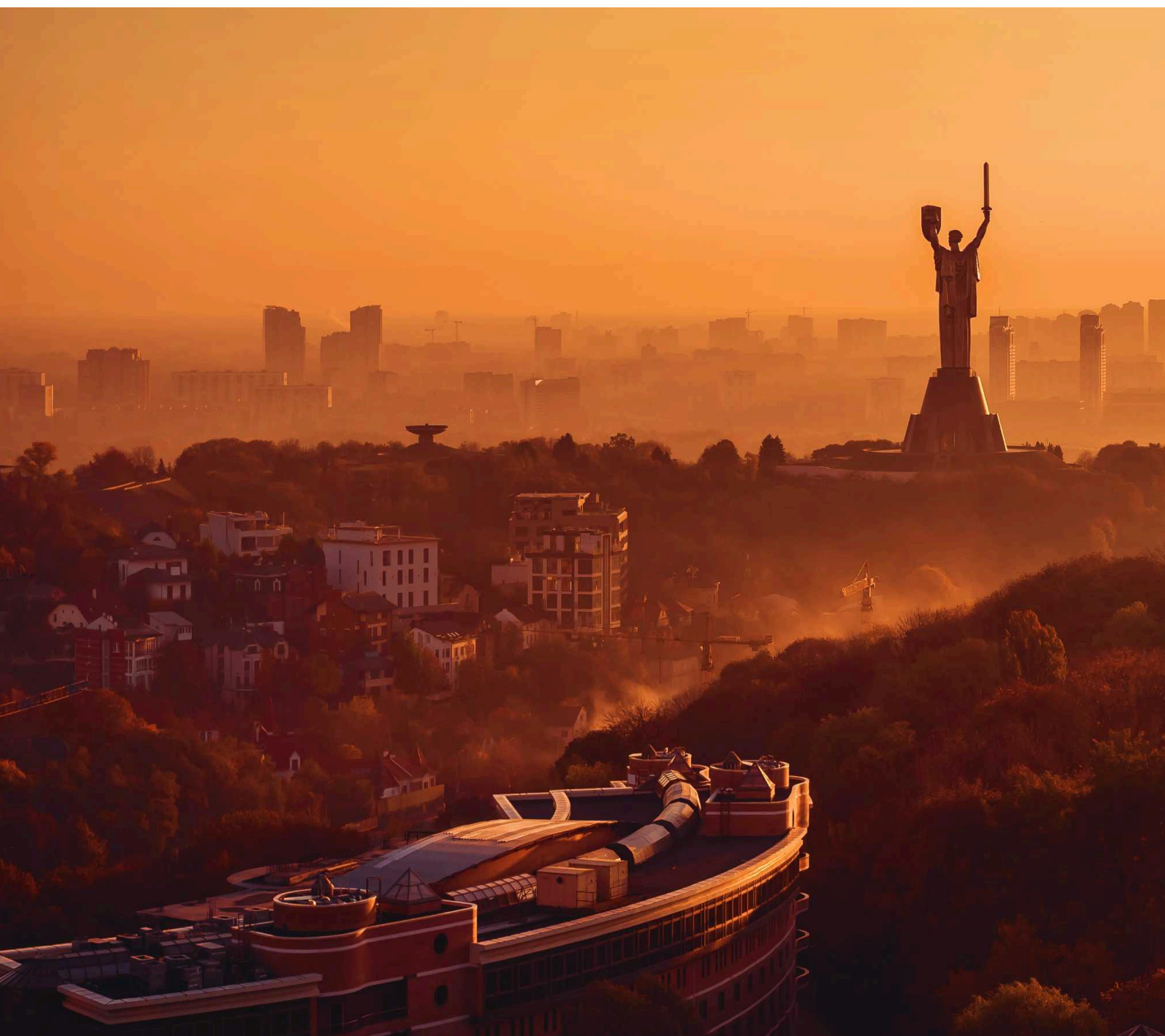


MULTISERVICE PROVIDER



QUARTERLY REVIEW: Q4 2024

Significant legislative changes review



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01



MARTIAL LAW

The Ministry of Economy has approved the initial list of equipment eligible for 15% cost compensation

By Resolution of the Cabinet of Ministers dated 24 September 2024, No. 1122, a decision was made to launch a compensation programme for products of Ukrainian manufacturers.

Available compensation programmes:

For agricultural producers:

- ✓ 25% of the cost of Ukrainian-made agricultural machinery (excluding VAT);
- ✓ The programme includes 11,745 units of machinery from 138 Ukrainian enterprises;
- ✓ UAH 900.2 million was allocated to the programme in 2024, of which UAH 645 million in compensation has already been disbursed.

For entrepreneurs in all sectors:

- ✓ 15% of the cost of Ukrainian-made energy, construction, wheeled, and specialised equipment;
- ✓ The list covers nearly 140 types of machinery and equipment;
- ✓ Compensation is available through 21 authorised banks;
- ✓ UAH 1 billion was allocated to the programme in 2024.

How to obtain compensation:

- ✓ Purchase the required equipment through one of the authorised banks;
- ✓ Submit a compensation application along with a copy of the payment document and the acceptance certificate;
- ✓ Once the application is approved, the funds will be transferred to your account.

The Ministry of Economy has signed the first order listing domestically produced machinery and equipment for which the government will reimburse 15% of the cost.

A 15% reimbursement will apply to products from the following companies:

- ✓ PJSC “Cherkasy Bus” (Cherkasy) – for buses and trucks;
- ✓ LLC “EVERLAST” (Odesa) – for semi-trailer tankers for petroleum products;
- ✓ LLC “Agromashinvest” (Dnipro) – FARMER loaders;
- ✓ LLC “SPD Petrov” (Zaporizhzhia region) – 11 types of trailers;
- ✓ PJSC “Elvorti” (Kropyvnytskyi) – reimbursement for the cost of ELEX excavator-loaders;
- ✓ LLC “Velmash-Ukraine” (Kharkiv region) – trailers, semi-trailers, platform trailers, manipulators (9 items);
- ✓ LLC “Karat-Liftkomplekt” (Kyiv region) – six lift models;
- ✓ LLC “Euroformat Plant” (Kyiv) – three lift models;
- ✓ PE “Trans-Auto-D” (Khmelnyskyi region) – 33 types of trailers and semi-trailers.

The government continues to accept applications for participation in the national manufacturers’ programme. The list of company products will be updated.

Negotiations are currently underway with banks through which buyers will receive compensation. The programme will be launched for buyers once the memorandums are signed.

Buyers can receive 15% compensation (excluding VAT) for the purchase of energy, wheeled, construction, and specialised equipment.

Manufacturers participating in the programme must:

- ✓ Submit an electronic application to the Ministry of Economy;
- ✓ Provide information on the degree of localisation, cost calculation, technological operations, and the proportion of labour costs.

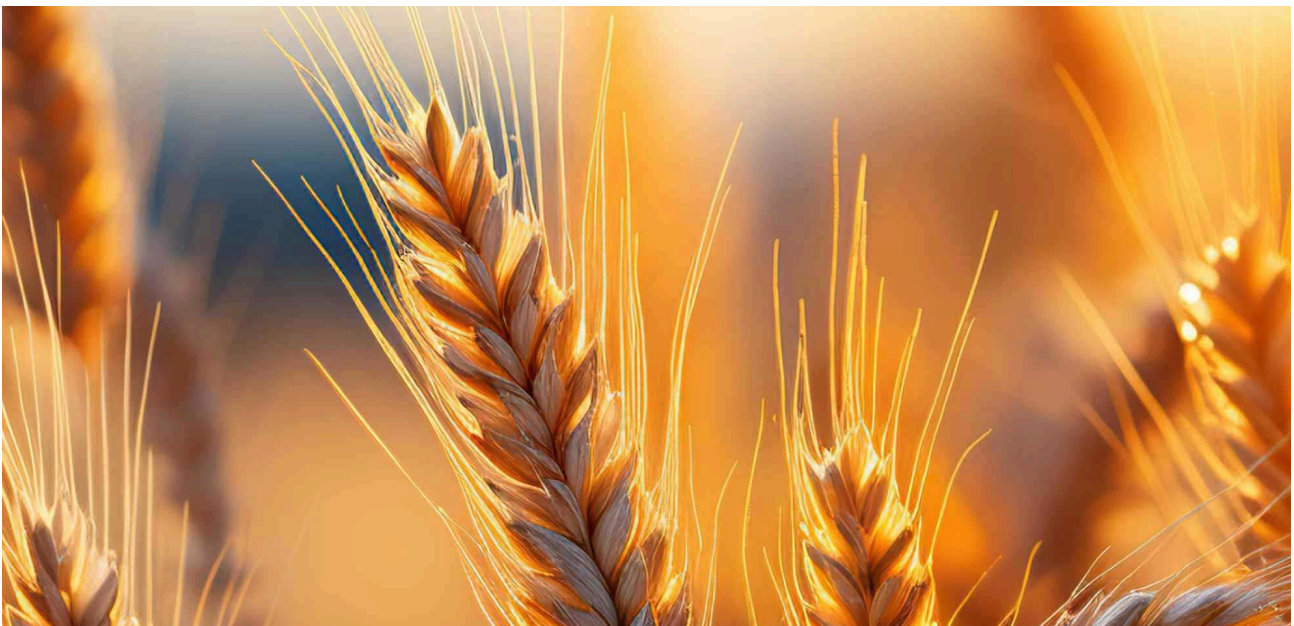


After verification by the Ministry of Economy, the products will be included in the public list, the information from which will be shared with banks for programme implementation.

