

Ukraine

Legal Environment for Philanthropy in Europe 2025

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I. Legal framework for foundations

1. **Does the jurisdiction recognise a basic legal definition of a foundation? (please describe) What different legal types of foundations exist (autonomous organisations with legal personality, non-autonomous without legal personality, civil law, public law, church law, corporate foundations, enterprise foundations, party political foundations, family foundations, foundations of banking origin as a specific type, companies limited by liability, trusts)? Does your jurisdiction recognise other types of philanthropic organisations?**

The Law of Ukraine “On Charitable Activities and Charitable Organizations” defines charitable organisations as legal entities of private law, whose constituent documents establish charitable activities in one or more areas specified by this Law as the main purpose of their activities. The term “charitable foundation” is not defined by the legislation, as both charitable organisations (COs) and charitable foundations (CFs) share the same organisational and legal form – a charitable organisation. In most cases, COs and CFs have the status of a legal entity. However, unless prohibited by their founding documents, they may establish branches without legal-entity status.

According to the above-mentioned Law, a charitable organisation may be established as a charitable society, charitable institution or charitable foundation, taking into account the specific features defined by this Law and other laws of Ukraine.

A charitable society is recognised as a charitable organisation established by at least two founders and operates on the basis of a charter.

A charitable institution is recognised as a charitable organisation whose charter defines the assets that one or more founders transfer for the purpose of achieving charitable goals using those assets and/or income derived from them. The charter of a charitable institution may be set out in a will. The founder or founders of a charitable institution do not participate in its management. A charitable institution operates on the basis of the charter.

A charitable foundation is a charitable organisation that operates on the basis of a charter (similar to statutes), has participants and is managed by participants, who are not required to transfer any assets to the organisation to achieve its charitable goals. A charitable foundation may be established by one or more founders. Its assets may be formed by contributions from participants and/or other donors.

The most common forms are COs and CFs.

Related to the scope of activity of CO are public associations, which are voluntary associations of individuals and/or private law legal entities established to exercise and protect rights and freedoms and to serve public interests – including economic, social, cultural, environmental, and other interests – in accordance with the Law of Ukraine “On Public Associations”. In terms of organisational and legal form, a public association may be established as either a public organisation or a public union:

- A public organisation is a public association whose founders and members (participants) are individuals.
- A public union is a public association whose founders are private law legal entities, while its members (participants) may include both private law legal entities and individuals.

A public association may operate either with or without the status of a legal entity. A public association with legal-entity status is considered a non-entrepreneurial company, whose primary purpose is other than generating profit.

Regarding other types of funds mentioned in the question. According to the Law of Ukraine “On Joint Investment Institutions”, a corporate fund is a legal entity established in the form of a joint-stock company and carrying out exclusively joint investment activities.

According to the Law of Ukraine “On Freedom of Conscience and Religious Organizations”, religious organisations in Ukraine are religious communities, administrations and centres, monasteries, religious brotherhoods, missionary societies (missions), spiritual educational institutions, as well as associations consisting of the above-mentioned religious organisations. In practice, activities related to religion in the public sector are most commonly carried out in the form of COs/CFs.

According to the Law of Ukraine “On Political Parties in Ukraine”, a political party is a voluntary association of citizens, registered in accordance with the law, who support a specific nationwide programme of social development. Its purpose is to promote the formation and expression of the political will of citizens and to participate in elections and other political activities. In Ukraine, political parties cannot be established in the organisational and legal form of foundations, and non-profit foundations are prohibited from engaging in political activities (in particular financing such activities).

According to the Law of Ukraine “On the Deposit Guarantee System of Individuals”, the Deposit Guarantee Fund of Individuals is an institution that performs special functions in the field of guaranteeing deposits of individuals, and withdrawing insolvent banks from the market and liquidating banks in cases provided for by this Law. The Fund is a legal entity under public law.

Family foundations are not explicitly provided for under Ukrainian law. However, it is possible to establish a CO/CF with statutory purposes directed toward family-related goals, provided that such activities comply with the general legal requirements on charitable activity.

Limited liability companies (LLCs) in Ukraine are legal entities established for the purpose of conducting commercial activities and generating profit. LLCs cannot be classified as foundations, as they operate with the primary goal of making a profit, as noted above.

Trusts as such are not provided for in Ukrainian legislation. The norms of the Law of Ukraine “On Prevention and Counteraction to the Legalization (Laundering) of Proceeds of Crime, Financing of Terrorism and Financing of the Proliferation of Weapons of Mass Destruction” define a trust as a legal relationship established by the founder in accordance with the legislation of the country of origin, either during their lifetime or upon death, whereby assets are transferred under the control of a trustee for the benefit of a beneficiary or for a specific purpose. Such relationships are characterised by specific features.

2. If your jurisdiction provides for different laws for different foundations/philanthropic organisations, please indicate this here, and then specify under further relevant questions whether a different answer applies to these types of foundations/philanthropic organisations.

The question above includes references to sector-specific legislation. In addition, the general conditions for the activities of legal entities are set out in the Civil Code of Ukraine, the Commercial Code of Ukraine, the Tax Code of Ukraine, etc.

3. What purposes can foundations legally pursue?¹

- ☒ Only public-benefit
- ☐ Both public- and private-benefit

¹ This question focuses only on public-benefit foundations (see the definition in the [glossary](#) developed for this project).

Note: In the classical legal sense, charitable foundations are non-profit entities, meaning they are not permitted to engage in commercial activities or generate profit. Accordingly, the purposes they may pursue must be exclusively socially beneficial.

For example, limited liability companies (LLCs) may engage in both socially beneficial and privately beneficial activities; however, they are not considered “foundations” within the meaning of Ukrainian law.

4. What are the requirements for the setting up of a foundation (procedure, registration, approval)? What application documents are required? Are there any other specific criteria for registration?

The procedure for state registration is regulated by the Law of Ukraine “On State Registration of Legal Entities, Individual Entrepreneurs, and Public Associations”.

Before proceeding directly to registration, it is necessary to prepare a set of documents and complete a number of preparatory steps:

- Preparation of a draft charter, and definition of goals and objectives of the activity.
- Holding a constituent meeting of the founders or issuing a decision by the sole founder: The meeting or decision establishing the CO/CF must determine the name and location of the organisation, appoint the Chairperson/Board, and, if necessary, establish a Supervisory Board (mandatory if there are 10 or more founders). It must also specify the list of officials and approve the charter.
- The prepared documents must comply with the requirements of current legislation, be duly signed, and properly bound.
- Submission for state registration to administrative service centres or to a notary: The charter of the charitable organisation, the ownership structure (indicating the absence of beneficiaries due to the lack of authorised capital and the non-profit status of the organisation); and an application for state registration of a legal entity and a power of attorney (in the case of signing documents by an authorised person) are the necessary documents for registration. No administrative fee is charged for the state registration of a charitable organisation.

5. Is state approval required? (approval by a state supervisory authority with/without discretion)

- ☐ Approval by a state authority with discretion
- ☐ Approval by a state authority without discretion
- ☐ Approval by a court
- ☐ Notarisation by a notary public
- ☒ Other: The state registration (or state approval) of a CO/CF can be carried out either through a notary or via the Centers for the Provision of Administrative Services. Non-governmental organisations can also be registered through the bodies of the Ministry of Justice.

6. Are foundations required to register?

- a) If foundations must register, in what kind of register?
 - ☐ Company register
 - ☐ Foundation register at national level

- ☐ Foundation register at the regional/county level
- ☐ Beneficial ownership register (company register incorporates this data)
- ☐ Any other public register (other than a foundation/charity one)
- ☒ Other: Unified State Register of Legal Entities, Individual Entrepreneurs and Public Organizations

b) If foundations are registered, what information is kept in the register?

Information regarding the name, location, ultimate beneficial owners (if any), details of managers and authorised signatories, founders, any registered changes, the amount of authorised capital, and other relevant data are kept in the register.

c) If foundations are registered, is the register publicly available?

- ☒ Yes, all information publicly accessible (see <https://usr.minjust.gov.ua/content/free-search>)
- ☐ Yes, some information publicly accessible
- ☐ Yes, accessible upon request
- ☐ No

7. Is a minimum founding capital/endowment required?

- ☒ No
- ☐ Yes, amount

Note: The authorised capital that CO/CF may have does not correspond to the classical understanding of authorised capital. Founders may contribute certain funds as authorised capital; however, they cannot own shares in these funds after the foundation is established. For example, the founders contributed a certain amount, but their shares will be equal to 0%. Otherwise, they would be considered ultimate beneficial owners, which is prohibited for foundations in Ukraine. Furthermore, the presence of an ultimate beneficial owner in a foundation makes it impossible to obtain non-profit status.

8. Is the foundation required to maintain these assets or any other specified asset level throughout its lifetime? Are spend-down foundations allowed?

No, there is no requirement to maintain these assets or any other level of assets throughout the organisation's existence. Ukrainian legislation does not prohibit the creation of spend-down foundations; so yes, they can exist.

9. What governance requirements are set out in the law? Is it a one-tier or two-tier foundation governance model?

a) Is it mandatory to have a:

- ☐ Supervisory board
- ☐ Governing board
- ☒ Other: COs/CFs are required to have an executive body. The executive body is not necessarily structured as a Board. A Supervisory Board is also not mandatory and is established only if provided for in the organisation's charter.

Note: The supreme governing body of charitable societies and charitable foundations is the general meeting of participants, which consists of participants of such charitable societies or charitable foundations or authorised representatives of such participants. The general

meeting of participants may decide on any issues related to the activities of charitable societies and charitable foundations. The procedure for convening and conducting general meetings, adopting decisions, and other aspects related to the exercise of the general meeting's powers as the supreme governing body are determined by the organisation's charter.

- b) What are the requirements concerning board members? Is a minimum/maximum number of board members specified? Does the law regulate the appointment of board members and their resignation/removal, or can this be addressed in the statutes/bylaws?

The board is usually the executive body of the charitable organisation. According to the Law of Ukraine "On Charitable Activities and Charitable Organisations", the executive body of a charitable organisation is a permanent governing body of a charitable organisation. Members of the executive body may be one or more individuals with full legal capacity.

The executive body acts on behalf of the charitable organisation in the manner and within the scope of authority defined by law and the constituent documents of the charitable organisation.

