

Taxation of Individuals on the Sale of Investment Gold and Silver

VAT:

The sale of investment gold purchased at the Bank, and the sale of investment gold through retail and corporate metal accounts opened with second-tier banks are VAT-exempt.

Declaration:

When an individual earns income from the sale of investment gold or silver during the reporting period (calendar year), such income must be declared in Form **270.00** (Declaration of Individual's Income and Assets).

As regards the declaration of assets and liabilities (Form **250.00**), assets must be reported therein as investment gold and silver.

Gain on Physical Gold Bars, Gold and Silver in a Metal Account:

Income arises only at the time of sale (Article 331 of the Tax Code), and if there is a positive difference (gain) between the property's sale price and purchase price.

An individual is required to independently submit a tax declaration when selling gold at a profit.

The Tax Code has no specific provisions regarding taxation of income derived from metal accounts.

However, we believe that gain on the sale of gold, silver, or other metals in a metal account shall also be taxable when sold at a profit. Individuals are required to declare such income in Form 270.00 and pay personal income tax (PIT) in accordance with subparagraph 17 of Article 321 of the Tax Code of the Republic of Kazakhstan as other income not expressly specified. Just like with physical gold, the positive difference (gain) between the property's sale price and purchase price shall be considered as income.

Example:

An individual purchased 5 grams of gold at a price of KZT 50,000 per gram. Total purchase amount: $5 * 50,000 =$ KZT 250,000.

Later, the individual sold 5 grams at a price of KZT 52,500 per gram. Sale amount: $5 * 52,500 =$ KZT 262,500.

Gain on sale = Sale price – Purchase price

$262,500 - 250,000 =$ KZT 12,500

Personal Income Tax (PIT) = $12,500 * 10\% =$ **KZT 1,250**

Article 1, paragraph 1, subparagraph 27 of the Tax Code gives the following definition:

27) investment gold means gold that meets the following criteria:

For gold coins:

- Such gold coins must not have numismatic value;
- The purity of gold coins must be equal to or greater than 900/1000 of gross mass (equivalent to 900 fineness, 900 permille, 90.0 percent, or 21.6 karats).
- A gold coin is considered to have numismatic value if it meets any of the following criteria:

1. Minted before the year 1800;
2. Minted using the mirror-like surface technology, proof quality;
3. Mintage is not exceeding 1,000 copies;
4. Its market price exceeds the value of gold the coin contains by more than 80 percent.

The value of gold contained in a coin is determined by multiplying the gold morning fix (price quotation) set by the London Bullion Market Association on the date of sale of the gold coin by the market exchange rate on the last business day preceding the date specified.

For other gold:

- Such gold is refined (the purity of such gold must be equal to or greater than 995/1000 of the alloyed mass (equivalent to 995 fineness, 995 permille, 99.5 percent, or 23.88 karats);
- Such gold must meet the national or international standards, and be produced in the form of a standard or measured bar and/or plate bearing the following markings:

For standard bars and/or plates:

1. Serial number (may include the year of production);
2. Manufacturer's trademark;
3. Gold purity (mass content);
4. Year of production, if not included in the serial number;

For measured bars:

1. Metal name;
2. Manufacturer's trademark;
3. Gold purity (mass content);
4. Weight of the bar;

The taxation procedure provided herein is a subjective opinion, except for taxes expressly and clearly defined in tax legislation.

Therefore, the Bank customers are recommended to submit an inquiry to the State Revenue Committee or the Ministry of Finance.

Important! These clarifications are made based on the tax legislation in effect as of July 2025