

## Legislative Tracking

### Be in the know

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### International legislation news

#### Switzerland initiates consultations on introduction of automatic information exchange with additional jurisdictions

On 2 February 2017, Switzerland's Federal Department of Finance (FDF) initiated consultations on introduction of the OECD's Standard for Automatic Exchange of Information for Tax Matters ("CRS") with additional jurisdictions. This list of jurisdictions includes the Russian Federation, China, and the UAE. The full list of jurisdictions is available at the Swiss Government's [official website](#).

To partner with Switzerland on automatic exchange of information, these additional jurisdictions will have to safeguard the confidentiality of the data delivered. The initiation of consultations with these states and territories confirms Switzerland's international commitment to implementing the CRS and will have a positive impact on the transparency and competitiveness of the country as an international financial centre.

The consultations will last until 13 April 2017. Once the consultations have been completed, the proposal to extend the list of partner jurisdictions will be submitted to the Parliament. The first exchange of information is planned for 2019 with the 2018 data.

The first exchange of information with the earlier approved territories will take place in 2018 with the 2017 data. For more details, please refer to the OECD's official [website](#).

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### Legislative initiatives

#### Ministry of Internal Affairs develops draft law with clarifications on employment of foreigners

The Russian Ministry of Internal Affairs has developed a draft law refining the process of employing foreigners in Russia.

The draft calls for the following amendments:

- To oblige foreign citizens or stateless persons (except the citizens of the Union State of Russia and Belarus) to produce the migration card when signing employment contracts;
- To prohibit the hiring of foreigners who do not need a work permit or patent other than on the basis of employment contracts or work/service agreements;
- To prohibit the hiring of foreigners unless they indicated employment as the purpose of their entry into Russia in their migration cards (subject to several exceptions);
- To introduce penalties for the above-mentioned offenses as follows: RUB 25,000 to RUB 50,000 for company officials; RUB 250,000 to RUB 800,000 or suspension of operations for 14 to 90 days for legal entities.

[Federal draft legislation portal](#)

## **Central Bank's authority to block Internet resources expanded**

The Central Bank of Russia is now authorised to initiate blocking of fraudulent .su websites related to financial markets and the national payment system.

A respective agreement has been signed between the Bank and the Internet Development Fund, the .su domain administrator.

A similar agreement was earlier signed between the Central Bank of Russia and the Coordination Center for Top-Level National Domains (administrator of .rf and .ru domains).

On the basis of the above-mentioned agreements, the Central Bank of Russia acquires the status of a regulator with respect to all national Internet domains (.ru, .su and .rf) that will enable a more efficient identification and blocking of websites used for phishing, getting unauthorised access to third-party information systems, and executing malicious software (botnets).

[Official web site of the Central Bank of Russia](#)

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## **Media review**

### **First statistics for foreign e-sellers registered with tax authorities released**

74 foreign companies, including Apple, Google, Microsoft, Netflix, Samsung, Bloomberg, Wargaming Group, Amazon, Oxford University, eBay, Valve Corporation, Nintendo, Avangate, Netors, AIRBNB, Formula One, Badoo, Booking, Alibaba, have applied for VAT registration in Russia.

As of now, 28 foreign e-service providers have already registered with the Russian tax authorities; processing of other applications is pending.

The list of companies registered for VAT purposes will be shortly available in the [online VAT office for foreign e-service providers](#).

[Official Russian Federal Tax Service website](#)

### **New non-tax payments temporarily banned**

The Russian Government has instructed the legislative bodies to suspend initiation or adoption of regulations introducing new non-tax payments.

The moratorium will not apply to taxes, levies, duties

and social contributions.

The moratorium is expected to last until the adoption of the law that will define non-tax payments, their assessment and collection.

The temporary ban applies only to the federal nontax payment.

The Government's instructions have not been officially published yet.

[Vedomosti](#)

## Deloitte publications

### Trends in e-commerce laws in 2016 and 2017 outlook

2016 saw quite controversial trends in the regulation of the Russian e-commerce market. The legislative changes adopted in 2016 will have a strong impact on the IT companies.

For Fintech companies the year was marked by the release of Federal Tax Service Letter on cryptocurrency regulations and innovations implemented by the Russian Central Bank throughout the year.

2017 may become equally important for the Russian IT sector.

For legislative recap of 2016 and the outlook for 2017, please refer to our IT Legal Drive for [January 2017](#).

### Economic activity classification changed effective 1 January 2017

Order of the Federal Agency for Technical Regulation and Metrology No.14-st enacts as of 1 January 2017 the second revised edition of the Russian Classification of Economic Activities, or OK 029-2014 (OKVED2).

For more details please refer to LT in Focus of [24 January 2017](#).

### Draft law on Chemical Safety developed

The development of [Draft Federal Law](#) on Chemical Safety has been finalised. The draft was based on the existing Fundamental Statutory Principles of the Chemical and Biological Safety for the Period From 2025 and Further. If adopted, this federal law will enter into force on 1 January 2018, except for certain provisions that will apply from 2019 and 2020.

For more details please refer to LT in Focus of [23 January 2017](#).

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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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### TaxSmart app



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