

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).

A search tool for our daily Legislative Tracking issues is available on our website, at <http://www2.deloitte.com/ru/en/pages/tax/articles/legislative-tracking-2016.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.

7 July 2016

Federal portal for draft regulations

<http://regulation.gov.ru/projects#npa=50398>

Russian Federal Tax Service starts developing VAT return forms for foreign companies providing services electronically

The Federal Tax Service started developing a draft order that would approve the form and format of the VAT return to be used by foreign companies, as well as the procedure for completing the return and submitting it through a foreign company's online account.

The development of this document was initiated pursuant to Federal Law No. [244-FZ](#) of 3 July 2016, which sets out the rules for levying VAT on services rendered electronically by foreign companies.

5 July 2016

Official website of the Russian State Duma

[http://asozd2.duma.gov.ru/addwork/scans.nsf/ID/176C5F7BF29D7B5743257FE8005001E5/\\$File/1119655-6_06072016_1119655-6.PDF?OpenElement](http://asozd2.duma.gov.ru/addwork/scans.nsf/ID/176C5F7BF29D7B5743257FE8005001E5/$File/1119655-6_06072016_1119655-6.PDF?OpenElement)

Draft law clarifying wage indexation procedure

The Russian State Duma is considering Draft Law No. 1119655-6 envisaging mandatory wage indexation based on the minimum rates that would be determined by the federal subjects of the Russian Federation.

Please note that a similar draft law (Draft Law No. [1055983-6](#)) previously submitted to the Duma was returned to the initiator.

6 July 2016

Official website of the Russian Government

<http://government.ru/media/files/bzHOtHst4ZEEGOxCscXpG0MV7ZnsFR3Q.pdf>

Russian Government approves procedure for granting subsidies to aircraft manufacturers cooperating with local and regional airlines

Russian Government Resolution No. 623 of 1 July 2016 approves the rules for subsidising companies manufacturing aircraft for local and regional airlines in order to cover some of the costs incurred on the certification of aircraft and the preparation and certification of lightweight aircraft production processes.

<http://www.vedomosti.ru/economics/articles/2016/07/07/648291-es-uhodoma-nalogov>

EU Council's Anti-Tax Avoidance Directive approved

A Council Directive laying down rules against tax avoidance practices has been approved. The directive sets the minimum requirements for the legislation of the EU member states regarding the deductibility of interest, taxation of controlled foreign companies and regulation of so-called hybrid mismatch arrangements. Specifically, the key measures referred to in the directive include the following:

- Deductible borrowing costs shall be limited to 30 percent of the taxpayer's earnings before interest, tax, depreciation and amortisation (EBITDA) but no more than EUR 3,000,000;
- Starting from January 2020, taxpayers transferring their permanent establishments or tax residency from an EU member state shall be subject to tax at an amount equal to the market value of the transferred assets less their value for tax purposes;
- A company shall be deemed controlled if a taxpayer directly or indirectly owns more than 50 percent of shares, more than 50 percent of the capital/other rights or is entitled to receive more than 50 percent of the profits of the company.

6 July 2016

OECD Automatic Exchange of Information (AEOI) portal

<http://www.oecd.org/tax/automatic-exchange/crs-implementation-and-assistance/tax-residency/>

OECD online guide on tax residency rules

The OECD's official portal dedicated to the automatic exchange of information offers a short guide on the tax residency rules applicable in jurisdictions that are committed to automatically exchanging information under the Common Reporting Standard (CRS). Presently, the guide provides information on the local tax residency rules for 60 jurisdictions.

Please note that the information published should be treated as preliminary guidance only since in certain cases account holders could be considered a tax resident in more than one jurisdiction based on the domestic rules of certain jurisdictions. In this case, they are recommended to check whether both jurisdictions have a double tax treaty in place.

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