The number of board members, as well as the procedure for their appointment and dismissal, is regulated by each charitable organisation in its charter.

- c) What are the duties and what are the rights of board members, as specified by national legislation or case law?

As noted above, the powers of the board of CO/CF are defined in the organisation's charter. The duties and rights of the board are also established in the charter.

The board's duties may include carrying out activities in the interests of the organisation and in accordance with its statutory goals, overseeing the implementation of decisions made by the organisation's supreme governing body (the general meeting), and reporting to the organisation's supervisory bodies, etc.

The board's rights may include participating in meetings and sessions; submitting proposals to improve the functioning of the executive body and the organisation as a whole; and representing the organisation in relations with counterparties, etc.

- d) What are the rights of founders during the lifetime of the foundation? Can fundamental decisions, such as change of purpose, be made at the discretion of the founder? What are the legal requirements in such circumstances?

According to the Law of Ukraine "On Charitable Activities and Charitable Organisations," the founders of charitable organisations may be legally capable individuals or legal entities, excluding state authorities, local self-government bodies, and other legal entities under public law.

The founders of charitable organisations, or persons authorised by them, make decisions regarding the establishment of charitable organisations; approve their constituent documents and the composition of their governing bodies; and adopt other decisions related to the establishment and state registration of charitable organisations.

According to the Law of Ukraine "On Public Associations", the powers of the founder of a public association expire after the state registration of the public association in accordance with the procedure established by law.

- e) Can the board or the founder amend the statutes including the purpose of the foundation? If yes, please indicate any particularities. What is the relationship between

the powers of the founders, the statutes of the foundation and the power of the board members?

Since the powers of the founder are terminated after the state registration of a CO/CF, founders may amend the constituent documents only if they are participants of the CO/CF and take part in the general meeting. The board of the organisation is not authorised to amend the charter.

The authority to amend the charter and any other founding documents lies exclusively with the general meeting of the organisation.

f) What are the rights of third parties (e.g. right of information)?

Third parties and citizens have the right to access public information. This matter is regulated by the Law of Ukraine "On Access to Public Information". The law provides that any third party may submit a request for information.

A request for information is a person's appeal to the information owner to provide public information in his possession.

The requester has the right to submit a request for information regardless of whether this information concerns them personally or not, without explaining the reason for submitting the request.

A request for information may be individual or collective. Requests may be submitted orally, in writing or in another form (by mail, fax, telephone, e-mail) at the requester's choice. The request must contain the mandatory details established by law.

In addition, COs/CFs may also be contacted by state authorities, local self-government bodies, enterprises, institutions, organisations of any form of ownership, people's deputies with deputy requests, local council deputies with deputy appeals, lawyers with attorney requests, and others.

In addition, third parties may also submit so-called citizens' appeals to the COs/CFs, as regulated by the Law of Ukraine "On Citizens' Appeals". Citizens of Ukraine have the right to address state authorities, local self-government bodies, associations of citizens, enterprises, institutions, and organisations regardless of their form of ownership, media outlets, and officials, in accordance with their functional duties, with comments, complaints, and suggestions related to their statutory activities, as well as with applications or petitions concerning the exercise of their socio-economic, political, and personal rights and legitimate interests, or with complaints about their violations. Persons who are not citizens of Ukraine but who are legally present on its territory have the same right as Ukrainian citizens to submit appeals, unless otherwise provided by international treaties.

Citizens' appeals should be understood as proposals (remarks), statements (petitions) and complaints expressed in written or oral form:

- Proposal (remark) – An appeal of citizens, which expresses advice; recommendations regarding the activities of state authorities and local self-government bodies, deputies of all levels, and officials; as well as opinions on the regulation of social relations and living conditions of citizens; and the improvement of the legal framework of state and public life, socio-cultural and other spheres of activity of the state and society.
- Statement (petition) – An appeal by citizens requesting assistance in exercising their rights and interests guaranteed by the Constitution and current legislation; or reporting violations of existing laws or deficiencies in the activities of enterprises, institutions, organisations regardless of ownership forms, people's deputies of Ukraine, deputies of local councils, or officials, as well as expressing opinions on how

to improve their performance. A petition is a written request for the recognition of a person's relevant status, rights, or freedoms, etc.

- Complaint – An appeal containing a demand to restore rights and protect the legitimate interests of citizens that have been violated by actions (or inaction) or decisions of state authorities, local self-government bodies, enterprises, institutions, organisations, civil associations, or officials.

g) What rules are in place to ensure against conflict of interest? What is the legal definition of a conflict of interest under your legislation? How is self-dealing prohibited?

Relationships related to the occurrence of a conflict of interest are regulated by the Law of Ukraine "On Prevention of Corruption". The law defines two types of conflict of interest: potential and real:

- Potential conflict of interest is the presence of a person's private interest in an area where they perform their official or representative duties, which may influence the objectivity or impartiality of their decision-making, or the performance or non-performance of actions in the course of exercising those duties.
- A real conflict of interest is a contradiction between a person's private interest and their official or representative powers, which affects the objectivity or impartiality of decision-making, or performance or non-performance of actions in the course of fulfilling those powers.

The law also stipulates that a private interest is any property or non-property interest of a person, including those caused by personal, family, friendly or other non-official relationships with individuals or legal entities, including those arising in connection with membership or activities in public, political, religious or other organisations.

According to the explanations of the National Agency for the Prevention of Corruption, a conflict of interest may exist in a situation where the following components are simultaneously present:

- The individual has a private interest.
- The individual has official powers, under which they may, at their discretion, take actions or make decisions concerning a matter in which they have that private interest.
- Such official powers are of a discretionary nature (i.e. the individual may choose at their own discretion among several legally permissible actions or decisions).

It is the combination of these factors that gives grounds to conclude that a person's private interest may influence objectivity and impartiality in taking actions or making decisions, and therefore, the person has a conflict of interest.

In the absence of at least one of the components – either discretionary official powers and/or private interest – a conflict of interest does not arise.

h) Can staff (director and/or officers) participate in decision-making? How and to what extent?

The director of the CO/CF is a kind of executive body authorised to represent the organisation and sign documents, if this is provided for by the charter. Therefore, the director of the organisation has the authority to sign contracts with counterparties, issue internal organisational documents and make other decisions, to the extent and on the terms stipulated by the charter of each individual CO/CF.

Employees of the CO/CF can participate in decision-making at meetings, conferences, seminars, etc. Additionally, if an employee is also a member of the organisation, they may participate in decision-making by voting at the general meeting.

10. What is the liability of the foundation and its organs? What is the general standard of diligence for board members? (e.g. duty of obedience, duty of care/prudence, duty of loyalty)? In what type of rule are these criteria established: fiscal, administrative, civil, commercial? Is there a solid case law, if any, regarding the duty of due diligence? Does your country differentiate between voluntary (unpaid) and paid board members? Who is allowed to bring a complaint about breaches of such duties: the other members of the board, the founder/s, the public authorities? If a complaint is brought, which authority has competence in such cases: administrative, tax authority, only the judiciary power (attorney general) or beneficiaries/general public?

According to the Constitution of Ukraine, the principles of civil liability are determined exclusively by the laws of Ukraine regarding actions that are crimes, administrative or disciplinary offenses, and liability for them. The CO/CF, as a legal entity, may accordingly bear civil, administrative and criminal liability. The bodies of the foundation (e.g. the board) are not held liable under Ukrainian legislation. However, there is a possibility of holding individual officials liable (criminal, administrative, disciplinary, civil) or the legal entity as a whole (criminal, administrative, civil).

General standards of diligence are determined individually by each charitable foundation in its constituent documents and internal regulations. Each foundation independently sets the criteria that members of the board and other bodies must meet, their responsibilities, etc. The legislation does not provide a specific list of "diligence standards", therefore officials of such bodies are obliged to act within the framework of the law, without violating generally established norms of civil, economic, tax, criminal, and administrative law, etc.

As for the duty of due diligence, it is not explicitly defined in the legislation as a stand-alone legal term. However, this duty can be inferred from certain provisions of the Civil Code of Ukraine, for example:

"A body or person who, in accordance with the constituent documents of a legal entity or the law, acts on its behalf, as well as the one who is a member of the collegial executive body of a legal entity, from the moment of taking office assumes duties in relation to such a legal entity. In particular, is obliged to act exclusively in the interests of the legal entity, in good faith and reasonably, within the limits of the powers granted by the charter of the legal entity and the legislation, and in a manner that, in its good faith belief, will contribute to achieving the purpose of the legal entity's activities, including avoiding a conflict of interest. Members of the supervisory board or board of directors of a legal entity have the same duties toward that entity and must act in the interests of the legal entity and all its owners (shareholders or participants)."

In Ukraine, a distinction is made between voluntary and paid board members, but this distinction is made based on the provisions of labour legislation. If a board member works in a CO/CF under an employment contract, then they receive a salary in the amount specified by the contract or the foundation's staffing list. The foundation pays all tax obligations for the employee and acts as a tax agent. Voluntary (unpaid) board members hold positions on a so-called public basis, meaning they do not receive a salary. The unpaid nature of the duties of an official may be specified, for example, in an agreement made between the fund and the individual.

The procedure for filing complaints about the activities of foundation officials may be specified in the charter or other internal documents of the foundation (regulations, policies, procedures, etc.). Usually, any citizen can submit a complaint regarding violations of official

duties. Most COs/CFs do not accept anonymous complaints, since it is difficult to verify the reliability of the information contained in them, but this is left to the discretion of the foundation management (in Ukraine, even most state bodies do not accept anonymous complaints). In practice, it is common for complaints about the unlawful actions or inaction of the foundation's director to be submitted to the board, while complaints about the actions or inaction of board members are submitted to the foundation's director. Depending on the content of the complaint and the violations identified, the foundation management decides whether it is necessary to contact the competent or law enforcement authorities to hold the guilty person accountable, whether it is necessary to apply disciplinary measures to the latter, or whether there are no violations in the person's actions. Thus, the subject of the complaint can be any person: other board members, founders, foundation's members, third parties, etc.

In the event of independent detection of violations by supervisory or law enforcement agencies, they independently conduct an investigation, impose restrictive measures or penalties, or refer the case to court.

11. Who can represent a foundation towards third parties? Is this specified in law or is it up to the statutes of the organisation? Do the director and officers have powers of representation based on legislation?

