

# 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.

**8 September 2016**

**Vedomosti**

<http://www.vedomosti.ru/economics/articles/2016/09/08/656165-minfin-valyutnimi-rezidentami>

### **Possible refinements to currency control of individuals' currency transactions**

The Finance Ministry of the Russian Federation is developing draft legislation on introducing amendments to Federal Law 173-FZ of 10 December 2003 “On Currency Regulation and Currency Control” under which it plans to establish the definition of an individual “currency resident”.

According to the media source (vedomosti.ru), the draft law proposes the following amendments to the currency legislation:

- A person who spends less than three months in a calendar year in the Russian Federation shall not be considered a currency resident;
- The list of permitted types of transfers of cash funds to the accounts (deposits) of resident individuals that were opened in a bank outside the Russian Federation is to be expanded: cash funds from the sale of vehicles and real estate can be transferred to these accounts if the sale was registered in a member country of the OECD or Financial Action Task Force (FATF) country—the account also must be in a bank of such a country.

The text of the draft law has not been officially published.

**9 September 2016**

**Kommersant**

<http://www.kommersant.ru/doc/3083821>

### **Initiative to limit the reorganization and formation of legal entities with debt under enforcement proceedings**

The Russian Ministry of Justice has begun developing a draft law that proposes to:

- Forbid banks to open accounts and deposits for organizations for which the bank previously suspended account transactions;
- Require that certificates of no arrears under enforcement proceedings be presented when forming or reorganizing a legal entity and when an individual registers as a self-employed entrepreneur.

The text of this draft law has not been officially published.

<http://www.kommersant.ru/doc/3083854>

## **Bank of Russia's new initiative to reform the banking system**

The Central Bank of Russia (CBR) has rejected the idea of dividing banks into national and regional (for more details on this initiative, see our Legislative Tracking of [29 July 2016](#)).

The CBR is considering an alternative new classification of banks by role and capital size. Specifically, it proposes to divide banks into three groups as of 1 January 2018:

- Banks with capital from RUB 300 million to RUB 1 billion that can work only under simplified licenses issued under the simplified licensing regime;
- Banks with capital from RUB 1 billion to RUB 3 billion that can independently determine whether to use the simplified regime;
- Banks with capital exceeding RUB 3 billion that can work only under national licenses.

For banks working under simplified licenses, there would be limits on conducting cross-border transactions, but they would not be limited to working only in their own region.

**8 September 2016 года**

**Official site of the OECD**

<http://www.oecd.org/tax/public-comments-received-on-beps-discussion-drafts-on-attribution-of-profits-to-permanent-establishments-and-revised-guidance-on-profit-splits.htm>

## **OECD publishes public comments to discussion documents on profit splits for transfer pricing purposes and on attributing profits to permanent establishments**

Public comments have been published on the following discussion documents:

- The revised guidance on transfer pricing methodology for profit splits;
- The additional guidance on attributing profit splits to permanent establishments, "Preventing artificial avoidance of permanent establishment status" (BEPS Plan, Action 7).

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