

## On amnesty due to legalization of property

### *Unofficial translation*

The Law of the Republic of Kazakhstan dated 5 July 2006 No. 157

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This Law regulates public relations linked with conduct of exceptionally single campaign by the state on legalization of property by releasing citizens and legal entities that legalized the property from responsibility for commission of separate crimes, administrative infractions and disciplinary offences provided by the Laws of the Republic of Kazakhstan.

**Footnote. The Preamble as amended by the Law of the Republic of Kazakhstan dated 26 March 2007 No. 241 (shall be enforced from the date of its official publication).**

## **Article 1. Basic definitions used in this Law**

The following basic definitions are used in this Law:

- 1) legalization of property – the procedure for recognition of rights to property by the state derived from legal economic turnover for the purpose of concealing incomes and (or) not registered in accordance with the legislation of the Republic of Kazakhstan or registered to improper person ;
- 2) subjects of legalization of property (hereinafter – subjects of legalization) – the citizens and legal entities of the Republic of Kazakhstan legalizing property in the manner established by this Law ;
- 3) committee on conduct of legalization of property (hereinafter – committee) – the committee created under local executive bodies and consisting of representatives of state bodies and organizations authorized to deliver decisions on legalization or on refusal in legalization of immovable property being in a territory of the Republic of Kazakhstan, the rights to which are not registered in accordance with the legislation of the Republic of Kazakhstan ;
- 4) charge for legalization of property – compulsory unrecoverable payment to the budget for conduct of legalization of property established by this Law ;
- 5) improper person – a person acting as owner of property acquired for incomes of a subject of legalization for the purpose of concealing received incomes.

## **Article 2. Scope of application of this Law**

1. Force of this Law shall apply to subjects of legalization that legalizing and legalized the property belonging to them and received before beginning of the term for legalization being

as in a territory of the Republic of Kazakhstan, so beyond its boundaries, as well as registered to a proper person, with the exception of the property mentioned in Article 3 of this Law.

2. The force of this Law shall not apply to the persons:  
in respect of whom the criminal cases are initiated for commission of crimes mentioned in Articles 190-193, 218, 221, 222 of the Criminal Code of the Republic of Kazakhstan;  
convicted for commission of crimes mentioned in Articles 190-193, 218, 221, 222 of the Criminal Code of the Republic of Kazakhstan;  
brought to administrative responsibility for commission of administrative infractions mentioned in Articles 118, 120, 143, 154, 155 (part one), 178, 179, 182, 185, 189, 205-209, 237, 239, 253, 357-2 of the Code of the Republic of Kazakhstan on administrative infractions.

### **Article 3. Property subjected to legalization**

Property shall not be subjected to legalization as follows:  
received in a result of commission of crimes against person, peace and human security, basis of constitutional order and security of the state, ownership, public security and public order, health of population and morality, corruption and other crimes against interests of the state service and state management;  
the rights to which are contested in a judicial proceeding;  
the provision of rights to which is now allowed by the Laws of the Republic of Kazakhstan;  
including money received as credits.

### **Article 4. Term of legalization of property**

1. Term of legalization of property, as well as representation of property to legalization shall begin from 3 July 2006 and terminate on 1 August 2007.

2. Subjects of legalization that legalized the property in accordance with Article 11 of this Law shall be obliged to register the rights to it by 1 November 2007 in accordance with the legislation of the Republic of Kazakhstan.

State bodies and organizations authorized to draw up documents to immovable property, the rights to which are not registered in accordance with the legislation of the Republic of Kazakhstan, shall be obliged to issue the relevant documents to a subject of legalization within the term no later than two months from the date of its turnover.

**Footnote. Article 4 as amended by the Laws of the Republic of Kazakhstan dated 16 November 2006 No. 188 (shall be enforced from the date of its official publication); dated 26 March 2007 No. 241 (shall be enforced from the date of its first official publication).**

## **Article 5. Information on property represented for legalization and legalized property**

1. State bodies and organizations shall ensure confidentiality of information received in a process of conduct of legalization of property in the manner established by the legislation of the Republic of Kazakhstan.

