

Legislative Tracking



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23 March 2016

Official website of the Russian State Duma

<http://asozd2.duma.gov.ru/main.nsf/%28SpravkaNew%29?OpenAgent&RN=954176-6&02>

Draft law amending certain conditions of the capital amnesty

The Russian State Duma has approved draft law No. 954176-6 in the second and third readings. The draft law envisages the following amendments:

- Clarification that the use of property in the form of shares, participation or equity in the charter capital of Russian and/or foreign organisations, of which the owner or beneficial owner is the declarant as at the date of the declaration, and the use of a controlled foreign company whose declarant is its controlling party, shall constitute operations on the purchase and disposal of the assets of said organisations;
- Guarantees would be provided regardless of the repatriation of properties without any additional conditions (according to the current version, guarantees do not apply to property located in a state included on the Financial Action Task Force list or in a state that does not exchange tax information with Russia);
- Clarification that guarantees will be provided within the bounds of the value of the controlled foreign company as at the date of the submission of the declaration;
- Guarantees are extended to the period preceding the submission of the declaration in relation to violations of currency law.

If adopted, the law will enter into force from the day of its official publication, and the amendments will apply to individuals and entities that submitted special declarations prior to enacting the law into force.

25 March 2016

Garant: News

<http://www.garant.ru/news/704748/>

Possible amendment of legislation on controlled transactions

The Russian Ministry of Finance confirms that plans to reduce the tax burden still stand, including:

- Increasing the threshold for foreign trade transactions to RUB 60 million;
- Increasing the minimum threshold for controlled transactions between Russian parties from RUB 1 billion to RUB 2-3 billion;
- Exempting interest-free loans and sureties between Russian related parties from transfer pricing control;
- Clarifying the materiality criteria for controlled transactions to reduce the number of notifications being sent to the tax authorities (a materiality of five percent of the organisation's earnings, but no greater than RUB 10 million is being discussed).

Plans also call for the introduction of a standard "country-by-country report" (potentially in 2016), which would allow the tax authorities to obtain information on subsidiaries of foreign holdings from parent companies through the systems of foreign tax authorities.

The ministry's proposals have not yet been officially published.

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