



LT Digest

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Legislative initiatives

President signs package of bills into laws

The package includes:

- Federal Law No. [436-FZ](#) of 28 December 2017, amending the taxation of CFCs
- Federal Law No. [427-FZ](#) of 28 December 2017, amending the procedure for currency control over transactions of private individuals (more are details available in LT Digest of [16 - 22 October 2017](#))
- Federal Law No. [425-FZ](#) of 28 December 2017 on the mandatory labelling of medicines
- Federal Law No. [431-FZ](#) of 28 December 2017 on the postponement of the implementation of the digital veterinary certification system (the system Merkuriy) until 1 July 2018
- Federal Law No. [433-FZ](#) of 28 December 2017, removing the restrictions on the use of PET bottles over 1.5 litre for exported beer

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- Federal Law No. [421-FZ](#) of 28 December 2017 on the increase of the minimum wage
- Federal Law No. [439-FZ](#) of 29 December 2017 on ratifying the Council of Europe Convention on the counterfeiting of medical products
- Federal Law No. [446-FZ](#) of 29 December 2017 on stricter administrative liability for sales of low quality fuel
- Federal Law No. [451-FZ](#) of 28 December 2017 on licensing of energy sales
- Federal Law No. [396-FZ](#) of 20 December 2017, establishing administrative penalties of RUB 800,000 to RUB 1 million for the non-identification of users by online messenger operators
- Federal Law No. [482-FZ](#) of 31 December 2017, **introducing remote identification of private clients by banks** (for more details, please refer to LT Digest of [24 - 30 April 2017](#))

Official Internet Portal for Legal Information

President signs federal law, amending the taxation of CFCs

The amended federal law introduces the following changes:

- Clarifies the CFC's profits tax exemption criteria and procedure for mineral extraction projects
- Enables the exclusion of CFC's profits contributed by a foreign entity from the taxable income to increase statutory capital and/or create statutory provisions in case they are obligatory according to the foreign law
- Sets forth that the proceeds from derivative transactions shall be treated as active income unless the proceeds from the disposal of a respective underlying asset under a sales agreement are recognised as passive income
- Clarifies the calculation of profit (loss) from the disposal of financial assets for the CFC's profit purposes as per Sub-Item 1, Item 1, Article 309 of the Russian Tax Code.

The amendments also covered some other Russian Tax Code provisions, specifically:

- Personal transport tax, property tax, and land tax arrears accumulated as at 1 January 2015 will be deemed uncollectible and written off
- The assessment and payment of corporate profit tax by Kaliningrad Region's SEZ residents were clarified: in particular, subsidies to compensate project costs and FX losses will be treated as investment income
- The procedures for collecting/writing-off the arrears accumulated as at 1 January 2017 and assigned by the Russian Pension Fund and the Social Security Fund to the tax authorities are defined.

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[Russian Ministry of Finance comments on place of supply of consulting services for foreign recipients](#)

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[Russian Constitutional Court reaffirms ban for collection of corporate tax debts from company's officers before primary debt is proven uncollectible](#)

[Russian Ministry of Justice names media considered foreign agents](#)

[Telegram to appeal order regulating disclosure of decoding keys](#)

[Russia to introduce blockchain patenting](#)

[Russian Ministry of Industry and Trade calls for raising recycling duties for passenger cars](#)

[International law firms in Russia ask for softer regulations](#)

The federal law streamlining the tax treatment of the CFCs was updated to introduce some material customs regulation changes following the enactment of the EAEU's Customs Code Agreement ("Agreement") as of 1 January 2018:

- Starting from the date when the Agreement enters into force, all customs laws and regulations shall be applied to the extent that they do not contradict the Agreement
- If the customs laws and agreements are inconsistent with the Agreement provisions, the regulations of the Russian Ministry of Finance shall apply
- The respective Ministry's regulations may enter into force on the dates expressly provided by such regulations, but not earlier than on the date of their official release

Please note that the EAEU's Customs Code does not cover all provisions required for its practical application (especially as regards technical regulations). It was to be amended by a new law on customs regulation, which should have been adopted by the State Duma by 1 December 2017 and enter in force on the same date as the Customs Code. Yes, due to late submission, in 2018 the businesses will be governed by the letters of the Ministry of Finance.

[Official Internet Portal for Legal Information](#)

President signs federal law, enabling remote identification of banks' customers

Updated federal law provides for:

- Entitling the banks to update private customer information via the single identification and authentication system, subject to the customer's consent
- Setting forth the requirements for banks, collecting and transferring private customers' personal data
- Enabling the Central Bank of Russia to limit the monthly number of opened bank accounts (deposits) and total value of loans and money transfers transacted, using the remote customer identification
- Determining the use of IT to identify Russian citizens
- Setting forth that the control and supervision of the banks' fulfillment of the organisational and technical data safety measures will be exercised by the Central Bank of Russia
- Validation of contracts between credit institutions and private clients and electronic document exchange agreements by a digital signature.

For more details about the original version of the bill, please refer to LT Digest of [24-30 April 2017](#).

[Official Internet Portal for Legal Information](#)

[Initiative to introduce retail quotas for Russian wines](#)

[RIP investors in Far East and East Siberia struggling with mineral extraction tax benefits](#)

[Plans of shifting towards industrial product labeling](#)

[Anti-intermediary measures tested by Federal Tax Service on grain exporters might be applied to all agricultural processing market participants](#)

[Russian Ministry of Economic Development to establish legal framework for Digital Economy programme](#)

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[Another capital amnesty round planned for 2018](#)

[Russian Ministry of Finance develops ICO rules](#)

[The Russian Association of Cryptocurrencies and Blockchain develops bill on crowdfunding](#)

[Russian Federal Tax Service overviews CFC compliance in 2017](#)

[Major associations of consumer businesses call for introducing VAT and customs duties for foreign stores](#)

[European Commission sets out roadmap for deepening Europe's Economic and Monetary Union](#)

[EU releases list of non-cooperative jurisdictions for tax purposes](#)

[OECD develops interactive map of key indicators of international tax matters](#)

[OECD releases report on peer review of exchange of information on tax rulings as part of Inclusive Framework on BEPS: Action 5](#)

[OECD releases peer review reports on individual countries' efforts to improve dispute resolution mechanisms as part of BEPS initiative](#)

[OECD releases 2017 Update to Model Tax Convention](#)

[US Congress cast final vote on sweeping tax overhaul](#)

[OECD updates list of bilateral exchange relationships](#)

