UKRAINE

LIMITED LIABILITY COMPANY (TOV / LLC)
CLIENT GUIDE 2026

Company formation, Ukrainian taxation
and annual compliance

Professional company formation
and ongoing corporate administration

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Ukraine TOV at a Glance

The товариство з обмеженою відповідальністю (TOV), equivalent to a limited liability company (LLC), is Ukraine's principal private company form. The current Law on Limited and Additional Liability Companies permits one or more participants and does not impose a statutory maximum number of participants. Foreign individuals and companies may participate, subject to sanctions, regulated-sector and other applicable restrictions.

Topic	Current legal / practical position
Participants	One or more participants; the current TOV law states that the number of participants is not limited.
Liability	The company is liable with its own assets. Participants are generally not liable for company obligations, subject to rules for unpaid contributions and other statutory exceptions.
Management	The charter determines the executive body, director / management structure and representation powers.
Registered office	A registered location in Ukraine is required and recorded in the Unified State Register.
Minimum capital	No fixed statutory minimum capital is prescribed for an ordinary TOV; founders determine the capital and nominal value of their participations.
Capital payment	Each participant must generally contribute in full within six months after state registration, unless the charter validly provides otherwise.
Corporate income tax	General corporate income-tax rate: 18%.
VAT	20% standard VAT; the Tax Code also provides 0%, 7% and 14% rates for specified transactions.

Key Benefits for International Clients

- No fixed statutory minimum share capital for an ordinary TOV.
- No statutory maximum number of participants under the current TOV law.
- General corporate income-tax rate of 18%.
- Eligible small businesses may elect the Group III simplified tax regime: 3% of revenue plus VAT or 5% of revenue with VAT included, subject to statutory eligibility and turnover limits; in 2026 Group III legal entities also pay a 1% military levy on income.
- Qualifying technology companies admitted to Diia.City may choose the special 9% tax on specified distributed / deemed-distributed transactions instead of ordinary 18% profit taxation.
- Ukraine's tax treaties can reduce the standard 15% tax on specified Ukrainian-source payments to non-resident legal entities where treaty conditions are satisfied.

Important 2026 Tax Position

Ukraine is not a blanket 0% or foreign-source-exempt jurisdiction

An ordinary Ukrainian-resident TOV is generally subject to 18% corporate income tax. Foreign ownership, foreign clients or foreign bank accounts do not create a general 0% result. Genuine alternatives include the revenue-based simplified regime for eligible small businesses and the Diia.City special 9% distributed-profit model for qualifying technology residents.

Ownership, Capital & Taxation

Topic	Current legal / practical position
Participants	The current TOV law provides no maximum number. Participants may hold interests in proportions set by the charter / corporate arrangements.
Capital	The statutory framework does not set a fixed minimum for an ordinary TOV. Contributions may include money, securities and other property unless prohibited.
Contribution deadline	Generally six months from state registration, unless the charter provides another valid period.
Foreign founder documents	A foreign legal-entity founder generally provides a foreign registry extract / equivalent corporate-status document; foreign UBO identification documents may require notarised copies and legalisation / apostille as applicable.
Beneficial ownership	Ownership structure and ultimate beneficial-owner information are part of state-registration / corporate-register compliance. Diia's registration process automatically prepares the ownership-structure document for eligible online applications.
Online formation	Diia offers model-charter TOV registration for Ukrainian citizens. Foreign founders are directed to the competent registration / administrative service route rather than the citizen-only automated service.

Corporate Income Tax - 18%

The State Tax Service confirms that the basic corporate income-tax rate is 18%. Special higher rates apply to certain financial-sector taxpayers. An ordinary Ukrainian TOV should therefore be modelled on 18% taxable profit unless it validly elects another statutory regime or qualifies for a specific exemption.

Diia.City: 9% special corporate-tax model

Qualifying Diia.City residents may elect special corporate taxation at 9% on specified transactions, including dividend distributions and other transactions treated by the Tax Code as withdrawals / distributions of capital. The official Diia.City portal describes the choice as 9% on 'withdrawn capital' or ordinary 18% profit tax. Admission, qualifying activities, staffing / remuneration and continuing-residency requirements must be satisfied.

Group III Simplified Regime

Eligible legal entities may use Group III of the simplified system. The Tax Code provides 3% of revenue where VAT is paid separately or 5% where VAT is included in the single tax. In 2026, Group III legal entities also pay a military levy of 1% of income. Eligibility, prohibited activities, ownership conditions and the annual revenue ceiling must be checked before election.

Payments to Non-Residents

Specified Ukrainian-source income paid to a non-resident legal entity is generally subject to 15% withholding tax unless the Tax Code provides another rate or an applicable double-tax treaty reduces or eliminates the tax. Treaty relief requires the statutory residence and, where relevant, beneficial-owner conditions to be met.

VAT - 20%, 14%, 7% and 0%

The Tax Code sets a 20% standard VAT rate and also provides 0%, 7% and 14% rates for specified transactions. Export, import, digital-service and cross-border service treatment depends on the particular transaction and place-of-supply rules.

