

UKRAINE PRIVATE COPY LEVY

11.2015

Tax Research

INTRODUCTION

A private copy levy is a form of indirect remuneration for right holders, based on the premise that some acts of private copying cannot be licensed for practical purposes by the relevant right holders. A copyright levy is typically attached to certain products that can serve to reproduce audio, audio-visual and textual material such as music, films or books.

In Ukraine, this levy is collected by **Ukrainian Music Alliance (UMA)**, an organization responsible for the collection of private copying remunerations for all rights owners and for distributing it to its member companies and to those who gave it a collection mandate.

To help you automate the private copy levy determination, Thomson Reuters has added a new authority of Ukraine Private Copy Levy, which contains jurisdiction selection logic and fee amounts as established by UMA. By default, the Ukraine Private Copy Levy authority is turned off. This document explains the system updates and describes how to utilize the Ukraine Private Copy Levy authority for the UMA levy.

PART I – UPDATES TO DETERMINATION

UKRAINE PRIVATE COPY LEVY AUTHORITY

The authority of Ukraine Private Copy Levy was created and attached to the Ukraine zone.

REGISTRATION MASK

The following registration mask was added for the authority of Ukraine Private Copy Levy.

	REGISTRATION MASK
COMPLEX	<code>^\d{3}\s?\d{3}\s?\d{3}\s?(\d{3})?\$\$</code>
SIMPLE	<code>^UA \d{3}\s?\d{3}\s?\d{3}\s?(\d{3})?\$\$</code>

AUTHORITY OPTIONS

The following authority options were added for the authority of Ukraine Private Copy Levy.

AUTHORITY OPTION	CONDITION	VALUE	START DATE
CL - Customer Location Reverse Charge	Both	Both	1901-01-01
CR - Registration Requirement	Both	Both	1901-01-01
CR - Registration Requirement	Both	Registration Required	2015-10-01
DS - Default Services Reverse Charge	Not Applicable	Not Applicable	1901-01-01
Filing Groups Goods		No	1901-01-01
Filing Groups Physical Performance		No	1901-01-01
Foreign Seller - Physical Performance		No	1901-01-01
GS - Goods Reverse Charge	Both	Establishment Required	1901-01-01
Intra-Company tax free sale - Goods		No	1901-01-01
Intra-Company tax free sale - Physical Performance		No	1901-01-01
PP - Physical Performance Reverse Charge	Both	Both	1901-01-01
PRL - Parent Registration Lookup		Yes	1901-01-01
Turn Off Authority		Yes	1901-01-01
UE - Used and Enjoyed	Not Applicable		1901-01-01

CONTRIBUTING AUTHORITIES CONFIGURATION

The Ukraine private copy levy is not subject to VAT. The fees added above were added exclusive of VAT.

UKRAINE AUTHORITY

A rule in the Ukraine authority using the calculation method of Tax on Gross and Contributing Authorities was created as shown in the following figures.

Rule Details:

Show Rule QualifiersShow Rule Output

Rule Order:6000

No Tax:☐

Related Charge:☐

Rate Code:SR

Exempt:☐

Tax Type:- Any -

Product Name:

Clear

Material List:- None -

Rate Set:- None -

Start Date:06/27/2003

End Date:

Calculation Method:Tax on Gross and Contributing Authorities

Tax Code:

Exempt Reason:

Basis Percent:

Input Recovery Amount:

Input Recovery Percent:100%

Tax Treatment:- None -

Unit of Measure:

Invoice Description:Standard Rated

Reporting Category:

Comment:ORACLE[UAVAT]

Rule Qualifier Details

Basic Info (Rates and Rules)

Search | Edit | Rates | Rules | Cascading Rates | Cascading Rules | Rate Sets

Selected Rule: 6000 - SR

Back to Rule Details

Show Rule Output

Selected Rule Qualifier:

Qualifier Type:Rule Condition

Element:

Authority:

Operator:Select One

Value:

Reference Unit:Select One

Start Date:

End Date:

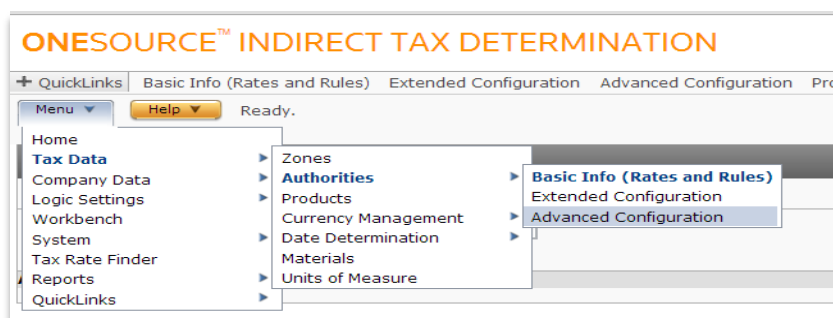
Rule Qualifiers 1 - 1 / 1

Type	Condition Expression	Start Date	End Date
AUTHORITY	Ukraine Private Copy Levy (APPLIED_TAX_TYPE) CA	06/27/2003	

PART II – USING THE AUTHORITY

TURNING ON THE AUTHORITY

The Ukraine Private Copy Levy authority is turned off by default. To turn it on, access the Advanced Configuration section.



Search for and select the Ukraine Private Copy Levy authority

Select the Options tab and then click the Actions button and select Add from the drop-down menu. Select the name of the option "Turn Off Authority" and set the **Condition** to **None**, the **Value** to **No** and the start date of 06/27/2003. Click **Submit**.

RATE DESCRIPTIONS

The Rate Codes were added in accordance with Law of Ukraine 'On copyright and related rights' (also governmental resolution and orders of Ministries).

<i>RATE CODE IN DETERMINATION</i>	<i>PRODUCT GROUP IN TARIFF SCHEDULES</i>
UMA1	Devices subject to 1% rate
UMA2	Devices subject to .75% rate
UMA3	Devices subject to .3% rate

CONCLUSION

This guide is intended to explain the changes that were made in ONESOURCE Indirect Tax Determination in connection with the Ukraine Private Copy Levy authority. Please contact Customer Support with any additional questions.

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