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FOR INTERNATIONAL INVESTORS

Tax guide for foreign investors in Kyrgyz securities

Kyrgyz tax on foreign investors' income from securities ranges **from 0% to 10%** and never exceeds 10%. Capital gains on securities in the higher listing categories of the Kyrgyz Stock Exchange (KSE), including government securities, are not taxed for individuals or companies. The rate on interest income and dividends depends on the security, on whether you invest as an individual or a company, and on your country of tax residence: double taxation treaties cut it to 8%, 5% or 0%.

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0%
Capital gains
for foreign individuals and companies, on securities in the two highest KSE listing categories on the day of sale

0%
Interest income on KSE-listed treasuries, individuals
2-year treasury bonds and 12-month treasury bills (category A); for foreign companies 0–10%, depending on the country

0–10%
Treasuries bought at an NBKR auction
10% under the Tax Code; 8%, 5% or 0% under a treaty with your country of residence

10%
Maximum
Kyrgyz tax on foreign investors' income from securities is never higher than 10%

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1 Who counts as a foreign investor

This guide is for **foreign investors**: individuals who are neither Kyrgyz citizens nor Kyrgyz tax residents, and foreign companies without a permanent establishment in Kyrgyzstan. Foreign investors pay Kyrgyz tax only on income from Kyrgyz sources, such as capital gains, interest income and dividends on Kyrgyz securities (Tax Code, Art. 185–186, 248).

Kyrgyz citizens and tax residents are taxed under different rules. Ask us if this applies to you.

2 Summary

INCOME	FOREIGN INDIVIDUALS	FOREIGN COMPANIES	WITH A TREATY
Capital gains on securities listed on the KSE in the highest or second-highest category (A or B) on the day of sale: shares, corporate bonds and government securities	**0%**	**0%**	**0%** not taxed even without a treaty
Interest income on treasury bonds and bills listed on the KSE (2-year treasury bonds and 12-month treasury bills of the Ministry of Finance, category A)	**0%**	**0–10%***	**0–10%** for companies, the treaty rate
Interest income on treasury bonds and bills bought at an NBKR auction	**10%**	**10%**	**0–10%** e.g. 0% United Kingdom and Netherlands, 5% Switzerland
Dividends on shares in KSE categories A and B	**10%**	**0%**	**0–10%** for individuals, the treaty rate
Dividends on other shares of Kyrgyz companies	**10%**	**10%**	**0–10%**
Maximum in Kyrgyzstan	**10%**	**10%**	**10%**

* The rate for foreign companies depends on the country of tax residence and its treaty with Kyrgyzstan. Please check it with us before you buy. A treaty never raises the tax above the Tax Code rate: if the treaty allows more, the Kyrgyz rate applies.

> **In short:** Kyrgyz tax ranges from 0% to 10% and is never higher than 10%. Capital gains on securities in the higher KSE listing categories, including government securities, are not taxed for individuals or companies. Interest income on treasury bonds and bills listed on the KSE is not taxed for foreign individuals either. Where the Tax Code sets 10%, a treaty with your country of tax residence can cut the tax to 8%, 5% or 0%.

Example: KGS 60,000 interest income on a treasury bond bought at an NBKR auction

TAX RESIDENT OF	KYRGYZ RATE	TAX	YOU RECEIVE
A country without a treaty, or with a 10% treaty rate	10%	6,000 KGS	54,000 KGS
Switzerland	5%	3,000 KGS	57,000 KGS
United Kingdom, Netherlands	**0%**	**0 KGS**	**60,000 KGS**

3 Capital gains on listed securities

When a foreign investor sells a security, the capital gain is **not taxed in the Kyrgyz Republic** if, **on the day of sale**, the security is listed on the Kyrgyz Stock Exchange in the **highest or second-highest listing category**. This applies to foreign individuals (Tax Code, Art. 191(7)(2-1)) and to foreign companies without a permanent establishment: they are profit tax payers, so the exemption covers them (Art. 207(1)(3), Art. 213(1)(15)).

