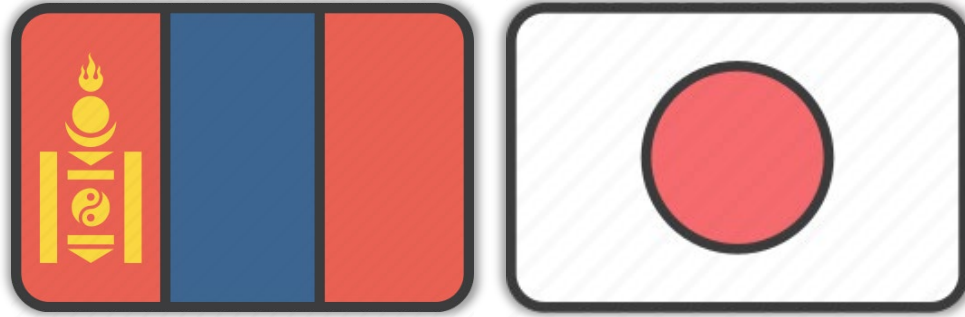


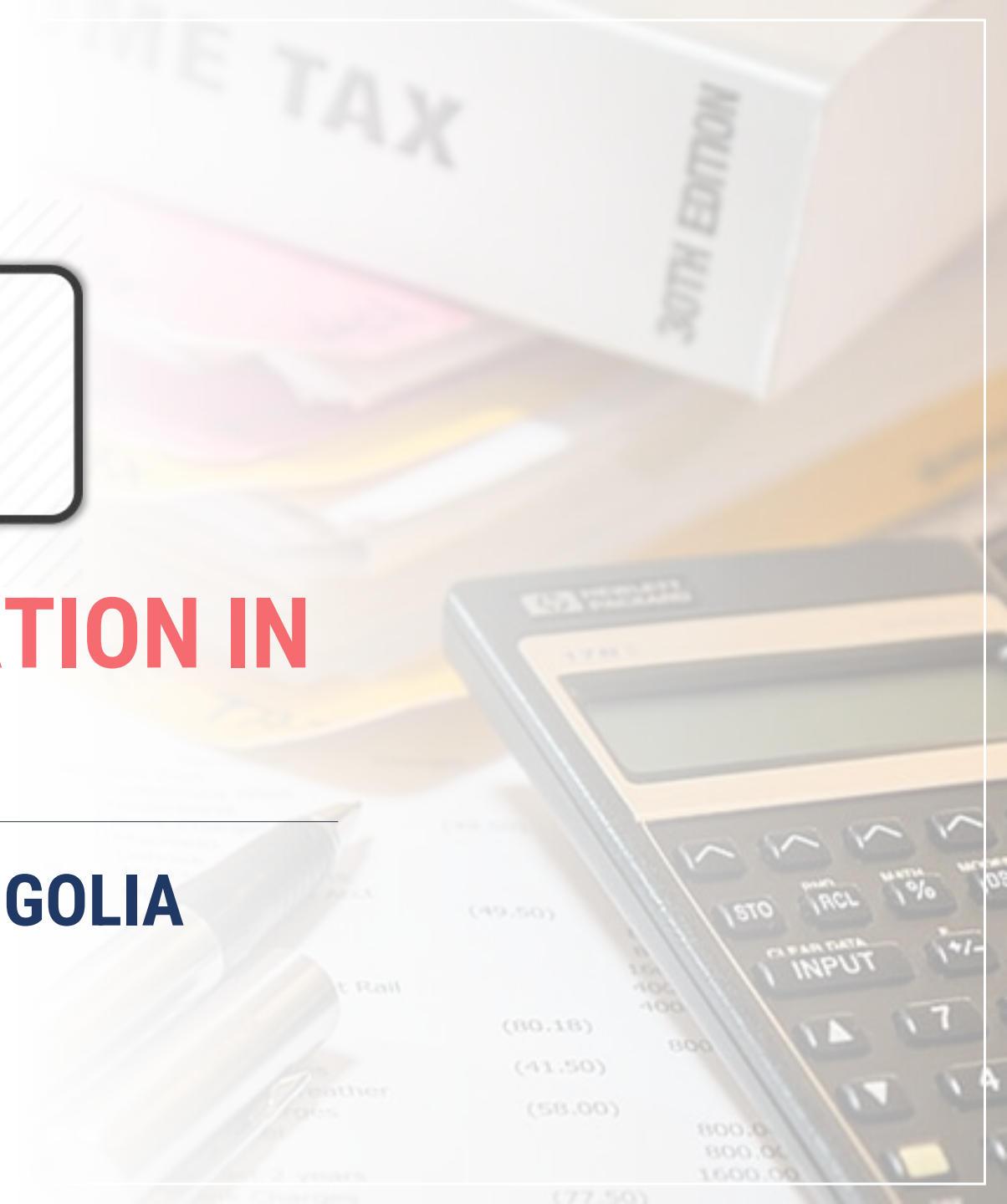


MINISTRY OF FINANCE
MONGOLIA



TO ENHANCE COOPERATION IN TAX MATTERS

BETWEEN JAPAN AND MONGOLIA





- ✔ **WHAT ARE THE GENERAL SOCIO-ECONOMIC CIRCUMSTANCES?**
- ✔ **HOW CAN WE SUPPORT THE BUSINESS ACTIVITY AS GOVERNMENTS?**
- ✔ **WHAT ARE KEY AREAS IN THE FIELD OF TAXATION?**
- ✔ **WHAT GOOD POLICIES COULD MONGOLIA LEARN FROM JAPAN?**
- ✔ **WHAT ARE THE NEXT STEPS?**





JAPAN

- ▶ Land area ~ **377.9 thousand** square kilometers
- ▶ Population ~ **125.8 million** x3
7
- ▶ the GDP ~ **5.09 trillion USD** x300
- ▶ the GDP per capita ~ **33.9 thousand USD** x7

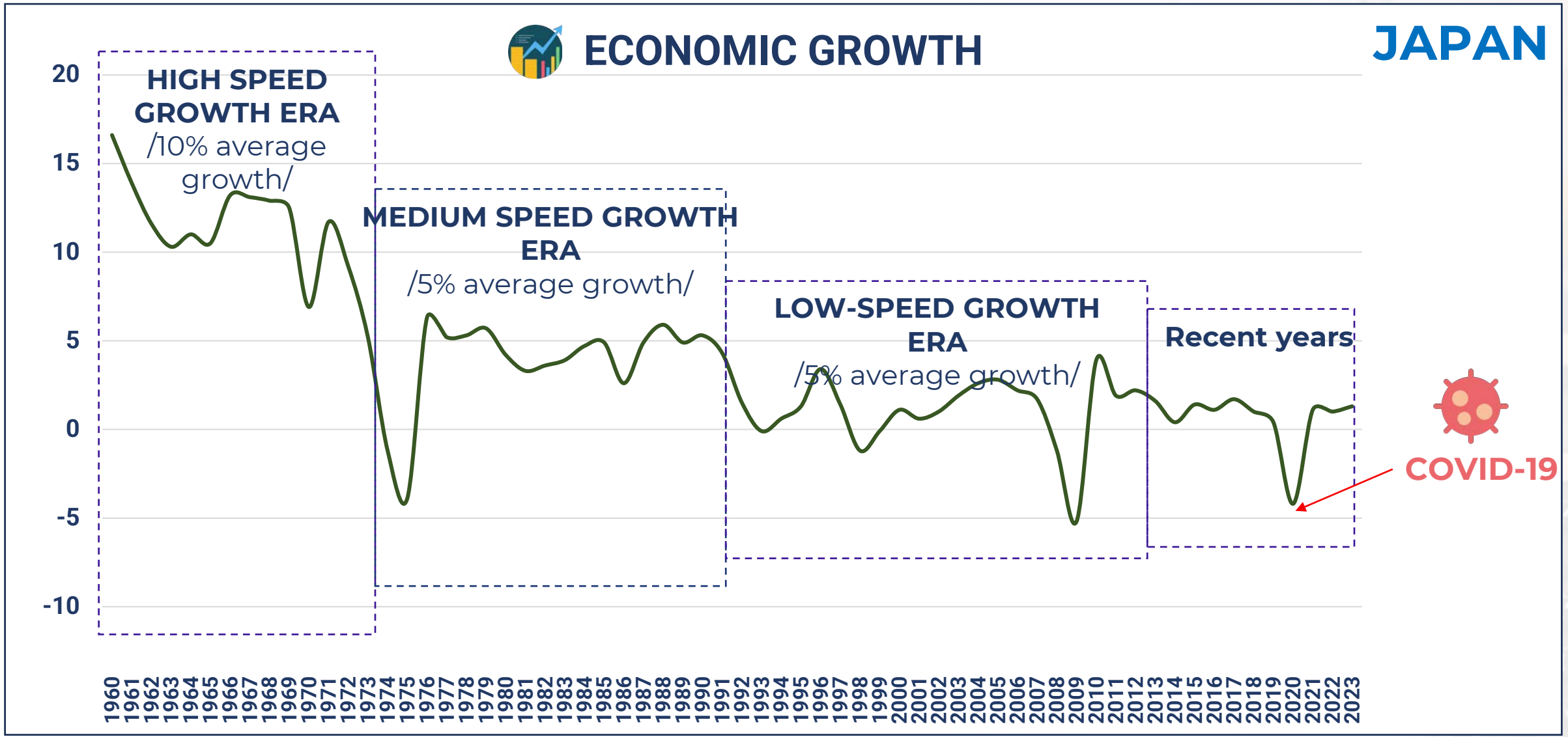
MONGOLIA

- ▶ Land area ~ **377.9 thousand** square kilometers x300
- ▶ Population ~ **3.4 million**
- ▶ the GDP ~ **15.15 billion USD**
- ▶ the GDP per capita ~ **4.5 thousand USD**



