

## Legislative Tracking

### Be in the know

[Russian Federal Tax Service prepares draft order introducing format and procedure for maintaining register of online services by foreign entities](#)

[Initiative to extend compensatory road toll charged for vehicles weighting over 12 tons to regional and inter-municipal roads](#)

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#### News of the day

##### **Russian Federal Tax Service prepares draft order introducing format and procedure for maintaining register of online services by foreign entities**

The Russian Federal Tax Service has developed a draft order approving the format and procedure for maintaining the register as per item 5 of Article 148 of the Russian Tax Code and for e-filing of such register. Federal Law No. [244-FZ](#) envisages that the territory where the services specified by item 1 of Article 174.2 of the Russian Tax Code were rendered to the individuals not registered as individual entrepreneurs shall be verified by the transaction registers. Such registers shall indicate if the conditions based on which the Russian Federation is recognised as the consumer's territory are met and specify the cost of services rendered.

[Federal draft legislation portal](#)

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#### Media review

##### **Initiative to extend compensatory toll charged for vehicles weighting over 12 tons to regional and inter-municipal roads**

A compensatory road toll charged for vehicles with a gross weight of over 12 tons (Platon Electronic Toll Collection System) is planned to be extended to regional and inter-municipal roads. The initiative was supported by the Russian Minister of Transport.

The Russian State Duma is currently considering draft law No. [1126749-6](#) that entitles regional and municipal authorities to charge a road toll for compensation of damages inflicted by vehicles with a gross weight of over 12 tons.

[Kommersant](#)

## Clarifications from government bodies

### Reporting income paid to foreign entities and taxes withheld for tax assessment purposes

Russian Ministry of Finance Letter No.03-08-05/58776 of 10 October 2016 clarifies that the payments to foreign entities recognised as Russian-sourced as per Article 309 of the Russian Tax Code, including non-taxable income under the Russian Tax Code or a respective international taxation treaty, shall be reflected for tax assessment purposes by a tax agent.

In its detailed clarifications released earlier this year, which primarily concerned the format and procedure for assessing taxes on income paid to foreign entities with no permanent establishment in the Russian Federation, the Ministry expressed the same position (see Russian

Ministry of Finance [Letter](#) No.03-08-13/56982 of 30 September 2016).

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## International legislation news

### European Commission proposes major corporate tax reform for EU

The package contains new measures to stop companies from exploiting loopholes, known as hybrid mismatches, between Member States' and non-EU countries' tax systems to escape taxation, provides for the establishment of a Common Consolidated Corporate Tax Base and proposes improvements to the current system of resolution of double-taxation disputes in the EU.

Key elements of the proposed reform:

- Extending the rules against hybrid mismatches to hybrid mismatches involving non-EU countries;

- Re-launching the Common Consolidated Corporate Tax Base enabling companies to use a single set of rules for the assessment of taxable profits;
- Streamlining double-taxation dispute resolution.

[Official European Commission website](#)

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We hope you will find the information in this edition interesting and helpful. Our specialists are ready to answer any questions you may have on the issues covered in this edition.

Sincerely,

**Deloitte CIS Partners**

# Contacts



**Grigory Pavlotsky**  
Managing Partner  
Tax & Legal  
Deloitte CIS  
[gpavlotsky@deloitte.ru](mailto:gpavlotsky@deloitte.ru)



**Gennady Kamyshnikov**  
Managing Partner  
Public Sector  
[gkamyshnikov@deloitte.ru](mailto:gkamyshnikov@deloitte.ru)



**Oleg Berezin**  
Partner  
Pharmaceuticals  
[oberezin@deloitte.ru](mailto:oberezin@deloitte.ru)



**Artem Vasyutin**  
Partner  
Travel Hospitality & Leisure  
[avasyutin@deloitte.ru](mailto:avasyutin@deloitte.ru)



**Yulia Orlova**  
Partner  
Metals  
[yorlova@deloitte.ru](mailto:yorlova@deloitte.ru)



**Andrey Panin**  
Partner  
Oil & Gas, Energy & Resources,  
Mining  
[apanin@deloitte.ru](mailto:apanin@deloitte.ru)



**Artem Vasyutin**  
Partner  
Retail, Wholesale & Distribution  
[avasyutin@deloitte.ru](mailto:avasyutin@deloitte.ru)



**Vasily Markov**  
Director  
Technology, Media &  
Telecommunications  
[vmarkov@deloitte.ru](mailto:vmarkov@deloitte.ru)



**Tatiana Kofanova**  
Director  
Automotive  
[tkofanova@deloitte.ru](mailto:tkofanova@deloitte.ru)



**Alexander Sinitsyn**  
Director  
Banking & Securities, Insurance  
[asinitsyn@deloitte.ru](mailto:asinitsyn@deloitte.ru)

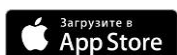


**Yulia Krylova**  
Director  
Real Estate  
[ykrylova@deloitte.ru](mailto:ykrylova@deloitte.ru)



**Oxana Zhupina**  
Director  
Food, Beverages & Agriculture  
[ozhupina@deloitte.ru](mailto:ozhupina@deloitte.ru)

### TaxSmart app



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