
SHORT NEWS

Russia Introduces BEPS Regulations

Russia has ratified the Multilateral Instrument on the Implementation of Tax Convention Related Measures to Prevent the Reduction and Transfer of Profits (also known as MLI, Multilateral Instrument to Modify Bilateral Tax Treaties). Thus, from 10 October 2019, so-called BEPS (Base Erosion and Profit Shifting) regulations will also be applied in Russia, which lay down specific restrictions with regard to international double taxation agreements.

In particular, the benefits provided for by the tax treaties may no longer be used if the main purpose (or one of the main purposes) of a transaction or corporate structure was to obtain those benefits. In this context, the rules for the application of the provisions of international tax treaties on tax residence, dividends, permanent establishments and profits from the sale of real estate by shares in companies will be tightened. The restrictions apply to contracting parties from countries which have already ratified the Instrument. These include in particular Austria, Belgium, the Netherlands, Luxembourg, Poland, France and Finland.

Our experts will be pleased to answer your questions in this context:

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