[US President signs sweeping tax overhaul into law](#)

[Belarus formalises its position on cryptocurrency](#)

[China to grant temporary tax relief to foreign business](#)

Russian State Duma considers certain bills

The Russian State Duma has considered the following bills:

- Bill No. [285949-7](#), legalising the online sales of medical drugs, passed the first reading (for more details, please refer to LT Digest [of 16 - 22 October 2017](#).)
- Bill No. [239932-7](#) on debt restructuring in corporate bankruptcy proceedings passed the first reading (for more details, please refer to LT Digest of [31 July - 6 August 2017](#).)
- Bill No. [276427-7](#), expanding the list of permitted foreign exchange operations between residents, passed the first reading
- Bill No. [276391-7](#), streamlining currency controls over transactions where exporters secure non-residents' performance under export contracts, passed the first reading
- Bill No. [286345-7](#), introducing criminal liability for group counterfeiting of financial institutions' accounting documents and financial statements, passed the first reading
- Bill No. [273179-7](#) on audit sector reform passed the first reading (for more details, please refer to LT of [25 September - 1 October 2017](#).)
- Bill No. [311128-7](#), streamlining the orderly resolution of distressed insurance companies, passed the first reading
- Bill No. [249505-7](#), introducing a number of tax changes (reducing the term of desk tax audits to one month, raising the controlled transaction threshold, and refining VAT taxation), passed the first reading (for more details, please refer to LT Digest of [14 - 20 August 2017](#)).

Official website of the Russian State Duma

Automatic information exchange with Russia: potential partners

On 28 November 2017, the Russian Federal Tax Service released a [communication](#) on the adoption of a law regulating the automatic exchange of financial accounts information as part of the OECD's Common Reporting Standard (the CRS law). According to the communication, the first reports on non-residents' accounts will have to be filed by financial institutions by 31 July 2018 for the accounts opened before 2018.

The exchange of information between two parties to the Model Competent Authority Agreement (MCAA) requires the adoption of a local law that would regulate such exchange and the activation of the exchange relationship.

The countries that started the CRS implementation in 2017 normally activate the exchange by notifying the OECD's Secretariat of their intention to exchange information with a particular partner jurisdiction and by publishing the list of exchange partners in an official source.

In certain jurisdictions, the process may require additional formalities: for instance, in Luxembourg, the list of partner jurisdictions must be approved by a separate regulatory order; to exchange information with Switzerland, non-EU partners must be pre-approved by the local parliament. Alternatively, in some other jurisdictions, like Cyprus, notifying the OECD suffices with no other formalities needed. According to the expectations repeatedly communicated

by the Russian regulatory authorities, once the Russian CRS law enters into force, most MCAA signees will start exchanging financial account information with Russia. We are expecting the OECD to officially declare the following jurisdictions to start information exchange with Russia:

- Cyprus: Russia is on the list of pending partners for information exchange in 2018 for 2017, which may commence once Russia activates the relationship
- Belgium: the exchange of information with Russia for 2017 is to begin in 2018
- Cayman Islands: Russia is on the list for exchange of information in 2018 for 2017
- Guernsey: the exchange of information for 2017 is expected to commence in 2018
- Hong Kong: the exchange of information for 2017 is expected to commence in 2018
- Jersey: the exchange of information for 2017 is expected to commence in 2018

The list of countries may be changed and expanded.

Please note that here we do not list the countries that apply a wider approach to the CRS, requiring the local financial institutions to report all foreign tax residents to the local tax administrations.

OECD releases list of jurisdictions to exchange financial account information

The OECD has released [an update on activated exchange relationships for CRS \(Common Reporting Standard\) information](#).

The list names the jurisdictions that Russia will exchange information with for CRS purposes. In particular, the Russian tax administration will be able to receive information from Cyprus, Luxembourg, and Switzerland. For some jurisdictions, the dates of the first exchange are shown.

As of 21 December 2017, there are already over 2,600 bilateral exchange relationships activated with respect to 78 jurisdictions committed to the CRS. The list will be updated as more exchange relationships are activated.

The next stage for activation of bilateral exchange relationships is scheduled for March 2018.

The OECD also [updated](#) the CRS-related Frequently Asked Questions section.

Official OECD website

The Russian Government releases amended resolution on CRS in Russia

The draft Resolution of the Russian Government "On the Implementation of International Automatic Exchange of Financial Account Information for Tax Purposes (the "Draft Resolution"), aimed at complying with Russia's international CRS obligations and designed in compliance with Draft Federal Law No. 340-FZ "On amending the Russian Tax Code as Part of Implementation of the International Automatic Exchange of Financial Accounts and MNE Information of 27 November 2017" (the "Draft Law") was released on the Federal Draft Legislation Portal (for more details, please refer to LT in Focus of [16 October 2017](#)).

The new wording of the Draft Resolution proposes the following important changes:

- If adopted, the Resolution will enter into force upon its official release (vs. 1 January 2018 in the previous version)
- The formats of information exchange and their official release on the FTS website will have to be developed by the FTS by 1 April 2018
- The Draft Resolution clarifies the list of jurisdictions and the terms used, defines a reporting period as a calendar year starting from the year, in which the CRS amendments to the Russian Tax Code entered into force (i.e. 2017)
- The list of exempt accounts is clarified
- The status and criteria of a dormant account and the requirements for changing the status are determined
- Financial institutions (FIs) are obliged to store the records on measures taken to establish the clients' relations with foreign jurisdictions and documents based on which foreign clients are treated as foreign tax residents for five years (starting from 31 May of the year following the reporting period)
- Financial institutions will be able to establish their own procedures for requesting information from account managers
- It has been clarified that the account balance or value of pre-existing individual contracts shall be the total of account balances or values under all pre-existing contracts not only with the particular financial institutions, but
 - with an organisation (unincorporated entity) that is directly or indirectly controlled by such FI or controls such FI
 - with an organisation (unincorporated entity) that is directly or indirectly controlled by another organisation (unincorporated entity) that at the same time directly or indirectly controls the particular FI
- The document clarifies the criteria of active clients and the criteria of relation with foreign jurisdictions for the purposes of identifying the clients' tax residency, their beneficiaries, direct or indirect controlling owners

Certain terms and definitions were amended to ensure consistency with the Russian Tax Code.

The most important changes concern the deadlines of information submission to the FTS. Thus, FI must submit by 31 July 2018 the information on:

- Pre-existing individual contracts with an account balance or value exceeding USD 1 million (or foreign currency equivalent)
- Pre-existing corporate accounts with balance or value exceeding USD 250,000 (or foreign currency equivalent).

