Business activities in Ukraine: major legal forms
Representative office in Ukraine

Foreign companies can carry on their business activities in Ukraine through their structural units in Ukraine registered as representative offices. Technically, Ukrainian laws draw a line between the parent company and its representative office in Ukraine. The representative office is therefore viewed as almost independent of its parent company.

A representative office is registered in Ukraine with the Ministry of Economy and tax authorities. For this purposes, the parent company must submit to the Ministry following documents:

- application for registration stating the name, legal form, country, scope of business and contact details of the parent company; The application must also provide the purpose and number of employees of the representative office;
- record from the trade register from the parent company's country duly certified by the notary;
- bank account details;
- proxy for representative powers in Ukraine.

Registering a representative office in Ukraine involves paying an excessive fee (USD 2 500). Finally, the registration process lasts 2 months as of the date when all required documents are submitted.

The representative office shall be regarded as incorporated when duly registered with the Ministry of Economy. However, for the representative office to be able to carry on its activities it must also be registered with the tax authorities and state statistics office.

Both Ukrainian and foreign nationals can be employed for the representative office. It should be noted, that foreign nationals intending to be employed in the representative office must apply with the Ministry of Economy for so called "employment cards".

For tax purposes a representative office shall be recognized as a resident of Ukraine and shall be equal to the regular taxpayer conducting its business independently of the parent company. Thus, profit amounts gained by the representative office are determined and taxed in accordance with the general rules, unless otherwise is provided by the double taxation treaty of Ukraine. A regular tax rate of 25% shall be applied to the profit gained by the representative office.

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