For buyers:

- ✓ Pay for machinery and equipment through an authorised bank;
- ✓ Submit a compensation application to the bank along with a copy of the payment document and the acceptance certificate;
- ✓ Compensation for goods purchased by 1 December 2024 can be received in the current year, provided the application is submitted by 5 December. Compensation for equipment purchased after 1 December will be allocated in the following year.

Funding depends on the order in which applications are received and budget availability.



02



TAX AND ACCOUNTING OUTSOURCING

From 1 December, the export security regime is in effect



Ukraine has temporarily (for the duration of martial law) introduced an export security regime for transactions involving the export of certain types of goods.

Resolution No. 1261 was published in the "Government Courier" on 06/11/2024 and came into force on 01/12/2024.

The list of certain types of goods is specified in paragraph two of Article 192, "Features of conducting export transactions for certain types of goods during martial law (export security regime)" of the Law of Ukraine "On Foreign Economic Activity" dated 16 April 1991 No. 959-XII, in accordance with the Ukrainian Classification of Goods for Foreign Economic Activity (UKTZED):

- ✓ 0409 00 00 00 (natural honey);
- ✓ 0802 31 00 00 (walnuts in shell);
- ✓ 0802 32 00 00 (shelled walnuts);
- ✓ 1001 (wheat and meslin (a mixture of wheat and rye));
- ✓ 1002 (rye);
- ✓ 1003 (barley);
- ✓ 1004 (oats);
- ✓ 1005 (maize);
- ✓ 1201 (soya beans)
- ✓ 1205 (rape or colza seeds);
- ✓ 1206 00 (sunflower seeds);
- ✓ 1507 (soya-bean oil and its fractions, refined or unrefined);
- ✓ 1512 (sunflower-seed, safflower, or cotton-seed oil and their fractions, refined or unrefined);

- ✓ 1514 (rape (from rape or colza) or mustard oil and their fractions, refined or unrefined);
- ✓ 2306 (oilcake and other solid residues, obtained from the extraction of vegetable or microbial fats and oils, excluding residues of heading 2304 or 2305).

When exporting goods from the List, the 0% VAT rate applies only after confirmation of the completion of settlements in the prescribed manner in accordance with paragraph 97.2 of Article 97 of the Tax Code of Ukraine (TCU).

The procedure for calculating the share of unpaid funds from export transactions involving certain types of agricultural goods and for determining the list of taxpayers meeting the export regulation regime requirements has been approved.

New Form of CMR

By Order No. 1332 dated 14/11/2024, the Ministry of Infrastructure introduced amendments to the Rules for the Carriage of Goods by Road in Ukraine, approved by the Ministry of Transport Order No. 363 dated 14/10/1997 (Rules No. 363).

Point 11.1 of Rules No. 363 specifies that the primary document for the carriage of goods is the consignment note (CMR), which contains all mandatory details as defined by the Law of Ukraine "On Motor Transport".

The new CMR form is approved as Appendix 7 to the Rules.

Rules No. 363 allow, if necessary, the addition of other details to the CMR form, taking into account the specifics of transportation, including conditions and/or type of cargo.

For example, when transporting food products of animal origin, the CMR must include information about storage conditions (temperature regime).

Order No. 1332 was registered with the Ministry of Justice on 02 December 2024 under No. 1831/43176 and came into force on 03/01/2025 (the date of its official publication in the "Official Gazette" on 03/01/2025).



03

PAYROLL OUTSOURCING

State Budget 2025: Key Social Indicators and Minimums, New Indexation Rules

The Law of Ukraine No. 4059-IX "On the State Budget of Ukraine for 2025," dated 19/11/2024, was signed on 28 November 2024 and published in "Holos Ukrayiny" on 28/11/2024, No. 178. The law will come into force on 01 January 2025.

Key Social Indicators and Minimums:

Minimum Wage. The minimum wage from 01 January 2025 for the entire year:

- ✓ Monthly rate – UAH 8,000;
- ✓ Hourly rate – UAH 48.

The minimum wage used as a calculation base for court-ordered payments – UAH 1,600.

Subsistence Minimum per Person per Month:

Key Demographic and Social Groups of the Population	Subsistence Minimum per Person per Month from 01 January 2025
General indicator	UAH 2,920
Children under 6 years old	UAH 2,563
Children aged 6 to 18 years	UAH 3,196
Able-bodied persons	UAH 3,028
Persons who have lost working capacity	UAH 2,361

Indexation will be calculated under new rules

The 2025 State Budget introduced changes to indexation rules. According to Article 34 of the Law of Ukraine No. 4059-IX "On the State Budget of Ukraine for 2025" dated 19/11/2024, the consumer price index for wage indexation will be calculated cumulatively starting from 01 January 2025, with the base set at 1 or 100 per cent. The indexation amount accrued in December 2024 will not be applied in January 2025.

Maximum Base for Unified Security Contributions (USC)

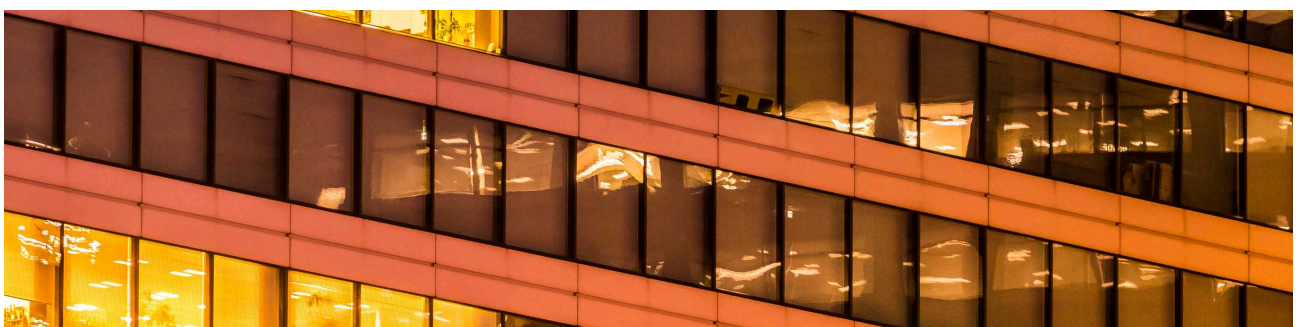
In 2025, the maximum base for social security contributions will be equivalent to **20 minimum wages**.

Article 39 of the State Budget Law specifies that in 2025 (starting 01 January), the maximum base for calculating the unified contribution for mandatory state social insurance (maximum monthly income of the insured person subject to the unified contribution, as defined by the Law of Ukraine "On the Collection and Accounting of the Unified Contribution for Mandatory State Social Insurance") will equal **20 times the minimum wage** established by law.

Gifts to Individuals – Tax-Free Threshold Increased

Non-monetary gifts in 2025 are tax-free if their value does not exceed UAH 2,000 per month (25 per cent of UAH 8,000).

According to subparagraph 165.1.39 of the TCU, the value of gifts (as well as prizes awarded to winners and runners-up in sports competitions) is not included in the taxpayer's total monthly (annual) taxable income if the value does not exceed 25 per cent of one minimum wage (calculated per month) established on 01 January of the reporting tax year, excluding monetary payments in any amount.



From 01 December 2024, the military tax rate is 5%, and from 01 January 2025, the military tax has been introduced for Private Entrepreneurs

The Law of Ukraine No. 4015-IX "On Amendments to the Tax Code of Ukraine Regarding Taxation Features During Martial Law," dated 10/10/2024, was signed on 28/11/2024 and published in Holos Ukrayiny on 30/11/2024.



Law No. 4015 increased the military tax rate from 1.5% to 5% of the taxable base for taxpayers defined in paragraph 162.1 of the TCU:

- 1) resident individuals earning income both from sources within Ukraine and foreign income;
- 2) non-resident individuals earning income from sources within Ukraine;
- 3) tax agents.

The law came into force on 01 December 2024 (the day following its publication).