The timeline for the identification of the above-mentioned contracts was changed accordingly. The timeline is also reduced for individual contracts with an account balance or value of USD 1 million or less (or foreign currency equivalent): for a year following the reporting period (instead of previously proposed two years).

[Federal draft legislation portal](#)

Russian Federal Tax Service develops draft formats of MNE notifications and CbC reports

The regulator proposes formats for the following documents:

- MNE [Notification](#)
- [CbC report](#)

Online filing procedures for these documents will be released shortly.

Federal draft legislation portal

Tyumen Region preserves tax benefits for highly energy-efficient property

Newly commissioned highly energy-efficient property/assets as per the list approved by the Russian Government or newly commissioned assets of High energy efficiency class will enjoy property tax benefits, provided such assets are assigned energy-efficiency classes in accordance with the applicable laws.

The tax benefit will apply during 2018-2020.

As a reminder, starting from 1 January 2018, property tax benefits for highly energy-efficient assets envisaged by Item 21, Article 381 of the Russian Tax Code will apply only subject to the adoption of a respective regional law.

So far, the incentive has been preserved only in Tyumen Region and the [Khanty-Mansi Autonomous District – Yugra](#).

[Official Internet Portal for Legal Information](#)

Khanty-Mansi Autonomous Area – Yugra adopts law on profit tax deduction on investment

The deduction will be granted to companies or their branches located in the area and engaged in such businesses as horticulture, animal husbandry, hunting, forestry and logging, fishing and fish farming, processing, except for separation and extraction of fractions from oil (associated) gas, collection, treatment, and distribution of water, collection and treatment of waste waters, collection, treatment, and disposal of waste.

The deduction will amount to 45 percent of fixed asset investment.

For the purpose of calculating the investment deduction cap, the rate of profit tax payable to the regional budget will amount to 10 percent.

The law does not provide for carrying forward the unused deduction.

The profit tax deduction on investment was introduced by Federal Law No. [335-FZ](#) on 27 November 2017.

[Official Internet Portal for Legal Information](#)

Resolution of Russian Government approves SPIC signing rules and format

In particular, the document offers the following changes:

- Establishes the powers of the Russian Ministries of Energy and Agriculture to sign special investment contracts (SPIC) on behalf of the Russian Federation in their respective areas of responsibility
- Defines the terms "investment projects aimed at modernisation of industrial production" and "technologies for scaling up of industrial production"
- Refines the list of potential SPIC participants
- Establishes the procedures for considering requests for SPICs and approving their terms and conditions, amendment and termination procedures
- Reduces the time for investors' proposals consideration
- Establishes the requirements for SPIC documents (such as the business plan and financial model criteria)
- Enables the signing of SPIC for new project stages, subject to the following conditions:
 - such new stage commences in the same year as the original SPIC request is filed
 - the new stage is governed by a separate business plan
 - the investments into such new stage account for at least 50 percent of the total project investment and may not be less than RUB 750 million
- The document sets forth that a SPIC is entered into for a period required for the investment project to begin earning operating profit according to the business plan, plus five years, but not more than 10 years
- Refines the calculation of the period of reaching the target operating profit
- Establishes the powers of the interdepartmental committee authorised to consider and approve investors' requests

The document also defines new SPIC forms for particular industries.

The resolution enters into force 180 days after its official release (except certain provisions).

[Official website of the Russian Government](#)

Russian Government to pilot tobacco labelling and sales monitoring

The pilot is planned for 15 January – 31 December 2018.

Tobacco producers and importers will be able to volunteer for the pilot starting from 1 July 2018.

[Official website of the Russian Government](#)

Draft law granting VAT exemption on imports of foreign civil aircraft and zeroing VAT on sales of Russian civil aircraft

The draft envisages the following changes:

- To grant VAT exemption to the following imports:
 - Civil aircraft, subject to provision of the national registration certificate for such aircraft to the

customs

- Aviation engines, spare parts, and components used to produce, repair, and/or upgrade civil aircraft in Russia
- To zero VAT on the sales of Russian aircraft, aviation engines, spare parts, and components used to produce, repair, and/or upgrade civil aircraft
- To grant corporate property tax exemption to civil aircraft with a maximum takeoff weight of up to 50 tons and passenger capacity of up to 50 people, that have a national registration and are not used for commercial purposes or in aerial works

[Federal draft legislation portal](#)

Russian Ministry of Industry and Trade to subsidise drug labelling

Subsidies supporting the labelling of medical drugs will be distributed via the Industry Development Fund.

At least 40 drug-labelling projects worth ca. RUB 3 billion are planned to be implemented in 2018.

[Federal draft legislation portal](#)

Russian State Duma to consider bill aimed at streamlining tax and social contributions

The draft envisages the following changes:

- To enable personal tax payments via multi-functional service centres
- To enable the adjustment of payments in case a wrong Federal Treasury account number is used
- To empower the tax authorities to make necessary adjustments in case of errors in the taxpayer's payment documents
- To introduce a concept of "special advance contributions" that are transferred by individuals on account of future tax payments
- To set forth that the taxpayers are allowed to offset overpaid tax amounts against their tax debts within three years
- To suspend account transactions as a security measure in case of failure to declare social contributions

[Official website of the Russian State Duma](#)

Bill on streamlining investment legislation submitted to Russian State Duma

The bill envisages the following changes:

- Foreign legal entities and foreign unincorporated entities controlled by Russian citizens and/or Russian legal entities will not be treated as foreign investors
- Foreign citizens also holding the Russian citizenship will neither be treated as foreign investors
- Foreign investment is defined as foreign capital invested directly and independently by a foreign investor
- The term "controlled entity" is introduced and defined

The bill is aimed at restricting the abuse of foreign investors' rights by Russian legal entities and

individuals with respect to investment projects actually implemented by such persons via the companies registered abroad.

[Official website of the Russian State Duma](#)

Russian Central Bank postpones effect of regulation governing submission of FX transaction documents by residents and non-residents

Thus, Regulation of the Russian Central Bank No. [181-I](#) "On submission of information and documents underlying foreign exchange transactions by residents and non-residents, on unified forms of foreign exchange transactions accounting and reporting, and on the procedure and timeline for submission thereof" will enter into force on 1 March 2018 instead of 1 January 2018.