2. It is prohibited to conduct procedural actions, including carrying out of a criminal prosecution or application of the measures of administrative sanction on the basis of information received in the process of legalization of property in accordance with this Law.

## **Article 6. Charge for legalization of property**

1. The payers of a charge for legalization of property (hereinafter – charge) are subjects of legalization.

2. The citizens of the Republic of Kazakhstan legalizing immovable property the rights to which are not registered in accordance with the legislation of the Republic of Kazakhstan and not used in entrepreneurial activity are not payers of a charge, upon satisfying one of the following conditions if:

1) paid the tax in respect of land fields on which the mentioned property is located as of 1 January 2006 and are registered in tax bodies;

2) are not payers of property tax and land tax in accordance with the tax legislation of the Republic of Kazakhstan.

3. The producers of agricultural products on the specialized agricultural vehicles used in production of own agricultural products are not payers of the charge, as well as citizens or legal entities of the Republic of Kazakhstan, the place of residence or respectively location of which are rural inhabited localities, with the exception of cases of legalizing money by them.

4. The charge shall be paid in amount of ten percent of the costs of legalized property.

The subjects of legalization legalizing property, with the exception of immovable property the right to which are not registered in accordance with the legislation of the Republic of Kazakhstan shall pay the charge before filing documents to legalization of property.

The subjects of legalization legalizing immovable property the rights to which are not registered in accordance with the legislation of the Republic of Kazakhstan shall pay the charge at any time from the date of filing documents to legalization of immovable property and before the state registration of rights to legalized immovable property.

The procedure for recovery and transfer of the charge to budget shall be determined by the Government of the Republic of Kazakhstan.

5. Return of the paid charge shall not be carried out, with the exception of cases of return

of documents represented to legalization of property, or refusal in legalization of property.

**Footnote. Article 6 as amended by the Law of the Republic of Kazakhstan dated 16 November 2006 No. 188 (shall be enforced from the date of its official publication).**

## **Article 7. General provisions on organization and procedure for conduct of legalization of property**

1. Legalization of property shall be carried out by filing the following documents by subjects of legalization to the tax body (by citizens – at place of registration, by legal entities – at place of state registration), with the exception of legalization of immovable property in accordance with Article 11 of this Law and cases established by Article 8 of this Law:

- 1) applications for conduct of legalization of property (hereinafter – application) in two copies in the form according to Annex 1 or 2 to this Law;
- 2) confirming payment of the charge;
- 3) certifying identity, and by representatives of legal entity – notarized copies of a charter (statute), certificates on state registration of legal entity, certificate of a tax payer and documents confirming their powers;
- 4) other documents provided by this Law.

2. Documents drawn up in foreign language shall be represented with notarized translation to the national or Russian language.

3. The subjects of legalization shall determine the costs of legalized property on an independent basis.

4. The subjects of legalization shall not have the right to file repeated applications within the term of legalization of property for one and the same type of property, with the exception of cases provided by paragraph 5 of this Article.

5. Documents represented for legalization of property shall be subject to return with specification of reasons in the following cases:

- 1) representation of incomplete package of documents established by this Law;
- 2) existence of erasures and corrections in represented documents;
- 3) incorrect calculation of charge amount;
- 4) non-conformance of represented documents to requirements of the legislation of the Republic of Kazakhstan to such documents.

Upon elimination of the reasons serving as the ground for return of documents represented for legalization of property, the person shall have the right to file an application to legalization of property within the term established by this Law for legalization of property.

6. Details on legalized property shall be included into the register of legalized property in the form according to Annex 3 to this Law.

7. Property shall be recognized legalized from the date of acceptance of the application, with the exception of immovable property legalized in accordance with Article 11 of this Law

, cases established by Article 8 of this Law.