ECONOMIC GROWTH

JAPAN



*Source: Ministry of Economy, Trade and Industry Japan



JAPAN

driven by the
following sectors:



Tertiary

69% of GDP

/wholesale and retail trade,
transportation, finance,
healthcare, and education/



Secondary

29% of GDP

/manufacturing, construction,
and utilities/



Primary

1% of GDP

/agriculture, forestry, and
fishing/



Automotive: Mitsubishi Motors, Suzuki Motor Corporation, Subaru, Daihatsu



Electronics: Sony, Panasonic, Toshiba, Hitachi, Fujitsu, NEC, Sharp, Canon, Nikon



Machinery: Hitachi Construction Machinery, Mitsubishi Heavy Industries, IHI Corporation, Kawasaki Heavy Industries



Chemicals: Toray, Asahi Kasei, Sumitomo Chemical, Mitsubishi Chemical Holdings, Showa Denko



Pharmaceuticals: Takeda Pharmaceutical, Astellas Pharma, Daiichi Sankyo, Eisai, Shionogi & Co.



Food and beverage: Kirin Holdings, Asahi Group Holdings, Suntory Holdings, Sapporo Holdings, Ajinomoto



Retail: Seven & i Holdings, Aeon, Ito-Yokado, Takashimaya, Matsuya



Banks: Mitsubishi UFJ Financial Group, Sumitomo Mitsui Financial Group, Resona Holdings, Sampo Holdings

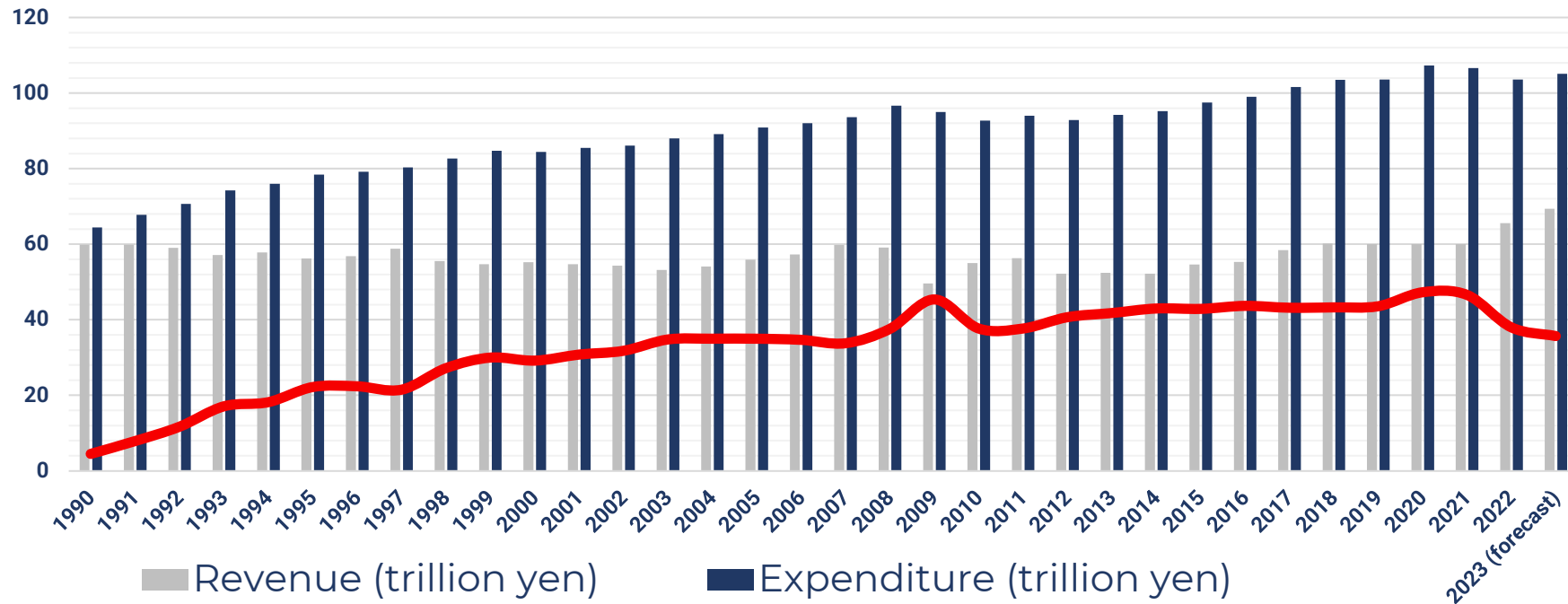


Trading companies: Mitsubishi Corporation, Mitsui & Co., Sumitomo Corporation, Marubeni Corporation, Itochu Corporation



BUDGET DEFICIT

JAPAN



NATIONAL DEBT

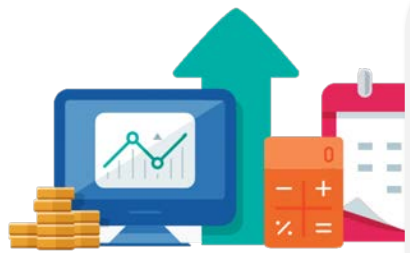
261%
Of GDP
/2022/



Japan has been running a budget deficit for many years.

This is due to:

- the aging population
- the rising cost of social security
- slow economic growth.

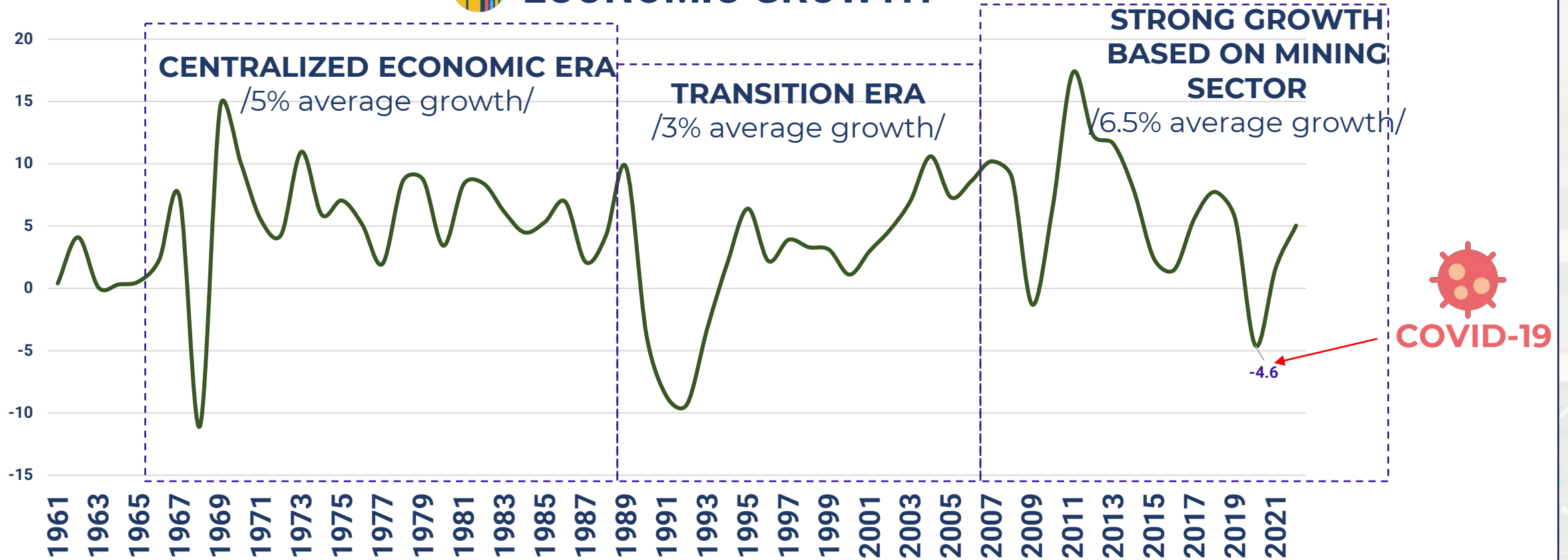


*Source: Ministry of Finance, Japan

MONGOLIA



ECONOMIC GROWTH



*Source: National statistics office, Mongolia



MONGOLIA

Mongolian economy
is driven by the
following sectors:



23% of GDP



13% of GDP



9% of GDP



7% of GDP



Mining: Oyu Tolgoi LLC, Erdenet , Erdenes Tavan Tolgoi, Energy Resource, "Mongolian Gold MAK" LLC, "COAL" LLC



