

# Legislative Tracking



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

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## Document of the day

### Russian organizations will be required to collect and disclose information on their beneficial owners

On 23 June, Federal Law No. 215-FZ “On the Amendments to the Federal Law ‘On Anti-Money Laundering and Combating the Financing of Terrorism’ and the Russian Code of Administrative Offences” (hereinafter, the “Law”) was published on the official online legal portal.

According to the Law, legal entities are now required to collect and to undertake all reasonable and available measures to obtain the complete information on their beneficial owners, including:

- Surname, first name and patronymic;
- Citizenship;
- Date of birth;
- Personal identification document details;
- Data contained in the migration card, i.e., the document confirming a foreign citizen or stateless person's right to stay (reside) in the Russian Federation;
- Residential (registration) or temporary address;
- Taxpayer identification number (if any);
- Only surname, first name and patronymic, series and number of the personal identification document, and other information that could confirm the abovementioned data in the events stipulated by the Federal Law “On Anti-Money Laundering and Combating the Financing of Terrorism.”

For the purposes of the Law, a beneficial owner is a natural person who directly or indirectly (through third parties) owns more than 25% of the equity of a legal entity or has the ability to control its actions.

Provisions of the Law will require legal entities not only to obtain, but also to retain the information (or records of the measures taken to obtain such information) on their beneficial owners for a minimum of five years, to update this information, and to confirm and document its validity. In addition, the Law requires legal entities to provide information on their beneficial owners upon the request of the federal authorities appearing on a list, which will be published by the Government of the Russian Federation.

The Law specifies a penalty for the violation of legal entities' duties to obtain and provide information about their beneficial owners. The Law comes into force 180 days after its official publication.

The Law has been adopted for the purpose of implementing the National Plan on Countering Tax Evasion and Concealing Beneficial Owners of Companies, and for the purposes of complying with a number of international acts, such as the Lough Erne Joint Communiqué of the G8 leaders from June 2013 and the St. Petersburg Declaration of the G20 leaders from September 2013. As the initiative of the G20 leaders includes the implementation of the international automatic exchange of financial information, the adoption of the Law is especially relevant in connection with the signing by Russia of the Multilateral Competent Authority Agreement on the automatic exchange of financial information in May 2016.

If you have any questions, please contact our professionals:

[Alexander Sinitsyn](#) (Director, Banking & Securities);

[Georgiy Ghukasian](#) (Senior Consultant, Banking & Securities).

**29 June 2016**

**Official website of the Federation Council**

<http://www.council.gov.ru/activity/meetings/69433/agenda/>

## **Federal Council held its last meeting of the spring session**

On 29 June 2016, the Federal Council held its last meeting of the spring session and approved a number of important draft laws, including:

- Draft Law # [962487-6](#), which sets out the rules for levying VAT on services rendered electronically by foreign companies (for more details, please refer to LT of [29 December 2015](#) and [7 June 2016](#));
- Draft Law # [704631-6](#), which further limits the overall amount of remuneration paid by a supplier of foodstuffs to retailers (for more details, please refer to LT of [24 June 2016](#));
- Draft Law # [954041-6](#), which sets new requirements for real estate developers designed to improve the protection of the rights of citizens that participate in shared construction projects (for more details, please refer to LT of [10 December 2015](#) and [21 April 2016](#));
- Draft Law # [1099990-6](#), which ratifies the Agreement between the Government of the Russian Federation and the Government of the Hong Kong Special Administrative Region of the People's Republic of China for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and the Protocol Thereto (for more details, please refer to LT in Focus of [11 December 2015](#) and [28 January 2016](#));
- Draft Law # [1060652-6](#), which introduces the concept of public cadastral appraisers and transfers the authority over cadastral appraisal to state-funded organizations;
- Draft Law # [1083199-6](#), which establishes less stringent standards for holding corporations liable for economic crimes (for more details, please refer to LT of [27 May 2016](#)).

29 June 2016

Official website of the Federal Tax Service

[https://www.nalog.ru/ru77/news/international\\_activities/6096526/](https://www.nalog.ru/ru77/news/international_activities/6096526/)

### **New initiatives regarding cross-border e-commerce**

Within the framework of the Internet+Trade forum, the Russian Federal Tax Services, the Russian Federal Anti-Monopoly Services and the business community agreed on the development of joint proposals aimed at creating equal conditions in e-commerce. The participants of the discussions considered a scope of possible measures, such as reducing the maximum value of goods purchased online that may be imported on a duty-free basis, creating a rating of conscientious online retailers and devising the rules of taxation for cross-border e-commerce.

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