Certain provisions of the Law of Ukraine No. 4015-IX "On Amendments to the Tax Code of Ukraine Regarding Taxation Features During Martial Law" take effect from 01 January 2025, namely:

- ✓ monthly reporting of personal income tax (PIT), military tax, and USC for all tax agents, including sole proprietors and single contribution taxpayers;



- ✔ introduction of the military tax for sole proprietors of all groups and legal entities in Group III of the simplified tax system.

Law No. 4015 introduces the following changes:

An increase in the military tax rate from 1.5% to 5%.

A 5% rate is also introduced for sole proprietors on the general taxation system; (the 5% rate applies to the taxation of salaries, rentals, winnings, bank deposits, etc.).

For income (or its portions) accrued (paid or provided) by tax agents to taxpayers in the form of salaries, including during leave, and payments related to temporary incapacity (e.g., sick leave), for tax periods before 01 December 2024, the military tax rate of 1.5% applies regardless of the actual date of payment (provision).

For the specified income accrued (paid, provided) for tax periods after 01 December 2024, a military tax rate of 5% applies.

Sick Leave Payments

Therefore, income in the form of wages accrued for November 2024 is subject to a military tax rate of 1.5%, regardless of its actual payment in December 2024.

Payments (or portions of payments) related to temporary incapacity, if the taxpayer was **on sick leave during the period before 01 December 2024**, are subject to a military tax rate of **1.5%**, regardless of their accrual (payment, provision) in December 2024.

These payments (or portions of payments), if the taxpayer was **on sick leave during the period after 01 December 2024**, are taxed at a military tax rate of **5%**.

Holiday Payments

Income (or portions of income) in the form of wages **for the period the taxpayer was on holiday before 01 December 2024** is subject to a military tax rate of **1.5%**, while **income for the period after 01 December 2024** is subject to a rate of **5%**, regardless of when such income is accrued (paid, provided).

If such income was accrued (paid, provided) to the taxpayer in November 2024 for a holiday period covering both November and December, the employer must recalculate the withheld (transferred) military tax amounts as per paragraph 169.4 of the TCU.

Other Types of Income Accrued by Tax Agents

All other types of income included in the total monthly taxable income of a taxpayer, including payments under civil law contracts, rental income, deposit interest, dividends, etc., accrued (paid, provided) by tax agents to taxpayers **after 01 December 2024**, are subject to a military tax rate of **5%**, regardless of the fact that such income relates to work (services) performed or property use during tax periods prior to 01 December 2024. According to the Tax Code, such income is considered income of the reporting period in which it was directly accrued (provided, paid), not the periods for which it was accrued.

- ✓ Introduction of a **military tax for sole proprietors in Groups I, II, and IV at 10% of one minimum wage** as established by law on 01 January of the current year. For this category of taxpayers, the new tax will take effect on 01 January 2025, meaning they will pay UAH 800 per month ($8,000 \times 10\%$).
- ✓ **Sole proprietors in Group III and legal entities in Group III of the simplified tax system** will pay a **military tax of 1%** of their income (turnover) starting from the first quarter of 2025. For them, the law will also take effect at the beginning of 2025.
- ✓ The increase in the military tax is limited to the tax period in which martial law is lifted.
- ✓ The military tax will be directed through a special fund exclusively for financing the Armed Forces of Ukraine.

From 01 January 2025 – New Deadlines for Submitting Unified Reporting on USC, PIT, and Military Tax

The Law of Ukraine No. 4015-IX "On Amendments to the Tax Code of Ukraine Regarding Taxation Features During Martial Law," dated 10/10/2024, introduces monthly reporting of PIT, military tax, and USC for all tax agents, including sole proprietors and single contribution taxpayers, starting from 01 January 2025.

The tax calculation for income accrued (paid) to taxpayers – individuals, and the tax withheld from them, as well as the unified contribution accrued, must be submitted within 20 calendar days after the last day of the reporting month.

The first monthly report for January 2025 must be submitted by 20 February 2025.

Attention! The tax calculation for Q4 2024 must be submitted within the deadline for quarterly reporting, i.e., no later than 10 February 2025.

The Directory of Individual Income Codes for Unified Reporting Has Been Updated

By Order No. 435 of the Ministry of Finance dated 10/09/2024, "On Approving Amendments to Section 1 of Appendix 2 to the Procedure for Completing and Submitting Tax Calculations of Income Accrued (Paid) to Individuals, and the Amount of Tax Withheld from Them, as well as the Amount of Accrued Unified Contributions," changes have been made to Unified Reporting:

- 1) Introduced a new individual income code 212: "Value of unregistered medicinal products provided (transferred) free of charge to patients";
- 2) Made corrections to individual income codes 124, 125, 185, 204, 205 in accordance with current tax legislation.

From 2025, Labour Reports Will Use New Forms



By Order No. 117 of the State Statistics Service dated 15/04/2024, new forms have been approved:

- 1) No. 1-ПБ (Monthly) "Labour Report";
- 2) No. 1-ПБ (Quarterly) "Labour Report."

The first reports using the new forms must be submitted for January 2025 (by 7 February) and for Q1 2025 (by 7 April).

According to the text of the order, the new forms will take effect starting with the reports:

- ✓ for Q1 2025 - No. 1-ПБ (Quarterly) "Labour Report";
- ✓ for January 2025 - No. 1-ПБ (Monthly) "Labour Report".

As of 1 February 2025, Order No. 128 of the State Statistics Service dated 30/03/2023, which approved the previous forms of these reports, will become invalid.

Submission deadlines for the forms are no later than the 7th day of the month following the reporting period.

04



HR CONSULTING

The Classifier of Occupations Has Been Updated

By Order dated 13/12/2024, the Ministry of Economy of Ukraine approved Amendment No. 14 to the National Classifier DK 003:2010 "Classifier of Occupations." The DK 003:2010 "Classifier of Occupations" holds the status of a regulatory document mandatory for application.

The changes took effect on 13 December and concern various types of occupations, including IT and legal sectors.



The following updates were made:

- 1) 2 occupational groups were modified;
- 2) 1 occupational group was added;
- 3) 63 job titles were abolished;
- 4) 34 job titles were revised;
- 5) 72 job titles were introduced.

The following changes to job titles should be noted:

- ✓ Code KP 2429: "Legal Counsel" to "Legal Counsel (Legal Advisor)";
- ✓ Code KP 3121: "Web-site Administrator" to "Website Administrator";
- ✓ Code KP 2131.2: "Web-Resource Administrator" to "Web Resource Administrator";
- ✓ Code KP 3121: "Software Developer" to "Software and Application Developer."
- ✓ Code 2451.2: "Text Author (Copywriter)" has been added to the classifier.

The HR manager must:

- 1) Familiarise themselves with the changes to the Classifier of Occupations;
- 2) Verify the job titles in the Classifier against those listed in the organisation's staffing schedule. In the Classifier, directive "S" indicates cancellation, directive "U" indicates the introduction of a new title, and directive "Z" indicates a title change;
- 3) If the change affects job titles within your organisation, you must amend the staffing schedule.

If a job title is changed in the Classifier, you must amend the following documents:

- 1) Personal Card P2;
- 2) Personal File;
- 3) Job Description.

All changes must also be recorded in Appendix 5 of the unified "payroll" reporting on PIT, military tax, and USC, in the same manner as transfers to a new position are documented.

Upon the employee's request, a record of the job title change must be entered into the paper employment record book.

One Position, Different Salaries

In the organisation's staff, there are employees who hold the same position, work the same number of hours per month, but have different salaries – 5 accountants with 5 different salaries. Let's consider whether the salaries must be the same for all, or if job titles in the staffing schedule and employment record books need to be changed.

Legislation does not prescribe uniform standards for staffing schedules in privately owned enterprises, so they can take any form.

One of the legislative documents mentioning the staffing schedule is the Economic Code of Ukraine. Specifically, part 3 of Article 64 of the Economic Code of Ukraine provides that an enterprise independently determines its organisational structure, establishes the number of employees, and defines its staffing schedule.

The staffing schedule should be developed based on internal organisational and regulatory documents, such as the existing organisational structure with employee numbers and the remuneration policy. The staffing schedule specifies the number of employees by the number of staff units for each position (profession) outlined in the schedule.

Please note that the positions (professions) in the staffing schedule must comply with the Classifier of Occupations.

If the organisation has varying salaries for the same position (e.g., Accountant), the staffing schedule should include a "range" – a salary band (minimum and maximum) for a single job title.

According to Article 96 of the Labour Code of Ukraine, remuneration systems include tariff-based and other systems, which are based on the complexity of the work performed and employee qualifications.

When using salary bands ("ranges"), the complexity of the work and the functions performed by the employee are assessed, and based on the analysis, the salary is determined within the range for the position held by the employee.