From the date of recognition of property legalized, the subjects of legalization shall be released from responsibility for commission of crimes, administrative infractions and disciplinary offences mentioned respectively in Articles 13, 14 and 14-1 of this Law linked with acquisition, possession and use of the legalized property.

8. In case of legalization of movable property subjected to state registration, the authorized body shall draw up the documents required for the state registration in accordance with the legislation of the Republic of Kazakhstan on the basis of an application.

9. The subjects of legalization shall bear responsibility for fullness and credibility of represented details on legalized property.

**Footnote. Article 7 as amended by the Laws of the Republic of Kazakhstan dated 16 November 2006 No. 188 (shall be enforced from the date of its official publication); dated 26 March 2007 No. 241 (shall be enforced from the date of its official publication).**

## **Article 8. Legalization of money**

1. Legalization of money by legal entities shall be carried out by filing the following documents to the tax body at the place of state registration:

- 1) application for conduct of legalization of property in two copies in the form according to annex 2 to this Law;
- 2) confirming payment of charge;
- 3) notarized copy of a charter (statute), certificate on state registration of a legal entity, certificate of a tax payer and documents confirming the powers of a representative of legal entity;

4) document issued by the second tier bank or foreign bank confirming existence of amount of money presented for legalization.

Money shall be recognized legalized from the date of acceptance of the application.

2. Legalization of money by individuals shall be carried out by paying the charge.

Money shall be recognized legalized from the date of paying the charge.

**Footnote. Article 8 is in the wording of the Law of the Republic of Kazakhstan dated 16 November 2006 No. 188 (shall be enforced from the date of its official publication).**

## **Article 9. Legalization of property being beyond the territory of the Republic of Kazakhstan**

1. The subjects of legalization legalizing immovable property being beyond the territory of the Republic of Kazakhstan, as well as property subjected to state registration in a country of origin, shall also represent notarized copy of entitling document to the property in addition to the list of documents determined in paragraph 1 of Article 7 of this Law.

2. The subjects of legalization legalizing securities being beyond the territory of the

Republic of Kazakhstan shall also represent a statement from personal account in the relevant accounting system of rights on securities or other document confirming the right of ownership to these securities established by the legislation of the state, the resident of which is the issuer of securities in addition to the list of documents determined in paragraph 1 of Article 7 of this Law.

### **Article 10. Legalization of property registered to improper person**

1. The subjects of legalization legalizing property registered to improper person shall represent the following documents in addition to the list of documents determined in paragraph 1 of Article 7 of this Law:

- 1) notarized copy of entitling document to property;
- 2) notarially certified contract on gratuitous transfer of property by improper person to a subject of legalization.

2. Subjects of legalization legalizing securities registered to improper person shall represent the following documents in addition to the list of documents determined in paragraph 1 of Article 7 of this Law:

- 1) statement from personal account in the relevant accounting system of rights on securities or other document confirming the right of ownership to these securities established by the legislation of the state, the resident of which is the issuer of securities;
- 2) notarially certified contract on gratuitous transfer of securities by improper person to a subject of legalization.

### **Article 11. Legalization of immovable property being in a territory of the Republic of Kazakhstan the rights to which are not registered in accordance with the legislation of the Republic of Kazakhstan**

1. The subjects of legalization legalizing immovable property being in a territory of the Republic of Kazakhstan, the rights of which are not registered in accordance with the legislation of the Republic of Kazakhstan shall represent the following documents to a local executive body at location of the property:

- 1) application in two copies in the form according to Annex 1 or 2 to this Law;
- 2) certifying identity, and by representatives of legal entity – also notarized copies of a charter (statute), certificates on state registration of legal entity, certificate of a tax payer and documents confirming their powers.

2. Application to legalization of immovable property shall be considered by the committee

Application on legalization of immovable property filed within the term of legalization shall be considered within fifteen business days from the date of filing the application to the relevant local executive body.

