

Newsletter

COVID-19: Nationwide paid week-off and anti-crisis measures to support business and people during pandemic in Russia

March 27, 2020

Dear Ladies and Gentlemen,

On 25th March 2020, President Putin made an official COVID-19 address to the nation, in which he announced a series of measures aimed at reducing the spread of the COVID-19 and lower the negative impact on the Russian economy. Among others, President Putin stated that the period from March 30th till April 3th, 2020 would be a nationwide paid week-off, which is formalized by a special Presidential Decree, and which is obligatory for everyone in Russia.

The Decree does not apply to the employees of:

- Continuously-operating organizations;
- medical and pharmaceutical organizations;
- organizations providing the people with food and essential goods;
- organizations performing emergency work in urgent situations, as well as in other cases, involving the endangering the life, or normal living conditions, thereof;
- organizations carrying out urgent repair and handling work.

Federal, regional and municipal authorities, as well as mass-media organizations shall define the minimum-necessary number of employees who will work during this nationwide, paid week-off.

The Russian President also announced the following measures to support business:

- 6-months' deferral of tax payments (excluding VAT) for microenterprises, small and medium-sized businesses;

- 6-months' deferral of payment of social contributions for microenterprises;
- 6-months' moratorium on filing creditors' applications for bankruptcy of companies and debt collection;
- reduction (from 30% to 15%) of social contributions for small and medium-sized businesses;
- tax on all offshore income payments of 15%, instead of 2%.

Moreover, the following measures to support families and unprotected categories of citizens were declared:

- automatic renewal of social benefits for 6 months;
- bonus payments to veterans and war workers of the Great Patriotic War, in April;
- payment to families, eligible for maternity capital, an additional 5 000 RUB per month for each child under the age of three years inclusive, from April 1;
- financial assistance for families, with children aged 3 to 7, will be paid from June (instead of July);
- sick-leave pay rate and unemployment benefit will be set up in the amount of at least one minimum wage per month (12, 130 Rubles) until the end of 2020;
- no penalties for citizens and individual entrepreneurs on consumer and mortgage loans, if their monthly income declined by more than 30%, etc.

We hope that the information provided herein will be useful for you. If any of your colleagues would also like to receive our newsletters, please send them the link to complete a [Subscription Form](#). If you would like to learn more about our [Labour and Employment Practice](#), please let us know in reply to this email. We will be glad to provide you with our materials.

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If you have any questions,
please, do not hesitate
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