Such a salary range allows differentiation in the pay levels of employees performing the same work but with varying requirements and results, encouraging skill development and responsibility towards their duties.



The qualification characteristics of professions, including accountants, are defined in the Directory of Qualification Characteristics of Professions of Employees. Volume 1, "Occupations Common to All Economic Activities," approved by Order No. 336 of the Ministry of Labour dated 29/12/2004.

The actual salary of a specific specialist (e.g., an accountant) is set within the so-called salary range, taking into account labour market conditions, the employee's personal qualities and achievements, their responsibilities, workload, complexity, and job intensity, and does not violate labour legislation.

Thus, employees holding the same position may have different salaries due to differences in their duties and the nature of their work. A fixed salary level is established in the staffing schedule. In practice, the column "Monthly Salary, UAH" next to the position "Accountant" may indicate a range, for example, "15,000 – 30,000."

This is also noted in the letter from the Ministry of Social Policy dated 17/03/2017 No. 741/0/101-17/282.

Notification of Changes in Employment Relations: Is It Possible to Amend

Pursuant to paragraph 6 of Cabinet of Ministers Resolution No. 650 dated 05/06/2024, "Certain Issues of Reserving Conscripts During Martial Law," the Pension Fund of Ukraine has provided a technical capability for state authorities, other government bodies, local self-government bodies, enterprises, institutions, and organisations critically important for supporting the Armed Forces, other military formations during special periods, as well as enterprises, institutions, and organisations essential for the functioning of the economy and ensuring the livelihood of the population during special periods, to submit electronically the information specified in paragraph 5 of this resolution to the Pension Fund of Ukraine via its electronic services web portal.

The Pension Fund of Ukraine, via its electronic services web portal, has enabled the employer (insurer) or an authorised employee of the employer with access rights to review and input employment data to submit information in the employer's cabinet about hiring an employee,

transferring them between structural subdivisions, reassigning them to another permanent position or job, dismissal, reinstatement, or temporary suspension/resumption of an employment contract.

For this purpose, the employer's cabinet includes the menu item: Communication with the Pension Fund of Ukraine/Employment Relationship Information (operational submission of information)/ Notification of Changes in Employment Relations.



Currently, it is not possible to amend, cancel, or delete notifications about changes in employment relations submitted by the employer via the Pension Fund's web portal.

New Procedure for Verifying Payment Justification Effective from 30 October

The Ministry of Economy, Ministry of Finance, Ministry of Internal Affairs, by Order No. 23492/439/620 dated 10/09/2024, and the Pension Fund, by Resolution No. 27-1 dated 10/09/2024 (registered with the Ministry of Justice on 27/09/2024 under No. 1462/42807), approved the **Procedure for Investigating Insurance Cases and Justifying the Payment of Material Benefits**.

This procedure became effective on 30 October 2024.

In particular, the Procedure establishes the mechanism for investigating insurance cases and justifying the appointment and payment of material benefits, including:



- ✓ The procedure for exchanging relevant information between the State Employment Centre, Ministry of Finance, Ministry of Justice, State Tax Service, Pension Fund, and the State Border Guard Service Administration;
- ✓ The procedure for reconciling and/or verifying information provided by an individual during registration or re-registration as unemployed and throughout their status as registered unemployed, and/or the data specified in the insurer's documents that form the basis for granting registered unemployment status (the individual holds registered unemployed status), assigning and paying unemployment benefits, providing social services, and the information on which partial unemployment benefits for insured persons are based;
- ✓ The procedure for conducting an audit at the insurer, employer, or individual entrepreneur who is an insured person if discrepancies in information regarding the individual are identified during reconciliation;
- ✓ The preparation of a corresponding report based on the results of reconciliation and/or verification.

Investigations will be conducted by branches of regional employment centres, as well as city, district, and city-district employment centres (until their termination) for the period during which an individual holds registered unemployed status or receives partial unemployment benefits as an insured person.

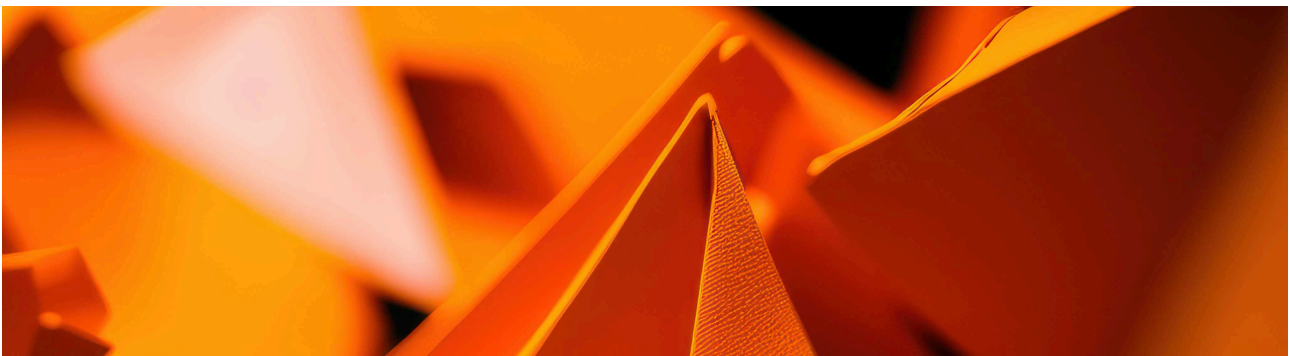
Investigations will be conducted during the submission of:

- ✓ An individual's application for granting (or renewing) the status of registered unemployed, their period as registered unemployed, and/or after the termination of their registration as unemployed, in cases where information is received from government bodies, enterprises, institutions, organisations, or citizens that affects the conditions of their registration as unemployed, their status as registered unemployed, the assignment and payment of unemployment benefits, or the provision of social services, and/or if such information is published in the media;
- ✓ An employer's or individual entrepreneur's application for partial unemployment benefits, during the period such benefits are provided, and after the cessation of such benefits.

Investigations will be conducted through:

- 1) Reconciling information provided by an individual during registration or re-registration as unemployed and throughout their status as registered unemployed, which forms the basis for granting (or renewing) registered unemployed status (when the individual is in registered unemployed status), and/or the data in the insurer's documents entered into the Unified Information and Analytical System of the State Employment Service that affect the conditions for obtaining (or renewing) registered unemployed status, remaining in registered unemployed status, assigning and paying unemployment benefits, or providing social services, as well as the data in the documents of the employer or individual entrepreneur (insured person) that affect the payment of partial unemployment benefits, against the Insurer Registry, the Insured Persons Registry of the State Register of Mandatory State Social Insurance, and the Unified State Register of Legal Entities, Individual Entrepreneurs, and Public Organisations;
- 2) Information exchange with the Administration of the State Border Guard Service of Ukraine regarding the presence abroad of individuals who are in registered unemployed status or wish to obtain registered unemployed status;
- 3) Conducting on-site planned and unscheduled inspections of insurers, employers, or individual entrepreneurs who are insured persons (if necessary).

The order has been effective since 30 October 2024, the date of its official publication (published in the "Official Gazette" on 30/10/2024).



An aerial photograph of a city, likely Vienna, featuring the prominent blue and white domed St. Stephen's Cathedral (Stephansdom) in the center. The city is surrounded by hills and other buildings, with a warm, golden light suggesting sunrise or sunset. A large, white, semi-transparent number '05' is overlaid on the upper left portion of the image.

05

LEGAL CONSULTING

Currency Restrictions Amended by the NBU from 20 November 2024

The changes affect several areas.

1) Money Transfers for Fulfilling Obligations Under Import Contracts

Currently, foreign currency payments for the import of any goods are only possible if the goods were supplied after 23 February 2021.

From 20 November 2024, Ukrainian enterprises will be able to make payments for imported goods without restrictions on the supply date to Ukraine, provided the funds are transferred to:

- ✓ A foreign export-credit agency (ECA), a foreign state through its authorised representative, or a foreign entity with participation by a foreign state or foreign bank (provided the foreign state is a participant in this bank);
- ✓ Other non-residents, provided their involvement in import operations (via crediting, insurance, guarantees, or suretyship) by a foreign ECA, a foreign state through its authorised representative, or a foreign entity with participation by a foreign state or foreign bank (provided the foreign state is a participant in this bank).

The monthly limit for such transfers is set at 10% of the overdue debt amount under the import contract (as of 01 November 2024).

2) Settlements for International Technical Assistance Projects

Currently, foreign currency transfers from Ukraine are allowed for settlements within the framework of international technical assistance or cross-border cooperation projects/programmes **funded by the EU**.

From 20 November 2024, the NBU allows foreign currency transfers abroad for settlements related to international technical assistance projects, **regardless of the state or organisation funding such projects**.

