

---

## SHORT NEWS

### **New Tax Support Measures: Changes in Profits Tax for Russian Companies**

On April 22, Federal Law No. 121-FZ was adopted, which provides for a number of reliefs with regard to the profits tax.

From April 2020, Russian companies have an opportunity to reduce advance payments on profits tax – they were granted the right to switch to advance payments based on actual profits until the end of 2020. The procedure for calculation of advance payments may be changed provided that:

- the new procedure for making advance payments is documented in the company accounting policy and
- the tax authority is notified thereon within the time limit established by law - e.g. if the procedure for determining advance payments is changed starting from April, the notification must be sent no later than May 8, 2020.

In addition, the said law expands the list of expenses recognized as expenses for profits tax purposes. Such expenses, in particular, shall include the company's expenses on purchase of personal protective equipment, diagnostic test systems, and medical equipment for diagnostics and treatment of the new coronavirus infection, expenses on disinfection of the premises and purchase of apparatuses, laboratory equipment, work clothing and other personal and collective protective equipment necessary to meet sanitary, epidemiological and hygienic requirements.

Finally, any subsidies granted to small and medium-sized enterprises in connection with the unfavorable situation due to the coronavirus infection shall not be taxable.

Our experts will be happy to advise you on further legal and tax issues:

[Natalia Wilke](mailto:Natalia.Wilke@bblaw.com), [Natalia.Wilke@bblaw.com](mailto:Natalia.Wilke@bblaw.com)

[Anna Afanasyeva](mailto:Anna.Afanasyeva@bblaw.com), [Anna.Afanasyeva@bblaw.com](mailto:Anna.Afanasyeva@bblaw.com)