

Russia to Adopt Bill to 'Smooth Out' Consequences for Businesses Affected by Suspension of Tax Treaty Provisions

3 November 2023

Report from IBFD Tax Treaties Unit

According to a press release of 2 November 2023, published by the Russian Ministry of Finance, the Russian State Secretary – Deputy Minister of Finance stated that there are plans to adopt a bill in November 2023 that will "smooth out the consequences" for Russian businesses affected by the suspension of certain treaty provisions in tax treaties with 'unfriendly' countries. The bill will apply retroactively from 8 August 2023, following the Russian President's signing on the same date of Decree No. 585 on the temporary suspension of specific tax provisions within international tax treaties (see [Russia Temporarily Suspends Certain Provisions of 38 Tax Treaties with 'Unfriendly' States \(8 August 2023\)](#)).

The Russian Ministry of Finance is also prepared to discuss adding additional types of income to the list of preserved taxation rules, which were applicable before the agreements were suspended, such as for international transport and freight. Further developments will be reported as they occur.