Banks: TDBM, Khaan Bank, Has Bank, State Bank, Golomt Bank



Retail: Nomin, Tavan bogd group, Global Electronics, Bodi Electronics, MCS Electronics



Food and beverage: UFC group, Talkh Chikher LLC, Apu Company



Airlines: MIAT Mongolian Airlines, Aero Mongolia, Eznis Airways,



Communications: Unitel Company, Mobicom Company, Ondo LLC, Skytel LLC, G-Mobile LLC



Manufacturing: Gobi Cashmere, Gumuda, Buyan, Michel & Amazonka, Henry Pham

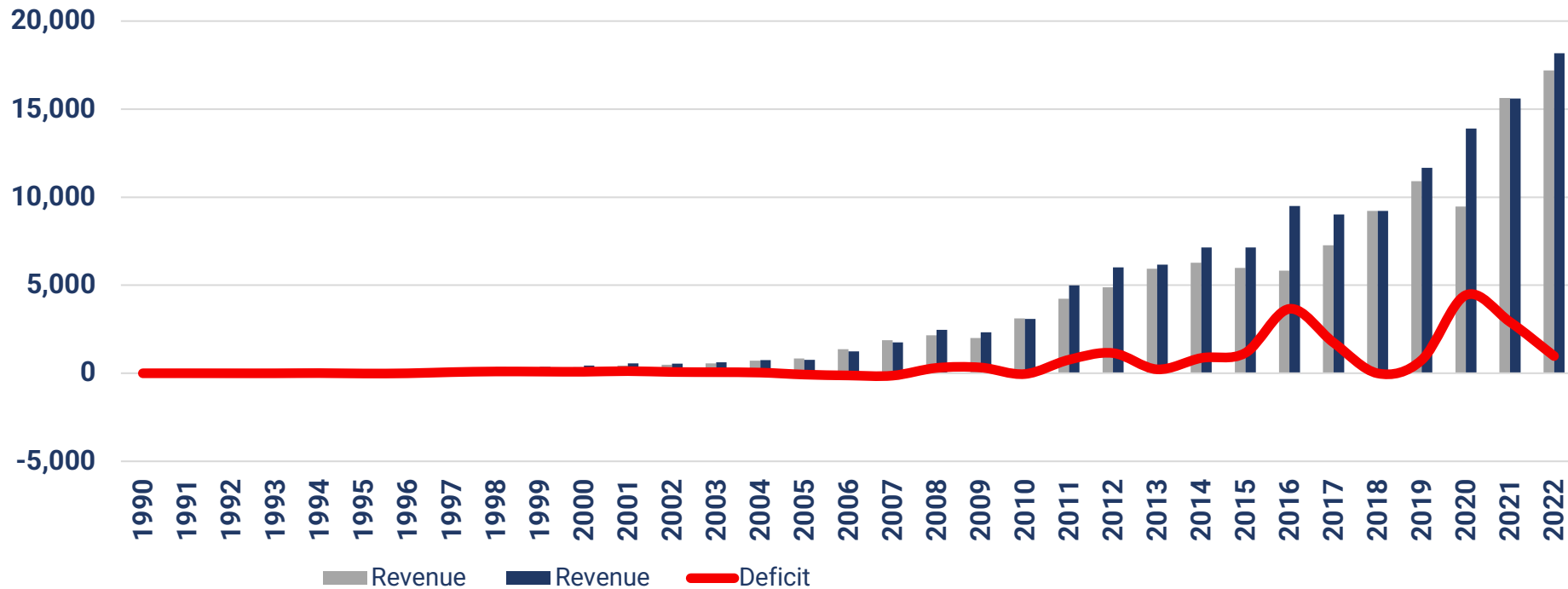


Petroleum companies: Shunkhlai LLC, NIC LLC, "Sodmongol Group" LLC, MT LLC



₮ BUDGET DEFICIT

MONGOLIA



NATIONAL DEBT

~40%
Of GDP
/2022/

4.1 Billion USD

Mongolia has started to have deficits. This is due to:

- Increase in budget expenditure /infrastructure development/
- Unstable economic conditions /commodity prices & volume, exchange rate/



*Source: Ministry of Finance, Mongolia



JAPAN

- ✓ **EXPANSIONARY MONETARY POLICY**
- ✓ **INVESTING IN INFRASTRUCTURE**
- ✓ **REFORMING THE LABOR MARKET**
- ✓ **PROMOTING INNOVATION**
- ✓ **REDUCING INEQUALITY**

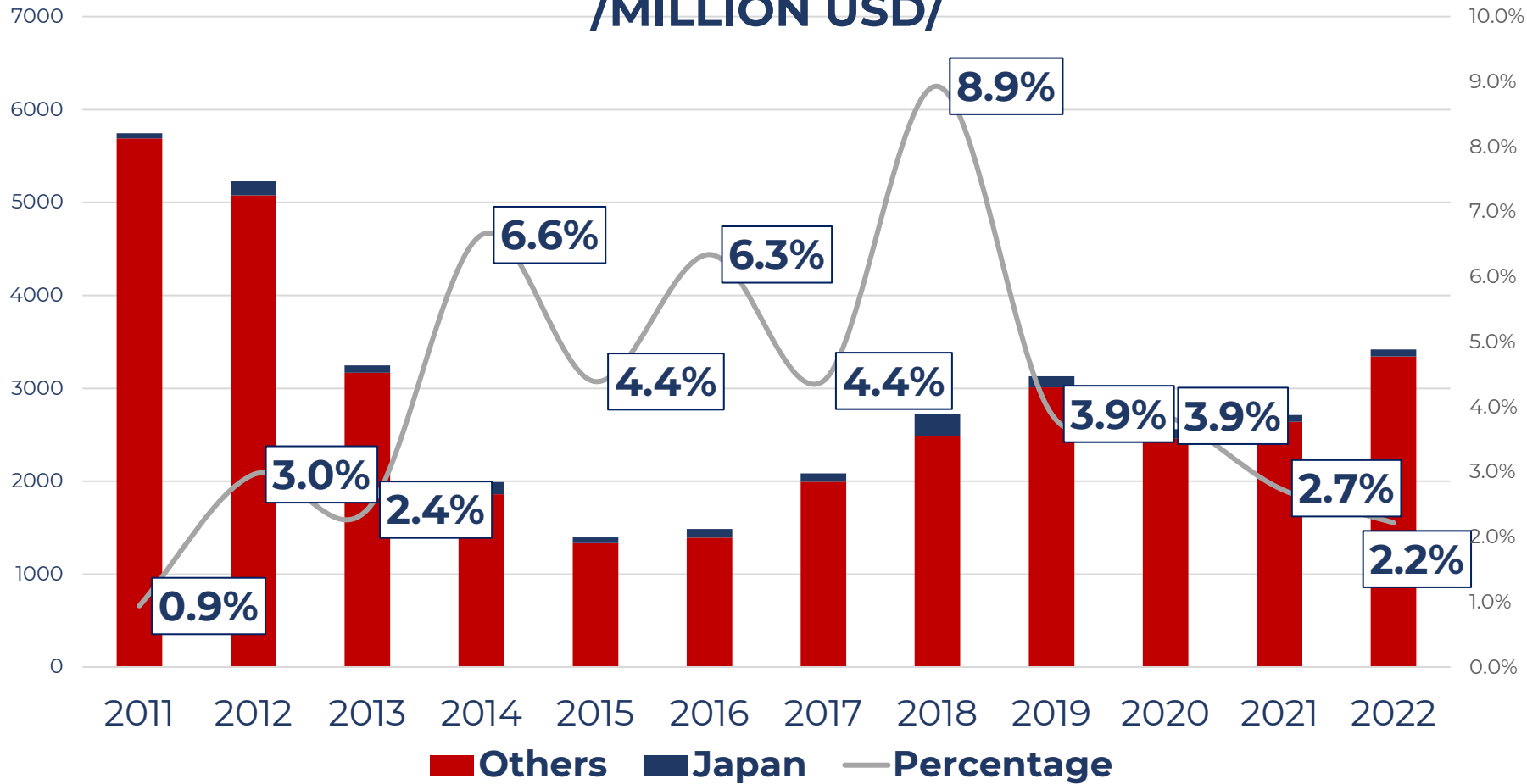


MONGOLIA

- ✓ **INDUSTRIALIZATION**
- ✓ **INFRASTRUCTURE DEVELOPMENT**
- ✓ **DECENTRALIZATION**
- ✓ **DIGITAL TRANSFORMATION**
- ✓ **PROMOTION OF TOURISM**



FOREIGN DIRECT INVESTMENT TO MONGOLIA /MILLION USD/



✓ Japan on average invests ~**110 million USD**

1. Canada
2. US
3. China
4. Singapore
- 5. Japan**

 **JAPAN INVESTMENT**

INVESTMENT *OUTSIDE* OF JAPAN



IT

¥3.2 trillion (US\$27 billion), accounting for **14.3% of total investment**. /semiconductors, telecommunications equipment, and software/



MANUFACTURING

¥2.8 trillion (US\$23 billion), **12.7% of total investment**. /automobiles, electrical machinery, and machinery/



FINANCE AND INSURANCE

¥2.7 trillion (US\$22 billion), accounting for **12.2% of total investment**. /banking, securities, and insurance/



LOGISTICS AND TRANSPORTATION

¥2.2 trillion (US\$18 billion), accounting for **10.1% of total investment**. /transportation equipment, logistics, and warehousing./



REAL ESTATE

¥1.8 trillion (US\$15 billion), accounting for **8.5% of total investment**. /office buildings, hotels, and retail properties/



MONGOLIAN GROWING SECTORS

Real growth average
/last 10 years/



Mining

3.1%



Agriculture

8.5%



Manufacturing

6.5%



Construction

8.3%



**Information
technology**

7.8%



Finance /Banking/

16.4%



MINISTRY OF FINANCE
MONGOLIA

WHAT CAN WE DO **AS** **GOVERNMENTS** TO PROMOTE ECONOMIC ACTIVITY?