Usually, the authority to represent a CO/CF and the right to sign documents are specified in the charter. The right of representation is most often granted to the executive body (director, chairman of the board, president, etc.). Information about the executive body (the person exercising representation) during state registration/amendments is entered into the Unified State Register of Legal Entities, Individual Entrepreneurs, and Public Organizations.

In addition, the head of a CO/CF may issue a power of attorney for the exercise of representation by another person. Such a power of attorney must be notarised.

12. Are purpose-related/unrelated economic activities allowed? If so, are there other types of limitations on economic activities (related/unrelated)?

Since CO/CF are not allowed to generate profit (income), it can be considered that there are restrictions on the types of economic activities they may engage in. For example, a CO/CF cannot engage in logging or any other commercial activities, nor can it sell alcoholic beverages or tobacco products.

13. Is there any legal/fiscal framework for grantmakers to be able to fund legal entities that are conducting economic activities in addition to their public-utility activities? If any, what are the limitations for funding those kinds of legal entities?

Charitable organisations have the right to engage in economic activities not aimed at making a profit, provided such activities contribute to achieving their statutory goals.

There are no restrictions on the amount of funding in the legislation, as long as it is carried out in accordance with the procedures and conditions established by law, except for cooperation with individuals or entities listed in international or national sanctions lists and/or those associated with the Russian Federation.

14. Are foundations permitted to be major shareholders in a company? Are there any limitations to voting rights? Is this considered as an economic activity? Are foundations allowed to engage in active ownership of companies that they own (for example

through board representation, informal strategy discussions or the right to be consulted on key issues such as CEO succession)?

CO/CF cannot be shareholders of companies, as this may be perceived by tax authorities as receiving profit (income).

CO/CF can be founders of companies, if such an opportunity is provided for by the foundation's charter. In this case, the income that CO/CF will receive from such a company must be directed to the implementation of the statutory purpose of the foundation's activities. Therefore, CO/CF can also participate in the management of companies as a founder.

15. Are there any rules/limitations in civil and/or tax law regarding foundations' asset management (only secure investments/bonds/investments with a certain return)? What, if any, types of investment are prohibited? Are there any limitations on mission-related investments?

As non-profit organisations, foundations are not regulated directly regarding specific investment instruments. All funds received by a charitable foundation must be used to fulfil its statutory objectives.

Investments (or income from them) made by a CO/CF must be used exclusively to achieve the charitable/statutory purpose. Bank deposit and bonds are permitted. The organisation is required to report on its income and asset usage.

It should also be noted that investment activities by non-profit organisations in Ukraine carry significant risks, as such activities may be interpreted by tax authorities as income generation, which could lead to the loss of non-profit status.

16. Are foundations legally allowed to allocate grant funds towards furthering their public-benefit purpose/programmes which (can) also generate income – impact investing? (recoverable grants; low interest loans; equities)

For a CO/CF, such activities may be considered by tax authorities as generating profit (income), which is prohibited. While there are no explicit legal restrictions on allocating funds to impact investments, the law permits the use of assets and funds for implementing charitable programmes, including such projects. However, it is strictly prohibited to generate profit or distribute proceeds among founders or related parties.

17. Are there any limitations (in civil law/tax law) to political party related or general lobby/advocacy activities?

Yes. The Law of Ukraine “On Charitable Activities and Charitable Organisations” establishes that charitable organisations are prohibited from providing charitable assistance to political parties, acting on behalf of political parties, or participating in election campaigning.

There is no special legislation on lobbying in Ukraine, therefore such activities are not regulated, which creates risks of legal uncertainty.

Advocacy activities are not prohibited and are allowed as a form of public activity of public organisations, and COs/CFs. This may include preparation of analytical materials; holding round tables; submitting petitions and appeals to authorities; and participation in public hearings, etc. However, such activities must necessarily correspond to the statutory purpose of the CO/CF, be transparent, not be politicised, and not involve financing of political activities.

18. What are the requirements for an amendment of statutes/amendment of foundations' purpose?

Usually, the purpose of the CO/CF activity is specified in the organisation's charter. Therefore, in order to make changes to the purpose of the CO/CF, it is necessary to amend the charter. Since this constitutes a change to the organisation's constituent documents, it is subject to state registration.

The process begins with convening a general meeting, during which a resolution is adopted to amend the founding documents, and a new version of the charter is approved. Following the meeting, a protocol is drawn up and signed by the chair and secretary of the general meeting. Additional documentation includes a register of attendees, information about the governing bodies of the CO/CF, and the ownership structure of the CO/CF.

To register changes to the information about a CO/CF, the following documents must be prepared and submitted to administrative service centres or notaries: an application for state registration (indicating the specific changes being made), the protocol of the General Meeting (original or copy, as required by law), the constituent document (charter), a receipt confirming payment of the administrative fee, and a notarised power of attorney if the documents are submitted by a representative of the organisation.

19. What are requirements with regard to reporting, accountability, auditing?

a) What type(s) of report must be produced?

- ☒ Annual financial report/financial accounts
- ☒ Annual activity report
- ☒ Public-benefit/activity report
- ☒ Tax report/tax return
- ☐ Other reports e.g. on 1% schemes
- ☐ Reports on governance changes (e.g. new board members)
- ☐ Report on conflict of interest (self-dealing and conflict of interest breach cases)

b) Must all/any of the reports produced by the foundation be submitted to supervisory authorities? If so, to which authorities (e.g. foundation authority, tax authority)?

Annual/quarterly financial statements must be submitted to the controlling tax authorities. If the organisation has employees, it must also submit reports on tax withholdings and salary payments (tax reporting). Each organisation may publish an activity report on its website or report to its members, among other options. Tax authorities also independently conduct inspections of the organisation's activities.

c) Are the reports checked/reviewed? By whom (supervisory/tax authorities)?

Reports are checked by tax authorities and other regulatory bodies as necessary.

d) Do any or all of the reports and/or accounts of foundations need to be made publicly available? If so, which reports and where (website, upon request)?

In accordance with the Law of Ukraine "On Charitable Activities and Charitable Organisations", charitable organisations compile and submit financial, statistical and other mandatory reports in accordance with the procedure established by law.

Information on the structure and amount of income and expenses of charitable organisations, as well as the conditions for using their assets for charitable activities, is not considered confidential information or a commercial secret.

Reports of charitable organisations may include information about benefactors or beneficiaries, provided there is consent from the benefactors, beneficiaries, their successors, or legal representatives, unless otherwise stipulated by law.

Reports of a CO/CF may be published on its own websites, in social networks, etc., and may also be provided upon request to both citizens and authorised bodies, enterprises, institutions, organisations of any form of ownership, state authorities and local governments, etc.

e) Is external audit required by law for all foundations?

The Law of Ukraine “On Accounting and Financial Reporting in Ukraine” defines the list of enterprises that are obliged to publish annual financial statements together with an audit opinion.

These include, in particular, public-interest entities (except for large enterprises that are not issuers of securities), public joint-stock companies, entities holding a natural monopoly at the national level, business entities operating in extractive industries, financial institutions, non-state pension funds, and business entities in the public sector of the economy, among others.

Therefore, not all foundations are required to submit reports with audit opinions, but they may conduct external audits in cases prescribed by law.

f) By whom should audits be undertaken? Do requirements/guidelines exist regarding international and national auditing agencies and standards?

In Ukraine, auditing activities are regulated by the Law of Ukraine “On Audit of Financial Statements and Auditing Activities”.

This law establishes that an auditor acquires the right to conduct auditing activities after confirming their qualification, gaining practical experience in the manner prescribed by this Law, and registering in the Register. An auditor has the right to conduct auditing activities independently after registering in the Register as a subject of auditing activities.

An auditor of a foreign state may acquire the right to conduct auditing activities on the territory of Ukraine in the manner prescribed by this Law, and provided that they comply with the requirements established by this Law.

Auditing activities are regulated by this Law, other regulatory legal acts on auditing activities, and international auditing standards. If an international treaty, the binding consent of which has been granted by the Verkhovna Rada of Ukraine, establishes rules other than those contained in this Law, the provisions of the international treaty shall apply. The Cabinet of Ministers of Ukraine may establish the specific rules for conducting audit activities regarding certain tasks in accordance with intergovernmental agreements concluded on behalf of the Government of Ukraine with the governments of other states.

Auditing in Ukraine is necessarily carried out in accordance with International Standards on Auditing (ISA).

20. Supervision: Which authority, what measures?

a) What type of body is the supervisory authority? (multiple answers possible)

- ☐ A public administrative body
- ☐ A public independent body
- ☐ A combination of a governmental body and a court
- ☐ A court

- ☒ A public administrative body and an independent body
- ☒ A tax authority
- ☒ Other (for example, customs authorities)

b) Does the supervisory body review reports?

- ☒ Yes
- ☐ No

c) Are foundations subject to inspection?

- ☒ Yes
- ☐ No

d) Is approval from the authority required for certain decisions of the governing board?

- ☒ Yes, formal approval is needed
- ☐ Yes, needs just to be informed
- ☐ No

If yes, please specify which type of decisions:

Due to the declaration of martial law in Ukraine as a result of the armed invasion by the Russian Federation, certain restrictions are in place regarding activities, such as those related to organising mass events. For instance, a permit may be required to hold an event with a large number of attendees, and such permits are issued by state authorities or local government bodies. Similar restrictions may apply to the importation of humanitarian aid, among other matters.

e) Is it mandatory to have a state supervisory official on the governing board?

- ☐ Yes
- ☒ No
 - ☐ Can a government official be appointed to the governing board by a state authority, if so please mention:

f) What enforcement measures are in place (including compliance measures and sanctions for non-compliance) concerning registrations, governance, reporting, and public-benefit status?

1. Regarding registration. According to the Law of Ukraine "On State Registration of Legal Entities, Individual Entrepreneurs and Public Organizations" – mandatory state registration of a legal entity and submission to the state registrar of a list of documents that must meet the requirements of current legislation. In addition, for a CO/CF it is necessary to obtain non-profit status from the tax authorities.

Possible enforcement measures: Refusal of registration if violations of the law are detected; and removal from the Register of Non-Profit Organizations if the CO/CF violates the conditions of activity corresponding to the non-profit status.