The 10% tax on the sale of a participation in a Kyrgyz organisation (Art. 249(2)(6)) does not apply to shares traded on the KSE: under the Tax Code, a participation does not include an interest in a joint-stock company (Art. 174(14)).

The KSE has three listing categories: A, B and C. Category A is the highest and has the strictest requirements for issuers, so the exemption covers securities in categories A and B: shares, corporate bonds and government securities.

> **The day of sale is what counts.** The category is checked on the date you sell, not the date you buy. If a security moves down to category C before you sell, the exemption does not apply to that sale. We check the current category of a security for you before you place an order.

The same exemption also covers securities listed on a foreign exchange from the list approved by the Cabinet of Ministers of the Kyrgyz Republic. For securities outside categories A and B, contact us before you invest, and we will explain the tax treatment for your case.

4 Government securities

The Ministry of Finance of the Kyrgyz Republic borrows on the domestic market through two channels. The tax treatment depends on which one you buy through.

KYRGYZ STOCK EXCHANGE

2-year treasury bonds and 12-month treasury bills

Placed at auctions on the KSE and listed in **category A**, the highest listing category. They are the only government securities on the KSE listing.

Capital gains: not taxed for foreign individuals and companies.

Interest income: 0% for foreign individuals (Art. 191(7)(2)); for foreign companies, 0% to 10% depending on the country of residence.

NATIONAL BANK (NBKR) AUCTION

Treasury bonds and bills bought at an NBKR auction

For example, 3-, 5-, 7- and 10-year treasury bonds, placed through the NBKR auction system.

The exemption does not apply, because these issues are not listed on the KSE. Interest income is subject to a **10% withholding tax**.

Under a treaty the tax can be lower: for example, **5%** for Swiss residents and **0%** for residents of the United Kingdom and the Netherlands.

Treasury bills are discount securities: you buy them below face value and receive the full face value at maturity. Treasury bonds pay a coupon and are usually also placed below face value, so your return is the coupon plus the difference between the purchase price and face value.

5 The exception: treasury bonds and bills bought at an NBKR auction

Interest income on treasury bonds and bills bought at an auction of the **National Bank of the Kyrgyz Republic (NBKR)** is subject to a **10% withholding tax** (Art. 197(1), 249(2)(1)). The tax is withheld when the interest income is paid, so you receive it net of tax.

10% is the ceiling. If Kyrgyzstan has a double taxation treaty with your country of tax residence, the tax can be lower: **8%** (for example, Azerbaijan), **5%** (for example, Switzerland and Germany) or **0%** (for example, the United Kingdom and the Netherlands, where interest income on government securities is taxable only in the country of residence). Country groups are in section 7. To apply the treaty rate, contact us **before you buy**.

Why the exemption does not apply. The exemptions for interest income and capital gains apply only to securities listed on the KSE in category A or B. Government bonds placed through the NBKR auction system (currently 3-, 5-, 7- and 10-year bonds) are not on the KSE listing, so the exemption does not cover them. Only 2-year treasury bonds and 12-month treasury bills are listed, in category A.

6 Dividends

Foreign individuals pay 10% income tax on dividends from Kyrgyz companies, withheld by the company paying the dividend (Art. 197(1)). The dividend exemption in the Tax Code applies only to Kyrgyz citizens and residents (Art. 191(7)(4-1)).

Foreign companies without a permanent establishment in Kyrgyzstan pay 10% withholding tax on dividends. Dividends on shares listed on the KSE in the two highest categories (A and B) are exempt (Art. 249(2)(1)). The general dividend exemption for companies (Art. 213(7)) applies only to Kyrgyz companies and permanent establishments, not to foreign companies investing directly.

For Swiss residents, the treaty caps dividends at 15% for portfolio holdings, above the Kyrgyz rate, so the 10% Kyrgyz rate applies. A Swiss company holding at least 25% of the Kyrgyz company pays no more than 5% (treaty, Art. 10).

7 Double taxation treaties

If Kyrgyzstan has a double taxation treaty with your country of residence and it sets different rules, the **treaty prevails** over the Tax Code (Art. 3, 248(1)). If the treaty cap is higher than the Kyrgyz rate, the lower Kyrgyz rate applies.

