

Legislative Tracking

Be in the know

[Current issues in taxation and law for production companies](#)

[Russian Supreme Court supports tax authorities in dispute regarding calculation of grace period for property tax for special economic zone residents](#)

[Draft on fiscal roadmap adopted at third reading](#)

[Kazakhstan ratifies agreement abolishing requirement of legalisation for public documents issued by Russia and Kazakhstan](#)

[Russian Federal Tax Service assigns controls of VAT imposition on foreign e-sellers to Interregional Tax Inspectorate No. 7](#)

[Road tolls multipliers to be gradually raised](#)

[Eurasian Economic Commission Board develops regulations on including intellectual property licensing fees in customs value of goods imported into EAEU](#)

Deloitte events

Current issues in taxation and law for production companies

Round table, 29 November 2016

The agenda includes a number of relevant topics:

- Inter-country reporting and transfer pricing updates;
- Introduction of best available technologies (BAT): mechanisms for reducing environmental charges and application of tax and investment incentives;
- Overview of court practices concerning the application of tax incentives;
- Application of professional standards and other current labour law issues.

The roundtable offers an excellent opportunity for professional networking and knowledge-sharing. Representatives of the Russian BAT Bureau are invited to take part in the event.

Date: 29 November 2016

Time: 10 am - 2 pm (check-in starts at 9:30 am)

Venue: 5B Lesnaya str., Moscow (Belorusskaya metro station); Deloitte CIS office, 2nd floor, "Rome" and "Paris" conference rooms.

To register for the business breakfast, please fill out the [registration form](#). You will receive a confirmation email once your registration is complete.

Court practice

Russian Supreme Court supports tax authorities in dispute regarding tax incentives for property tax

The Russian Supreme Court's Panel on Economic Disputes has rejected the claim of OOO A-Investment Group (the Company) for application of a zero percent corporate tax rate envisaged for residents of the Kaliningrad Special Economic Zone (SEZ).

When denying tax benefits to the Company in 2012, the Court indicated that the Company's failure to apply the preferential tax rate in 2006 (when the Company was registered as a SEZ resident) could not

in itself be treated as extending the statutory period for the lower tax rate. Also, changes in the tax benefit period for corporate profit tax do not affect the tax benefit period for corporate property tax.

The profit tax benefit period for O EZ residents was changed in June 2015: a zero percent rate can be applied during the first six tax periods effective 1 January of the year following the year of company's registration as O EZ resident (instead of six calendar years after registration earlier); also, it can be applied retroactively starting 1 April 2006.

Since early 2016, the applicability of preferential property tax rates has been a matter of a special

concern for SEZ residents. Although the legislation was amended to clarify applicability of corporate profit tax incentives, seven court cases have been initiated in 2016 claiming similar incentives for corporate property tax. All of such claims were awarded to the taxpayers.

Interestingly, this is the first case on applicability of tax incentives that was escalated to the Russian Supreme Court's Panel on Economic Disputes since the beginning of 2015.

[Electronic Justice: commercial courts files](#)

Legislative initiatives

Draft law on fiscal roadmap passes third reading

Draft law No. [11078-1](#) put together as part of the fiscal roadmap has passed the Russian State Duma's third reading (for more details please refer to LTs published on [21 October 2016](#) and [15 November 2016](#)).

The Federation Council will be reviewing the draft on 29 November 2016.

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

Kazakhstan ratifies agreement abolishing requirement of legalisation for public documents issued by Russia and Kazakhstan

On 14 November 2016, the President of Kazakhstan signed the [Law](#) "On Ratification, through Exchange of Diplomatic Notes, of the Agreement on Accepting Residency Documents Issued by the Competent Authorities of the Russian Federation and Kazakhstan, in the Framework of the Double Taxation and Anti-Tax Avoidance Convention."

According to the [Agreement](#), any document issued by a competent authority of the Russian Federation or Kazakhstan and bearing an official seal will be accepted without any special certification, including apostilles or consular legalisation.

The procedure will apply to the official documents issued from 1 January 2011 onwards.

