New tax withholding and annual reporting requirements are expected from January 1, 2027.

Dear Liudmyla,

We're contacting you about a potential regulatory change in Ukraine that may affect how you sell on eBay.

The Ukrainian government has introduced a new regulatory framework for digital platform operators through Law No. 4903-IX (registered as Draft Law No. 15111-d). The law has been adopted by the Ukrainian Parliament but has not yet been published or entered into force. Certain requirements are expected to apply from January 1, 2027.

What is changing?

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The new rules introduce several requirements for digital platforms such as eBay. Two key changes that may affect you are:

1. Tax withholding

What is it about?

If the regulation goes into effect as currently planned by the Ukrainian government, starting January 1, 2027, digital platforms, including eBay, will be required to withhold taxes from eligible income of certain sellers and remit it to the Ukrainian tax authority on the sellers' behalf.

Does this apply to me?

This may apply to you if you are a Ukrainian tax resident selling on eBay as a private individual or as a qualifying sole proprietor (FOP) and all applicable conditions are met, including:

- you have an account with a bank in Ukraine or a non-bank payment service provider operating under Ukrainian law and provide the relevant account details to the platform;
- settlements for reportable activities are made in monetary form and, where non-cash, through the account notified to the platform;
- you are not subject to applicable Ukrainian sanctions;

- you are not subject to applicable Ukrainian sanctions;
- you do not use hired employees when carrying out reportable activities; and
- you do not sell excisable goods.

Some details on how these conditions will be applied are still subject to further implementing guidance from the Ukrainian authorities. We'll provide more information as it becomes available.

If you are a sole proprietor (FOP), the special withholding regime may apply where you meet these conditions and the activity you carry out through eBay is different from the business activities for which you are registered. This means that if your eBay activity is already registered as part of your FOP business, normal FOP tax rules apply and the special platform withholding regime does not. If your eBay activity is different from your registered FOP activities, the special withholding regime may apply if all other eligibility conditions are met.

What tax would be withheld?

If the withholding rules apply to you, eBay will calculate and withhold the applicable tax from eligible income and remit it to the Ukrainian tax authority.

Currently, the expected combined withholding rate is 10% for qualifying income under the special regime.

For sales of goods, the first **EUR 2,000 of eligible annual**

For sales of goods, the first **EUR 2,000 of eligible annual income** is treated as non-taxable under the special regime. Once this amount is exceeded, withholding applies only to the amount above EUR 2,000.

The special rate applies to annual income up to **834 Ukrainian minimum wages**. Income above this limit is subject to different tax treatment, with the additional liability determined by the Ukrainian tax authority.

The special platform withholding regime applies only if you meet the applicable eligibility conditions. If you do not meet these conditions, eBay will not withhold tax under this special regime, but different tax treatment may apply to your income.

When does it start?

The withholding requirements are expected to apply from January 1, 2027.

2. Annual reporting

What is it about?

If the regulation goes into effect as currently planned by the Ukrainian government, for transactions on or after January 1, 2027, digital platforms, including eBay, will be required to report certain identity and transaction information to the Ukrainian tax authority once a year. This requirement may apply to Ukrainian tax resident sellers who meet the applicable annual reporting criteria outlined below.

What is it about?

If the regulation goes into effect as currently planned by the Ukrainian government, for transactions on or after January 1, 2027, digital platforms, including eBay, will be required to report certain identity and transaction information to the Ukrainian tax authority once a year. This requirement may apply to Ukrainian tax resident sellers who meet the applicable annual reporting criteria outlined below.

Does it apply to me?

Annual reporting may apply if you:

- are a Ukrainian tax resident;
- are active on eBay during the reporting period;
- carry out a reportable activity through eBay; and
- are not otherwise excluded from reporting under the regulation.

Reportable activities are:

- sale of goods (which applies to most eBay sellers)
- personal services
- rental of immovable property
- rental of vehicles

For sales of goods, your information may need to be reported if, during the calendar year, you:

- make more than 30 sales; or
- have more than EUR 2,000 in total sales

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- make more than 30 sales; or
- have more than EUR 2,000 in total sales consideration.

If neither threshold is exceeded, your information will generally not be included in the annual report.

When does it start?

The **first reporting period** will cover transactions occurring in 2027 and will be submitted after the end of the 2027 calendar year. Information about income earned through platforms in 2026 will not be reported under these new annual reporting requirements.

What happens next?

You don’t need to provide any information on eBay right now. We’ll contact you when it’s time to take action and explain what you need to do. As part of the new requirements, eBay may need to collect or confirm certain seller information, including applicable tax identification information (TIN/RNOKPP). We’ll contact you when it’s time to take action and explain what information you need to provide.

What happens if required information is not provided?

If eBay needs information from you to meet the new reporting requirements and you do not provide the

explain what you need to do. As part of the new requirements, eBay may need to collect or confirm certain seller information, including applicable tax identification information (TIN/RNOKPP). We'll contact you when it's time to take action and explain what information you need to provide.

What happens if required information is not provided?

If eBay needs information from you to meet the new reporting requirements and you do not provide the required information after the applicable reminders, eBay may be required to take measures under the new rules. These measures may include suspending payouts, terminating access to the platform, or terminating the business relationship. Any applicable restriction would remain in place until the required information or documentation is provided. Please note that we will not apply any restrictions without notifying you in advance.

We'll continue to keep you informed as the requirements are finalized and will provide more detailed instructions before any action is required from you.

Thank you for selling on eBay.

The eBay Team