2. Regarding governance. Activities are carried out within the framework of the constituent documents and statutory goals. There should be a transparent governance structure: supervisory bodies, executive body, general meeting, etc.

Violation of governance procedures (for example, abuse of authority) is a basis for appealing decisions, inspections or suspension of the organisation's activities. In the event of

establishing facts of abuse or conflict of interest, criminal or administrative proceedings may be initiated.

3. Regarding reporting. Ukrainian legislation has requirements for submitting financial statements (balance sheet, report on the use of income, etc.). Enforcement measures may be applied, such as imposing an administrative penalty (provided for by the Code of Ukraine on Administrative Offenses), deprivation of non-profit status, tax fines, etc. Criminal proceedings may also be initiated, for example, for tax evasion.

4. Regarding socially beneficial activities. COs/CFs must meet the goals and implement the purpose stipulated in their constituent documents as defined by law. In particular, these may be education, science, healthcare, ecology, charity, etc. The activity must comply with the charter, have a non-profit purpose and must not aim for private benefit.

The sanctions that may be applied to violations of this paragraph include, in particular, deprivation of non-profit status upon detection of commercial activity or violations of the intended use of funds; imposition of tax fines; and conducting tax audits, audits of activities, revocation of licenses, permits, etc.

5. Other measures of state control and responsibility. Inspections may be carried out by the State Tax Service, the State Labor Service, audit bodies, etc. A legal entity may also be liquidated by a court decision to invalidate the state registration of a legal entity due to violations committed during its creation that cannot be eliminated, as well as in other cases established by law.

Criminal liability may also arise, for example, for misuse of funds, fraud, fictitious charity, tax evasion, etc.

21. When and how does a foundation dissolve?

Most often, the procedure for liquidating a legal entity is prescribed in the constituent document – the charter. But the procedure is similar in many cases and is regulated by profile laws. Regarding CO/CF, the following liquidation procedure can be applied:

1. Decision by the participants of the charitable organisation on voluntary liquidation and recording of this decision in the minutes of the general meeting of participants.
2. Notification of the state registration authority (state registrar) about the commencement of the liquidation procedure (through Administrative Services Centers or a notary).
3. Notification of the supervisory authorities about the beginning of the liquidation process.
4. Identification of debtors and creditors and notification of the initiation of liquidation; settlement of outstanding liabilities, if any.
5. Transfer of the organisation's property to other non-profit entities, return of monetary assets to donors (if stipulated), or transfer of funds to other charitable organisations/foundations.
6. Preparation of the liquidation balance sheet of the organisation.
7. Closure of bank accounts, obtaining bank statements, cancellation of certificates, licenses, customs accreditations, removal from relevant registries, etc.
8. Audit by supervisory authorities such as the State Tax Service and the Pension Fund of Ukraine.
9. Obtaining certificates from the tax authority confirming no outstanding tax liabilities, and from the Pension Fund confirming no arrears in payment of the Single Social Contribution.

10. Transfer of documents subject to long-term storage to the appropriate archival institution.

11. Entry in the Unified State Register regarding the termination of the legal entity.

22. Is there a maximum that can be spent on office/administration costs in civil law and/or tax law? If yes, what is the amount?

Yes, this is 20% of the organisation's annual revenue, which can be spent on administrative expenses.

23. Does civil and/or tax law require a foundation to spend a certain percentage of its overall assets within a certain period of time (e.g. within the next financial year)? In particular, can a foundation accumulate these expenses over a period of time (and if so, what kind of authorisation is required to do so)?

There are no such restrictions. COs/CFs independently decide how to implement their statutory goals and submit appropriate reports. Requirements for spending a percentage of their revenues over a certain period of time are usually set within the framework of the implementation of certain projects, programmes and within the framework of cooperation.

24. Under what conditions does the civil law in your country recognise a foreign foundation? Do they have to register? Does your law recognise the concept of trusts?

Foreign COs/CFs can conduct their activities in Ukraine as non-residents. Such foreign entities can register separate branches in Ukraine, which will also have non-resident status. A foreign entity can also create a new CO/CF, which will have the status of a resident of Ukraine, and a foreign entity – the parent company.

Ukrainian law does not provide for temporary legalisation mechanisms for foreign entities operating in Ukraine. Therefore, the best option is to conclude a cooperation agreement with a Ukrainian organisation.

The concept of trusts is not provided for in Ukrainian legislation.

25. Does the law in your country allow a foundation to conduct (some or all) activities (grantmaking, operating, asset administration, fundraising) abroad? Is there any limitation?

At the legislative level, there are no restrictions on conducting activities (grantmaking, operating, asset administration, fundraising) abroad, nor are there any special permits required.

26. Does the law in your country impose any restrictions on ability to receive donations from abroad? If so, please describe.

There are no such direct restrictions. However, in Ukraine, there are Decrees of the President of Ukraine, which implement the decisions of the National Security and Defense Council of Ukraine "On the Application of Personal Special Economic and Other Restrictive Measures (Sanctions)". COs/CFs are independent business entities, and therefore most foundations choose not to cooperate and not to receive funds from persons who are included in national and international sanction lists and/or are persons associated with the Russian Federation.

27. Does the civil law in your country allow the transfer of the seat of a foundation (in the EU) and/or cross-border mergers?

In Ukraine, the issue of cross-border mergers is not precisely regulated. Most often, it is raised in other forms, for instance in academic works. In practice, it is quite rare.

Regarding the change of place of registration abroad (e.g. in the EU), one should pay attention to the legislation of the country in which such registration is planned, whether it is allowed. According to Ukrainian legislation, in this case it is better to register branches of the CO/CF with a location abroad. There are no restrictions on registration exclusively in Ukraine.

II. Tax treatment of foundations

1. What are the requirements to receive tax exemptions?

- ☐ Pursuing public-benefit purposes
- ☐ Non-distribution constraint
- ☒ Being resident in the country
- ☒ Other: To have non-profit status, the organisation must be included in the Register of Non-Profit Institutions and Organizations (see answer to question 2 in this section for more information).

2. What are reporting/proof requirements to claim tax exemptions? What does the foundation have to submit to the authorities (statutes, financial reports, activity reports, other)?

To obtain the status of a non-profit organisation, which provides for exemption from tax obligations, registered institutions and organisations (newly established) must submit a registration application, certified by the signature of the head or representative of such organisation, and submit sealed (if applicable) copies of the constituent documents of the non-profit organisation to the state registrar during their state registration or to the regulatory authority (tax service) at the main place of registration within 10 calendar days from the date of their state registration.

Registered institutions and organisations (newly established) that have 1) Submitted documents for inclusion in the Register in accordance with the established procedure during or within 10 days from the date of state registration of the creation of a legal entity; and 2) which, based on the results of consideration of such documents, have been included in the Register, are considered non-profit organisations for the purposes of taxation with corporate income tax from the date of state registration of the creation of the legal entity.

The procedure for maintaining the Register of non-profit institutions and organisations – including non-profit enterprises, institutions and organisations – in the Register and excluding them from the Register was approved by the Resolution of the Cabinet of Ministers of Ukraine dated 13 July 2016, No. 440.

3. Is specific reporting required for the use of public funds (grants received from public bodies/state/municipality/etc.)?

According to sub-paragraph 14.1.277 note 1 of paragraph 14.1 of Article 14 of Section I of the Tax Code of Ukraine, a budget grant is a targeted assistance in the form of funds or property provided on a gratuitous and non-refundable basis funded from state and/or local budgets or international technical assistance, for the implementation of a project or programme in the fields of culture, tourism, the creative industries sector, sports, and other humanitarian areas, in accordance with procedures established by law. The list of providers of budget grants is determined by the Cabinet of Ministers of Ukraine.

Organisations receiving budget funds are recognised as managers or recipients of budget funds. The reporting form is established by the terms of each specific grant, but in any case, all expenses must be confirmed by primary documentation and cost estimates (if provided for by the terms of the grant).

In addition, the terms of the Law of Ukraine “On the Transparency of the Use of Public Funds” establish that information on the use of public funds, which is subject to disclosure, is provided in the forms established by the legislation of Ukraine. Such information is published on the [Unified Web Portal for the Use of Public Funds](#).

4. Is there an obligation to report to public authorities on donors and beneficiaries? If so, to which authority and what type of information?

Special reporting forms on taxable and non-taxable income of CO/CF are submitted to the tax authorities every month. In accordance with the provisions of the Law of Ukraine "On Charitable Activities and Charitable Organisations", charitable organisations compile and submit financial, statistical and other mandatory reporting in accordance with the procedure established by law.

5. Is there a statutory definition of what a public-benefit purpose (charitable purpose) is in the civil law (foundation law, trust law) of your country? If yes, please give us the definition. If so, is the determining definition that subsequently links to tax benefits?

According to the provisions of the Law of Ukraine "On Charitable Activities and Charitable Organisations," charitable activity is defined as voluntary personal and/or material assistance aimed at achieving the goals specified by this Law, which does not entail the receipt of profit by the benefactor, nor the payment of any remuneration or compensation to the benefactor on behalf of or at the request of the beneficiary.

Patronage activities are charitable activities in the fields of education, physical culture and sports, culture and art, protection of cultural heritage, and science and scientific research, which are carried out in accordance with the procedure specified in this Law and other laws of Ukraine.

6. Is there a statutory definition of what a public-benefit purpose is in the tax law of your country? If yes, please give us the definition.

No. Ukrainian tax legislation does not contain a definition of the concept of "publicly beneficial purpose". This is regulated by profile laws and civil legislation.