Formation Process & Documents Required

1. Structure and tax-regime review 2. Company name and Ukrainian registered location 3. Founder / director / UBO KYC 4. Charter or model-charter decision 5. Founder resolution / minutes and ownership structure 6. State registration in the Unified State Register 7. Tax registration and bank account 8. Capital contributions 9. VAT / simplified tax / Diia.City / payroll / licensing registrations where applicable

Ukraine permits formation under an individual charter or, for eligible structures, a model charter. Diia's current service automatically generates the application, model charter, founders' resolution / minutes and ownership-structure document for eligible online users. Foreign founders generally use the registrar / administrative service route and should expect notarisation, apostille/legalisation and Ukrainian translation requirements for foreign documents.

Capital & Government Fees

No fixed statutory minimum capital applies to an ordinary TOV. The founders determine the capital and contributions, which are generally due within six months after registration unless the charter provides otherwise. Because state-registration charges and notarial / translation costs depend on the filing method and circumstances - and certain electronic registration services are free - this guide does not invent a universal 2026 government incorporation fee. BRIS professional fees are quoted separately.

Documents Required from the Client

- Passport / acceptable ID for participants, director(s) and beneficial owners.
- Recent proof of residential address.
- For foreign corporate founders: current registry extract, constitutional documents, authorised representatives and full ownership chain.
- Notarised UBO identification where required for a non-resident beneficial owner.
- Proposed company name, Ukrainian registered location and detailed business activities.
- Ownership percentages, capital and management / signing arrangements.
- Expected countries, customers, suppliers, turnover and transaction profile.
- Source-of-funds and, where appropriate, source-of-wealth evidence.
- Apostille/legalisation and certified Ukrainian translations where applicable.

Accounting, Annual Accounts & Audit

Ukrainian enterprises must maintain accounting records and prepare financial statements under the Law on Accounting and Financial Reporting and applicable national standards or IFRS. Reporting obligations depend on enterprise category and regulated status.

Audit is category / status based

Mandatory audit is not imposed merely because an entity is a TOV. Public-interest entities and other categories specified by accounting, audit, financial-market or sector legislation must publish or submit financial statements together with an auditor's report. Small and micro entities have simplified reporting rules where statutory conditions are met.

Annual Compliance Checklist

- Maintain registered location and current Unified State Register particulars.
- Maintain participant, director and beneficial-owner / ownership-structure information.
- Keep statutory accounting records and supporting documents.
- Prepare and file financial statements and tax reporting.
- File corporate income tax or simplified-regime returns as applicable.
- File VAT, payroll and military-levy reporting where applicable.
- Maintain Diia.City eligibility and special-tax requirements if elected.
- Review transfer pricing and controlled-foreign / international tax rules where relevant.
- Review treaty relief before dividends, interest, royalties or other payments to non-residents.

International Business & Tax Planning

Ukraine offers several distinct tax models rather than one universal low-tax regime. An ordinary TOV pays 18% corporate income tax. An eligible small business may instead use the Group III revenue-based simplified system, while a qualifying technology business admitted to Diia.City can elect the special 9% distributed-profit model. Selecting the correct regime requires analysis of turnover, ownership, activity, customers, staffing, VAT and cross-border payments.

The strongest legitimate low-tax routes for a Ukrainian company

1) Diia.City: qualifying residents may elect 9% taxation of specified distributed / deemed-distributed transactions instead of ordinary 18% profit tax. 2) Group III simplified system: eligible legal entities may pay 3% of revenue plus VAT or 5% of revenue with VAT included; in 2026 a further 1% military levy applies to Group III income. Neither regime is a blanket foreign-source exemption, and both have detailed eligibility restrictions.

Foreign Ownership & Cross-Border Payments

Foreign ownership itself does not change the TOV's Ukrainian tax residence or ordinary corporate-tax treatment. Dividends and other specified Ukrainian-source payments to non-resident legal entities are generally subject to 15% withholding before treaty relief. Ukraine's treaty network can provide lower rates or exemptions where residence, beneficial ownership and anti-abuse conditions are satisfied.

How BRIS Group Supports You

Structure & tax review - Assess TOV suitability, 18% corporate tax, Group III simplified taxation, Diia.City, VAT, withholding and treaty issues.

Company formation - Coordinate foreign founder documents, charter / model-charter route, ownership structure, registration and capital arrangements.

KYC / UBO - Coordinate participant, director, beneficial-owner and source-of-funds / source-of-wealth due diligence.

Accounting & compliance - Coordinate bookkeeping, financial statements, corporate / simplified tax, VAT, payroll, military levy and audit support where required.

Banking - Prepare corporate and KYC documentation and coordinate Ukrainian / international banking support where available.

Professional Fees & Official Sources

Professional fees are quoted separately

This guide is informational and is not a fee quotation. BRIS Group professional fees and third-party costs - including registered office, notary, apostille/legalisation, translations, accounting, tax, VAT, audit, licensing, Diia.City support, immigration and banking assistance - are quoted separately.

Official sources reviewed for this 2026 guide: Verkhovna Rada of Ukraine - current Law on Limited and Additional Liability Companies and accounting legislation; State Tax Service of Ukraine - 18% corporate income tax, VAT, Group III simplified tax, 2026 military levy and non-resident withholding; Diia - TOV model-charter registration and ownership-structure requirements; Diia.City - 9% special corporate-tax regime.

PREPARED BY BRIS GROUP

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Professional incorporation and corporate administration for international clients.