The Regulation introduces certain important changes:

- Transaction passports are replaced with mandatory contract registration with authorised banks
- Residents will not have to produce statements of forex transactions
- Different value thresholds are set for export and import contracts to be reported

[Consultant Plus](#)

Russian State Duma to take up bill clarifying provisions of migration legislation

According to the bill, employers will still be able to register foreign employees for migration purposes at the corporate legal address, provided such employees actually reside in the same city/town and have the existing employment or other relations with such employer.

The provision will not apply to family members or foreign employees staying in Russia on the basis of a business visa.

The proposed changes are primarily aimed at ensuring the registration of foreign citizens solely at an address of their actual stay/residence (in particular, to keep record of apartment/building numbers). The apartment/building owners will then be treated as a hosting party, responsible for the registration of migrants.

[Official website of the Russian State Duma](#)

Federation Council approves bill clarifying waste management regulations

The [bill](#) proposes the following amendments:

- To define in a more precise manner the regulatory powers of the federal and local authorities with respect to the management of waste, including municipal solid waste (MSW)
- To establish requirements for the regional waste management mechanisms, including for MSW
- To set forth the landfill requirements and establish a register of MSW landfills
- To set forth that recycling obligations arise for producers with their first sales in Russia of the goods and packaging produced in Russia

- To oblige the importers to comply with the recycling targets for:
 - the goods imported into Russia from abroad and cleared by the customs
 - the goods imported from the EAEU countries
 - the packaging imported into Russia from abroad and cleared by the customs
 - the packaging imported from the EAEU countries
- To set forth that producers and importers of goods do not have recycling obligations in respect of the goods and packaging exported from Russia
- To define a list of documents accepted as evidence of fulfilling the recycling obligations
- To clarify the procedures for calculating and paying the environmental fee by producers and importers of goods and packaging
- To set forth that compliance with the territorial waste management procedures is mandatory for all stakeholders (consumers, carriers, regional MSW operators)

[Official website of the Federation Council](#)

Bill on amendments to PIT calculation for non-residents selling goods/services/rights

The bill suggests that if an asset that is located in Russia is sold by a non-resident, the costs associated with its acquisition can be used to reduce the personal income tax (PIT) base.

As a reminder, the current legislation requires that such sale proceeds are taxable in full for PIT purposes.

[Official website of the Russian State Duma](#)

Bill on public non-financial reporting

Here are some of its key provisions:

- The term "public non-financial activities" is defined
- A list of key metrics for public non-financial reporting will be determined annually by the Government and the reporting period will be a calendar year from 1 January to 31 December inclusive
- Legal persons will have to disclose a sustainable development report, a social corporate responsibility (SCR) report, an annual report, and a consolidated report
- If a company is registered 90 days or fewer before the end of a reporting period, it is exempted from the reporting requirements for such period
- Public non-financial reporting will be liable to external audit, initiated by the reporting entity itself or third parties
- Public non-financial reporting will be disclosed on the reporting entity's official web-site within 30 days of its approval
- A register of public non-financial reporting will be set up

Reporting requirements will cover the state-owned companies and corporations, public not-for-profit organisations, state unitary enterprises with annual revenue or total asset value of over RUB 5 billion; companies with annual revenue or total asset value of over RUB 5 billion (and their controlled companies), as well as other publicly traded companies.

Other organisations may voluntarily prepare and disclose their public non-financial reporting.

According to the draft, 2019 will be the first reporting year for most of the companies above.

[Federal legislation draft portal](#)

Eurasian Economic Commission Council approves new rules for import of goods by individuals

The document sets forth the price, weight, and quantity of goods that can be brought into the EAEU duty- and tax-free and the duties charged on the excess. Thus, customs duties charged on personal items brought in excess of the tax-exempt limits will be lowered.

The regulation specifies the instances when items for personal use can be brought in duty- and tax-free.

Furthermore, the categories of such items subject to customs duties and the list of used goods that foreign citizens will not have to pay customs duties for over the period of their stay in the EAEU and the list of non-personal use items is determined.

The EAEU is planning to gradually lower the weight and price ceilings for goods that can be brought in one's personal luggage free of customs duties via any mode of transport other than air.

The existing provisions will apply throughout 2018: personal exemptions will not exceed EUR 1,500 and 50 kg. Starting from 2019, the limit will be reduced to EURO 1,000 and 50 kg and from 1 January 2020 – to EUR 750 and 35 kg respectively. Effective 1 January 2021, the exemptions will be limited to EUR 500 and 25 kg. The changes have not affected goods brought into the EAEU by car in one's personal luggage: goods worth up to EUR 10,000 weighing up to 50 kg will remain exempt.

The limit reduction will also apply to goods shipped internationally, including the purchases from foreign e-stores. Starting from 1 January 2018, a monthly limit of EUR 1,000 and 31 kg will apply.

As of 1 January 2019, monthly purchases worth up to EUR 500 weighing up to 31 kg will be made duty-free. Effective 1 January 2020, the duty-free limits will be reduced to EUR 200 and 31 kg, however, all time and quantity restrictions will be lifted.

Furthermore, starting from 1 January 2020, the customs duty rate will be significantly lowered from 30 percent of the value of goods, but at least EUR 3 per 1 kg of excess weight, to 15 percent of the value, but at least EUR 2 per 1 kg on the excess weight.

[Official Eurasian Economic Committee website](#)

Russian State Duma to consider draft law regulating glass bottling for hard liquor

In particular, the document calls for the following measures:

- To permit the supply of glass bottles for liquor of 28-percent ABV to licensed producers only
- To ban the use of polymer bottles for hard liquor (except for export)
- To ban the re-use of glass bottles
- To introduce the mandatory labelling of glass bottles

used as containers for hard liquor produced in Russia.

The legislators will also consider [a draft law](#), introducing administrative fines for the use of polymer containers for hard alcohol (up to RUB 500,000 coupled with the seizure of property that have caused the fines to be imposed) and sale of glass bottles to a person, not licensed to produce, store, and sell alcohol (up to RUB 1 million).

[Official website of the Russian State Duma](#)

Russian Federal Tax Service approves form and procedure for completing register of transactions validating place of supply of e-services by foreign providers

Transaction registers are used for confirming the place of supply of B2C e-services. The registers show whether the Russian Tax Code criteria for e-service supply in Russia are met and the cost of such service.

The register is sent to the foreign suppliers registered for tax purposes via their personal taxpayer account. If a taxpayer does not have access to its personal account, the register will be sent electronically.