3) Repatriation of Dividends Abroad (Conditions under Sub-paragraph 46, Paragraph 14 of NBU Resolution No. 18 dated 24 February 2022)

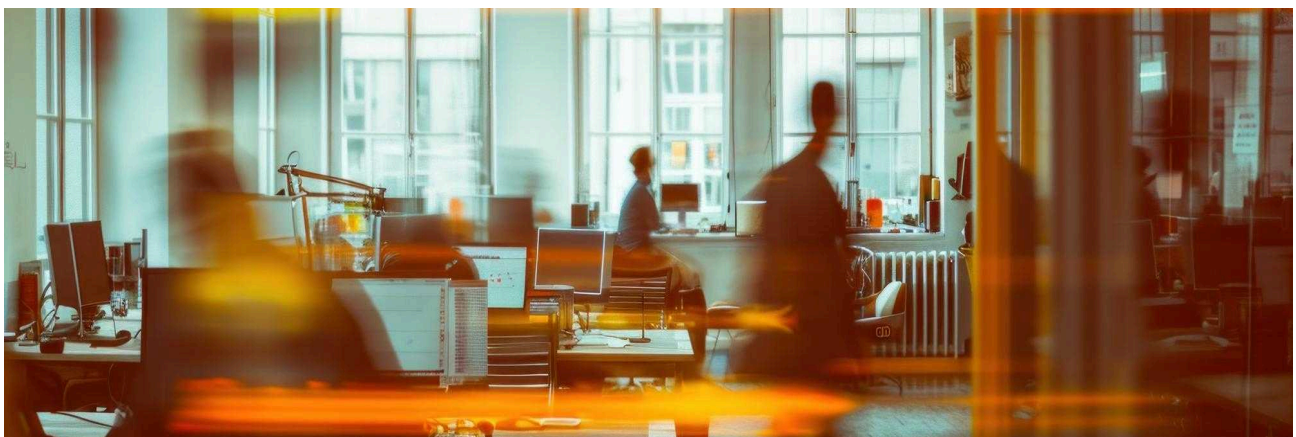
Paragraph 14 of the resolution: "The transfer of currency valuables from Ukraine/transfers of funds to correspondent accounts of non-resident banks in hryvnia/foreign currency, opened in resident banks, including transfers made on behalf of clients, is prohibited **except in cases of:**

sub-paragraph 46: the transfer of foreign currency abroad by residents starting from 13 May 2024 in favour of a foreign investor/non-resident for the purpose of dividend payments on corporate rights/shares, provided **the following conditions are simultaneously met:**

- ✓ Dividends accrued based on activity results for the period starting **01 January 2024** (excluding dividend payments from undistributed profits for previous periods/reserve capital);
- ✓ Within an overall limit not exceeding EUR 1,000,000 (or equivalent in another currency).

From 20 November 2024, two additional conditions apply (both simultaneously):

- ✓ **The issuer's period of operation** from the date of state registration to the date of the relevant transaction must be **at least 12 months;**
- ✓ **At least six months** must have elapsed from the time the foreign investor/non-resident acquired ownership of the issuer's corporate rights/shares to the date of the relevant transaction.



A low-angle photograph of a classical building with a clock tower and a modern building with a glowing orange facade. The clock tower is white with a green dome and a spire. The modern building has a glowing orange facade. The sky is a clear blue.

06

TRANSFER PRICING

From 01 January 2025, the TCU rules for determining the criteria for related parties have been amended

Related parties are determined based on the criteria outlined in sub-paragraph 14.1.159 of the TCU.

These criteria can be conditionally divided into the following groups of relationships: legal, economic, and familial connections.

The Law of Ukraine No. 3813-IX dated 18 June 2024, "On Amendments to the Tax Code of Ukraine Regarding Tax Administration Features During Martial Law for Taxpayers with High Voluntary Compliance" (hereinafter referred to as Law No. 3813), introduced specific amendments to sub-paragraph 14.1.159 of the TCU, effective from 01 January 2025.



Let us conditionally name them as follows:

- 1) "transactions (sales, purchases) with one non-resident exceeding 75% of all non-residents and more than 50% of all counterparties";
- 2) "ownership of corporate rights 'in a chain' – 25% or more (previously 20%)."

Thus, sub-paragraph "a" of sub-paragraph 14.1.159 has been supplemented with the following paragraphs:

- ✓ "The income (revenue) of a resident legal entity from the sale of products (goods, works, services) (excluding indirect taxes) to a **particular non-resident legal entity** or a specific **foreign entity without legal personality**

(including a non-resident conducting business through a **permanent establishment in Ukraine**) during a calendar year **constitutes 75% or more of the income (revenue) of such a resident legal entity from the sale of products (goods, works, services)** (excluding indirect taxes) to all non-residents, provided that such **income represents 50% or more of the total income of the resident legal entity** from the sale of products (goods, works, services) (excluding indirect taxes), as determined by accounting standards;"

- ✔ "The value of products (goods, works, services) purchased by a resident legal entity from another specific non-resident legal entity or a specific **foreign entity** without legal personality (including a non-resident conducting business through a **permanent establishment in Ukraine**) during a calendar year constitutes **75% or more of the value of products (goods, works, services) purchased by such entity from all non-residents**, provided that the sum of such purchase transactions constitutes **50% or more of the total value of products (goods, works, services) purchased by such resident legal entity.**"

Additionally, in the thirteenth paragraph of sub-paragraph "v" of sub-paragraph 14.1.159 of the TCU, the figure "20" was replaced with "25," thereby increasing the lower threshold for ownership of corporate rights in the next legal entity in the chain from 20% to 25% to determine relatedness (regardless of the multiplication results):

- ✔ If the share of corporate rights ownership by each person in the next legal entity in the chain is 25% or more, all persons in such a chain are considered related (regardless of the multiplication results).

Additionally, Law No. 3813 introduced a new sub-paragraph 39.2.1.2-1 to the TCU, addressing transactions with non-residents in "low-tax" organisational and legal forms:

Business transactions by resident corporate income taxpayers with non-residents who do not pay corporate income tax and/or are not tax residents of the country where they are registered, and whose organisational and legal form is included in a list approved by the Cabinet of Ministers of

Ukraine, will not be considered controlled transactions in the absence of other criteria for recognising transactions as controlled under sub-paragraphs "a"-"v", "g" of sub-paragraph 39.2.1.1 (related parties, or if the non-resident is from a "low-tax jurisdiction") and provided one of the following conditions is met:

- ✓ the non-resident is a resident of a country (territory) with which Ukraine has a double taxation avoidance treaty; or
- ✓ all participants (partners) of the non-resident are residents of countries (territories) with which Ukraine has double taxation avoidance treaties.

The Government Will Reduce the List of Countries (Territories) for Defining Controlled Transactions

On 13 December 2024, the Ministry of Finance published a draft resolution of the Cabinet of Ministers of Ukraine, "On Amending the Appendix to the Cabinet of Ministers Resolution No. 1045 dated 27 December 2017," proposing a revised List of Countries (Territories) meeting the criteria set forth in sub-paragraph 39.2.1.2 of the TCU.

The number of countries (territories) on the list will be reduced from 78 to 46.



Notably, compared to the previous list, **41 countries (territories) will be excluded, including** Bahrain, Bosnia and Herzegovina, the Dominican Republic, Ireland, Cyprus, Cuba, Liechtenstein, Moldova, UAE, Montenegro, etc. Instead, the following will be added: American Samoa, Guam, the Democratic People's Republic of Korea, the Republic of the Union of Myanmar, the Republic of Namibia, Alderney, Trinidad and Tobago, Fiji, and the Netherlands Antilles.

As of 03 January 2025, it has not been published.

The year the new List takes effect depends on the date of its approval, as amendments have been made to sub-paragraph 39.2.1.2 of paragraph 39.2 of Article 39 of the TCU:

- ✓ if the List is approved by 30 November of the year, it takes effect on 1 January of the following year;
- ✓ if the List is approved after 30 November of the year, it takes effect on 1 January of the second reporting year.

The Law of Ukraine "On Amendments to the Tax Code of Ukraine Regarding Tax Administration Features During Martial Law for Taxpayers with High Voluntary Compliance," dated 18 June 2024 No. 3813-IX, introduced changes to sub-paragraph 39.2.1.2 of paragraph 39.2 of Article 39 of the TCU:

- ✓ "If changes to the specified list are approved by the Cabinet of Ministers of Ukraine by 30 November, such changes apply from 1 January of the reporting year following the calendar year in which the changes were made. If changes to the specified list are approved after 30 November, such changes apply from 1 January of the second reporting year following the calendar year in which the changes were made."



A photograph of a business meeting. In the foreground, a woman in an orange blazer holds a black pen over a clipboard. In the background, another person in a grey suit is partially visible, also holding a pen. The scene is brightly lit, suggesting an office environment.