WHAT BILATERAL AGREEMENTS DO GOVERNMENTS ESTABLISH TO PROMOTE ECONOMIC COOPERATION?

1 **Bilateral Investment Treaty (BIT)** ✓

2 **Double Taxation Avoidance Agreement (DTAA)** ↻

3 **Free Trade Agreement (FTA)**

4 **Preferential Trade Agreement**

5 **Customs Union AGREEMENT**

6 **Economic Partnership Agreement (EPA)** ✓

7 **Bilateral Currency Swap Agreement** ↻

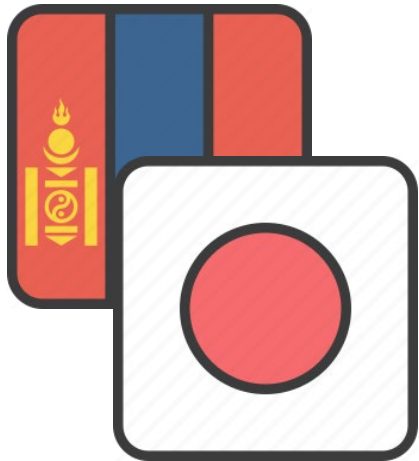
8 **Mutual Recognition Agreement**

9 **Air Services Agreement** ✓

10 **Intellectual Property Rights Agreement**



LIST OF BILATERAL AGREEMENTS BETWEEN **JAPAN AND MONGOLIA**



- ▶ **Establishment of diplomatic relations /1972/**
- ▶ Agreement on establishing cultural relations /1974/
- ▶ Agreement on economic cooperation /1977/
- ▶ **Intergovernmental Trade Agreement /1990/**
- ▶ Intergovernmental Agreement on the Acceptance of Volunteers Overseas in Japan /1991/
- ▶ Agreement on air communication /1993/
- ▶ Intergovernmental Protocol on the reception of Japanese veteran volunteers /1993/
- ▶ **Agreement on mutual protection and promotion of investments /2001/**
- ▶ Agreement on technical cooperation /2003/
- ▶ Memorandum of defense cooperation /2012/
- ▶ Medium-term program of strategic partnership (2013-2017) /2013/
- ▶ Inter-Governmental Agreement on Cooperation in the Implementation of Training in the Field of Humanitarian Aid /2015/
- ▶ **Economic Partnership Agreement /2015/**
- ▶ Medium-term Program of Strategic Partnership (2017-2021) /2017/



MINISTRY OF FINANCE
MONGOLIA

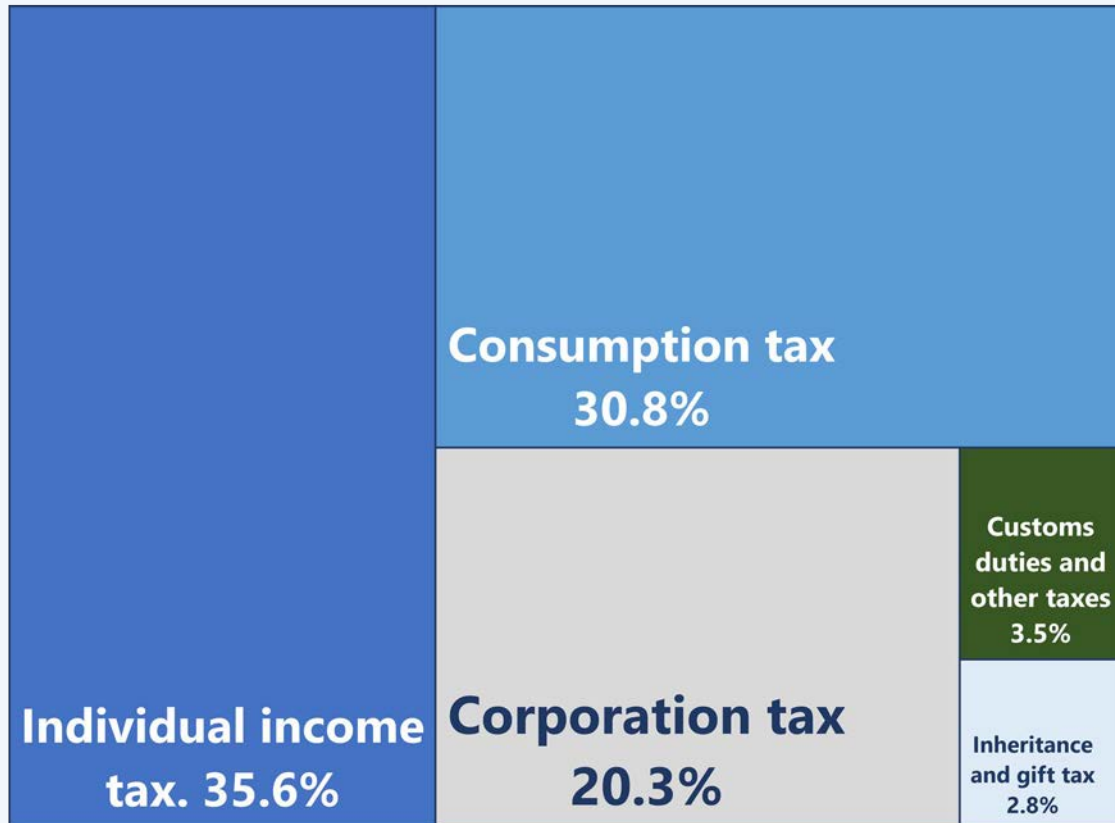
WHAT ABOUT TAX?





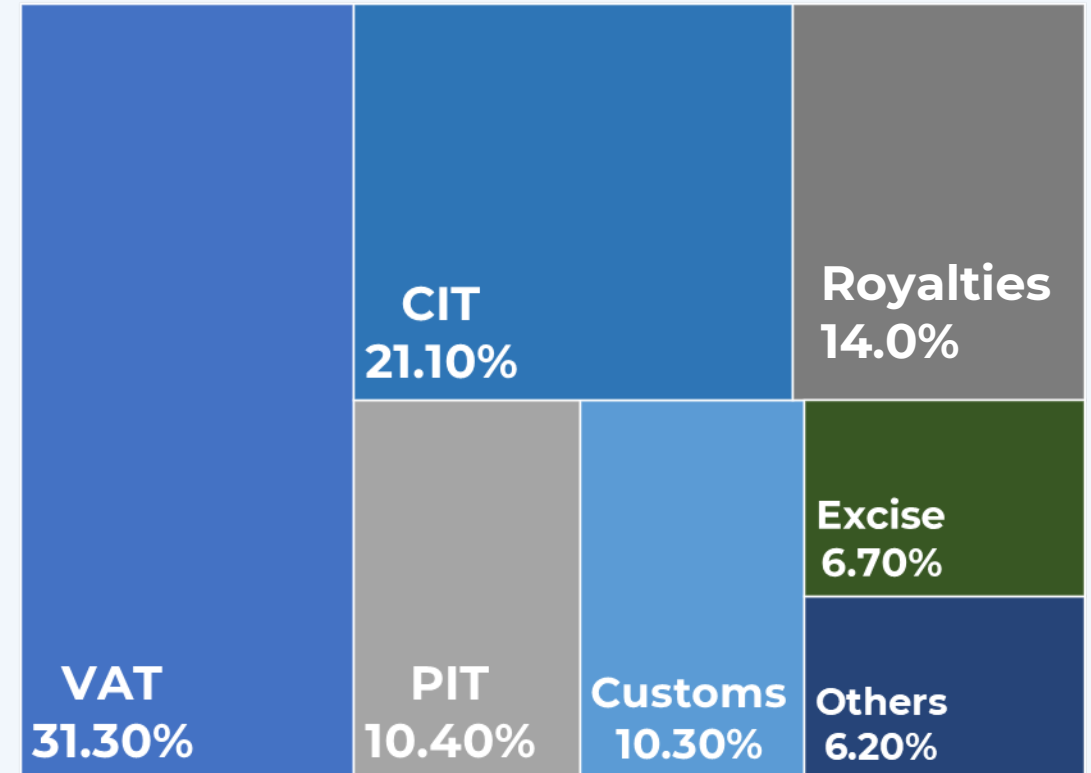

JAPAN

TAX REVENUE /65.6 TRILLION YEN/

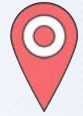



MONGOLIA

**TAX REVENUE /12 TRILLION MNT
~ 480 BILLION YEN /**



*Source: 2022 data, MOF JAPAN & MOF MONGOLIA



JAPAN



LAWS

- ✓ Income tax law
- ✓ Corporation tax law
- ✓ Act on special measures on concerning taxation