[Official Internet Portal for Legal Information](#)

Russian Federal Tax Service 2018 work plan approved

In particular, the plan sets forth the following activities:

- Optimising tax administration and streamlining tax controls and supervisory tools
- Improving taxpayer digital communication
- Developing anti-tax avoidance measures
- Implementing international exchange of MNE information and reports
- Encouraging tax compliance through appropriate incentives
- Participating in tobacco labelling and distribution monitoring pilot
- Continuing efforts to establish a common customs and tax administration mechanism
- Ensuring the implementation of tax-free shopping in Russia
- Streamlining the CFC taxation
- Contributing to testing the use of blockchain technologies for state registration of real estate
- Continuing efforts towards setting up the federal information framework for maintaining a uniform state register of vital statistics

[Official website of the Federal Tax Service](#)

Central Bank of Russia to set up a testing platform ("sandbox") for new technologies and services

The sandbox will enable the live testing of innovative technologies, products, and services in a controlled testing environment, established by the CBR or a project sponsor in accordance with the set criteria.

The platform will also enable reducing the time-to-market and costs, increasing the range of services and improving their consumer accessibility.

The projects will be selected depending on the need to introduce legislative amendments or develop new regulatory mechanism as well taking into account potential risks and threats implied by a respective innovation.

[Official Russian Central Bank website](#)

CBR's key rate lowered

On 15 December 2017, the Central Bank of Russia announced a decrease of its key rate from 8.25 to 7.75 percent.

[Official Russian Central Bank website](#)

Clarifications from government bodies

Russian Ministry of Finance clarifies applicability of Russia-Netherlands tax treaty to dividends

According to the treaty, dividends may be taxed at the rate of five percent of the gross amount of the dividends, if the beneficial owner is a company which holds directly at least 25 percent of the capital of the company paying dividends and has invested in it at least EUR 75,000 or equivalent in the national currencies of the Contracting States.

According to the Ministry, it is the **equity investment** that makes the companies eligible for lower tax rates.

Yet, the Ministry noted that the approach to defining investment may differ across jurisdictions; therefore, the procedures envisaged by the tax treaty require consultations with the Dutch competent authorities to ensure consistency in application and interpretation.

[Garant: Prime](#)

Russian Ministry of Finance clarifies tax treatment of disposal of securities earlier received to increase NAV

The Ministry stated that when a taxpayer receives property to increase its NAV, it does not bear any acquisition expenses; therefore, the value of such property is not reflected in the company's tax ledgers. Therefore, if a taxpayer disposes of securities received earlier to increase its NAV, the acquisition cost of such securities is zeroed for tax purposes.

[Garant: Prime](#)

Russian Ministry of Finance clarifies applicability of property tax benefits for highly energy-efficient assets already in use

According to the Ministry, property tax benefits apply to newly commissioned properties of High energy-efficiency class that have never been in operation and are offered for three years of the date of recognition of such property.

Therefore, the tax benefit **does not apply** to the property of High energy efficiency class already in use and to the assets received from corporate restructuring.

[Consultant Plus](#)

Russian Ministry of Finance clarifies certain aspects of withholding tax on interest on controlled debt

According to the Ministry, the cap of deductible interest on a controlled debt is calculated (and any excess amounts are recognised **as dividends**) **as at the last day of each tax period**.

If Article 269 of the Russian Tax Code is applied to monthly interest payments or interest capitalisation, the withholding agent's obligation to withhold tax on a foreign entity's income arises once **the respective income is recognised as dividends, i.e. as at the last day of each tax period (reporting date)**.

Previously, the Ministry expressed an opinion that the withholding obligations arise as at the reporting date (see Letters of the Russian Ministry of Finance No. [03/-03/-06/1/68472](#) of 19 October 2017 and No. [03-03-P3/31710 @](#) of 24 May 2017).

However, the regulator did not expressly define what the "reporting date" means – the end date of a reporting period or the statutory deadline for filing a profit tax return.

We are aware of one court dispute, in which the court ruled that if interest on a controlled debt is paid before the end of a reporting period, an obligation to withhold tax arises on the date the tax return is filed (Case No. [A56-61228/2015](#)).

[Consultant Plus](#)

Russian Ministry of Energy clarifies regulation of energy efficiency issues

The Ministry advised that the assignment of energy efficiency classes to buildings other multi-family housing is currently **not envisaged** by the laws on energy saving and efficiency.

According to the Ministry, the situation has been reported to First Prime Minister Igor Shuvalov.

Please note that the court practice has been negative for the taxpayers in cases over the applicability of tax benefits to non-multifamily buildings. For a more detailed overview, please refer to the Tax Benefit and other Government Incentives issue of [27 November 2017](#).

[Garant: Prime](#)

Russian Ministry of Finance clarifies assessment of corporate profit tax on OOO exit payout

In its letter, the Ministry actually treated exit payout similarly to proceeds from the disposal of a membership interest.

Furthermore, the Ministry indicated that if a membership interest was acquired after 1 January 2011 and was continuously owned or otherwise held by for more than five years, the exit payout will be taxed at a zero rate.

If a member increased his interest after 1 January 2011 by acquiring interests from other members, a zero tax rate will apply only to the taxable profit derived from the interest continuously owned or otherwise held more than five years.

Alternatively, there is another position that treats the value of membership interest at payout exceeding the original contribution as dividends.

Thus, in case No. [A68-909/2017](#), the court ruled that the exit payout represents the current value of membership interest, calculated as a difference between the company's NAV and its equity, i.e. is paid

from the net profit generated over the years. This fully meets the definitions of dividends as set forth in Item 1, Article 43 of the Russian Tax Code.

[Consultant Plus](#)

Russian Ministry of Finance clarifies taxation of corporate profit in cases where monetary claims of shareholders (third parties) are offset against capital contributions

The Ministry advised that in accordance with [Sub-Item 3, Item 1, Article 251 of the Russian Tax Code](#) income in the form of property or (non) property rights expressed in monetary terms that were received as a capital contribution (including in the form of excess of a share issue price over their nominal value) is not included in the taxable base.

Therefore, no taxable income arises where the shareholders' or third parties' monetary claims are offset against capital contributions.

[Consultant Plus](#)

Russian Ministry of Finance clarifies what foreign entities can assume Russian tax residency

Unless otherwise envisaged by Russian double tax treaties, the right to voluntarily establish the Russian tax residency envisaged by Item 8, Article 246.2 of Russian Tax Code will apply to any foreign entities operating in Russia via branches or representative offices.