7. Please indicate whether the following purposes would or would not be accepted for tax privileges in your country (noting that the tax status often depends on additional requirements):

Public-benefit purpose	Accepted in tax law (for tax privileges)			
	Yes	Probably yes	Probably no	No
Arts, culture or historical preservation	X			
Environmental protection	X			
Civil or human rights	X			
Elimination of discrimination based on gender, race, ethnicity, religion, disability, sexual orientation or any other legally prescribed form of discrimination	X			
Social welfare, including prevention or relief of poverty	X			

Humanitarian or disaster relief	x			
Development aid and development cooperation	x			
Assistance to refugees or immigrants	x			
Protection of, and support for, children, youth or elderly	x			
Assistance to, or protection of, people with disabilities	x			
Protection of animals	x			
Science, research and innovation	x			
Education and training	x			
European and international understanding (e.g. exchange programmes/ other activities aimed at building bridges between nations)	x			
Health, well- being and medical care	x			
Consumer protection			x	
Assistance to, or protection of, vulnerable and disadvantaged persons	x			
Amateur sports	x			
Infrastructure support for public-benefit purpose organisations	x			
Party political activity				x
Advocacy			x	
Advancement of religion			x	

Other purposes: please list other purposes accepted in tax law for tax privileges in your country:

Guardianship and care, legal representation and legal aid; development of territorial communities; development of international cooperation of Ukraine; stimulation of economic growth and development of the economy of Ukraine and its individual regions and increase of competitive-ness of Ukraine; promotion of implementation of state, regional, local and international programmes aimed at improving the socio-economic situation in Ukraine; promotion of defence capability and mobilisation readiness of the country; protection of population in emergency situations of peace and war.

8. Support of “the public at large”

- a) Do the activities of a foundation with public-benefit status for tax purposes generally have to benefit “the public at large”?

No. Beneficiaries can be individuals, non-profit organisations and territorial communities. Other companies and the general public can be beneficiaries if this is expressly provided for by the foundation's charter.

According to the provisions of the Law of Ukraine “On Charitable Activities and Charitable Organisations”, a beneficiary is a recipient of charitable assistance (an individual, non-profit organisation or territorial community) that receives assistance from one or more benefactors to achieve the goals defined by this Law. Beneficiaries of charitable organisations can also be any legal entities that receive assistance to achieve the goals defined by this Law.

- b) If yes, can a foundation with public-benefit status for tax purposes support a closed circle in a sense that beneficiaries can be identified based on legal or family affiliations?

No. Supporting affiliated persons, including family members, violates the requirements of the Law of Ukraine “On Prevention of Corruption” and the Tax Code of Ukraine.

9. Non-distribution constraint

- a) Does a foundation with public-benefit status for tax purposes generally have to follow a “non-distribution constraint” which forbids any financial support of the foundation board, staff, etc.?

In accordance with Article 133.4 of the Tax Code of Ukraine, the founding documents of a non-profit organisation must contain a prohibition on the distribution of income (profits) or part thereof among the founders (participants within the meaning of the Civil Code of Ukraine), members of such an organisation, employees (except for the payment of their labour, the accrual of a single social contribution), members of management bodies, and other persons related to them. Otherwise, the organisation will be deprived of its non-profit status.

Also, according to the Law of Ukraine “On Charitable Activities and Charitable Organizations,” the amount of such administrative expenses within a tax (reporting) year must not exceed 25% of the amount of administrative expenses incurred by the charitable organisation during that year.

- b) What happens with the foundation’s assets in case of dissolution? Can the assets revert to private ownership, or do they have to stay in the public-benefit sphere?

The property remaining during the liquidation of foundations after satisfying the claims of their creditors shall be transferred to one or more foundations in accordance with the procedure established by their charters or by court decision.

The legal successors of other types of charitable organisation, in the event of reorganisation, shall be one or more charitable organisations. In cases specified by the laws of Ukraine and in the absence of the charitable organisations specified above, the assets of a charitable organisation being liquidated shall be transferred to the State Budget of Ukraine.

10. “Altruistic” element

- a) Is remuneration of board members allowed in **civil law** and in **tax law**? If remuneration is allowed, are there any limits in **civil law** and/or in **tax law**?

Board members may receive a monthly salary as full-time employees of the organisation under the terms and conditions specified in the employment contract and labour law. Remuneration of board members is permitted by both civil and tax law, under the conditions outlined in the answer to Section II Question 9a.

- b) Does **tax law** allow a donor/funder to receive some type of benefit in return for a donation? (e.g. postcards, free tickets for a concert)

Ukrainian tax legislation does not define the concept of “net value of a donation”. According to Article 165 of the Tax Code of Ukraine, the total taxable income of a taxpayer does not include such income as the value of gifts (as well as prizes for winners and prize winners of sports competitions) – as long as the value does not exceed 25% of the minimum wage established as of 1 January of the reporting tax year, with the exclusion of cash payments of any amount. As of 2025, this is UAH 2,000 (~ €43).

- c) Is there a maximum amount that can be spent on office/administration costs in **civil law** and in **tax law**? If yes, how are “administration costs” defined? Please indicate which of the following types of expenditures would/would not be considered as “administration costs”:

- ☒ Personnel costs (staff salaries/payroll costs) - (administrative staff salaries/payroll costs only)
- ☐ Board remuneration
- ☐ Costs of external audit
- ☒ Other legal/accounting costs
- ☒ General office overheads (rent/mortgage payments, utilities, office materials, computers, telecommunications, postage)
- ☒ Insurance
- ☒ Publicity and promotion of the foundation (e.g. website, printed promotional materials)
- ☒ Asset administration costs (including administration costs of endowments)
- ☐ In the case of an operating foundation – costs related to programmes/institutions run by the foundation
- ☒ Costs related to fundraising

Tax legislation does not provide a definition of administrative expenses.

The Law of Ukraine “On Charitable Activities and Charitable Organisations” provides that the amount of administrative expenses of a charitable organisation cannot exceed 20% of the income of the organisation in the current year. Expenses related to the management of charitable endowments are included in the administrative expenses of a charitable organisation, unless otherwise established by law or a transaction between the charitable organisation and the benefactor.

The list of actions related to administrative expenses is specified in the National Accounting Regulation (Standard) 16 “Expenses”, approved by the order of the Ministry of Finance of Ukraine dated 31.12.1999 No. 318.

11. Hybrid structures (elements of private benefit in public-benefit foundations)

- a) Does the **civil law** of your country accept the following provisions/activities of a public-benefit foundation?

	Yes	Probably yes	Unclear	Probably no	No
The founder restricts the use of the endowment by specifying that the foundation is required to maintain the founder, their spouse and descendants.					X
The founder retains a beneficial reversionary interest in the capital of a property or other asset for their own continuing use.					X
The gift consists only of the <i>freehold reversion</i> (residuary interest) in a residence that is subject to an existing lease (for a term of years, or even for life) in favour of the founder (or another member of their family) as tenant.					X
A foundation distributes a (small) part of its income to the founder or their family.					X

- b) Does the **tax law** of your country accept the following provisions/activities of a tax-exempt foundation?

	Yes	Probably yes	Unclear	Probably no	No
The founder restricts the use of the endowment by specifying that the foundation is required to maintain the founder, their spouse and descendants.					X
The founder retains a beneficial <i>reversionary</i> interest in the capital of a property or other asset to retain for their own continuing use.					X
The gift consists only of the <i>freehold reversion</i> (residuary interest) in a residence that is subject to an existing lease (for a term of years, or even for life) in favour of the founder (or another member of their family) as tenant.					X
A foundation distributes a (small) part of its income to the founder or their family.					X

12. Distributions and timely disbursement

- a) Are foundations allowed to spend down their endowment?

This is regulated by the charter of each fund.

- b) Are they allowed to be set up for a limited period of time only? If so, is there a minimum length of time for which the foundation must exist?

In Ukraine, the creation of an endowment for a limited period of time is allowed, since the legislation does not establish a strict term of its existence. The minimum term is not specified, but it is advisable to focus on 1+ year. The conditions of term and use must be provided in the charter or agreement.

- c) Does the **civil law** and/or **tax law** of your country require a foundation to spend its income (or a certain amount of the income) within a certain period of time, e.g. within the next financial year? If yes, is there a specific amount/percentage of the income that must be spent within this time? Which resources would be considered as income? E.g. would donations/contributions designated for building up the endowment be included in/excluded from the income to be spent? What expenditures would count towards the disbursement of income (e.g. would administration costs be included/excluded?)?

The civil and tax legislation of Ukraine does not establish a direct requirement for the mandatory spending of a certain percentage or amount of income during the fiscal year. All "income" of a non-profit organisation must be used exclusively for the implementation of the purpose specified in its constituent documents. "Income" of a non-profit organisation may include donations, grants, charitable contributions or income from an endowment. The law does not oblige the foundation to use all income during the reporting year. Yes, administrative expenses are taken into account and are permissible if they are aimed at ensuring statutory activities.

- d) Does the **civil law** and/or **tax law** of your country require a foundation to spend a percentage of its overall assets in the form of a "pay-out rule"?

There is no "spending rule" in Ukraine. The law does not oblige a charitable organisation to spend a certain percentage of assets each year.

Example: Does the **civil law** of your country require the following of a public-benefit foundation?

	Yes	Probably yes	Unclear	Probably no	No
A foundation accumulates its income for 5 years, only in the 6 th year are there distributions for the public-benefit purpose of the foundation.			x		

Example: Does the **tax law** of your country require the following of a public-benefit foundation?

	Yes	Probably yes	Unclear	Probably no	No
A foundation accumulates its income for 5 years, only in the 6 th year are there distributions for the public-benefit purpose of the foundation.			x		

13. Are activities abroad in another country compatible with the public-benefit tax status?

Yes, if such activities are provided for by the charter of the CO/CF.

14. Can public-benefit organisations with a tax-exempt status also support/give grants to for-profit organisations (such as a small green start-up)?

Yes, if such assistance is provided for socially beneficial purposes and is provided for by the foundation's charter.

15. Corporate income tax treatment. How are the following types of income treated for corporate income tax purposes? Are they taxable or exempt?

- a) Grants and donations
- b) Investment income (asset administration)
 - ☐ Interest from fixed rate bonds
 - ☐ Equities
 - ☐ Income from leasing of a property that belongs to the foundation
- c) Economic activities (related/unrelated)
 - ☐ Income from running a hospital/museum/opera
 - ☐ Income from producing/selling books (e.g. art books sold by a cultural foundation)
 - ☐ Income from running a bookshop inside a museum/opera run by the foundation
 - ☐ Income from running a café in the hospital/museum run by the foundation
 - ☐ Income from selling merchandise (activity not related to the pursuance of the public-benefit purpose)
 - ☐ Income from intellectual property (e.g. royalties and licence fees)
- d) Income deriving from grant expenditure towards public-benefit purpose/programme activities (such as loans, guarantees, equities)?
- e) Is major shareholding in a business undertaking considered as an economic activity and taxed accordingly?

