

Legislative Tracking



If you would like advice with regard to any of these issues, please do not hesitate to contact the Tax and Legal Department of Deloitte CIS at +7 (495) 787 06 00 (Moscow) or + 7 (812) 703 71 06 (St. Petersburg).

A search tool for our daily Legislative Tracking issues is available on our website, at <http://www2.deloitte.com/ru/en/pages/tax/articles/deloitte-online-newstoyourdesk.html>. The Legislative Tracking Service is maintained by professionals from Deloitte CIS. This service is for informational purposes only, and the application of its contents to specific situations will depend on the particular circumstances involved.

21 August 2015

Consultant Plus

<http://base.consultant.ru/cons/cgi/online.cgi?req=doc;base=LAW;n=184754>

Requirements to regional investment project participants to apply reduced profit tax rate

The letter of the Russian Ministry of Finances of 19 June 2015 No 03-03-10/35706 notifies that the requirement to own a land lot (rent it until at least 1 January 2024) on which a regional investment project is to be carried out in order to apply a reduced profit tax rate by regional investment project participants will not apply to the projects which are not supposed to be realized on the land plot (for example, capital investments into the fisheries sector where technological fish processing is carried out on vessels requiring no land lots).

<http://base.consultant.ru/cons/cgi/online.cgi?req=doc;base=QUEST;n=149008>

Acknowledgment of a CFC whose only shareholder is a Russian organization

The letter of the Russian Ministry of Finances of 5 August 2015 of 03-03-06/45211 notifies that a foreign organization, which is not a Russian tax resident, whose sole shareholder (100% ownership) is represented by a Russian company being a Russian tax resident (a controlling body), is acknowledged a controlled foreign company regardless of the fact that beneficiary of the controlling body is represented by an individual not being a Russian tax resident.

<http://base.consultant.ru/cons/cgi/online.cgi?req=doc;base=LAW;n=184759>

Reflection of trade duty in personal income tax returns

The letter of the Russian Ministry of Finances of 10 August 2015 of 03-04-07/45937 explains the procedure to reflect trade duty in personal income tax returns. In particular, individuals carrying out entrepreneurial business in a Russian region of their registration should reflect personal income tax amount reduced for the trade duty paid in the current tax period in the line 130 Section 2 "Tax base and tax amount calculation."

21 August 2015

Garant: Prime

<http://www.garant.ru/products/ipo/prime/doc/71064598/>

Procedure of confirmation of non-resident status by the Russian citizens for the purposes of currency control

The letter of the Russian federal Tax Service of 14 August 2015 No AC-17-2/112@ clarifies issues related to acquiring the non-residency status by Russian citizens for currency exchange control. In particular, the non-resident status of Russian citizens applies to:

- persons permanently residing in a foreign country a year after obtaining a permanent residence of the country;
- persons temporarily residing in a foreign country under a study or work visa after a year of continuous residence starting from the day of leaving Russia and only for the period of residing outside of Russia.

To prove their non-residency status, a physical person has to submit a copy of their foreign passport with exit and entry stamps, their residence permit or another document, as well as a consular registry certificate.

21 August 2015

Federal Portal of Draft Laws and Regulations

<http://regulation.gov.ru/projects#npa=39270>

Potential amendments to the review procedure for cases contesting separate acts of federal executive authorities

The Russian Ministry of Justice is reported to be working on the draft federal law "On introducing amendments to the Russian Administrative Procedure Code (in regards to establishing the reviewing procedure for cases contesting separate acts of federal executive authorities)." The draft federal law is being developed in compliance to the Regulation of the Russian Constitutional Court of 31 March 2015 No [6-П](#) approved upon reviewing the claim of OJSC Gazprom Neft to verify constitutionality of paragraph 3 subclause 1 clause 1 article 342 of the Russian tax Code. In particular, the draft law stipulates that cases contesting acts issued by the federal executive authorities containing clarifications of applicable legislation and having regulatory character will be reviewed by the Russian Supreme Court as the first instance court according to the rules applied to administrative cases on contesting regulatory legal acts.

21 August 2015

Garant: Federal Legislation Monitoring

<http://www.garant.ru/hotlaw/federal/646188/>

New features of the Federal tax Service website

The Ruling by the Russian Federal Tax Service of 11 August 2015 No CA-7-6/344@ approves the revised version of the Federal Tax Service Portal Guidelines containing section on regional information from the Regional Departments of the Federal Tax Service. Also the revised Guidelines imply that a special [interactive feature](#) will make it possible to obtain public and

available data from the Unified State Register of Taxpayers about foreign companies. The feature is already functional and allows to search for foreign organizations by their INN, KPP, name and business location.

21 August 2015

Official Website of Russian Federal Tax Service

http://www.nalog.ru/rn78/news/activities_fts/5688328/

Tax Burden Calculator offered to St Petersburg organizations

The regional website of the Russian Federal Tax Service now offers an improved interactive feature called [Tax Burden Calculator](#) allowing to calculate the tax burden of a legal entity and compare it to the industry average and maximal tax burdens not only in St Petersburg but also across Russia. The feature is only available to legal entities applying general tax system.

http://www.nalog.ru/rn77/news/tax_doc_news/5689967/

Potential implementation of special procedure applied to conclusion of pricing agreements in relation to international trade deals

The Russian Ministry of Finances is reported to have started working on the draft decree "On approving the procedure for concluding pricing agreements in regards to international trade deals in which at least one party is represented by a tax resident of a foreign country with which a DTA is in effect, with the participation of a representative executive authority of such a foreign country." A taxpayer may avoid double taxation when concluding multilateral pricing agreements involving foreign competent authorities whenever the contract price is adjusted for tax purposes in one of the contract countries but remains unchanged in another.

If approved, the draft law will presumably come into force in October 2015. The relevant Notification has been published on the Federal Portal of Draft Laws and Regulations.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see www.deloitte.com/about for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms. Please see www.deloitte.com/ru/about for a detailed description of the legal structure of Deloitte CIS.

Deloitte provides audit, tax, consulting, and financial advisory services to public and private clients spanning multiple industries. With a globally connected network of member firms in more than 150 countries, Deloitte brings world class capabilities and deep local expertise to help clients succeed wherever they operate. Deloitte has in the region of 200,000 professionals, all committed to becoming the standard of excellence.

Deloitte's professionals are unified by a collaborative culture that fosters integrity, outstanding value to markets and clients, commitment to each other, and strength from diversity. They enjoy an environment of continuous learning, challenging experiences, and enriching career opportunities. Deloitte's professionals are dedicated to strengthening corporate responsibility, building public trust, and making a positive impact in their communities.