Yet, the provision does not apply to foreign entities qualifying as Russian tax residents by virtue of a Russian double tax treaty, foreign entities deemed managed from Russia, and foreign issuers of marketable bonds subject to the conditions envisaged by [Item 7, Article 246.2 of the Russian Tax Code](#).

[Garant: Prime](#)

Russian Ministry of Finance clarifies procedure for confirmation of beneficial income ownership by foreign entities

Court Practice

Russian Constitutional Court reaffirms ban for collection of corporate tax debts from company's officers before primary debt is proven uncollectible

The Russian Constitutional Court considered the appeals filed by several individuals charged for damages resulting from corporate tax offences.

The Constitutional Court acknowledged that such damages can only be charged in the amount of tax arrears and late payment penalties while the fines imposed on offending corporate taxpayers may not be collected from individuals.

Along with other documentary evidence of beneficial income ownership, foreign entities may also submit their audited IFRS financial statements.

[Consultant Plus](#)

Russian Ministry of Finance comments on place of supply of consulting services for foreign recipients

A taxpayer signed a legal services contract with a foreign entity for legal assistance to a Russian company (opening bank accounts, signing lease agreements, employment contracts, report filing, and sale of an equity interest).

The taxpayer enquired with the Russian Ministry of Finance whether the Russian company's being a service beneficiary under the agreement with the foreign party will impact the place of service supply for VAT purposes.

The Ministry has indicated that, in accordance with Sub-Item 4, Item 1, Article 148 of the Russian Tax Code, legal and consulting services, **including those relating to transactions in equity, property rights, real estate, and movable property located in Russia**, rendered by Russian taxpayers to foreign clients, are not deemed supplied in Russia and shall not be subject to Russian VAT.

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Russian Ministry of Finance comments on legalisation of tax residency certificates

The Ministry has advised that original tax residency certificates issued by the competent authorities of a foreign state with a notarised translation into Russian suffice for double tax treaty purposes.

The apostilles and other legalisation requirements are redundant and generate additional administrative burden on the business.

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Also the court ruled that a corporate taxpayer's officers cannot be held liable for the taxpayer's tax debts until it is proven that the corporate debt cannot be collected from such taxpayer or a legal entity is used to "front" the actions of its controlling individuals.

According to the Constitutional Court, the courts may reduce the damages charged to the individuals compared to what the corporate taxpayers really owe (both tax arrears and late payment penalties).

Following the Constitutional Court's ruling, the appellants' cases were returned for review.

[Official KSRF's website](#)

Media review

Russian Ministry of Justice names media considered foreign agents

The list includes Voice of America, Radio Free Europe/Radio Liberty, Current Time TV Channel, the Tatar-Bashkir service of Radio Liberty (AzatliqRadiosi), Sibir.Realii, Idel.Realii, Photograph, Kavkaz.Realii, and Crym.Realii.

[Official Website of the Russian Ministry of Justice](#)

Telegram to appeal order regulating disclosure of decoding keys

Telegram's managers appealed to the Russian Supreme Court, seeking voidance of the Federal Security Service's order that regulates the disclosure of user messages decoding keys.

According to the appellants, the Russian Federal Security Service had no authority to issue such an order, especially since it contradicts the statutory provision, requiring a court order to access private correspondence.

Previously, Telegram was fined for the non-disclosure of decoding keys to the Russian Federal Security Service.

[Kommersant](#)

Russia to introduce blockchain patenting

The Federal Agency for Intellectual Property, Patents and Rights (Rospatent) will use blockchain technologies to register the assignment of rights, disposal and licensing of intellectual property.

The programme is approved by the Russian Government as part of the digital economy roadmap.

The initiative will be implemented in cooperation with the banks that are already using blockchain.

The contractor will be selected through bidding in February 2018. Specifications for the system will be developed in H1 2018, while development is scheduled for H2 2018.

Rospatent expects to fully switch to electronic patent requests by May 2018 with blockchain-based technology to follow.

[Rossiyskaya gazeta](#)

Russian Ministry of Industry and Trade calls for raising recycling duties for passenger cars

The proposed increase may vary between 87 and 125 percent.

The exact figures will depend on car category and model, environmental impact, production and import volumes.

In the heavy vehicle segment, the increase may vary

between 15 and 40 percent with the weighted average of 15-17.5 percent.

[Kommersant](#)

International law firms in Russia ask for softer regulations

A document signed by 32 international law firms with presence in Russia was submitted to the Russian Ministry of Justice on 5 December 2017.

The signatories request that the ban on foreign control over firms of advocates not be introduced. Also, they would like to retain the right to advise on matters regulated by Russian law.

For more details, please refer to LT in Focus of [10 November 2017](#).

[Kommersant](#)

Initiative to introduce retail quotas for Russian wines

The Association of Crimean winegrowers and producers petitioned Prime Minister Medvedev to consider the introduction of a 30-percent retail quota for Russian wines.

Dmitry Medvedev has tasked the Russian Ministry of Agriculture to consider the issue.

[RBCdaily](#)

RIP investors in Far East and East Siberia struggling with mineral extraction tax benefits

The tax amendments entitling non-registered RIP participants to apply special coefficient, reducing their MET (mineral extraction tax) liability, have been effective since 1 July 2016.

In the tax authorities' opinion, the benefit can be applied only as of 1 January 2017, when the eligibility requirements for such RIP participants became effective.

We are aware of three cases– (No. [A04-9225/2017](#), No. [A04-9225/2017](#) and No. [A04-9294/2017](#)) where the courts ruled in favour of the tax authorities.

[Kommersant](#)

Plans of shifting towards industrial product labeling

Prime Minister Dmitry Medvedev has tasked the Ministry of Industry and Trade with soft launch of product labelling.

In the short term, the Ministry will develop a roadmap towards the implementation of the national labelling system across the whole range of products by 2024.

In 2018, labelling is expected to cover 10 products, including jackets, blouses, shirts, toilet water, perfume, cameras, and wheel rims.

[Rossiyskaya gazeta](#)

Anti-intermediary measures tested by Federal Tax Service on grain exporters might be applied to all agricultural processing market participants

The FTS divisions in Kaliningrad, Murmansk, Arkhangelsk regions and Primorskiy Territory offered the fishing market participants to join the agricultural distributors' charter.

The charter obliges its parties to procure products directly from producers or commissioners, but not from intermediaries that are known for VAT avoidance.