Legally, all types of income specified in points a), b), c) and d) are exempt from corporate income tax, if this is specified in the foundation's charter. Participation in business entities is subject to taxation: However, corporate income tax is the responsibility of the business entities themselves.

According to the provisions of the Tax Code of Ukraine, the following are subject to corporate income tax:

- Profit sourced from within Ukraine or abroad, determined by adjusting (increasing or decreasing) the pre-tax financial result (profit or loss), determined in the financial statements of the enterprise in accordance with national accounting regulations (standards) or international financial reporting standards, by the differences determined by the relevant provisions of the Code.
- Income under insurance contracts.
- Income (profit) of a non-resident, with a source of origin in Ukraine.
- Income of entities that issue and conduct lotteries.
- Income of gambling operators obtained from activities related to organising and conducting gambling, including income from slot machine halls.
- Adjusted profit of a controlled foreign company.
- Transactions of Diia City residents who are subject to special tax regimes (for IT companies).

16. Are capital gains subject to tax? If so, are they liable to corporate income tax or to a separate tax?

Capital gains are subject to corporate income tax. Amounts of tax on profits received from foreign sources paid by business entities abroad are credited when they pay tax in Ukraine. The following taxes paid in other countries are not eligible for credit to reduce Ukrainian tax obligations: capital/property tax and capital gains tax; postal taxes; sales taxes; other indirect taxes, regardless of whether they fall under the category of income taxes or are subject to other taxes under the legislation of foreign countries.

17. Does any kind of value added tax (VAT) refund scheme for the irrecoverable VAT costs of public-benefit foundations exist in your country?

There are no VAT refund schemes for public foundations yet, as most of them are not VAT payers. If foundations import services from non-residents, they pay VAT, even if they are not VAT payers. The main criterion that determines the obligation of a foundation to register as a VAT payer is the volume of taxable VAT transactions. If this volume in the foundation during the last 12 calendar months has exceeded UAH 1 million (~ €21,242) in total, such an entity is obliged to register as a VAT payer. The standard VAT rate in Ukraine is 20%, with a preferential rate of 7% for transactions related to the supply of medicines and medical devices.

18. Is capital tax levied on the value of assets, where applicable?

Capital tax is not charged.

19. Are there taxes on the transfer/sale of assets by foundations?

In accordance with paragraph 197.1.15 of the Tax Code of Ukraine, transactions for the provision of charitable assistance are exempt from taxation, in particular the free supply of goods/services to charitable organisations established and registered in accordance with the legislation, as well as the provision of such assistance by charitable organisations to recipients (entities) of charitable assistance in accordance with the legislation on charitable activities and charitable organisations.

Transactions for the provision of charitable assistance in the form of excisable goods, securities (except for endowments provided), intangible assets and goods/services intended for use in economic activities are not subject to exemption from taxation.

For reporting (tax) periods from 2025 until the end of the calendar year in which martial law – introduced by Presidential Decree No. 64/2022 dated February 24, 2022, and approved by the Law of Ukraine “On the Introduction of Martial Law in Ukraine” No. 2102-IX – ceases or is repealed, adjustments for the amount of funds or the value of goods, works performed, or services provided free of charge during the reporting (tax) year to non-profit organisations included in the Register of Non-Profit Institutions and Organizations on the date of such transfer shall not be made. This rule applies only if the total amount of such gratuitous transfers does not exceed 8% of the taxable profit of the previous reporting year, and at least 4% of that taxable profit was transferred (provided) to charitable organisations listed in the Register of Non-Profit Institutions and Organizations. This provision does not apply to non-profit organisations that are associations of insurers, if an insurer’s participation in such an association is a condition for conducting its business.

20. Are there any other taxes to which public-benefit foundations are subject to (e.g. real property tax)?

Village, town and city councils establish tax exemptions paid in the relevant territory on residential and/or non-residential real estate owned by individuals or legal entities, public associations, charitable organisations, and religious organisations of Ukraine, whose charters (regulations) are registered in accordance with the procedure established by law, and are used to ensure the activities provided for by such charters (regulations).

Benefits from the tax paid in the relevant territory on residential and non-residential real estate for individuals are determined based on their property status and income level.

Benefits from the tax paid in the relevant territory on non-residential real estate are established depending on the property that is the object of taxation.

In addition, foundations may pay taxes on new (up to five years old) passenger cars, the average market value of which exceeds 375 times the minimum wage (~ €64,000 in 2025) per calendar year in the amount of UAH 25,000 (~ €531) for each passenger car subject to taxation.

Foundations may also pay land tax. The Verkhovna Rada of the Autonomous Republic of Crimea and local self-government bodies establish land tax rates and land tax benefits paid in the relevant territory. Benefits may be provided for paying land tax.

21. Can a foreign foundation (EU and other) get the same tax benefits as a national foundation according to the wording of the tax law in your country? If yes, under what conditions? If they have to fulfil exactly the same requirements as locally based public-benefit foundations, please refer to above but indicate which documents need to be provided and translated:

- ☐ Statutes (translation required?)
- ☐ Last annual financial report (translation required?)
- ☐ Documents providing evidence for certain tax law requirements e.g. that income was actually spent for public-benefit purposes, which may not be required by the organisation's country of seat but are required according to the legislation of the country from which tax benefits are sought?
- ☐ Other

Tax benefits in Ukraine are provided exclusively to residents of Ukraine.

22. Does your country have signed bi-lateral tax treaties, which provide for reciprocal tax treatment of public-benefit organisations? If so, with which countries?

As of 2025, Ukraine has signed about 736 treaties (see <https://www.contactukraine.com/taxation/ukraine-double-tax-treaties>). These treaties rarely concern COs/CFs (except for agreements with Saudi Arabia, the Netherlands and, for educational and research purposes, Germany, Poland, the UAE and the US), but other income from non-profit activities is usually taxed only in the country of taxation (for example, if a representative office of a British foundation receives donations in Ukraine, they are taxed only in the UK).

23. Does your country apply withholding tax to the income from local investments held by domestic and/or foreign-based foundations? If so, can domestic or foreign-based foundations reclaim all or part of the withholding tax under domestic law?

A tax rate of 15% is applied to dividends and other investment income paid to non-residents, unless lower rates are established by an international treaty, the binding consent of which has been granted by the Verkhovna Rada of Ukraine (for example, 5%/10% for Germany or 5%/0% for major shareholders from the Netherlands).

Residents may claim a refund of withheld tax on foreign income (except for capital gains tax and indirect taxes) up to the amount of tax contributions payable in Ukraine, if Ukraine has signed a bi-lateral treaty with the relevant country. However, this right is not available to funds that are exempt from taxes and, therefore, are not subject to corporate income tax.

III. Tax treatment of donors

1. Is there a system of tax credit or tax deduction or other mechanisms such as tax allocation systems or matching grants?

In Ukraine, there is a system of both tax credits and tax deductions. The tax credit system is valid for legal entities that pay value added tax. For non-profit organisations, only the tax deduction system is valid.

2. Tax treatment of individual donors

- a) What tax relief is provided for individual donors? Is there a minimum and/or a ceiling to a contribution on which tax incentives can be claimed?

An individual donor, in accordance with the requirements of the Tax Code of Ukraine, has the right to include the following expenses in their tax deduction, thereby reducing their taxable income for the reporting tax year: the amount of funds or the value of property donated or contributed as charitable donations to non-profit organisations, provided that at the time of the donation, these organisations met the conditions specified by the Tax Code. Such a deduction is allowed up to 4% of the individual's total taxable income for the reporting year, accrued in the form of wages (adjusted in accordance with the Tax Code), or dividends, excluding those dividend amounts that are not included in the calculation of total taxable income.

A tax credit may be granted exclusively to a resident of Ukraine. If a taxpayer has not exercised the right for a tax credit based on the results of the reporting tax year by the end of the tax year following the reporting one, such right shall not be carried over to subsequent tax years.

- b) Which assets qualify for tax deductibility (e.g. cash, real estate, in kind or other)?

Cash and other material assets are subject to tax. Volunteering and some other services may not be taxed under the law.

3. Tax treatment of corporate donors

- a) What tax relief is provided for corporate donors? Is there a minimum and/or a ceiling to a contribution on which tax incentives can be claimed?

Corporate donors can deduct their donations to any non-profit organisation registered in Ukraine in an amount not exceeding 8% of the taxable profit of the previous reporting year, provided that of this amount (value), no more than 8% of the taxable profit of the previous reporting year was transferred to charitable organisations included in the Register of Non-Profit Institutions and Organizations starting from 2025 and until the year in which martial law, introduced by the Decree of the President of Ukraine, is revoked.

That is, the financial result of the tax (reporting) period is increased by the amount of funds or the cost of goods, work performed, services provided free of charge during the reporting (tax) year to non-profit organisations included in the Register of Non-profit Institutions and Organizations as of the date of such transfer of funds, goods, work, services (except for a non-profit organisation that is an association of insurers, if the participation of the insurer in such an association is a condition for conducting the activities of such insurer in accordance with the law, and non-profit organisations defined by law), in an amount exceeding 8% of the taxable profit of the previous reporting year.

There are no minimum contributions or restrictions.

b) Which assets qualify for tax deductibility (e.g. cash, real estate, in kind, or other)?

Cash and material assets are deductible, as are services, works, and other results of corporate donors' activities.

4. Tax treatment of donations to non-resident public-benefit foundations: Do donors get the same tax incentive?

No. Donations to non-residents (including branches of international foundations in Ukraine) are taxable. Outside the territory of Ukraine, donations directly to a non-resident should be provided according to the rules for concluding contracts for foreign economic activity.

5. Other frameworks such as percentage law systems, whereby the donating taxpayer may assign part of the tax due to a public-benefit organisation?

There are no other systems or tax benefits for donors similar to the percentage law in Ukraine yet.

6. What are the requirements that the donor must fulfil and/or what is the information they must provide in order to claim tax benefits? What information must donors provide to their tax authority in order to receive tax incentives for their donation (e.g. submitting details on the organisation they support: statutes, annual financial report, documents providing evidence for certain tax law requirements, for instance to show that income was actually spent for public-benefit purposes)?