07

FINANCIAL AUDIT

The Importance of IFRS Accounting

Ukrainian companies should transition to reporting under International Financial Reporting Standards (IFRS).

The process of globalisation of the world economy, strengthening investor protection, and ensuring transparency in the functioning of international capital markets have led to new approaches in improving methodologies for disclosing economic information on the performance of business entities, particularly issuers of securities in international financial markets.

Therefore, the need for the development and implementation of International Financial Reporting Standards arises primarily from the process of unifying existing national accounting and reporting requirements across different countries. IFRS is a framework not directly linked to the economy of any specific group of countries and without its own traditions. The foundation of the IFRS system is the result of agreements between delegates from various reporting systems. IFRS is an effective tool that enhances transparency and clarity in the disclosure of business entity activities. It establishes a reliable basis for determining profits and expenses, as well as assessing assets and liabilities.

In many countries around the world, IFRS is used as a foundation for modernising their market infrastructure and adopting the best global practices. IFRS addresses a range of issues that are critically important in the context of developing international trade, the activities of multinational corporations, and the globalisation of financial markets. Specifically, it involves issues related to investment and lending, and consequently, decision-making regarding specific companies. To make such decisions, investors analyse the financial statements they receive, and if the statements are prepared under different standards, comparison becomes meaningless. Furthermore, the issue lies not only in seeking external financing but also in internal financing.

The intensification of European integration processes in Ukraine, the development of international cooperation, participation in the sphere of international distribution and production cooperation, the attraction of

foreign investments into Ukraine's economy, the entry of domestic enterprises into international capital markets, and the strong demand for further reform of the accounting system and the implementation of methodologies for disseminating economic information to ensure openness, transparency, and comparability of financial reporting indicators for business entities are driving more and more domestic companies towards adopting IFRS for accounting and reporting.

Ukraine's transition to IFRS undoubtedly offers a range of benefits for the country's economy as a whole and for individual companies. The advantages of this transition include:

- 1) **Facilitating the inflow of foreign investments into Ukraine's economy.** Entities that prepare financial statements in accordance with IFRS significantly increase their chances of attracting additional sources of capital and business partners to support economic growth, as they no longer need to spend time, effort, and resources on preparing IFRS reports in addition to national accounting standards (NAS). In turn, entities using IFRS have access to information on the financial standing of potential partners. This serves as an additional tool in their selection process.
- 2) **Enhancing corporate transparency.** Ensuring the transparency of entities in the national economy is of great importance, as the market value of capital is determined by two key factors: future income and future risks. Some risks are indeed inherent to the activities of the companies themselves; however, others stem from a lack of necessary information and the absence of accurate data on investment profitability. Creditors and investors are willing to accept lower returns if they can be assured that reliable, fair, and accurate information will mitigate their risks. The requirement to disclose the ultimate beneficial owner, as outlined in IAS 1 "Presentation of Financial Statements" and IAS 24 "Related Party Disclosures", will enhance trust in Ukrainian counterparties, thereby expanding export opportunities.
- 3) **Reducing Unemployment.** The expansion of export opportunities will reduce unemployment, boost domestic consumption, and become another factor contributing to economic recovery.

- 4) **Enhancing the Quality of Statistical Information and Its Comparability with Other Countries.** The ability to rely on more accurate information when calculating investment projects will improve planning and, consequently, the implementation of investment projects, fostering additional inflows of both domestic and foreign investments into Ukraine's economy.
- 5) **Facilitating Access to International Capital Markets,** which Enables an Increase in Market Capitalisation by Driving Demand for Shares of Ukrainian Issuers and Reducing the Cost of Raised Capital, as IFRS reporting audits are less expensive than audits and transformations under NAS. Accordingly, this provides the enterprise with the opportunity to reduce costs and thereby enhance its competitiveness.
- 5) **Reduction of costs for preparing financial statements,** as the accounting department of an enterprise already reporting under IFRS will no longer need to perform transformations or maintain parallel accounting under NAS.

Thus, by preparing financial statements using IFRS, companies become more transparent and efficient. The implementation of International Financial Reporting Standards enables the preparation of reports for external investors and partners with high accuracy and minimal costs in a short period; the company's reports are easily audited and certified by leading global auditors; IFRS reporting allows for unbiased assessments of the company's condition and the making of well-grounded managerial decisions; the company gains an international reputation as an innovator and reliable partner at a global level; precise managerial reporting is developed within short timeframes; and cost increases for IFRS implementation are minimised.

As a result, IFRS becomes not just reporting in a "new" format but also a practical tool for enhancing transparency and the overall efficiency of enterprise management.



Required to maintain accounting under international standards:

- ✓ companies of public interest;
- ✓ enterprises operating in extractive industries;
- ✓ public joint-stock companies;
- ✓ parent companies of groups that include entities of public interest;
- ✓ parent companies of large groups that do not fall under the category of large enterprises;
- ✓ enterprises engaged in economic activities specified by the Cabinet of Ministers of Ukraine, including banks, professional participants in capital markets, other financial institutions, and investment funds.

The advantages of preparing financial statements under IFRS are indisputable. IFRS is regarded as a tool for the globalisation of the economy and international economic relations. The principles underlying the preparation of reports in accordance with international standards make them more objective and capable of reflecting the true financial position of a company.

The value of IFRS is significant not only for foreign investors but also for domestic investors.



08



IT CONSULTING

New release for SAF-T UA v 2.0



In early November, the State Tax Service of Ukraine released a new version of SAF-T UA v 2.0, introducing changes that affected every section of the file.

EBS has already updated its SAF-T UA module for generating tax reporting files to comply with the new standard, fully addressing all requirements.

What's new in the module version:

- 1) New elements have been added, the mandatory status of certain fields has been changed, and additional information has been provided for specific fields.
- 2) A "Validation" column has been introduced in some sections, describing logical verification rules.
- 3) An explanation of off-balance sheet accounts has been added.
- 4) The Taxonomy section, previously marked as "not applicable in the Ukrainian version," is now labeled "not required." However, it must be completed in certain cases.
- 5) Requirements for the General Ledger Accounts section have been enhanced, with several fields now mandatory and amounts including off-balance sheet accounts.
- 6) The Customers and Suppliers sections have been updated, and the OpenInvoices subsection has been expanded. The fields OpeningBalanceOriginDate and ClosingBalanceOriginDate are no longer mandatory.
- 7) In the Products (Inventory/Products) section, new fields have been added, mandatory status has been reduced, and descriptions have been clarified.



- 8) The Inventory (PhysicalStock) section includes new fields and more detailed descriptions.
- 9) Updates in the Assets section include new fields, changes to mandatory fields, and optional fields such as Supplier, Purchase Date, and Start Date.
- 10) In the General Ledger Entries section, AccountID is now explicitly defined as debit, and CorrespondingAccountID as credit. New fields CustomerID1, SupplierID1, and OwnerID1 have been introduced for credit accounts.
- 11) The Documents section includes more detailed explanations, and mandatory requirements have been reduced.
- 12) The Other Source Documents section reflects similar changes as those in the General Ledger Entries section.

BAS Product Line Updates and Releases

- 07/10/24 – 09/10/24 BAS Accounting (Basic, PROF, and CORP). A new release 2.1.28.3 has been issued.
- 08/10/24 BAS Construction. Accounting. A new release 2.1.26.1 has been issued.
- 08/10/24 BAS Construction. Finance Management. A new release 2.1.25.1 has been issued.
- 10/10/24 – 11/10/24 BAS ERP. BAS Comprehensive Enterprise Management. A new release 2.1.36.2 has been issued.
- 11/10/24 – 12/10/24 BAS ERP. BAS Comprehensive Enterprise Management. New releases 2.5.13.2 have been issued.
- 13/10/24 Trade Enterprise Management for Ukraine. A new release 1.3.75.1 has been issued.
- 14/10/24 Manufacturing Enterprise Management for Ukraine. A new release 1.3.86.1 has been issued.

- **14/10/24 BAS Trade Management.** A new release 3.2.36.2 has been issued.
- **15/10/24 BAS Trade Management.** A new release 3.5.13.2 has been issued.
- **15/10/24 BAS AGRO Accounting.** BAS AGRO Accounting for Elevators, Mills, and Feed Factories. New releases 2.1.35.1 have been issued.
- **17/10/24 BAS Small Business (Basic, PROF).** New releases 1.6.21.1 have been issued.

New in Product Versions

1) Tax Document Issuance

New forms of tax documents:

- ✓ Forms of the tax invoice and Appendix 2 have been implemented in accordance with the Ministry of Finance Order No. 400 dated 09/08/2024.
- ✓ Export of tax documents according to the electronic document schemas J1201016, J1201216 (reason types 0-21) has been implemented. Additionally, export of tax documents with reason type 22 (to be used after the introduction of the export guarantee regime) is supported based on draft schemas J1211001, J1211201 published by the Tax Service.