A similar document was signed in spring of 2017 by grain exporters. According to the FTS, the pilot that covered grain, oil crop and vegetable oil producers helped prevent the loss of RUB 12 billion in tax revenues in 3Q 2017.

The FTS confirmed the commencement of the second project stage that will cover the entire domestic agricultural processing market, including the fishing industry.

[Kommersant](#)

Russian Ministry of Economic Development to establish legal framework for Digital Economy programme

In particular, the concept sets forth the following activities:

- Simplifying personal identification, enabling the signing of "smart" contracts, and establishing e-document validity requirements
- Regulating data circulation; optimising the existing mechanisms of data protection and obtaining consent to data processing; establishing transparent rules of access to government data and defining the status of Internet of Things data sources
- Applying and regulating financial innovations, such as cryptocurrency and digital mortgage deeds
- Setting forth the mining and distributed ledger technologies (blockchain) requirements

The plan also provides for supporting the companies expected to drive digital economy transformation. Such support measures will include tax benefits for income derived from intellectual property, simplified tax residency procedures for highly qualified individuals, and PIT deductions for "business angels".

More than 50 packages of legislative measures are to be developed during the upcoming two years with 27 to be introduced in 2018 and the rest in 2019.

[Official website of the Ministry of Economic](#)

[Development of the Russian Federation](#)

Bill on SPIC reform developed

The reform proposes the following measures:

- Increasing government subsidies and guarantees to investors (subsidy amounts to be determined before signing)
- Guaranteeing unchanged business terms and compensation for damages resulting from changes
- Extending the term of: SPIC will be entered into for a period until the investment project begins earning operating profit according to the business plan, plus five years (the term will be determined at the time of signing)
- Toughening SPIC selection criteria, such as the investment of at least RUB 1 billion of own funds
- The federal budget will waive its profit tax component (three p.p. out of 20 percent) and the infrastructural costs will be covered from project taxes
- The reform will permit signing of SPICs in new industries, such as space, nuclear energy, transport, and IT, for a period until such SPIC begins generating target operating profit plus five years or until the target return on investment is achieved (in the present version it may not be more than 10 years)

The text of the document has not yet been officially published.

[Vedomosti](#)

Russian Ministry of Industry and Trade approves signing of three new special investment contracts

At its regular meeting held on 20 December 2017, the Interdepartmental SPIC Commission resolved on supporting the implementation of three SPICs — two pharmaceutical project and one power engineering project:

- The project of OOO Vestas Manufacturing RUS for developing and scaling up the production of rotor blades for wind energy turbines that are unique for Russia and possess of a high export potential
- ZAO Biocad's project aimed at scaling up the full-cycle industrial production of biological substances and ready-made medicines for socially important nosologies (oncology, hematology, neurology, autoimmune), starting from 2020
- OOO NovaMedika's project to build a pharmaceutical, plant producing sterile pharmaceutical products, including those that are not produced locally; the project will be implemented jointly with the pharmaceutical giant Pfizer.

[Official website of the Russian Ministry of Industry and Trade](#)

Another capital amnesty round planned for 2018

According to Russian Minister of Finance Anton Siluanov, another round of capital amnesty for investors is considered.

The round may start in 2018 and continue for at least a year, enabling a tax-free repatriation of assets, although the exact terms are not yet defined.

[Vedomosti](#)

Russian Ministry of Finance develops ICO rules

The Russian Ministry of Finance plans to limit funds that can be raised through an ICO to RUB 1 billion and set an investment cap of RUB 50,000 for non-accredited investors.

[Kommersant](#)

The Russian Association of Cryptocurrencies and Blockchain develops bill on crowdfunding

The [bill](#) enables individuals, individual entrepreneurs, and legal entities to participate in crowdfunding, but requires the funds to be collected by accredited platforms only.

The latter will have to disclose their beneficiaries holding more than a 10- percent interest in such platforms and may not be managed by persons previously convicted for economic crimes. The platforms will also be maintaining a register of transactions and will have to disclose their basic investment project selection criteria.

International legislation news

European Commission sets out roadmap for deepening Europe's Economic and Monetary Union

The document proposes establishing the European Monetary Fund (EMF) on the basis of the European Stability Mechanism (ESM) and appointing the European Minister of Economy and Finance.

The EMF would be built on the ESM architecture with its current financial and institutional structures essentially preserved. With its lending capacity at EUR 500 billion, it would continue assisting the Euro area member states in financial distress.

It is expected that to render emergency aid to the distressed members, consent of 85 percent of the EMF board members will suffice. In addition, the EMF would act as a last resort lender to distressed banks. Over time, the EMF could also develop new financial instruments.

The roadmap also proposes introducing new budgetary instruments for a stable euro area within the Union framework. They include rendering support to the member states in their structural reforms, technical support at their request (with programme financing

The bill introduces investment limits of RUB 20 million per project for private investors and RUB 100 million for individual entrepreneurs; no limits are set for legal entities.

[Vedomosti](#)

Russian Federal Tax Service overviews CFC compliance in 2017

Over 4,000 CFC notifications reporting on more than 10,000 foreign entities were submitted by the taxpayers.

RUB 6 billion were paid in taxes, including RUB 3.2 billion in corporate profit tax and RUB 2.8 billion in personal income tax.

[Official Russian Federal Tax Service website](#)

Major associations of consumer businesses call for introducing VAT and customs duties for foreign stores

They released a letter, citing the non-fulfillment of the assignment to formalise VAT and customs duty treatment of foreign e-stores that President Putin gave back in October 2016. The lobbyists expressed dissatisfaction with the fact that Russian producers and retailers are strongly regulated, while no fiscal obligations are set for foreign e-retailers.

[Kommersant](#)

doubled to EUR 300 billion by 2020), and a dedicated convergence facility for the member states on their way to joining the euro area.

It is expected that the final decisions will be made at a dedicated meeting planned for June 2018.

[Kommersant](#)

EU releases list of non-cooperative jurisdictions for tax purposes

On 5 December 2017, the EU Council approved a list of non-cooperative jurisdictions for tax purposes.

The list includes 17 jurisdictions, such as American Samoa, Barbados, Bahrain, Grenada, Macao, the Marshall Islands, Mongolia, Namibia, the UAE, Palau, Panama, Saint Lucia, Trinidad and Tobago, Tunisia, and South Korea.

The EU Council also approved a list of 47 jurisdictions that fail to comply with the EU tax standards, but have committed to implement the necessary changes in 2018-2019. The list includes Curaçao, Hong Kong, Andorra, Belize, the Seychelles, Switzerland, Malaysia,

Bermuda, the Cayman Islands, Guernsey, Jersey, the Isle of Man, etc.