How a treaty lowers your tax

Each treaty sets its own rates and rules. For example, under the treaty between Switzerland and Kyrgyzstan (Convention for the avoidance of double taxation with respect to taxes on income and on capital, signed on 26 January 2001, in force since 5 June 2002, Swiss classified compilation SR 0.672.947.41), Kyrgyz tax is capped as follows:

INCOME	TREATY MAXIMUM IN KYRGYZSTAN	WHAT YOU PAY
Interest income, incl. on treasury bonds and bills bought at an NBKR auction (Art. 11)	5%	**max 5%** instead of 10%
Dividends, company holding at least 25% (Art. 10)	5%	**max 5%**
Dividends, all other cases, incl. portfolio investors (Art. 10)	15%	**10%** the Kyrgyz rate is lower
Capital gains on shares and bonds (Art. 13)	Taxable only in Switzerland	**0% in Kyrgyzstan** except shares of companies whose assets are mainly Kyrgyz real estate

The treaty depends on the investor's country of **tax residence**, not citizenship. You will usually need a certificate of tax residence from your home tax authority.

Which countries have a treaty

Kyrgyzstan has double taxation treaties with **38 countries**, including:

- **CIS and neighbouring countries:** Russia, Kazakhstan, Uzbekistan, Tajikistan, Turkmenistan, Belarus, Ukraine, Moldova, Armenia, Azerbaijan, Georgia, Mongolia;
- **Europe:** United Kingdom, Germany, Netherlands, Switzerland, Austria, Finland, Poland, Czech Republic, Slovakia, Hungary, Estonia, Latvia, Lithuania;
- **Asia, the Middle East and North America:** China, Japan, Republic of Korea, India, Pakistan, Malaysia, Turkey, Iran, UAE, Saudi Arabia, Qatar, Kuwait, Canada.

There is no separate treaty with the **United States**. The US applies the 1973 US–USSR tax convention to Kyrgyzstan, but it does not cover dividends, interest income on securities or capital gains. US investors are therefore taxed under the general rules of the Kyrgyz Tax Code. Treaties with **Cyprus**, **Hong Kong** and **Singapore** were signed in 2026 and are awaiting entry into force. Talks are under way with several more countries.

Treaty rates on interest income

The maximum Kyrgyz tax on interest income, including on treasury bonds and bills bought at an NBKR auction:

RATE	COUNTRY OF TAX RESIDENCE
0%	UAE, Saudi Arabia, Qatar, Kuwait: all interest income. United Kingdom and Netherlands: interest income on government securities, including treasury bonds and bills
5%	Switzerland, Germany, Czech Republic, Hungary, Georgia, Uzbekistan; United Kingdom and Netherlands on other interest income
8%	Azerbaijan; Japan from 1 January 2027. The same rate is in the treaties with Hong Kong and Singapore, which are not yet in force
10%	Other treaty countries and countries without a treaty, including the United States

These are maximum rates. Each treaty sets its own conditions, so tell us your country of tax residence and we will confirm the rate before you buy.

> **Do you need a treaty?** Not always. Under Kyrgyz law alone, capital gains on securities in KSE categories A and B are tax-free, and so is interest income on KSE-listed treasury bonds and bills for foreign individuals. A treaty matters where Kyrgyz tax can be up to 10%: interest income on treasury bonds and bills bought at an NBKR auction, interest income of foreign companies, dividends, and income from securities outside categories A and B. If the treaty rate is higher than the Kyrgyz rate, the lower Kyrgyz rate applies.
>
> **How to claim it:** obtain a certificate of tax residence from your home tax authority and give it to us before the income is paid. Tell us your country of tax residence and we will check the treaty and the rate for you.

8 How tax is withheld

- Tax on interest income and dividends is **calculated, withheld and paid to the budget by the tax agent**, the entity paying the income. You receive the amount net of tax (Art. 185(2), 248(6)).
- Kyrgyz tax on Kyrgyz-source income applies **wherever it is paid**, including to an account abroad (Art. 186(2), 248(5)).
- For foreign companies, withholding tax is charged on the gross amount, without deductions (Art. 249(1)).
- Tax-exempt income is paid without withholding (Art. 201(1)(2)).