KEY FEATURES

- ✓ Income classification and taxation basis for individuals are similar
- ✓ No income classification for corporate
- ✓ Unformal rates
- ✓ Tax incentives for innovation



MONGOLIA



LAWS

- ✓ Entity income tax law
- ✓ Individual income tax law
- ✓ General tax law



KEY FEATURES

- ✓ Income classification
- ✓ Different rates for residence vs Non residence /10, 20%/
- ✓ Various sector-based tax incentives
- ✓ Simple anti-avoidance rules

Focus: International taxation aspects of income taxation



DOMESTIC INCOME TAX ISSUES



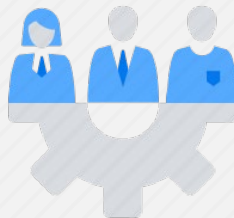
TAX POLICY ITEMS

GROUP TAX REGIME:

- ✓ MINIMIZE TAX IMPACT ON BUSINESS DECISIONS
- ✓ REDUCE COMPLIANCE BURDEN FOR MAJOR GROUPS

R&D INCENTIVE:

- ✓ PROMOTE INNOVATION
- ✓ KEEP PATENTS & OTHER INTANGIBLES INSIDE JAPAN



ADMINISTRATION

CLEAR GUIDELINES FOR TAX FILING & POLICY CHANGES:

- ✓ USEFUL MATERIALS FOR COMPLICATED RULES
- ✓ CERTAINTY FOR INVESTORS

NATIONAL TAX COLLEGE:

- ✓ USEFUL MATERIALS FOR COMPLICATED RULES
- ✓ CERTAINTY FOR INVESTORS



2021

THEME:
**ECONOMIC
REVITALIZATION**

/POST COVID-19/

- DIGITAL TRANSFORMATION (DX)
- REFORM OF R&D TAX CREDIT
- WAGE HIKE
- DEDUCTION LIMIT FOR LOSS CARRYFORWARDS
- TAX MEASURES FOR GLOBAL FINANCIAL CENTER



2022

THEME: **INCREASE
INVESTMENT AND
PROMOTE
INNOVATION**

- TO PROMOTE WAGE INCREASES
- TO PROMOTE OPEN-INNOVATION ACTIVITIES
- TO PROMOTE 5G NETWORK TECHNOLOGY
- TAX CREDIT FOR HOUSING LOANS



2023

THEME:
**INTERNATIONAL
TAXATION AND
BUSINESS ACTIVITY**




- EXPAND NISA
- THE STARTUP ECOSYSTEM
- VEHICLE TAXATION
- R&D TAX CREDIT
- INTERNATIONAL TAXATION /IMPLEMENTATION OF IIR/
- STRENGTHENING DEFENSE CAPABILITIES



THE RAPIDLY SHIFTING ECONOMIC CONDITIONS IN MONGOLIA MADE IT **IMPERATIVE TO REFORM THE TAX SYSTEM**

Covered tax laws:



-  **GENERAL TAX LAW**
-  **CORPORATE INCOME TAX LAW**
-  **PERSONAL INCOME TAX LAW**

Approved: **22 March 2019**
Effective from: **01 January 2020**

MAIN PURPOSE



CREATING FAVORABLE TAX ENVIRONMENT FOR SMES



DIGITALIZATION OF TAX SERVICES



IMPLEMENTATION OF INTERNATIONAL BEST PRACTICES AGAINST TAX AVOIDANCE



TRADE FACILITATION

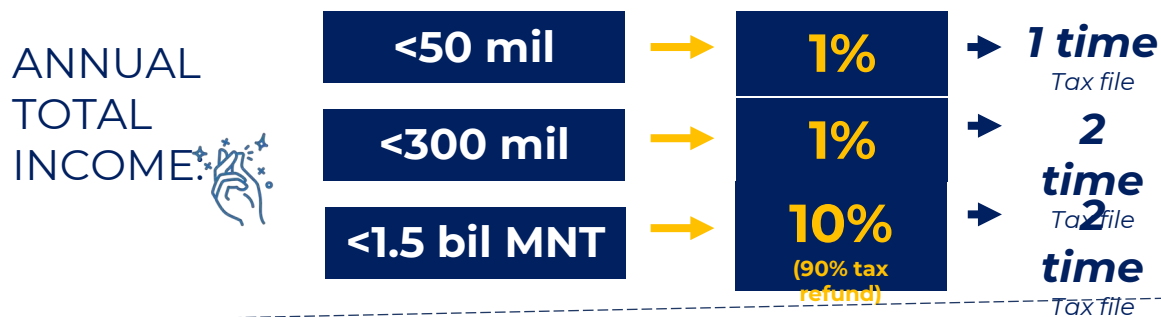


Delay in the implementation of the tax reform due to **COVID-19 pandemic and lockdowns.**



CREATING FAVORABLE TAX ENVIRONMENT FOR SMES AND SIMPLIFYING TAX SERVICES TO **REDUCE TAX COMPLIANCE BURDEN**

① REDUCED TAX RATES, SIMPLIFIED TAX RETURN



② PROMOTION OF INVESTMENT

DEPRECIATION FOR FIXED ASSETS	45	→	25	▼
LOSS CARRY FORWARD	2	→	4 years	▲
TRANSFER OF MINING LICENSE OR LAND RIGHTS	30%	→	10%	▼

③ TO ACTIVATE THE FINANCIAL MARKET

10% → 5%

- ✓ Income of bonds or other financial instruments by domestic banks
- ✓ Tax on dividends and interest income of the investors /shares traded at foreign or domestic stock market/

④ OTHER BENEFITS

- ✓ TAX GRACE PERIOD **2 months** → **2 years** ▲
- ✓ STATUTE OF LIMITATION **5 years** → **4 years** ▼
- ✓ MORE TAX DEDUCTIBLES
- ✓ ABILITY TO CORRECT TAX RETURN **1 year** ▲



ACTIONS IMPLEMENTED THROUGH DOMESTIC TAX LAWS

- ✓ **ACTION 3** - Controlled foreign company
- ✓ **ACTION 4** - Limitation on Interest deduction
- ✓ **ACTION 5** - Harmful tax practices
- ✓ **ACTION 8-10** - Transfer pricing
- ✓ **ACTION 13** - Country by country Reporting



ACTIONS RELATED TO TAX TREATY

- ✓ **ACTION 6** - Prevention of tax treaty abuse
- ✓ **ACTION 7** - Permanent establishment status
- ✓ **ACTION 14** - Mutual Agreement procedure
- ✓ **ACTION 15** - Multilateral instrument /MLI/

OTHER ACTIONS

- ✓ **ACTION 1** - Tax Challenges Arising from Digitalization
- ✓ **ACTION 2** - Neutralizing the effect of hybrid mismatch arrangements
- ✓ **ACTION 11** - BEPS data analysis
- ✓ **ACTION 12** - Mandatory Disclosure Rules

TAX POLICY TO PROMOTE DECENTRALIZATION /2022/

1 BUSINESS INCOME TAX CREDIT



TAXPAYERS WHO HAVE HEADQUARTERS IN REMOTE REGIONS AND OPERATE LOCALLY



500km away from capital – 50% ITC
1000km away from capital – 90% ITC

2 EMPLOYMENT IN REMOTE REGIONS

✓ Company operates its main business activities outside of the Ulaanbaatar

✓ Employed local individual from **Labor**
Stock exchange

✗ Mining sector excluded

SUPER DEDUCTION

Salary of that particular Employee can be deducted at **120%** for tax purposes

3 TO PROMOTE INFRASTRUCTURE DEVELOPMENT:



HEAT AND ENERGY PROJECTS /after 2023/



First 3 years – 90%
Second 3 years – 50%

NEW CONSTRUCTION IN LOCAL AREA:



Non mining company



Linear depreciation for 15 years for fixed assets

MOVING OPERATIONS TO LOCAL AREA:



NON-MINING COMPANY



MOVING COST SUPERDEDUCTED AT 50%



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MONGOLIA

INTERNATIONAL TAXATION ISSUES WHEN DOING BUSINESS





MONGOLIA



TAX TREATY



JAPAN



- TRANSFER PRICING
- CFC
- DOMESTIC ANTI-AVOIDANCE RULES
- SIMPLIFICATION OF TAX FILING
- RISK ANALYSIS

- IMPLEMENTATION OF IIR
- REVISED CFC RULES
- TP RULES ON INTANGIBLES
- PILLAR 1 (tbd)



