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Tax incentives
Moscow

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Who is entitled to tax incentives in Moscow?

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Property tax incentives

- Technopolis and technological park residents
- Companies owning:
 - Nonresidential buildings, structures and installations
 - Business and shopping centres
 - Hotels
 - Car parks

2

Profit tax incentives

- Technopolis and technological park residents

3

Land tax incentives

- Manufacturing companies

(1) Reduced property tax rates



**Nonresidential buildings,
structures and installations**

- Buildings, structures and installations used for manufacturing purposes
- Not transferred for third parties' use
- Located on plots of land designated for industrial, manufacturing or business facilities

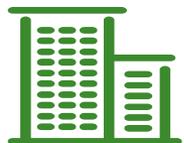
25%
**of the basic
amount of tax***



**Business and
shopping centres**

- Buildings, structures and installations designed for business, administrative and commercial purposes, where less than 20% of the total area is occupied by offices, commercial, food and domestic service facilities
- Total area of greater than 3,000 m²
- The benefit is not granted concurrently with other tax benefits applicable to the above mentioned property

25%
**of the basic
amount of tax***



Hotels

- The tax base may be reduced by:
 - The cadastral value of 2x the minimum area of the hotel rooms*, OR
 - The cadastral value of the total area of the building provided that 2x the minimum area of the hotel rooms exceeds the area of the building
- Applicants should have an accredited certificate confirming that the hotel has been categorised according to the hotel classification system

**Tax base
reduction**

*The basic amount of tax is calculated at the general tax rates before the application of the tax benefit

**The minimum area of the hotel rooms is determined in accordance with the requirements towards the minimum room size for the relevant category of hotel

(1) Reduced property tax rates



Technopolis or technological park residents

- The property is used for scientific, innovative or industrial purposes
- The property is located at a technopolis or technological park
- The benefit applies for 10 years
- The benefit is not applicable to leased-out property

0%



Car parks

- Multi-storey car parks
- This benefit can also be obtained for buildings with underground multi-storey car parks (according to positive court practice)

0%

(2) Reduced profit tax rates



**Technopolis or
technological park residents**

- Separate accounting of income derived and expenses incurred for activities outside of the technopolis or technological park
- The benefit applies for 10 years
- Total reduced tax rate of profit tax: 15.5%

15.5%

(3) Reduced land tax rates



Manufacturing companies

- More than 70% of revenue derives from sales of goods produced by the manufacturer
- The plots of land are located in Moscow intra-city municipal entities
- The plots of land are designated for manufacturing buildings
- The benefit is not applicable to leased-out plots of land

Reduced rates: 2014: 20%; 2015: 30%; 2016: 43%; 2017: 57%; 2018: 67% of the amount of tax calculated at the general land tax rate

***from 20%
to 67%
of the basic
amount of tax***



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