Each individual donor who is a resident of Ukraine is obliged to keep the originals of receipts and other documents on donations for at least three years and submit copies of them with their annual tax return. The tax deduction includes expenses actually incurred by the taxpayer during the reporting tax year, confirmed by relevant payment and settlement documents, in particular: receipts, fiscal or commodity checks, cash receipts identifying the seller of goods (works, services) and the person applying for the tax deduction (their buyer/recipient), as well as copies of contracts, if available, which must necessarily reflect the cost of such goods (works, services) and the payment terms for such goods (works, services).

7. Are there any different or additional requirements to be fulfilled when a donor is giving to a foreign-based foundation? What information must donors to foreign-based organisations provide in order to receive tax incentives for their donation (e.g. statutes, annual financial report, documents providing evidence for certain tax law requirements, for instance to show that income was actually spent for public-benefit purposes)? Are translations of documents required?

No tax incentives in Ukraine are applicable to local donors of foreign-based foundations currently.

8. Do donors get tax incentives when donations are done via specific tools such as:

- ☐ Requesting money in public (street, door-to-door)
- ☐ Via TV and radio campaigns
- ☐ Via sms
- ☐ Crowdfunding
- ☒ Other: Tax incentives are not provided for collecting donations using certain tools.

Do they have to follow any kind of particular process? If so, which one?

Ukrainian legislation does not impose any special requirements on donors, except that they must keep primary documentation, report, and pay tax or other financial obligations, if required by law.

IV. Tax treatment of beneficiaries

(i.e. those receiving a grant or other benefit from a foundation)

1. Individuals: Are individual beneficiaries of grants required to pay taxes or are the grants tax exempt?

In accordance with the provisions of Clause 170.7.3 of Article 170 of the Tax Code of Ukraine, the amount of non-targeted charitable assistance (targeted charitable assistance is assistance provided under specific conditions and for specific purposes, while non-targeted assistance is assistance provided without such conditions or purposes), including material assistance, provided by residents – legal entities or individuals – in favour of the taxpayer during the reporting tax year is not included in the taxable income, provided that the total amount does not exceed the income threshold determined in accordance with the first paragraph of Subclause 169.4.1 of Clause 169.4 of Article 169 of this Code, as established on January 1 of the relevant year (this amount shall not exceed the monthly subsistence minimum effective for an able-bodied person as of January 1 of the reporting tax year, multiplied by 1.4 and rounded to the nearest 10 hryvnias). As of 2025, the legally established subsistence minimum for able-bodied persons is UAH 3,028.00 (~ €64).

A benefactor-legal entity shall indicate information about the amounts of non-targeted charitable assistance provided in tax reporting.

In the event of receiving non-targeted charitable assistance from a benefactor – an individual or legal entity – the taxpayer is obliged to submit an annual tax return indicating its amount in cases where the total amount of non-targeted charitable assistance received during the reporting tax year exceeds its limit established by the first paragraph of subparagraph 169.4.1 of paragraph 169.4 of Article 169 of this Code.

Grants received from charitable or public organisations, including international foundations, are considered non-refundable financial assistance. They are taxed as follows: 18% personal income tax, 5% military tax.

According to the Tax Code of Ukraine, the income of a single taxpayer does not include the amounts of earmarked funds received, in particular, from budgets or state trust funds, including within the framework of state or local programmes. Simply put, grants provided from the state budget are not taxed.

In addition, if the grantor is a resident of Ukraine, the parties can agree on who will pay the taxes – the grantor or the grantee.

2. Legal entities: Is there any legal/fiscal framework for beneficiaries conducting economic activities so that they can be eligible for foundation funding? Are there any limitations on the economic activities of the beneficiaries?

No. Supporting economic development is one of the main goals of foundations in Ukraine, and the competence of beneficiaries within this context is determined by the foundations themselves. The criteria for selecting and providing assistance to specific individuals are determined by the foundations, as donors, taking into account the requirements of the grantor, the statutory goal and objectives of the activity, legislative requirements, etc.

3. Are there any different or additional requirements that must be fulfilled by a beneficiary receiving funding from abroad?

According to paragraph 170.11 of Article 170 of the Tax Code of Ukraine, if the source of payments of any taxable income is foreign, the amount of such income is included in the

total annual taxable income of the taxpayer – i.e. the recipient – who is obliged to submit an annual tax return, and is taxed at a rate of 18% of the tax base, except for cases provided for by law.

Regarding the requirements that a beneficiary receiving funding from abroad must meet, it is worth noting that the requirements are set directly by foreign donors.

V. Gift and inheritance tax

1. Does gift and inheritance tax/transfer tax exist in your country and, if yes, who has to pay the tax in the case of a donation/legacy to a public-benefit organisation (the donor or the recipient organisation)?

In accordance with the provisions of the Civil Code of Ukraine, inheritors under a will and at law may be individuals who are alive at the time of opening the inheritance, as well as persons who were conceived during the lifetime of the testator and born alive after the opening of the inheritance.

Inheritors under a will may be legal entities and other participants in civil relations.

According to the provisions of the Tax Code of Ukraine, income with a source of origin from Ukraine is any income received by residents or non-residents from any types of activities on the territory of Ukraine [including payment (accrual) of remuneration by foreign employers]; its shelf sea; and in the exclusive (maritime) economic zone. Types of income include, but are not limited to, income in the form of, in particular, inheritance, gifts, winnings and prizes.

2. What are the tax rates? Is there a preferential system for public-benefit organisations (PBOs)? Which PBOs qualify? Is there a difference according to the region or the legal status of the PBO?

According to the provisions of the Tax Code of Ukraine, inheritance objects are taxed at the following rates:

0% rate:

- Inheritance objects received by members of the testator's family of the first and second degrees of kinship.
- The value of property separately defined by law (e.g. real estate, antiques, precious stones or metals, vehicles, cash) inherited by a person with a disability of group I or a person who has the status of an orphan or a child deprived of parental care, a child with a disability.
- Monetary savings deposited before January 2, 1992, in institutions of the Savings Bank of the USSR and the State Insurance of the USSR operating on the territory of Ukraine, as well as in government securities (bonds of the 1990 State Target Interest-Free Loan, bonds of the 1982 State Internal Win Loan, USSR government treasury obligations, USSR Savings Bank certificates), and monetary savings of Ukrainian citizens deposited in institutions of the Savings Bank of Ukraine and the former Ukrderzhstrakh (Ukrainian State Insurance Commercial Organization) during 1992–1994, the repayment of which has not occurred, inherited by any heir.

5% rate:

- The value of any inheritance object inherited by heirs not mentioned above.

18% rate:

- The value of any inheritance object inherited by an heir from a non-resident testator, as well as any inheritance object inherited by a non-resident heir from a resident testator.

There are no court decisions or other practices in Ukraine regarding the taxation of gifts or inheritances to non-profit organisations.

3. Is there a threshold (non-taxable amount) from gift and inheritance tax for donations/legacies to public-benefit organisations?

No, except for savings instruments and government bonds deposited before 1994, which are fully exempt from taxation for any recipients or resident heirs.

4. Is there a legal part of the estate that is reserved for certain protected heirs and which a donor cannot give to third parties?

Yes. According to Article 1241 of the Civil Code of Ukraine, juveniles, minors, adult disabled children of the testator, a disabled widow (widower), and disabled parents inherit, regardless of the content of the will, half of the share that would belong to each of them in the event of inheritance by law (mandatory share).

The size of the mandatory share in the inheritance may be reduced by the court, taking into account the relationship between these heirs and the testator, as well as other circumstances that are of significant importance.

The mandatory share in the inheritance includes the value of ordinary household items and household goods; the value of a legacy under a will established in favour of the person entitled to a mandatory share; and the value of other items and property rights that have passed to the person as an heir.

5. What is the tax treatment (inheritance and gift tax) of legacies to non-resident public-benefit foundations?

Objects of donation, given to the taxpayer by another individual, are taxed in accordance with the rules established by this section for inheritance taxation.

Income in the form of a gift, accrued (paid, provided) to the taxpayer by a legal entity or self-employed person, is taxed on the general grounds provided for by this section for the taxation of additional benefits.

VI. Trends and developments

1. **Are there current discussions about the question of whether cross-border activities of foundations or other non-profit organisations and their donors are protected by the fundamental freedoms of the EC Treaty? Have there been any changes to your country's legislation, resulting from the [Persche](#), [Stauffer](#), [Missionswerk](#) or other relevant ECJ judgments, or are changes being discussed? Any changes being discussed with regard to the free movement of trust structures resulting from the [Panayi Trust](#) and [Olsen and Others](#) cases?**

Although Ukraine is not a member of the European Union, currently the Association Agreement between Ukraine and the EU is in force. Ukraine is actively working on harmonising its legislation with European Union law within the framework of the European integration process. In particular, the Supreme Court of Ukraine is making every effort and providing comprehensive support to achieve this goal of European integration, including issues related to the cross-border activities of non-profit organisations and trust structures. Although specific changes to Ukrainian legislation in response to the European Court of Justice rulings in the cases of Persche, Stauffer, Missionswerk, Panayi Trust, and Olsen and others have not yet been introduced, these issues are being discussed in the context of adapting Ukrainian legislation to EU norms. Further steps in this direction are expected to be taken within the framework of Ukraine's accession negotiations with the European Union and related reforms.

2. **Has the fight against terrorism and financial crime led to the introduction in recent years of new laws/rules affecting the foundation sector (e.g. implementation of EU Anti Money Laundering Directive, or reactions to recommendations of the Financial Action Task Force)? Has it for example become more difficult to:**

- ☐ Set up a public-benefit foundation
- ☐ Obtain permission to transfer funds across borders
- ☐ If able to transfer of funds across borders, has the process become more burdensome administratively
- ☐ Open a new bank account
- ☐ Maintain a bank account
- ☐ Fund certain activities
- ☐ Fund certain regions/countries
- ☐ Fund certain organisations (please explain the reason – foreign funding restriction?)
- ☐ Report to authorities/deal with administration
- ☒ Other

Yes, in recent years Ukraine has significantly strengthened its legislation in the field of combating money laundering and the financing of terrorism, which has directly affected the activities of non-profit organisations, including foundations. These changes were driven by the implementation of EU standards and the recommendations of the Financial Action Task Force (FATF).