9 Worked examples

A. Interest income on 2-year treasury bonds bought on the KSE (category A)	
Face value held	1,000,000 KGS
Annual coupon, 5%	50,000 KGS
Kyrgyz tax, individual or company	0 KGS
Net interest income per year	**50,000 KGS**

B. Interest income on a 5-year treasury bond bought at an NBKR auction	
Face value held	1,000,000 KGS
Annual coupon, 6%	60,000 KGS
Withholding tax, 10%	− 6,000 KGS
Net interest income per year	**54,000 KGS**
Swiss resident under the treaty (max 5% = 3,000 KGS)	at least 57,000 KGS
UK or Dutch resident under the treaty (0%)	60,000 KGS

Illustrative figures only. The 5% coupon matches the 2-year bond GBA02281026, and the 6% coupon the 5-year bonds offered in January 2026. Actual prices, coupons and yields differ by issue.

10 Home-country taxes, FAQ and sources

Taxes in your home country

This guide covers **Kyrgyz** taxes only. Income from Kyrgyz securities may also be taxable in your country of tax residence. Kyrgyz tax withheld may be credited against your home-country tax, depending on your country's rules and treaties. Please check with a tax adviser where you live.

Frequently asked questions

Do I pay Kyrgyz tax when I sell securities at a profit? −

No, if the securities are in KSE listing category A or B on the day you sell. This applies to both individuals and companies, including government securities traded on the KSE. The exception is treasury bonds and bills bought at an NBKR auction.

Is interest income on treasury bonds and bills taxed? –

Kyrgyz tax ranges from 0% to 10%. For foreign individuals, interest income on 2-year treasury bonds and 12-month treasury bills listed on the KSE is not taxed; for foreign companies, the rate depends on the country of residence. On treasury bonds and bills bought at an NBKR auction, the Tax Code sets 10%, and a treaty with your country of residence can cut the tax to 8%, 5% or 0%.

How do I find the rate for my country? –

See the country groups in section 7: for example, a Swiss resident pays no more than 5% on interest income from treasury bonds bought at an NBKR auction, and a UK resident pays 0%. Tell us your country of tax residence before you buy, and we will confirm the rate and the documents you need.

Are dividends taxed? –

Yes. Foreign individuals pay 10%, withheld at source, whatever the listing category. Foreign companies pay 10%, but dividends on shares in KSE categories A and B are exempt.

How do I know a security's listing category? –

Ask us. We check the current KSE category before you place an order.

Legal sources

- Tax Code of the Kyrgyz Republic No. 3 of 18 January 2022, as amended on 6 August 2026: Art. 3, 174, 185, 186, 191, 197, 201, 207, 213, 248, 249. Official text: cbd.minjust.gov.kg/112340 (Ministry of Justice of the Kyrgyz Republic)
- Convention between the Swiss Confederation and the Kyrgyz Republic for the avoidance of double taxation with respect to taxes on income and on capital, 26 January 2001, SR 0.672.947.41: Art. 10, 11, 13. Swiss Federal Tax Administration: estv.admin.ch/en/kyrgyzstan
- List of treaties: Ministry of Economy and Commerce of the Kyrgyz Republic, "International tax relations" (as of 1 August 2023); State Tax Service, "Tax agreements" (as of May 2025); announcements by the Japanese Ministry of Finance, the Hong Kong Inland Revenue Department and IRAS Singapore (2026). Treaty texts: United Kingdom (Art. 11(3)), Netherlands (Art. 11(3)).
- KSE listing, category A: "Ministry of Finance of the Kyrgyz Republic: 12-month treasury bills, 2-year treasury bonds". kse.kg/ru/Listing
- Auction schedules: 2-year bonds at the KSE (kse.kg/ru/ScheduleGS); 3- to 10-year bonds through the NBKR auction system (nbkr.kg). See also the Ministry of Finance schedule for November 2026, reported by economist.kg.

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