The Agreement enters into force on the date when the Russian Federation receives a written notice from Kazakhstan on completion of all required domestic procedures.

[Official website of the President of Kazakhstan](#)

Interregional Tax Inspectorate No. 7 to control assessment of VAT to foreign e-services sellers

With its Order No. AS-7-3/600 of 3 November 2016, the Russian Federal Tax Service authorizes the Interregional Major Taxpayers Tax Inspectorate No. 7 to control the correctness of assessment, the accuracy and timeliness of VAT payments by foreign e-sellers rendering services to individuals (other than individual

entrepreneurs) as per Item 1, Article 174.2 of the Russian Tax Code.

[Garant: Prime](#)

Road toll multipliers to be gradually raised

The Russian Ministry of Transport has developed a draft resolution of the Russian Government, proposing a gradual increase of road toll multipliers: from 0.41 to 0.7 for the period until 31 May 2017, and to 0.82 effective 1 June 2017.

The draft also suggests that the annual indexation based on consumer price index (CPI) be not applied to road tolls until 30 June 2018.

[Federal draft legislation portal](#)

Licence fees and similar intellectual property-related charges to be included into customs value of goods imported into EAEU

The Eurasian Economic Commission Board has developed a draft regulation that embeds intellectual property licensing fees into the price paid or payable for imported goods.

Licensing fees and similar charges are deemed to include any payments, including royalty and other fees, for using intellectual property and equally treated elements of brand, that, by virtue of international treaties, the EUEA treaties and acts, and legislation of EAEU member states, include scientific research, works of literature and art, audio records, inventions, utility models, registered designs, know-hows, trademarks and other types of intellectual property.

Attached to the draft are specific examples of intellectual property licensing for import purposes.

The examples contain an overview of terms and conditions of intellectual property licensing agreements and contracts based on which the goods will be imported in the EAEU customs area. Other factors that influence embedding of licensing fees into the price are listed.

[Consultant Plus](#)

We hope that you will find the information in 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

Contacts



Grigory Pavlotsky
Managing Partner
Tax & Legal
Deloitte CIS
gpavlotsky@deloitte.ru



Gennady Kamyshnikov
Managing Partner
Public Sector
gkamyshnikov@deloitte.ru



Oleg Berezin
Partner
Pharmaceuticals
oberezin@deloitte.ru



Artem Vasyutin
Partner
Travel Hospitality & Leisure
avasyutin@deloitte.ru



Yulia Orlova
Partner
Metals
yorlova@deloitte.ru



Andrey Panin
Partner
Oil & Gas, Energy & Resources,
Mining
apanin@deloitte.ru



Artem Vasyutin
Partner
Retail, Wholesale & Distribution
avasyutin@deloitte.ru



Vasily Markov
Director
Technology, Media &
Telecommunications
vmarkov@deloitte.ru



Tatiana Kofanova
Director
Automotive
tkofanova@deloitte.ru



Alexander Sinitsyn
Director
Banking & Securities, Insurance
asinitsyn@deloitte.ru

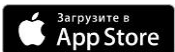


Yulia Krylova
Director
Real Estate
ykrylova@deloitte.ru



Oxana Zhupina
Director
Food, Beverages & Agriculture
ozhupina@deloitte.ru

TaxSmart app



deloitte.ru

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as "Deloitte Global") does not provide services to clients. Please see www.deloitte.com/about for a more detailed description of DTTL and its member firms.

Deloitte provides audit, consulting, financial advisory, risk management, tax and related services to public and private clients spanning multiple industries. Deloitte serves four out of five Fortune Global 500® companies through a globally connected network of member firms in more than 150 countries bringing world-class capabilities, insights, and high-quality service to address clients' most complex business challenges. To learn more about how Deloitte's approximately 225,000 professionals make an impact that matters, please connect with us on [Facebook](#), [LinkedIn](#), or [Twitter](#).

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited, its member firms, or their related entities (collectively, the "Deloitte Network") is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser. No entity in the Deloitte Network shall be responsible for any loss whatsoever sustained by any person who relies on this communication.