

April 22, 2016

Dear All,

This is to inform you that the Federal Law no. 88-FZ “On amendments to articles 24 and 40.1 of Federal Law “About Banks and Bank Activity” and to the Federal Law “On voluntary declaration of assets and bank accounts/deposits by individuals and on introducing amendments to certain legislative acts of the Russian Federation” (further – the “**Law**”) was adopted on April 05, 2016.

The Law introduces several amendments, which clarify the provisions of the so called tax amnesty law (Federal Law no. 140-FZ), in particular:

- The Law provides guarantee regarding release of administrative liability for the violation of the currency control legislation over the transactions, carried out at the foreign bank accounts included into the special declaration and commenced prior the filing date. The previous date of guarantee coverage was 1 January 2015.

It is important to note that the guarantee cover only the accounts indicated in the special declaration and opened as of the filing date.

- The Law has excluded the requirement regarding repatriation of the declared property to Russia.
- The Law also has expanded the guarantee coverage for the property owned by individual’s controlled foreign companies (CFC), provided information on such CFCs is included into special declaration. At the same time the form of the special declaration was not amended and does not suppose the specification of such property.

The new provisions will apply also to those persons who have already filed a special declaration, but at the same time the second filing of the amended special declaration is not prescribed.

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We hope you will find this information helpful. Should you have any questions, please do not hesitate to contact **Maxim Alekseyev** (malekseyev@alrud.com), Senior Partner of ALRUD Law Firm or visit our web site.

Kind regards,

ALRUD Law firm

Please note that this Newsletter should not be considered as a ground for making any decision regarding a particular issue. All the information for this Newsletter was taken from the public sources.