

Personal income tax in Ukraine

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Taxpayers

The personal income tax (PIT) is paid by resident and non-resident individuals and tax agents.

Rate

PIT rate is 18%, while PIT rate for dividend payments is 5%.

Note! For income in the form of dividends on shares and/or investment certificates, corporate rights received from non-residents, collective investment institutions and companies that do not pay corporate income tax, the tax rate is 9%.

Tax base

PIT is applied to:

Residents	Monthly (annual) taxable income
Income from Ukrainian sources of origin, taxable at the time of its accrual (payments, compensation)	
Income from foreign sources of origin	
Non-residents	Monthly (annual) taxable income from Ukrainian sources of origin
Income from Ukrainian sources of origin, taxable at the time of its accrual (payments, compensation)	

Some types of profit are not included in the monthly (annual) taxable income of the taxpayer.

These include:

- the income from the interest accrued on securities of the Ministry of Finance of Ukraine and the NBU's debt obligations;
- the income received by non-residents as the interest accrued on government securities or municipal bonds or debt securities guaranteed by the state;
- the alimony received in accordance with the court ruling or voluntary arrangement of the parties as provided by the Family Code of Ukraine;
- insurance payments, pension payments, etc., received under the long-term life insurance agreement, namely from a non-state pension scheme;
- dividends in the form of shares (shares, capital shares), which have been issued by a resident legal entity and accrued to the taxpayer, provided that such an accrual does not change in any way the proportions (shares) of the participation interest of all shareholders (owners) in the share capital of the issuer, thereby increasing the issuer's share capital by the total nominal value of the accrued dividends;
- the principal amount of the deposit deposited by the taxpayer in the bank or in a non-bank financial institution, which is repaid to him/her, the amount received by the taxpayer as a result of the sale of his/her right to claim the deposit, and the principal amount of the loan received by the taxpayer (during the contract period);
- the principal amount of repayable financial aid provided by a taxpayer to other persons, which is repaid to him/her;
- the principal amount of repayable financial aid received by a taxpayer;
- the income of a private entrepreneur, which is subject to single tax;
- the amount of the taxpayer's property and non-property contributions to the charter capital of the legal entity – the issuer of corporate rights in relation to such rights;
- investment profit from operations with debt obligations of the NBU and with state securities issued by the Ministry of Finance of Ukraine;
- the funds provided by an international financial organization or by another financial organization or foundation in connection with the implementation of energy efficiency and energy-saving projects in Ukraine.