EXCHANGE OF
INFORMATION



MUTUAL AGREEMENT
PROCEDURE



ASSISTANCE ON
COLLECTION OF TAXES



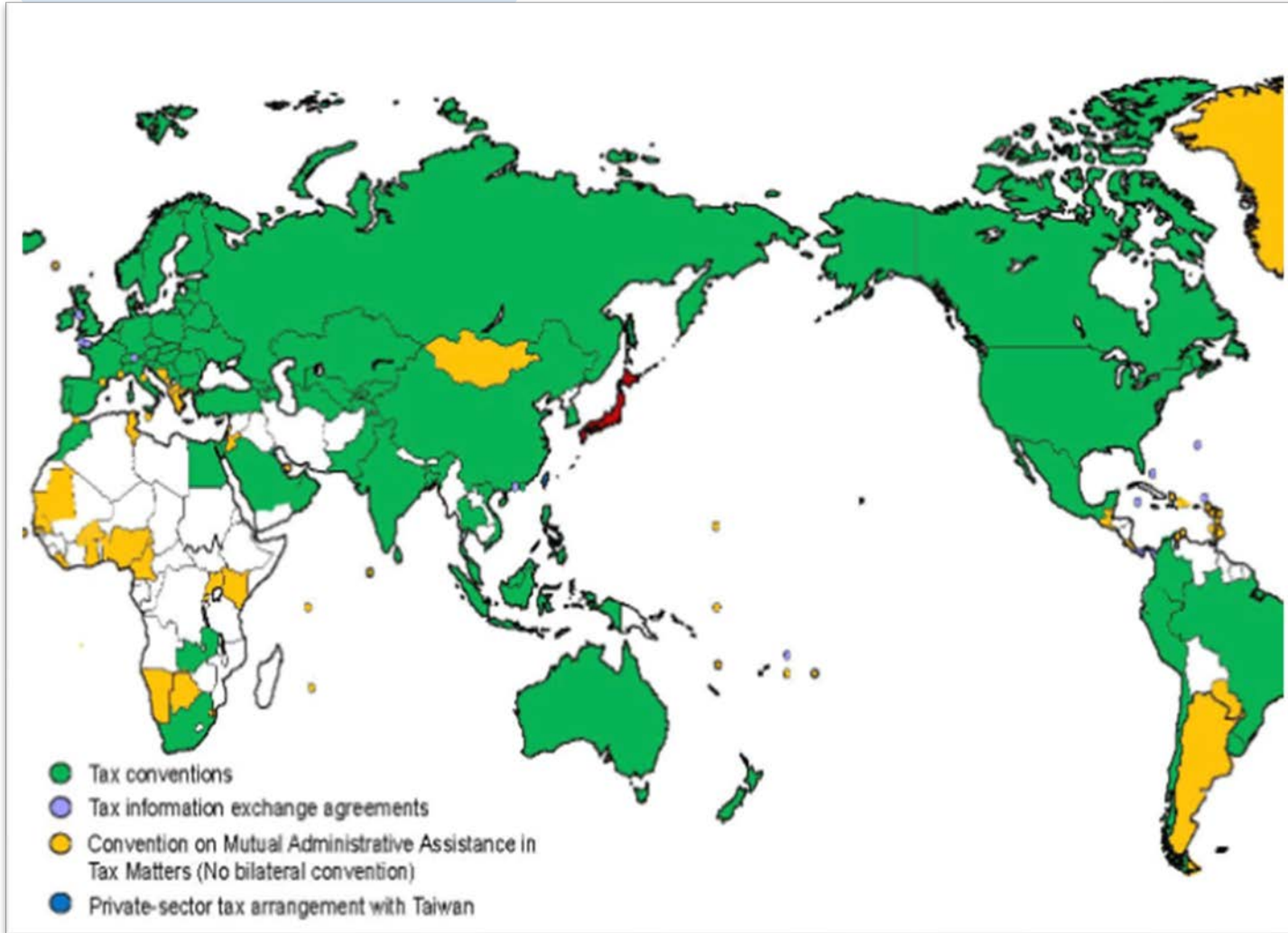
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TAX TREATY





Treaty network



KEY FEATURES

- Follows **OECD model convention** /favors residence taxation/
- Different **withholding rates**
- In line with BEPS ACTIONS /MLI/

FACTS

- **72 conventions** /applicable to 79 jurisdictions/ as of October 1, 2023
- **Mongolia** is one of the priority countries



MAJOR DEVELOPMENTS

- Mongolia has extensive tax treaty network in comparison to its size
- 4 tax treaties were unilaterally terminated by Mongolia
- Negotiation of new tax treaties has been halted

1. TREATY NETWORK



THROUGH JOINING THE MLI, MONGOLIA WOULD COMPLY WITH ACTION 6 AND 14 WITH MOST OF ITS TAX TREATIES (18)

- *Mongolia has become the 100th country to join the MLI in October 2022 during 14th BEPS annual meeting*
- *Ratification of the MLI by the Parliament is expected to occur by the end of 2023*



Double tax treaties (DTTs):

- Eliminate double taxation
- Enhances tax cooperation
 - Exchange of information
 - Mutual Agreement procedure
 - Assistance on collection of taxes



Japan and Mongolia Foreign tax credit



CAPITAL FLOW IS UNEVEN Source rule VS Residence rule



TAX COLLABORATION Improve administrative cooperation



TO FIND A COMMON GROUND AND MUTUAL UNDERSTANDING



MINISTRY OF FINANCE
MONGOLIA

TRANSFER PRICING





1

Transfer pricing rules were introduced in April 1986

2

First to introduce the advanced pricing agreements in 1987

3

Amended in 2005 to include consolidated companies

4

Amended in 2019 to align with the OECD TP Guidelines.

LEGISLATION

- ✓ The Act on Special Measures concerning Taxation (ASMT) (Article 66-4~)
- ✓ Order for Enforcement of ASMT (Article 39-12~)
- ✓ Regulation for Enforcement of ASMT (Article 22-10~)

OTHERS

- ✓ Commissioner's Directive on Interpretation of the ASMT
- ✓ Commissioner's Directive on the Operation of Transfer Pricing (Administrative Guidelines)



1

THE JAPANESE TRANSFER PRICING GUIDELINES ARE GENERALLY ALIGNED WITH THE **OECD TRANSFER PRICING GUIDELINES**

2

REQUIRE TAXPAYERS TO CONSIDER THE FUNCTIONS PERFORMED, ASSETS USED, AND RISKS ASSUMED BY EACH PARTY TO A CONTROLLED TRANSACTION WHEN DETERMINING **THE ARM'S LENGTH PRICE**

3

TO USE THE MOST APPROPRIATE TRANSFER PRICING METHOD, TAKING INTO ACCOUNT **ALL OF THE RELEVANT FACTS AND CIRCUMSTANCES**

4

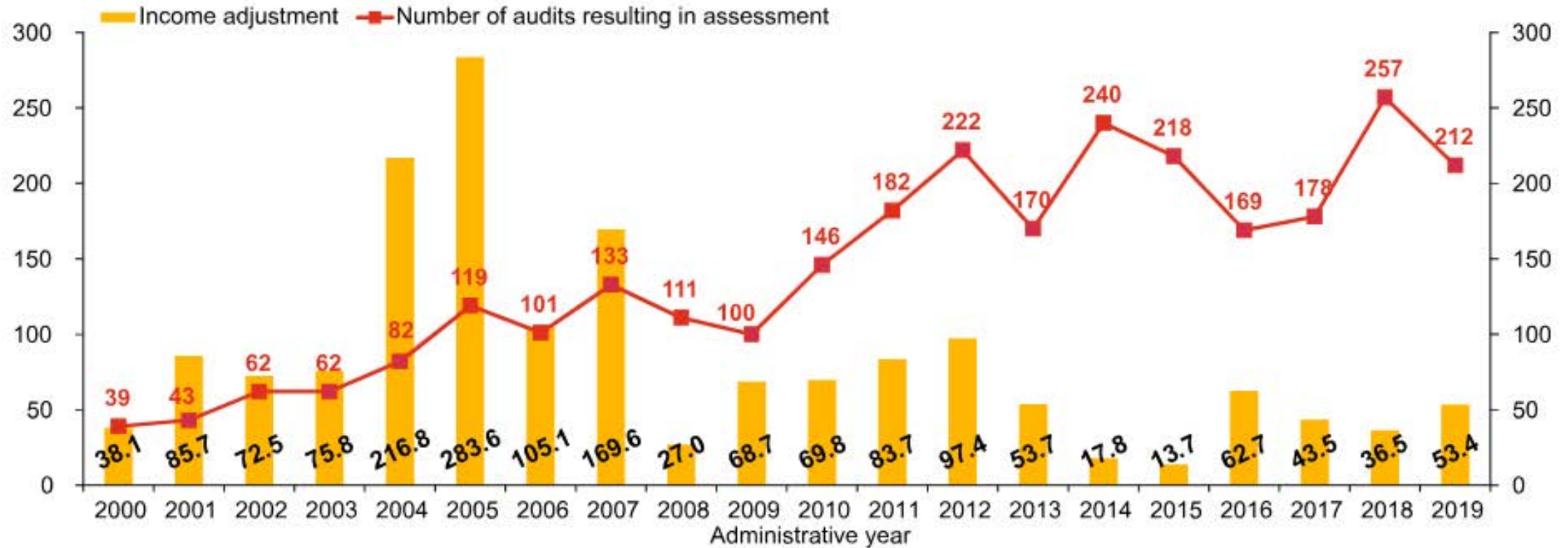
THE JAPANESE GUIDELINES ALLOW TAXPAYERS TO USE THE PROFIT SPLIT METHOD IN CERTAIN CIRCUMSTANCES, EVEN IF THE CONTROLLED TRANSACTION DOES NOT INVOLVE THE TRANSFER OF **ALL OR SUBSTANTIALLY ALL OF THE RISKS AND REWARDS OF THE BUSINESS ACTIVITY**