Tax invoice issuance with reason type 13 ("Conditional Sale")

- ✓ When exporting a tax invoice of the "Conditional Sale" type with reason type 13 (Use of production or non-production facilities, other goods/ services not for economic activity), columns 3-7 of Section B are filled automatically: product name, classifier code, quantity, unit of measure, and price.
- ✓ Automatic filling of this data in the tax invoice has been implemented through full inventory upload into the "Incoming Tax Document Registration" form from an XML file or Fredo Report. Manual input is also available.

Tax invoice issuance for export operations

- ✓ In tax invoices for export operations, the customs declaration number and date, contract number and date, and forward contract indicator (added in the contract details) are now automatically populated.
- ✓ In foreign currency tax invoices, the amounts without VAT and the VAT amounts in hryvnias can now be edited alongside the amounts in the foreign currency.

2) Tax Credit Accrual

Importing documents from FREDO Report:

- ✓ Manual entry of the "Incoming Tax Document Registration" form for "Adjustment Calculation (return)" is recommended if no adjustment calculation is registered in the Unified Register of Tax Invoices (URTI) in the month of goods return to the VAT-paying supplier.
- ✓ After registering the adjustment calculation and receiving it via FREDO Report, it is now possible to reconcile the uploaded document with a previously manually entered one, preventing duplicates.

Report: "Expected and Confirmed Purchase VAT (Statement):

- ✓ A new report has been added, enabling the analysis of expected and confirmed purchase VAT amounts for any selected period.

3) Regulated Reporting

Notification of Employee Hiring:

- ✓ A new form for the regulated report "Notification of Employee Hiring" has been implemented in accordance with Cabinet of Ministers Resolution No. 967 dated 23/08/2024.

06/11/24 An updated external report form "VAT Declaration" has been published in the RDI Service for the standard configurations BAS Accounting (Basic, PROF, and CORP), BAS ERP (versions 2.1 and 2.5), and BAS Comprehensive Enterprise Management (versions 2.1 and 2.5).

07/11/24 – 14/11/24 The external report "VAT Declaration" has been published in the "Program Updates" service of the ITS portal, and on 19/11/24 – 22/11/24, the external report "VAT Adjustment Calculation" has been published for the following configurations:

- ✓ BAS Accounting (Basic, PROF, and CORP), version 2.1.28.3
- ✓ BAS ERP; BAS Comprehensive Enterprise Management, version 2.1.36.2
- ✓ BAS ERP; BAS Comprehensive Enterprise Management, version 2.5.13.2
- ✓ Management of Trade Enterprise for Ukraine, version 1.2.75.1
- ✓ Management of Manufacturing Enterprise for Ukraine, version 1.3.86.1
- ✓ BAS Construction. Accounting, version 2.1.26.1
- ✓ BAS Construction. Finance Management, version 2.1.25.1
- ✓ BAS AGRO Accounting; BAS AGRO Accounting for Elevators, Mills, and Feed Factories, version 2.1.35.1
- ✓ Agricultural Enterprise Management for Ukraine, version 1.3.86.2

05/12/24 Updated external report forms "Tax Invoice (upload in XML format)" and "Annex 2 to the Tax Invoice (upload in XML format)" have been published in the RDI Service for the standard configurations BAS Accounting (Basic, PROF, and CORP), BAS ERP (versions 2.1 and 2.5), BAS Comprehensive Enterprise Management (versions 2.1 and 2.5), and BAS Trade Management (versions 3.2 and 3.5).

05/12/24 – 09/12/24 The external reports "Tax Invoice (upload in XML format)" and "Annex 2 to the Tax Invoice (upload in XML format)" have been published in the "Program Updates" service of the ITS portal for the following configurations:

- ✓ BAS Accounting (Basic, PROF, and CORP), version 2.1.28.3
- ✓ BAS ERP; BAS Comprehensive Enterprise Management, version 2.1.36.2
- ✓ BAS ERP; BAS Comprehensive Enterprise Management, version 2.5.13.2
- ✓ Management of Trade Enterprise for Ukraine, version 1.2.75.1
- ✓ Management of Manufacturing Enterprise for Ukraine, version 1.3.86.1

- ✓ BAS Construction. Accounting, version 2.1.26.1
- ✓ BAS Construction. Finance Management, version 2.1.25.1
- ✓ BAS AGRO Accounting; BAS AGRO Accounting for Elevators, Mills, and Feed Factories, version 2.1.35.1

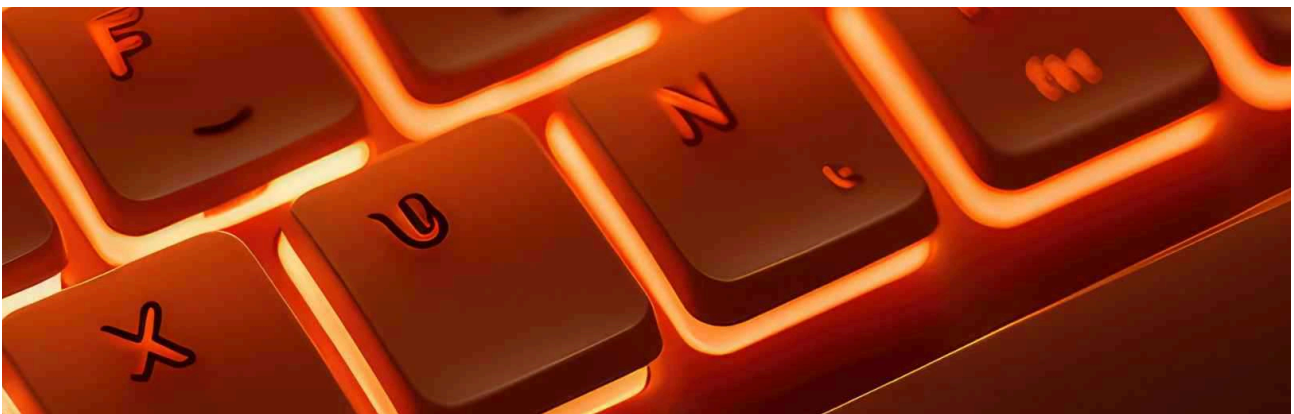
18/12/24 A new release 1.0.2.0 for the BAS Service Desk configuration has been issued

New in Product Versions

Standard functionality:

- ✓ Added directories: "Counterparties" and "Counterparty Agreements."
- ✓ Established a link between "Service Categories" and "Counterparty Contracts."
- ✓ Enabled customization of templates for complex business processes, considering service categories.
- ✓ Introduced interactive customization of email templates.

26/12/2024 In the "Program Updates" service of the ITS portal, external reports "VAT Adjustment Calculation," "Tax Invoice (upload in XML format)," and "Annex 2 to the Tax Invoice (upload in XML format)" dated 26/12/24 for the configuration "Management of Agricultural Enterprise," version 1.3.86.2, have been published.



1. 25/12/24 – 26/12/24 BAS Accounting (Basic, PROF, and CORP). New releases 2.1.29.3 have been issued.
2. 25/12/24 BAS ERP. BAS Comprehensive Enterprise Management. New releases 2.1.37.2 have been issued.
3. 25/12/24 BAS AGRO. Comprehensive Enterprise Management. New release 2.5.13.3 has been issued.
4. 25/12/24 BAS Payroll and Personnel Management (Basic, PROF). New release 3.0.5.6 has been issued.
5. 28/12/24 BAS Construction. Accounting. New release 2.1.27.1 has been issued.
6. 28/12/24 BAS Construction. Finance Management. New release 2.1.26.1 has been issued.
7. 28/12/24 BAS ERP. BAS Comprehensive Enterprise Management. New releases 2.5.14.2 have been issued.
8. 28/12/24 Trade Enterprise Management for Ukraine. New release 1.2.76.1 has been issued.
9. 29/12/24 Manufacturing Enterprise Management for Ukraine. New release 1.3.87.1 has been issued.
10. 31/12/24 Payroll and Personnel Management for Ukraine (Basic, PROF). New releases 2.1.71.1 have been issued.

New in Product Versions

1) Payroll and HR

Military Duty:

- ✓ In accordance with the Law of Ukraine No. 4015-IX dated 10/10/2024, the military duty rate of 5% is effective from 01/12/2024.

Transitional Accruals and Military Duty:

- ✓ When calculating sick leave for tax periods before December 2024, the military duty rate of 1.5% must be applied.
- ✓ Recalculation of the military tax for December vacations at a rate of 5% is required if they were taxed in November or earlier at a rate of 1.5%.



