



On approval of the Methodology for calculating the zoning coefficient

Unofficial translation

Order of the Minister of Information and Communications of the Republic of Kazakhstan dated November 12, 2018 No. 475. Registered with the Ministry of Justice of the Republic of Kazakhstan on November 30, 2018 No. 17847.

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In accordance with part 6 of Article 529 of the Code of the Republic of Kazakhstan “On Taxes and Other Obligatory Payments to the Budget” (the Tax Code) as of December 25, 2017, I hereby **ORDER:**

1. To approve the appended Methodology for calculating the zoning coefficient.
2. To invalidate Order № 55 of the Minister of Investments and Development of the Republic of Kazakhstan “On Approval of the Methodology for Calculating the Zoning Coefficient” as of January 22, 2016 года (registered in the Register of State Registration of Regulatory Legal Acts under № 13285, published in the “Adilet” Information and Legal System on February 26, 2016).
3. The “Electronic Government” Development Department of the Ministry of Information and Communications of the Republic of Kazakhstan shall:
 - 1) ensure state registration of this order with the Ministry of Justice of the Republic of Kazakhstan;
 - 2) within ten calendar days of the state registration of this order, send it to the Republican State Enterprise with the Right of Economic Management “Republican Center of Legal Information” for its official publication and inclusion into the Reference Control Bank of Regulatory Legal Acts of the Republic of Kazakhstan;
 - 3) place this order on the website of the Ministry of Information and Communications of the Republic of Kazakhstan;
 - 4) within ten working days of the state registration of this order, submit information on the implementation of measures, provided for in subparagraphs 1), 2) and 3) of this paragraph , to the Legal Department of the Ministry of Information and Communications.
4. Control over execution of this order shall be entrusted to the supervising vice-minister of nformation and Communications of the Republic of Kazakhstan.
5. This order shall take effect ten calendar days after the day of its first official publication

*Minister of Information
and Communications of
the Republic of Kazakhstan*

D.Abayev

“AGREED”

The methodology for calculating the zoning coefficient

Chapter 1. General provisions

1. This Methodology for calculating the zoning coefficient (hereinafter referred to as the Methodology) is developed in accordance with the Code of the Republic of Kazakhstan “On Taxes and Other Obligatory Payments to the Budget” (the Tax Code) as of December 25, 2017 (hereinafter referred to as the Code).

2. This Methodology establishes the procedure for the calculation of the zoning coefficient, which is applied in the calculation of the value of items of immovable property of individuals not used in the entrepreneurial activity for tax purposes, according to Article 529 of the Tax Code.

3. The following terms and definitions are used in this Methodology:

- 1) a special legal status zone - a special economic zone, a specially protected natural area;
- 2) the value of taxable items of individuals - the value calculated in accordance with parts 1 and 3 of Article 529 of the Tax Code;
- 3) social facilities of citywide, district significance — secondary schools, kindergartens, health, cultural, arts, sports facilities, enterprises of trade, catering and household services of local significance.

4. The calculation of the zoning coefficient provides for implementation of a series of consecutive interrelated actions:

1) the coefficient is calculated for appraised zones established in accordance with Article 8 of the Land Code of the Republic of Kazakhstan as of June 20, 2003, within the limits of which all the facilities must have their own identification (cadastral) number. Zones’ boundaries shall be clearly fixed by the names of streets, micro-districts, blocks with the help of cadastral maps of reference blocks of a city, a populated locality.

If zones’ boundaries are not fixed by streets, the boundary of the appraised zone shall be strictly drawn by the numbers of houses, with the indication of their identification (cadastral) numbers or codes in the “Address Register” State Database;

2) identification of a set of factors influencing the value of items subject to personal property tax and determination of quantitative values of these factors;

3) identification of influencing factors for each appraised plot, application of the factors to the appraised plot and amendment of the latter's boundary;

4) calculation of the zoning factor for the purposes of determining the value of items subject to personal property tax for each appraised plot.

5. When calculating the zoning coefficient to determine the value of items subject to personal property tax, it is necessary to use technical documentation from the archive of the authorized body for registration of rights to immovable property, and it is also allowed to use:

1) state electronic databases;

2) acts of local executive bodies of cities, districts, townships, villages concerning land use, valuation and taxation.

