

## ANNOUNCEMENT

### **The opening of accounts for accounting for voluntary pension contributions from May 1, 2021 will be carried out automatically**

From May 1, 2021, the first voluntary pension contribution (VPC) received by the UAPF will be the basis for opening an individual retirement account for recording voluntary pension contributions.

VPCs can be transferred both by a contributor - an individual at the expense of their income in their favor, and by a contributor (natural or legal person) in favor of the beneficiary. In this case, the amount and frequency of contributions are determined by the contributor independently.

It should be noted that when an individual pays a VPC in his favor out of his income, tax legislation provides for a tax deduction for the amount of VPC paid.

In addition, from January 1, 2021, VPCs paid by a tax agent (employer) at their own expense in favor of an employee are deducted when calculating corporate income tax. At the same time, the amounts paid by the employer to VPC in favor of the employee are not taken into account when taxing the employee's income.

Thus, the employer, implementing VPC payment in favor of his employees, receives tax advantages, as well as an additional tool to motivate his employees. For the employee, this will have a positive effect on the increase in the amount of pension savings formed in the UAPF at the expense of the VPC and, accordingly, in the increase in the amount of pension benefits from the UAPF.

VPC payment to UAPF can be made through second-tier banks (STB) or Kazpost JSC. Some STBs provide the ability to transfer contributions online (via a mobile application or self-service terminals). In addition, there is the possibility of submitting an application to the employer, on the basis of which the latter will regularly transfer the VPC to the UAPF in favor of the applicant or a third party.

In this case, the identification of the individual in whose favor VPCs are made will be carried out according to personal data (full name, IIN, date of birth) specified in the electronic format of the payment order when transferring VPC, and all the necessary information: about the details of the current identity document of the individual, about the place of permanent residence, other information of the UAPF will be obtained from the relevant information systems of state bodies.

*UAPF was established on August 22, 2013 on the basis of GNPf APF JSC. The UAPF founder and shareholder is the Government of the Republic of Kazakhstan represented by the State Institution "Committee of State Property and Privatization" of the Ministry of Finance of the Republic of Kazakhstan. UAPF pension assets are managed by the National Bank of the Republic of Kazakhstan. From January 1, 2016, the functions for developing proposals to improve the management of pension assets were transferred to the National Fund Management Council. In accordance with the pension legislation, the UAPF attracts compulsory pension contributions, compulsory occupational pension contributions, voluntary pension contributions, pension benefits, individual accounting of pension accumulations and benefits, provides the contributor (beneficiary) with information on the status of his pension accumulations (for more information visit [www.enpf.kz](http://www.enpf.kz))*