In December 2023, the Cabinet of Ministers of Ukraine approved an Action Plan aimed at preventing and mitigating the negative consequences of risks identified as a result of the third National Risk Assessment in the field of prevention and counteraction to the legalisation (laundering) of criminal proceeds, financing of terrorism, and financing of the proliferation of weapons of mass destruction, for the period up to 2026. The Action Plan was developed based on the results of the third National Risk Assessment, which identified

relevant threats (vulnerabilities) for financial monitoring entities. The approved Action Plan provides for institutional, legislative, organisational, and practical improvements to the national anti-money laundering system in accordance with international standards.

3. Does the national law consider foundations as obliged entities as defined by the Anti-Money Laundering Directive?

In Ukrainian legislation, foundations and other non-profit organisations are not recognised as obligated entities of financial monitoring, as defined in the EU Anti-Money Laundering Directives. They may fall under financial monitoring indirectly, depending on the nature of their activities and interaction with financial institutions.

4. Does the national law define/specify who is considered as a beneficial owner (BO) of a foundation?

In accordance with the provisions of the Law of Ukraine “On Prevention and Counteraction to the Legalization (Laundering) of Proceeds of Crime, Financing of Terrorism and Financing of the Proliferation of Weapons of Mass Destruction”, the ultimate beneficial owner is any individual who exercises decisive influence (control) over the activities of the client and/or the individual on whose behalf the financial transaction is carried out. The ultimate beneficial owner is:

- For legal entities – any natural person who exercises decisive influence over the activities of the legal entity (including through the chain of control/ownership).
- For trusts formed in accordance with the laws of the country of their establishment – the founder, trustee, protector (if any), beneficiary or group of beneficiaries (beneficiaries), as well as any other natural person who exercises decisive influence over the activities of the trust (including through the chain of control/ownership).
- For other similar legal entities – a person who has a status equivalent or similar to the persons specified for trusts.

An indicator of exercising direct decisive influence on the activities is the direct ownership by an individual of a share of at least 25% of the authorised (shared) capital or voting rights of a legal entity.

Indicators of exercising indirect decisive influence over activities include, at a minimum, an individual's ownership of a share of 25% or more in the authorised (share) capital or voting rights of a legal entity through affiliated individuals or legal entities, trusts, or other similar legal arrangements; the exercise of decisive influence through the implementation of control rights, ownership, use, or disposal of all or part of the assets; the exercise of the right to receive income from the activities of a legal entity, trust, or other similar legal arrangement; the exercise of the right to decisive influence over the composition and voting outcomes of governing bodies; the execution of transactions that allow for the determination of key conditions of the economic activity of a legal entity, or of a trust or other similar legal arrangement; or the adoption of binding decisions that have a decisive influence on the activities of a legal entity, trust, or other similar legal arrangement, regardless of formal ownership.

At the same time, the ultimate beneficial owner cannot be a person who has a formal right to 25% or more of the authorised capital or voting rights in a legal entity, but is a commercial agent, nominal owner or nominal holder, or only an intermediary with respect to such a right.

5. Does your country have a specific register for BO of legal entities/foundations or does the foundation/company/association register serve as a BO register?

The Unified State Register of Legal Entities, Individual Entrepreneurs, and Public Organizations contains information about the ultimate beneficial owners of legal entities.

6. Are there any other recent trends or developments affecting the legal and fiscal environment for public-benefit foundations in your country such as one or more of the following?

a) Law revision in the pipeline

There are no serious changes in civil legislation. The changes to the legislation are aimed at improving and simplifying the regulation of the activities of benefactors who provide charitable assistance related to countering armed aggression.

b) Discussion about the role of supervisory authorities (civil law, charity regulator, tax authority) and collaboration among them? Decentralisation or centralisation of supervisory structures? Use of watchdog/rating agencies?

Data on supervisory or rating agencies is currently unavailable. Ukraine has implemented a decentralisation reform, but it does not currently apply to tax authorities.

c) Tendency towards more transparency requirements?

Foundations usually do not publish public reports, although this sometimes occurs. Annual tax reporting is not publicly accessible, so the figures available to state institutions and to the public may differ significantly. There are ongoing discussions about potential legislative requirements for public reporting by foundations. The risk of state interference in the activities of non-profit organisations correlates with lower public trust. Transparency standards and voluntary disclosure of information are promoted both by platforms of Ukrainian foundations and by international grantors, but compliance by the foundations is at their own discretion.

d) Tendency towards more self-regulation? Self-regulation replacing hard law regulation?

Ukrainian legislative regulation is generally not strict, and the foundation community seeks to implement best practices for self-regulation rather than pursue increased state oversight. Ukraine lacks a sustainable cross-sector dialogue involving the government and foundations, as well as corporate or individual donors and beneficiaries. In practice, no state institution has clear tasks or responsibilities for cooperation with the foundation community, which in turn has weak institutional leadership. At the same time, the media and opinion leaders rarely draw attention to the positive impact of institutional philanthropy.

e) Tendency to use alternative forms to classic public-benefit foundations

Corporate donors typically combine their corporate social responsibility programmes with charitable activities. The war in Ukraine and the needs of internally displaced persons have led to the establishment of an official register of individuals authorised to collect donations that go into special accounts (the Register of Volunteers of the Anti-Terrorist Operation and/or for the Implementation of Measures to Ensure National Security and Defense, Repelling and Deterring the Armed Aggression of the Russian Federation). For healthcare support, crowdfunding via social media is now widespread.

f) Other

According to Opendatabot, in 2023, Ukrainians donated UAH 18.75 billion (~ €450 million) to the three largest charitable organisations (United 24, Come Back Alive, and the Prytula Foundation). This is half the amount donated in 2022 – the beginning of the full-scale invasion by the Russian Federation – when donations reached UAH 34.38 billion (~ €915 million), a record in Ukraine’s history, with two-thirds raised in the first half of the year. A 2024 survey conducted by Info Sapiens at the request of the National Public Broadcasting Company of Ukraine showed that 45% of Ukrainians make charitable contributions aimed at supporting national defence.

According to the Armed Forces of Ukraine, from February 2022 to May 2023, citizens, private companies, and banks transferred UAH 98.9 billion (~ €2.6 billion) for humanitarian aid and Ukraine’s defence.

7. Public fundraising: Are there any specific laws that regulate fundraising, and do they affect foundations?

Fundraising is provided for by the specialised Law of Ukraine “On Charitable Activities and Charitable Organisations”. Public collection of charitable donations is defined as the voluntary collection of targeted assistance in the form of funds or property from an indefinite circle of persons, including through electronic communication means, such as charitable electronic communication messages, for the purpose of achieving the goals set out in this Law.

Individuals who carry out public collection of charitable donations *on behalf of a charitable organisation* act on the basis of a notarised power of attorney issued by the head of the charitable organisation. The power of attorney must specify, in particular, the purposes, location, and duration of the collection of funds or other property; the procedure for their use; and the procedure for public access to the financial reports of the charitable organisation.

Individuals who conduct public collection of charitable donations for the benefit of a charitable organisation *in their own name* act on the basis of a contract (agreement) on charitable activity with that charitable organisation. The contract (agreement) must specify, in particular, the purposes, location, and duration of the collection of funds or other property; the procedure for their use; the procedure for public access to the financial reports of the charitable organisation; and the liability of the parties in case of violation of the contract (agreement) or the procedure for the use of donations.

Individuals who carry out public collection of charitable donations *on behalf of or for the benefit of other beneficiaries (excluding charitable organisations)* act on the basis of a contract (agreement) on charitable activity with such a beneficiary or one of their legal representatives. The contract (agreement) must specify, in particular, the purposes, location, and duration of the collection of funds or other property; the procedure for their targeted use, accounting and reporting; and the responsibility of the person conducting the public collection of charitable donations toward the beneficiary and donors in the event of a violation of the contract (agreement) or the procedure for using such donations.

Individuals who hold public office or other forms of public service, as well as persons acting on behalf of such individuals, are not allowed to conduct public collection of charitable donations, except in cases provided for by this Law.

VII. Further information

Useful contacts

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- “Ukrainian Philanthropy: Who, How, and Why They Give”, National Network of Local Philanthropy Development, 2024.

Selected law texts online

- [Civil Code](#)
- [Tax Code](#)
- [Charitable Activities and Charities Act](#)
- [Legal Entities and Individual Businesses Registration Act](#)
- [Accounting and Financial Reporting Act](#)
- [Audit of Financial Reporting and Audit Profession Act](#)
- [Anti Money Laundering, Illicit and Terrorism Financing Act](#)
- [Tour Activities in Ukraine Act](#)
- [Cabinet of Ministers Resolution N 451/2015 on Public Fundraising for National Defence Capacity](#)

VIII. About

About Philea

Our vision is for philanthropy to use its full potential to co-shape and support a pluralistic, just and resilient society that centres people and planet. To achieve this, our mission is to enable, encourage and empower the philanthropic community to build a better today and tomorrow.

We nurture a diverse and inclusive ecosystem of foundations, philanthropic organisations and networks in over 30 countries that work for the common good. With individual and national-level infrastructure organisations as members, we unite over 7,500 public-benefit foundations that seek to improve life for people and communities in Europe and around the world.

We galvanise collective action and amplify the voice of European philanthropy. Together we:

- **Co-create knowledge and learn** from effective practices
- **Collaborate** around current and emerging issues
- **Promote enabling environments** for doing good

In all we do, we are committed to enhancing trust, collaboration, transparency, innovation, inclusion and diversity.

philea.eu

Policy and advocacy at Philea

Philea champions the interests of its members vis-à-vis the EU and multilateral organisations. Through [our policy and advocacy work](#), we strive towards an enabling operating environment for European philanthropy by monitoring and analysing policy and regulatory trends at national, European, and international level, and engaging around this agenda with policymakers and other stakeholders. We position philanthropy as a key actor on societal issues and facilitate strategic engagement and collaboration opportunities, including public-private partnerships.

About this project

This country profile is part of a [larger analysis project](#), ongoing since 2002, which includes regularly updated profiles on the legal and fiscal landscape for philanthropy in some 40 countries across the wider Europe; and a comparative overview of the profiles compiled in our “Comparative Highlights of Foundation Laws”.

Legal Affairs Committee

Philea’s [Legal Affairs Committee](#) consists of legal and public affairs experts from Philea members, composed of both national associations and foundations, across Europe. The members of the LAC advise on Philea’s policy and advocacy work.

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