Chapter 2. Names of factors and sub-factors of the relative value of immovable property

6. Factors of the relative value of an area are applied to appraised plots. In this case, one shall take into account the influence of such factors as:

1) accessibility of the center of a city, district, township, village to the population;

2) centralized engineering equipment and landscaping, transport accessibility;

3) social facilities of citywide, district significance within the boundaries of an appraised zone;

4) special legal status zones;

5) the state of the environment, sanitary and microclimatic conditions;

6) engineering and geological conditions for construction and the degree of exposure to destructive natural and other impacts.

7. In order to determine the zoning coefficient, its influence on the value of items of immovable property (populated area), individual sub-factors are distinguished within them. Groups, factors and sub-factors of the relative value of immovable property and their values are given in the appendix to this Methodology.

8. The influence of factors of the first group is determined by pedestrian accessibility of stopping places of urban and suburban passenger transport and centers of a city and a district, including places where services are provided by public centers of the city and the district.

The value of the coefficients of factors and sub-factors of the second group are adopted in accordance with the share of the cost of engineering equipment (by type) of a city, district, township, village, and also with account of provision with public transport. As with the second group, the value of the coefficients of factors and sub-factors of the third group are calculated on the basis of the share of the cost of certain types of cultural and household-service facilities for daily use within the total cost of residential development.

The coefficients of the fourth group, determined by a decision of a local representative body, are applied to appraised zones located:

in conservation areas or nature reserves, health-improving and recreational areas;
 within zones with limited development rights and in areas of architectural, historical, aesthetic value;

near water bodies, forests and in communal landscaped areas of landscape value.

The coefficients are applied to those parts of a populated locality that have such a value.

The value of the coefficients of factors and sub-factors of the fifth and sixth groups are defined as factors of negative impact of anthropogenic processes, state of the environment, sanitary, microclimatic, engineering and geological conditions, degree of exposure to destructive natural and other impacts if they can be determined by calculation proceeding from the data provided by relevant authorized state bodies.

Chapter 3. Calculation of zoning coefficients

9. Boundaries of appraised plots are amended as a result of application of factors and sub-factors. Based on information received, the description of each above mentioned factor is made to assign to an appraised zone the value of each factor valid for this zone.

For each appraised zone, the zoning coefficient of the relative value of immovable property is calculated and determined using the formula:

$$K_{\text{zone}} = K1 + K2 + K3 + K4 - K5 - K6,$$

where:

K1, K2, K3, K4 - the group of values of upward effect;

K5, K6 - the group of values of downward effect.

In this case, the maximum value of the zoning coefficient is assumed to be 2.7.

Appendix to the
 Methodology for calculating
 the zoning coefficient

Groups, factors and sub-factors of the relative value of immovable property and their values

Group № (K)	Factors and sub-factors of the relative value of immovable property	Values
1.	Accessibility of the center to the population.	0.80-1.20
2.	Provision with central engineering equipment and landscaping, transport accessibility:	0.05-0.10
2.1	Water pipes	0.05
2.2	Sewage	0.05
2.3	Heating	0.10
2.4	Power supply	0.05

2.5	Gas supply	0.10
2.6	Hard surface of streets and driveways	0.10
2.7	Accessibility of stopping places of public urban and suburban passenger transport	0.10
3	Social facilities of citywide, district significance within the boundaries of an appraised zone	0.10-0.15
3.1	Children's preschool institutions	0.10
3.2	Secondary schools	0.15
3.3	Health, cultural, arts, sports facilities	0.10
3.4	Enterprises of trade, catering and household services of local significance	0.10
4.	Special legal status zones	0.50
5.	The state of the environment, sanitary and microclimatic conditions are taken into account with the downward coefficient (minus):	0.10
5.1	Air contamination, high gas content in the air, smoke	0.10
5.2	Contamination of the area: landfills, debris of industrial waste	0.10
5.3	Water pollution	0.10
5.4	Violation of the noise regime: rail, tram tracks, passenger stations, ports, markets, heavy transport routes and highways with traffic congestion (distance from an appraised item is not more than 50 meters), airline (distance from an appraised item is not more than 1000 meters)	0.10
6.	Engineering and geological conditions for construction and the degree of exposure to destructive natural and other impacts	0.10
6.1	Negative effects of electromagnetic fields, radiation (radio stations, radio and TV transmitting and radar stations, high-voltage overhead power lines)	0.10
6.2	Waterlogging, bogginess, high groundwater level, seismicity, mudflows and other natural factors.	0.10