Transfer pricing assessments(2000-2019)

Income adjustment
(billion yen)

Number of audits resulting
in assessment



Source: National Tax Agency, "Hojinzei to no chosa jiseki no gaiyo"[Overview of corporate tax audits etc.]Accessed annually 2001-2020.
https://www.nta.go.jp/information/release/kokuzeicho/2020/hojin_chosa/pdf/hojin_chosa.pdf (Japanese)
https://www.nta.go.jp/english/publication/agency_report/index.htm (English)



1. POLICY

- **Article 37–39** of the general tax law
- TP guideline /Minister's order/
- TP documentation guideline /General commissioner's order/

Key issues:

1. Broad definition of related party:

- one person or more persons and entities may directly or indirectly participate in the assets, supervision and management of 2 or more legal entities to influence the terms and economic results of the transactions

2. Related party transactions are subject to arms lengths principle:

- Domestic transfer pricing guideline /Minister's order, General commissioner's order/
- OECD transfer pricing guideline may apply if domestic guideline is insufficient

3. Transfer pricing documentation:

- Annual TP report
- Local file
- Master file
- CbC report for qualifying MNEs

2. IMPLEMENTATION

- TP audits require **extensive capacity building** within the tax authority
- **MTA estimates over 400 million USD in tax revenue** increase since the introduction of TP in 2020

3. STATISTICS

	2020	2021	2022
Local file	5,268	5,487	5,291
Master file	5,185	5,443	5,241
Annual TP report	54,763	54,690	65,166
Total tax returns file	65,231	131,338	75,698

4. TP AUDIT

	2020	2021	2022
Concluded	0	\$288 M	\$2.4 M
Pending			>\$200 M



LESSONS TO BE LEARNED



THE IMPORTANCE OF DOCUMENTATION:

- ✓ Strict documentation requirements

CREATING ACCEPTABLE ARMS-LENGTH RANGES:

- ✓ Certainty for taxpayers



TRANSFER PRICING RISK ANALYSIS:

- ✓ Certainty for taxpayers

THE IMPORTANCE OF ADVANCE PRICING AGREEMENTS (APAS):

- ✓ Certainty for taxpayers



THE NEED FOR COOPERATION BETWEEN TAX AUTHORITIES:

- ✓ Exchange of information
- ✓ Mutual agreement procedure



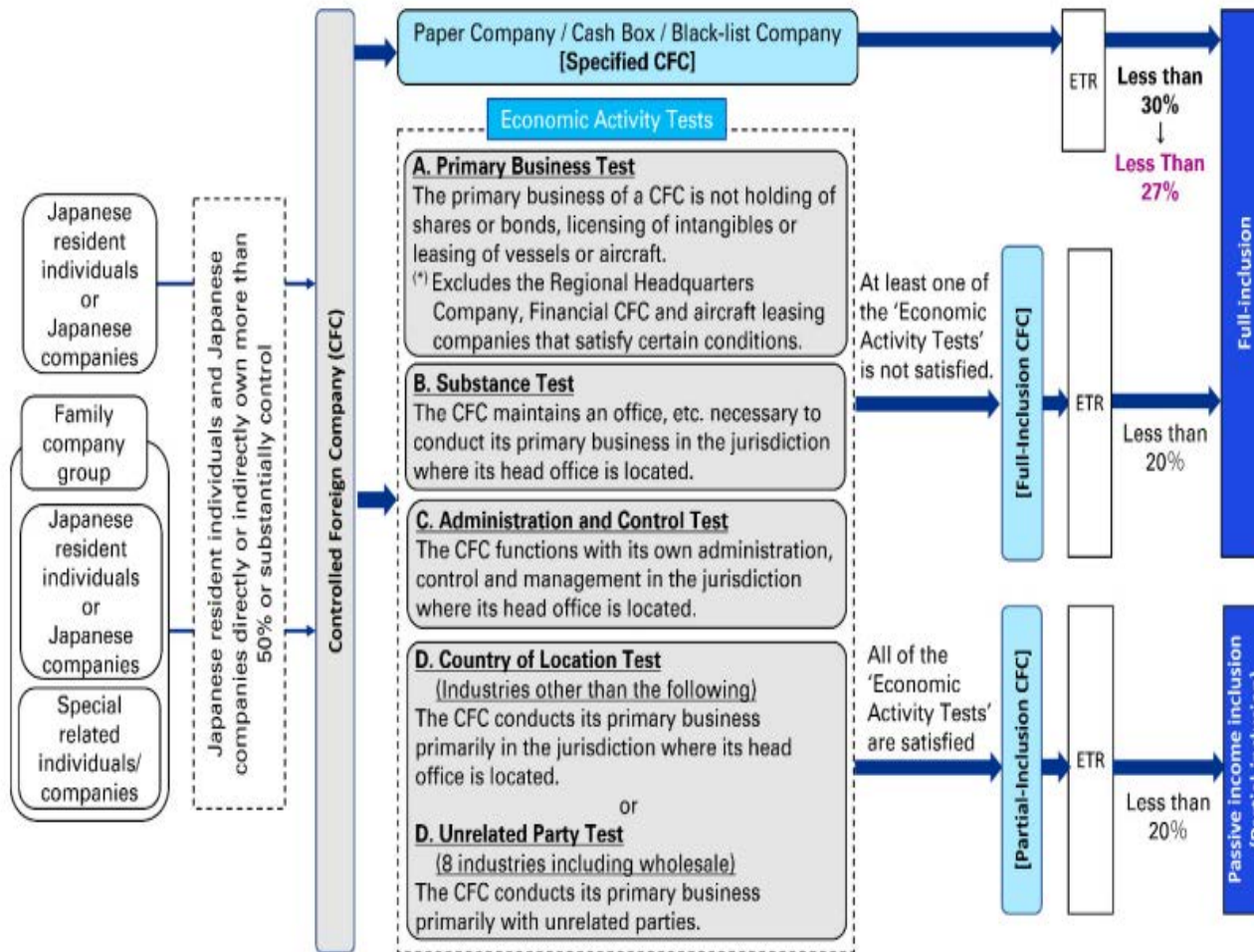
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CONTROLLED FOREIGN COMPANY RULES





GENERAL OUTLINE



Source: Ministry of Finance '2023 Tax Reform (Proposal)' (translated into English and modified by KPMG Tax Corporation)

KEY FEATURES

- Basic rules are same as Mongolia
- Various tests for comprehensive classification

JAPANESE EXPERIENCE

- important for Japan as businesses make **massive investments outside JAPAN**
- **~10 thousand CFCs** registered in Japan as of March 2023.
- the total profits of CFCs registered in Japan was **¥1.5 trillion (US\$13 billion).**

1. POLICY

Related provisions:

- **Article 31** of corporate income tax law
- Provision 5.4 of corporate income tax law
- Procedure on CFC tax issues /General commissioner's order/

Key issues:

1.CFC is a foreign entity that **satisfies 3 or more of the** following conditions:

- Over 50% of the shareholders of the company are based in Mongolia
- Over 50% of shareholders' meetings are held in Mongolia
- Accounting books and financial documents are kept in Mongolia
- More than 25% of the Board Directors or those who perform their Directors' rights are a resident of Mongolia
- At least 60% of the total revenue is earned from a source in Mongolia

2.CFC will be deemed as a Mongolian resident and **passive income will be taxed** in Mongolia

- Dividends, interest, royalties, etc.

3.**Beneficial owner of the CFC** /company or individual/ residing in Mongolia will file the tax return.