[Official website of the Council of the European Union](#)

OECD develops interactive map of key indicators of international tax matters

The map presents the key indicators and outcomes of the countries' information exchange and BEPS efforts and shows the current status for 150 jurisdictions.

[Official OECD website](#)

OECD releases report on peer review of exchange of information on tax rulings as part of Inclusive Framework on BEPS: Action 5

The report summarises the first peer review of the implementation of measures to combat harmful tax practices, including the exchange of information between 44 jurisdictions.

The report sets forth recommendations on improving the timeliness of information exchange, ensuring that all relevant information on the taxpayer's related parties is captured for exchange purposes, and that information is exchanged with respect to the preferential tax regimes that apply to income from intellectual property.

[Official OECD website](#)

OECD releases peer review reports on individual countries' efforts to improve dispute resolution mechanisms as part of BEPS initiative

Seven reports reflect the implementation of standards in [Austria](#), [France](#), [Germany](#), [Italy](#), [Lichtenstein](#), [Luxembourg](#), and [Sweden](#).

These seven reports include over 170 recommendations relating to the minimum standard of BEPS Action 14 and aimed at improving the effectiveness of mutual agreement procedures in tax treaty disputes.

[Official OECD website](#)

OECD releases 2017 Update to Model Tax Convention

The 2017 Update primarily consolidates the measures implemented as part the OECD/G20 BEPS Project, such as Neutralising the Effects of Branch Mismatch Arrangements (Action 2), Preventing the Granting of Treaty Benefits in Inappropriate Circumstances (Action 6), Preventing the Artificial Avoidance of Permanent Establishment Status (Action 7) and Making Dispute Resolution Procedures More Effective (Action 14).

[Official OECD website](#)

US Congress cast final vote on sweeping tax overhaul

The US Congress gave its final approval to the [Tax Cuts and Jobs Act](#)

On 19 December 2017, the bill was approved by the US Senate and on 20 December 2017 it was passed by the House.

For more details about the Act, please refer to United State Tax Alerts of [6 November 2017](#), [8 November 2017](#), [13 November 2017](#), and [17 December 2017](#).

[RBCdaily](#)

OECD updates list of bilateral exchange relationships

The OECD has updated the [list](#) of jurisdictions that will exchange country-by-country reports to comply with the Multilateral Competent Authority Agreement on the Exchange of CbC Reports.

There are now over 1400 automatic exchange relationships in place among the signatory jurisdictions.

[Official OECD website](#)

US President signs sweeping tax overhaul into law

On 19 December 2017, the Tax Cuts and Jobs Act was approved by the US Senate, on 20 December 2017 it was passed by the House.

For more details about the Act, please refer to United State Tax Alerts of [6 November 2017](#), [8 November 2017](#), [13 November 2017](#), and [17 December 2017](#).

[RBCdaily](#)

Belarus formalises its position on cryptocurrency

On 21 December 2017, President of Belarus Alexander Poroshenko signed the decree "On digital economy".

The decree permits the citizens of Belarus to hold, mine, exchange, buy, and sell cryptocurrency for Belorussian roubles and foreign currency, donate and bequeath it. Neither of the above will be treated as a business activity, triggering no reporting liabilities.

Legal entities will have to transact cryptocurrencies through the brokerage of Belarus Hi-Tech Park residents or become such residents themselves. The decree also introduces tax incentives until 2023.

Cryptocurrency transactions performed by the Hi-Tech Park residents will be exempt from VAT and profit tax; transactions of individuals will be PIT- exempt.

Cryptocurrency transactions will not require licensing.

[Vedomosti](#)

China to grant temporary tax relief to foreign business

The Chinese Ministry of Finance announced its plans to grant temporary profit tax reliefs to foreign companies that make direct investments into agriculture, mining, green energy, hi-tech, and railroads, reinvesting their profits into the same sector.

China is one of the countries with a high corporate tax burden: foreign businesses have to pay a 25-percent profit tax and make several mandatory contributions on top of that, including to the social insurance fund.

The tax relief will come into effect retroactively, as of 1 January 2017, enabling the companies to recover their 2017 tax payments.

[*Kommersant*](#)

Deloitte publications

Federal Law on Tax Free in Russia signed

On 27 November 2017, the President of the Russian Federation signed a [federal law](#) (the "Law") that sets forth the key principles of the tax-free system in Russia. According to the Law, citizens of foreign non-EAEU states will be entitled to a refund of VAT paid on the purchases made in Russian retail stores, provided the purchased goods are then moved outside the EAEU customs territory.

The new regime is primarily aimed at boosting the retail sales and fostering tourism. Tax-free was discussed for quite a while in Russia, but never made it into the legislation until recently. Now the implementation is expected in 2018.

Read on for an overview of the key provisions of the Law and opinions of Deloitte's specialists, who were actively involved in the development of the Russian tax-free system, on its systemic impact on the Russian retail industry and the economy in general.

For details, please refer to Legislative Tracking in Focus of [8 December 2017](#).

Changes in VAT law: electronic services; payers of unified agricultural tax; "5% rule" for input VAT allocation; zero VAT rate for international transportation, freight forwarding services and re-export of goods; and more

Federal Laws No. 335-FZ and No. 350-FZ, introducing amendments to Parts One and Two of the Russian Tax Code and setting forth, in particular, the new rules for

accounting for and payment of VAT with respect to certain transactions, were officially published on 27 November 2017.

Some amendments will enter into force starting from 1 January 2018, some – from 1 January 2019.

For details, please refer to Legislative Tracking in Focus of [30 November 2017](#).

The CbC Law: Overview Of Key Provisions

On 22 November 2017, the Federation Council approved the Federal Law On Amendments To Part One Of The Russian Tax Code (the "CbC Law", or the "Law"), aimed at implementing the international automatic exchange of financial account and multinational enterprise information.

Read on for an overview of the key aspects of the Law that regulates the preparation and the scope of documentation to be filed by multinational enterprise groups ("MNE Group").

In our previous overview we analysed the key provisions of the Draft Law. In this paper we focus on the latest amendments.

For details, please refer to Legislative Tracking in Focus of [27 November 2017](#).

We hope that you will find this edition interesting and informative. Should you have any questions on this subject, please do not hesitate to contact us.

Best regards,
Deloitte CIS Partners

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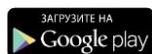


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