AGREEMENT
on the principles of indirect tax collection at export and import of goods, performing work and rendering services in the customs union

The Government of the Republic of Belarus, the Government of the Republic of Kazakhstan and the Government of the Russian Federation, hereinafter referred to as the Parties,

Acknowledging the generally accepted principles and rules of international trade,

Have agreed as follows:

Article 1

Key terms used in this Agreement

For the purposes of this Agreement the following terms shall be used:

“Indirect taxes” are represented by valued added tax (hereinafter referred to as the VAT) and excise duties (excise tax or excise duty);

“Zero rate” is the VAT rate of zero percent, which means that the VAT taxpayers (payers) have the right for refund (reimbursement, repayment) of the paid VAT from the state budget;

“Taxpayers (payers)” are taxpayers (payers) of taxes, fees and duties charged by member states of the customs union;

“Goods” are any movables or immovable property and all kinds of energy sold or intended for sale;

“Work” is an activity which has outcome in material form that can be sold in order to satisfy the needs of an organization and (or) physical persons;

“Services” is an activity which has outcome in non-material form that is sold and consumed in the process of this activity, as well as the transfer and provision of patents, licenses, trademarks, copyrights and other rights;

“Export of goods” is the export of goods sold by taxpayers (payers) from the territory of one member state to the territory of another member state of the customs union;

“Import of goods” is the import of goods by taxpayers (payers) to the territory of one member state from the territory of another member state of the customs union;

“Competent authorities” are the finance ministries, tax and customs authorities of member states of the Customs Union.

Article 2

Principle of indirect taxation on the export of goods

At the export of goods the zero VAT rate and (or) an exemption from (refund of) excise-duty is applied, on condition that there is documentary evidence of export.

Article 3

Principle of indirect taxation on the import of goods

On the import of goods to the territory of one member state from the territory of another member state of the customs union, excise duties are collected by tax authorities of the importing state, except for goods imported to the territory of one member state from the territory of another member state of the customs union for the purpose of processing and subsequent export of the resulting product from the territory of the latter member state, transited goods and goods not subject to taxation at import, in accordance with the legislation of the customs union's member states.

The specific features of indirect taxation at import to special (free trade) economic zones shall be stipulated in a separate protocol signed by the Parties.

The rates of indirect taxes on imported goods in mutual trade should not exceed the rates of indirect taxes charged on similar domestically produced goods.

Article 4

Procedure of indirect tax collection and control over its payment on export and import of goods

The procedure of indirect tax collection and the mechanism of control over its payment on export and import of goods shall be carried out in line with a separate protocol signed by the Parties.

Article 5

Procedure of indirect tax collection on performing work and rendering services

The procedure of indirect tax collection on performing work and rendering services shall be carried out in line with a separate protocol signed by the Parties.

Article 6

Exchange of information among tax authorities

The exchange of information among tax authorities of the Parties, also including data required to ensure the complete collection of indirect taxes, shall be carried out in line with a separate interagency protocol.

Article 7

Relation of the Agreement to other international treaties

Provisions of this Agreement shall not affect the rights and obligations of the Parties arising from other international treaties in which the Parties participate.

Article 8

Dispute resolution

Any dispute between the Parties related to the application or interpretation of this Agreement shall be resolved through consultations and negotiations between the Parties, and if consent is not achieved the dispute shall be submitted for review by the Court of Justice of the Eurasian Economic Community.

Article 9

Amendments and additions

At the agreement of the Parties amendments may be made to this Agreement in the form of separate protocols.

Article 10

Final provisions

This Agreement shall enter into force in accordance with the Protocol on the procedure of entering into force for international treaties that constitute the contractual and legal framework of the customs union, their denunciation and annexation, dated October 06, 2007. This Agreement is liable to application starting from January 01 of the year following the year in which the protocols mentioned in Articles 3, 4, 5 and 6 of this Agreement take effect, but not earlier than the coming into force of the Treaty on the creation of the common customs area and establishment of the customs union dated October 6, 2007.

Done in the city of Moscow on January 25, 2008 in one original in the Russian language.

The original of this Agreement shall be kept by the Integration Committee of the Eurasian Economic Community, which, being a depositary of this Agreement, shall forward its true copy to each Party.

For the Government

of the Republic of Belarus **S. Sidorsky**

For the Government

of the Republic of Kazakhstan **K. Masimov**

For the Government

of the Russian Federation **V. Zubkov**