2. IMPLEMENTATION

- **No CFCs have been registered** or filed a tax return
- **Exchange of information would be essential** for the next stages in registration of taxpayers and expanding the base

3. STATISTICS

	2020	2021	2022
Total registered taxpayers	0	0	0
Total tax returns filed	0	0	0



Tax authority has **identified 58 potential CFCs from ORBIS database** and are notifying the beneficial owners in Mongolia to register:

- Mostly companies managing mining operations in Mongolia
- Foreign entities in Singapore, Luxembourg, Switzerland, and Hong Kong



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EXCHANGE OF INFORMATION

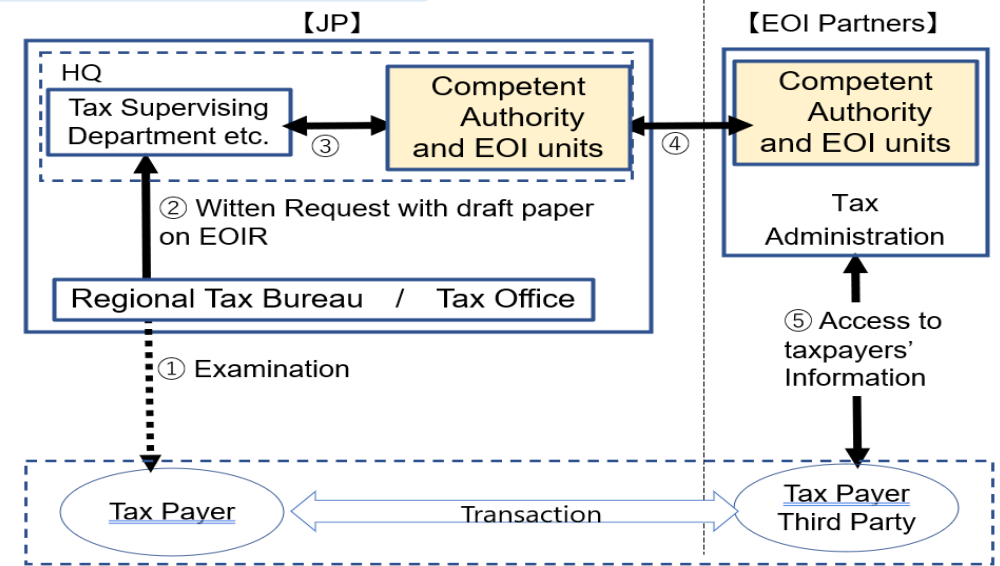




LEGAL FRAMEWORK

- Convention on Mutual Administrative Assistance in Tax Matters
- **BILATERAL AGREEMENTS**
/11 conventions applicable to 11/

GENERAL OUTLINE



JAPANESE EXPERIENCE

EOIR	2019	2020	2021
Request	613	638	639
Requested	233	251	128

SEOI	2019	2020	2021
Receipt	394	351	448
Provision	106	106	73

AEOI	2019	2020	2021
Receipt	2,216(K)	2,019(K)	2,600(K)
Provision	1,345(K)	1,338(K)	1,419(K)



RATIFICATION OF THE CONVENTION ON MUTUAL ADMINISTRATIVE ASSISTANCE IN TAX MATTERS

/January 3, 2020/



MONGOLIA WHEN
DEPOSITING ITS INSTRUMENT
OF RATIFICATION OF THE
CONVENTION, DECLARED
THAT IT **RESERVES NOT TO
IMPLEMENT SOME
ELEMENTS OF IT**

RESULT

- 1 Exchange of information for tax purposes
- 2 Joint tax examinations with foreign tax authorities
- 3 Ensure transparency

1 EXCHANGE OF INFORMATION FOR TAX PURPOSES

- ✓ EXCHANGE OF INFORMATION ON REQUEST
- ✓ SPONTANEOUS EXCHANGE OF INFORMATION
- ✓ **AUTOMATIC EXCHANGE OF INFORMATION**
- ✓ SIMLTANEOUS TAX EXAMINATIONS
- ✓ TAX EXAMINATIONS ABROAD

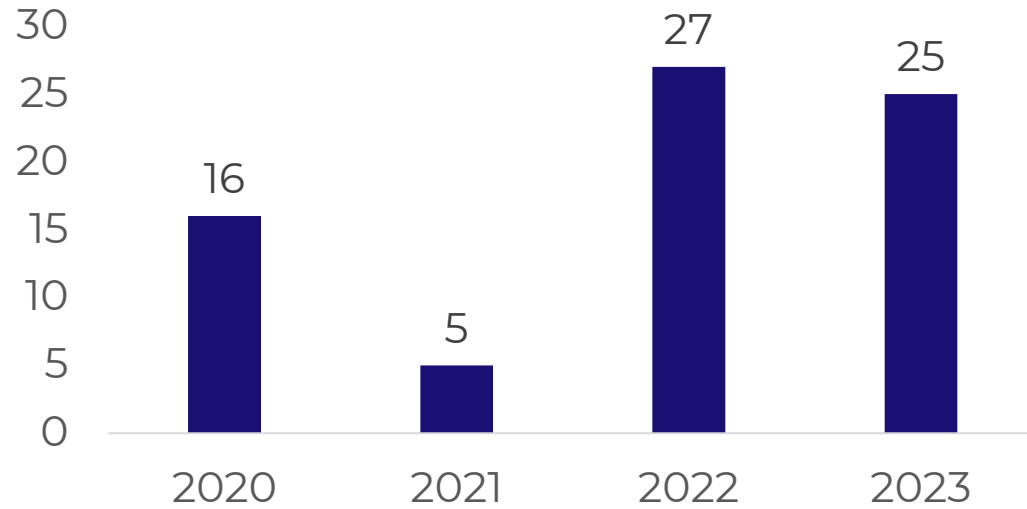
2 ASSISTANCE IN RECOVERY

- ✗ RECOVERY OF TAX CLAIMS

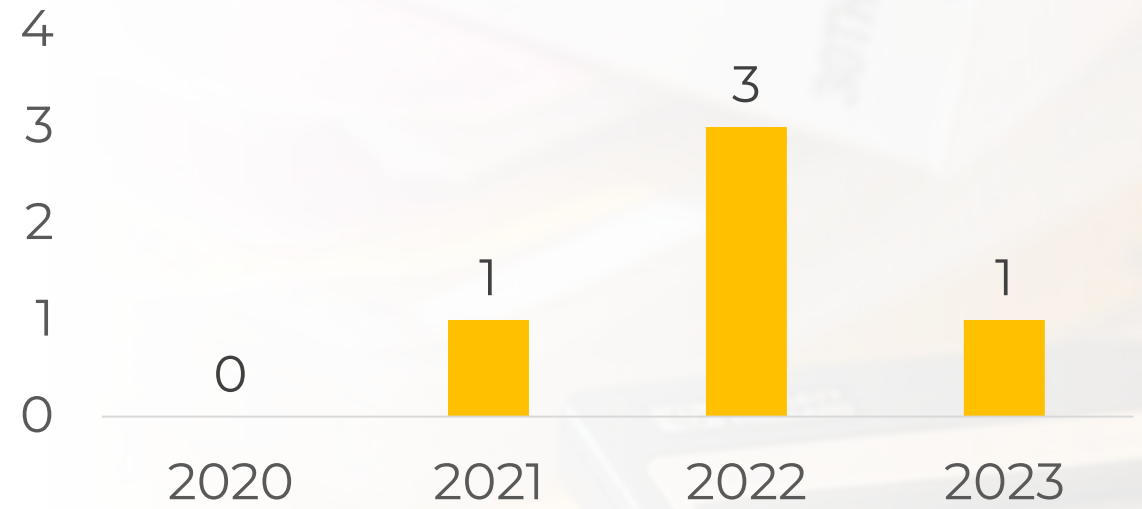
3 SERVICE OF DOCUMENTS

- ✗ SERVICE OF DOCUMENTS

Requests sent



Requests received



PARTNERSHIPS

\$2.5m

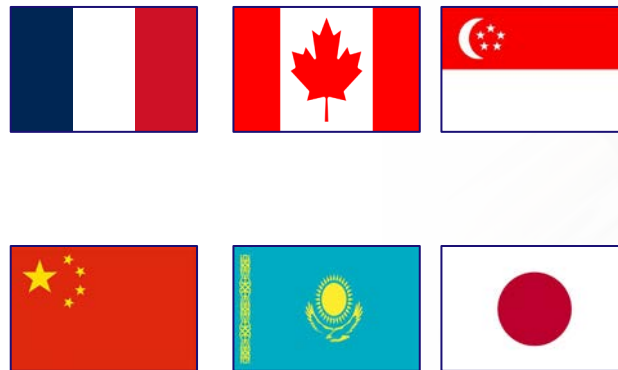
Taxes recovered

73

Total requests sent

5

Total requests received



COOPERATION WITH JAPAN

2

Requests sent to Japan (2022 & 2023)

1

Withdrawn request (2023)



112

JURISDICTIONS IMPLEMENTED THE AEOI STANDARD

2020



KAZAKHSTAN



MALDIVES



ECUADOR

2021



ALBANIA

2023



THAILAND

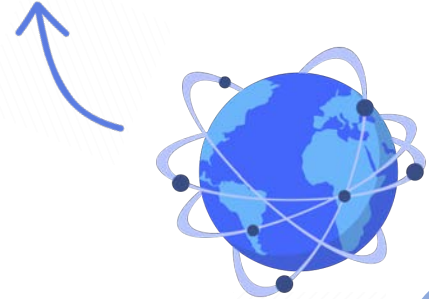


MONTENEGRO



Mongolia commits to start automatic exchange of financial account information by 2026

MONGOLIA IS PREPARING TO INITIATE ITS FIRST AEOI- COMPLIANT EXCHANGES



GREAT POTENTIAL FOR INCREASING
ECONOMIC ACTIVITY



ESTABLISHING TAX TREATY IS THE
NEXT BIG STEP



MONGOLIA SHOULD KEEP
IMPROVING ITS TAX SYSTEM



ENHANCE GOVERNMENT
COLLABORATION ON TAX MATTERS





MINISTRY OF FINANCE
MONGOLIA



**THANK YOU FOR YOUR
KIND ATTENTION**

