

Legislative Tracking

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[Russian State Duma to consider draft law on distribution and use of electronic cigarettes](#)

[Initiative to raise personal income tax](#)

[Russian Government assignments concerning production and distribution of alcohol non-food and food products](#)

[Russian Supreme Court releases 1st digest of rulings for 2017](#)

Legislative initiatives

Russian State Duma to consider draft law on distribution and use of electronic cigarettes

The Russian State Duma will consider draft law No. 104592-7 aiming to build a regulatory framework for the use of liquid mixtures in electronic smoking devices.

For more details about the content of the draft, please refer to LT of [9 February 2017](#).

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

Media review

Initiative to raise personal income tax

A group of experts from the Russian Presidential Academy of National Economy and Public Administration, the Gaydar Institute, and the Russian Academy of Foreign Trade upon request of Alexey Kudrin's Center for Strategic Research developed proposals on raising the personal income tax rate from 13 percent to 17 percent.

The measure is seen as a budget-balancing tool that, coupled with the expedited implementation of the "tax maneuver" in the oil sector and the repeal of ineffective tax benefits, will allow achieving a budget surplus exclusive of debt servicing costs.

[RBCdaily](#)

Russian PM's assignments concerning production and distribution of non-food and food alcohol products

The following assignments have been issued following the meeting held by Deputy Prime Minister of Russia:

- To strengthen the controls of methanol distribution by creating a special system for accounting for methanol and methanol transportation containers and by labelling such containers with unique tracking identifiers;
- To amend the laws to enable the use of bright-coloured eye-catching methanol warning signs;
- To obligate producers of alcohol-containing food and non-food products to check the purchased raw materials (alcohol) for methanol content in each consignment.

[Official website of the Russian Government](#)

Court practice

Russian Supreme Court releases first digest of rulings for 2017

The Russian Supreme Court has released the first digest of its rulings for 2017.

The digest provides an overview of decisions issued on civil cases, bankruptcy and competition protection proceedings, cases arising out of the administrative and other public offences, as well as on the customs and tax disputes.

In particular, the issue sets forth the Russian Supreme Court's opinion regarding the following tax disputes:

- The vendor's tax delinquency in itself may not entail negative implications for the taxpayer that exercised due care in selecting the vendor, provided the transaction was genuine (Case No. [1125/2015](#); for more details please refer to LT of [2 December 2016](#));
- The additional assessment of direct taxes following the field tax audit shall entail a corresponding reduction of the profit tax base by the tax authorities, provided checking the accuracy of the

profit tax assessment was one of the purposes of such field audit (Case No. [6568/2015](#));

- The severance pay paid to the employee as per the collective agreement or addendum to the employment contract as an additional compensation and guarantee shall be treated as a compensation and thus shall be exempt of the social contribution charges (Case No. [58/2015](#)).

[Official web site of the Russian Constitutional Court](#)

Deloitte publications

New IT Legal Drive for January 2017

We are pleased to present a new [IT Legal Drive](#) offering an overview of the latest Russian IT and E-commerce trends and news for January 2017.

Learn about the increase of penalties for breaching personal data laws, amendments to the messenger regulations and VKontakte lawsuit against a scoring company.

Roscomnadzor clams down on personal data processing

The penalties for breaching personal data laws will be raised effective 1 July 2017. Along with a significant increase of penalties, the new law introduces a classification of elements of the personal data offenses.

For more details please refer to LT in Focus of [13 February 2017](#)

Recent developments in environmental tax legislation and enforcement practices

"In 2017, for the first time ever the companies will be charged for recycling of their products and packaging that were either manufactured or imported in 2016. However, for most companies the methodology of environmental tax calculation and preparation of statutory reporting remains a big challenge.

This issue offers an update on the planned changes and clarifications on the most disputable issues.

For more details please refer to LT in Focus of [9 February 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,

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TaxSmart app



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