3. Refusal from legalization of immovable property shall be carried out upon non-compliance with requirements provided by Articles 2 and 3 of this Law.

4. Upon compliance with requirements established by this Law, the committee shall:  
issue a decision on legalization of immovable property;  
deliver the decision on legalization of immovable property to subjects of legalization;  
include details into register of legalized property in the form according to Annex 3 to this Law.

5. Immovable property shall be recognized legalized from the date of issuance of decision by the committee on legalization of immovable property.

From the date of recognition of immovable property legalized, the subjects of legalization shall be released from responsibility for commission of crimes, administrative infractions and disciplinary offences mentioned respectively in Articles 13, 14 and 14-1 of this Law linked with acquisition, possession and use of the legalized immovable property.

Information on legalized immovable property, payment of charge by a subject of legalization and on persons that are not payers of the charge, shall be represented to the bodies carrying out state registration of rights to immovable property.

The subjects of legalization that legalized immovable property shall have the right to dispose of this property from the date of state registration.

6. The rules of carrying out legalization of immovable property, standard type provision on the committee shall be determined by the Government of the Republic of Kazakhstan.

**Footnote. Article 11 as amended by the Laws of the Republic of Kazakhstan dated 16 November 2006 No. 188 (shall be enforced from the date of its official publication); dated 26 March 2007 No. 241 (shall be enforced from the date of its official publication).**

## **Article 12. Special aspects of acceptance of the objects of immovable property for operation and registration of rights to land fields legalized in accordance with this Law**

Special order of organization and conduct of acceptance of objects of immovable property for operation, as well as registration of rights to land fields legalized in accordance with this Law shall be determined by the Government of the Republic of Kazakhstan.

## **Article 13. Release of subjects of legalization from criminal responsibility**

The subjects of legalization legalizing property shall be released from criminal responsibility for commission of crimes mentioned in Articles 190-193, 193 (part one; paragraphs a) and b) of part two; paragraphs b) and c) of part three, with the exception of cases when the act provided by part one of this Article is committed by a criminal society (criminal organization), 218, 221, 222 of the Criminal Code of the Republic of Kazakhstan.

#### **Article 14. Release of subjects of legalization from administrative responsibility**

The subjects of legalization legalizing property shall be released from administrative responsibility for commission of administrative infractions mentioned in Articles 118, 120, 143, 154, 155 (part one), 178, 179, 182, 185, 189, 205-209, 237, 239, 253, 357-2, 532 of the Code of the Republic of Kazakhstan on administrative infractions.

**Footnote.** Article 14 as amended by the Law of the Republic of Kazakhstan dated 26 March 2007 No. 241 (shall be enforced from the date of its official publication).

#### **Article 14-1. Release of persons holding public position that legalized property from disciplinary responsibility**

The persons holding public position that legalized the property shall be released from disciplinary responsibility for commission of crimes mentioned in paragraph 5 of Article 9 of the Law of the Republic of Kazakhstan “On fight against corruption”.

**Footnote.** The Law is supplemented by Article 14-1 in accordance with the Law of the Republic of Kazakhstan dated 26 March 2007 No. 241 (shall be enforced from the date of its official publication).

#### **Article 15. Responsibility for breach of the legislation of the Republic of Kazakhstan on amnesty due to legalization of property**

Breach of the legislation of the Republic of Kazakhstan on amnesty due to legalization of property shall entail responsibility in accordance with the Laws of the Republic of Kazakhstan.

#### **Article 16. The procedure for entering into force and termination of the force of this Law**

This Law enters into force from the date of its official publication.

**Footnote.** Article 16 as amended by the Laws of the Republic of Kazakhstan dated 16

November 2006 No. 188 (shall be enforced from the date of its official publication); dated 26  
March 2007 No. 241 (shall be enforced from the date of its official publication).

*T h e P r e s i d e n t*  
*of the Republic of Kazakhstan*

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