- 2) **Consignment Note** (for all configurations except BAS Payroll and HR and Payroll and HR for Ukraine)

New Form of Consignment Note:

- ✓ In accordance with Order No. 1332 dated 14/11/2024 of the Ministry of Communities and Territories Development of Ukraine, a new form of the consignment note has been implemented. The form will be activated once the order comes into force.

- 3) **Tax Document Issuance** (for all configurations except BAS Payroll and HR and Payroll and HR for Ukraine)

Reflection of Tax Documents in Export Security Mode in VAT Returns:

- ✓ In accordance with clause 97.5 of subsection 2 of the Transitional Provisions of the TCU, export operations of certain types of agricultural products are reflected in the VAT return in the customs declaration period. The date of the Customs Cargo Declaration is retroactively indicated in the tax invoices under the "Additional" tab.

- 4) **Regulated Reporting** (for all configurations except BAS Payroll and HR and Payroll and HR for Ukraine)

VAT Return and VAT Adjustment Calculation:

- ✓ New forms of regulated reports "VAT Declaration" and "VAT Adjustment Calculation" have been implemented in accordance with the Order of the Ministry of Finance of Ukraine No. 400 dated 09/08/2024.

Filling in Annex D2 to the VAT Return:

- ✓ An assistant for filling in Table 1 of Annex D2 has been implemented, automating the operations of filling and editing the table.

A5. ERP Product Line Updates and Releases

14/12/24 A5. ERP. Personnel Management. Update v.1.39.0 has been released

New in the version:

- ✓ Added the option of maintaining the Staffing Table, with unique user codes for Positions and Units.
- ✓ Bookmarks have been added to the Position form: History of appointments, History of payment changes, Additional data.
- ✓ For Units, the following updates have been implemented: Ability to enter Unit Addresses, Functionality for mass changes (or entries) of parameters to existing department records.
- ✓ When viewing the Staffing Book, the ability to expand the selected unit to the assignment level in the tree view has been added.
- ✓ Updates to the Employee Card include:
 - "Special titles."
 - "Medical insurance."
 - "Critical personnel."
- ✓ New reports have been implemented:
 - Universal Personnel Report, which allows customization of employee lists based on user parameters.
 - Number and Composition of Employees.
- ✓ Functionality for working with custom templates of printed order forms has been implemented, enabling system administrators to customize forms.
- ✓ In the Personal Account, 18 new types of applications have been added.

- ✓ Added the ability to include a universal “Text” field in all types of applications. The “User Groups” tab allows managing access to applications using user role groups.
- ✓ In the Employee's Work Record Book form, the “Reason for Dismissal” field now allows selection of values from a reference book.
- ✓ The functionality to attach PDF files and perform online approval of certificates within the system via a specified Route – Register of Personnel Documents has been added.
- ✓ Amendments to the Law of Ukraine “On Amendments to Certain Legislative Acts of Ukraine on the Regulation of Vacation Leave Granting and Use, as well as Other Issues” have been accounted for.
- ✓ Added the ability to filter the Employee List by personnel category.
- ✓ For external part-time employees: Report on the Average Number of Employees and Average Monthly Salary (FOP).
- ✓ On the HR Orders Desktop, individual customization of the order list display has been implemented.
- ✓ Updates to Printed Order Forms now include: Displaying signatories and those acquainted with the order at the bottom of the form.
- ✓ Implemented functionality for transferring leave balances when transferring employees between organizations within the system for all position types (using the “Transferred” mark on the order form).
- ✓ For orders “On Financial Assistance” and “On Dismissal,” the ability to calculate in terms of minimum wages and subsistence minimums has been added.
- ✓ Order on Military Service: Printed forms now include information on job retention, position, and average salary.
- ✓ Enabled the generation of printed lists of orders, with the ability to customize the types of orders selected for a particular journal.

- ✓ Improved the functionality of the “Tariff Categories, Coefficients” reference book.
- ✓ Enhanced the Report on the Average Number of Employees and Average Monthly Salary (AMS) in relation to external part-time employees on maternity leave.
- ✓ Additional improvements have been made.

16/12/24 A5. ERP. Payroll Accounting. Update v.1.39.0 is now available

New in the version:

- ✓ Added the ability to electronically approve report card documents.
- ✓ Introduced a special accrual document, “One-time accruals/ deductions,” which allows uploading amounts from Excel files to employees' payslips.
- ✓ Added functionality to specify calculation amounts in different currencies.
- ✓ Enabled customization of calculations for sick leave, taxes, and payroll taxes (ERUs) for gig-contractors and employees of Diia-City organizations.
- ✓ New reports have been added:
 - 1-PC Report on labor costs.
 - Report on the control of payments in foreign currency.
- ✓ A grid has been introduced to view and configure accounting elements displayed in the corresponding column of the printed timesheet form.
- ✓ Improved the “Work Schedules” reference book.
- ✓ Added the ability to adjust the work schedule for a month.
- ✓ Enhanced settings for the printed timesheet form:
 - Creation of multiple printed timesheet forms for one organization.
 - Added a “Print Menu” tab.
 - Introduced options for organizing timesheets by WP or unit code and tab.no.

- Added settings for the header in the “Report Card Header” tab.
- Implemented the option “Use the form for the full month for the form for the first half.”
- ✓ Introduced the ability to filter a block of documents for mass posting and canceling of sick leave.
- ✓ Improved reference books: Types of Payment, Types of Income, Typical Operations.
- ✓ For payroll, added the columns Funding Source and Accounting Posting to the list of payment types.
- ✓ Improved the functionality of Payroll, Personal Account, and Incoming Documents.
- ✓ Enabled manual entry of the military fee into payslips.
- ✓ Added the ability to calculate withholding amounts for a negative number of days when creating an accrual document manually.
- ✓ Enhanced the generation of reports:
 - 1PV (monthly).
 - 1Q (quarterly).
 - Combined report of unified social contribution and personal income tax.
 - Consolidated report on accruals and deductions.
 - Report on estimated amounts of vacation pay and compensation for unused vacation.
 - Report on deduction of personal income tax.
- ✓ Introduced control over the calculation of unified social contributions, including a check for the vacation reserve.
- ✓ Improved uploading of the Protocol of the Social Insurance Commission in pdf format.
- ✓ Clarified the definition of the tax-free amount for financial assistance.
- ✓ Additional improvements have been made.

20/12/24 A5. ERP. Accounting and Tax Accounting. Update v.1.9.0 has been released

New in the version:

- ✓ New documents created: "Product (service) release" and "Production order".
- ✓ A procedure for the group formation of tax documents has been implemented.
- ✓ New reports added:
 - "Consolidated VAT Declaration for Organizations".
 - "Register of Issued and Received Tax Invoices".
 - "Reconciliation of Tax Liabilities".
 - "Reconciliation of Tax Credit".
- ✓ The functionality for filling in the attributes of the "Prepayment" block in the "Settlements under Commission Agreements" document has been implemented.
- ✓ Added control for the availability of unposted documents when posting documents, if used as analytics.
- ✓ New operation added: "Settlements under the Commission Agreement".
- ✓ A group of automation functions for order execution and inventory consumption control introduced: Register of Order Fulfillment, Register of Materials Write-Off by Orders, Register of Materials Write-Off by Limit and Pick-Up Cards.
- ✓ Added functionality for converting units of measurement of inventory from primary documents to the base unit of measurement in accounting.
- ✓ Production Accounting functionality added, enabling: Cost tracking by costing groups and technological processes, Accounting for production costs by technological processes.
- ✓ Enhanced:
 - The functionality for writing off food products with simultaneous posting of food items has been improved.

- The functionality for generating payment instructions has been enhanced.
- The rules for determining the first event have been refined.
- Reference books have been improved: "Types of Transactions," "Employee of the Organization," and "Address."
- VAT reporting functionality has been updated.
- The functionality of the "Turnover - Account Balance Sheet" report has been enhanced.
- The functionality for generating the "Bank Statement" entity has been improved.
- Functionalities for "Currency Purchase" and "Currency Sale" have been enhanced.
- The posting process for cost write-offs of goods and materials has been improved for Production Accounting documents, including "Product (Service) Release," "Write-Off of Materials to Production," and "Return of Materials from Production."
- The form and list of the "Monetary Accounts" entity have been refined.
- The functionality for commissioning INMA and NA has been enhanced.
- The "Revaluation of Monetary Items" functionality has been improved.

✓ **Uploaded forms of regulated reporting:**

- Changes have been made to the "Cash Receipt Order" document for retail revenue accounting.
- Modifications have been introduced to the "Agreement" entity form.
- Updates have been applied to the "State Register of Medicinal Products" reference book.
- Changes have been made to the "Annex 2 to the TI (outgoing)" document, including updates to the XML export file and the printed form (new TI form effective from 01/10/2024).
- Updates have been implemented in the printed forms: "Act for the Write-Off of Low-Value and Wearing Items", "Inventory of Goods and Materials."

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