

# Legislative Tracking



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**7 June 2016**

**Official website of the Russian State Duma**

<http://www.duma.gov.ru/news/273/1703427/>

## **Russian State Duma adopts new draft laws**

The following draft laws have recently been adopted by the Russian State Duma:

- Draft law No. [965365-6](#) requiring legal entities to collect, store and update information on their beneficiaries was adopted at the second and third readings (for more details, please refer to LT of [28 December 2015](#));
- Draft law No. [1060652-6](#) introducing the concept of public cadastral appraisers and the transfer of authority over cadastral appraisal to state-funded organisations.

**7 June 2016**

**Official website of the Russian State Duma**

<http://asozd.duma.gov.ru/main.nsf/%28Spravka%29?OpenAgent&RN=962487-6>

## **Russian State Duma publishes amendments to draft law establishing rules for VAT on services provided electronically by foreign entities**

The Russian State Duma has prepared [amendments](#) to Draft Law No. 962487-6 establishing the rules for VAT assessment on services provided electronically by foreign companies. Specifically, the amendments propose:

- Clarifying the procedure for tax registration/deregistration of foreign companies that provide services electronically and the use of personal online accounts by such companies to file tax returns and other reporting documents;
- Clarifying the procedure for desk audits that applies to foreign companies providing services electronically;
- Establishing the rules for determining the buyer's place of business when services are rendered electronically by a foreign entity; specifically, in the event that services are provided to individuals, their place of business is deemed to be in the Russian Federation if at least one of the conditions listed below is met:
  - The individual is domiciled in Russia;
  - The bank with which the account used to pay for the services provided electronically is opened, or the operator of the digital

payment system used to pay for the services provided electronically, is domiciled in Russia;

- The IP address of the buyer used to purchase the services is registered in Russia;
- The international country dialling code of the phone number used to purchase or pay for the services belongs to the Russian Federation.

If the legislation of a foreign jurisdiction states that the place of supply is deemed to be the same as the buyer's place of business, but according to the foreign laws, the location of the buyer is in the foreign jurisdiction, the foreign company has the right to choose the place of the buyer's business at their own discretion;

- Removing the provisions of the previous revision of the draft law that withdraw the VAT exemption for rights to use software and databases granted under a licensing agreement;
- Introducing certain amendments to the definition of services provided electronically;
- Establishing a list of services that do not qualify as services provided electronically for tax purposes; these include the sale of goods or services if such goods or services are supplied without the use of the Internet; the sale of software and databases on electronic data storage devices; consulting services provided via email; the provision of Internet access;
- Clarifying the rules for tax base assessment and payment of taxes by foreign companies providing services electronically;
- Removing the provisions of the previous revision of the draft law regarding the possible deduction of input VAT on goods and services purchased for the purpose of providing services electronically when the place of supply is not deemed to be in Russia;
- Removing the provisions of the previous revision of the draft law that establish the procedure for determining expenses deductible for profit tax purposes with respect to services involving the granting of rights under a licensing agreement.

For more details, please refer to LT of [29 December 2015](#).

**6 June 2016**

**ConsultantPlus**

[http://www.consultant.ru/document/cons\\_doc\\_LAW\\_198896/](http://www.consultant.ru/document/cons_doc_LAW_198896/)

## **Russia reduces import duties on certain categories of goods as part of its WTO commitments**

Eurasian Economic Council Resolution No. 40 of 16 May 2016 reduces the import duties on certain categories of goods as part of Russia's WTO commitments. Duty rates will be reduced for a limited range of goods within each category, including paper, wallpaper, carpets, footwear, including athletic shoes, confectionary, fish and items made of ferrous metals,

including those intended for aviation, cars, industrial refrigeration equipment and construction materials.

The Resolution will take effect on 1 September 2016, excluding certain provisions that will take effect on 31 December 2016.

**6 June 2016**

**Official website of the Central Bank of Russia**

[http://www.cbr.ru/publ/archive/root\\_get\\_blob.aspx?doc\\_id=9883](http://www.cbr.ru/publ/archive/root_get_blob.aspx?doc_id=9883)

### **Central Bank of Russia reports on performance of banking sector and banking supervision in 2015**

The Central Bank of Russia has published a report on the performance of the banking sector and banking supervision in 2015. The report covers the condition of and risks inherent in the Russian banking system, changes in the legislation regulating banking supervision, and specific aspects of banking regulation and supervision.

**7 June 2016**

**Vedomosti**

<http://www.vedomosti.ru/business/articles/2016/06/07/643868-evrokomissiya-smozhet-znakomitsya-usloviyami-dogovorov-na-postavku-gaza-podpisaniya>

### **EU Council approves proposals authorising the European Commission to access information on gas supply contracts and energy agreements**

The Council of the European Union has approved an initiative that authorises the European Commission to access gas supply contracts and intergovernmental energy agreements before they are ratified. If the European Parliament adopts this resolution in the autumn of 2016, EU member states will be obliged to notify the European Commission of their plans to negotiate new energy contracts and of the negotiation progress in general, while the European Commission will be authorised to review potential gas supply contracts.

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