



18th of November 2021

Russian Legislation Update

ACCOUNTING

Government plans to launch a unified electronic service for small and medium-sized businesses from December 1, 2021

An experiment to create a single electronic platform, where all small and middle size companies can apply for the state and regional support without visiting the relevant authorities and submitting paper applications is planned to begin from December 1, 2021.

Document: Data from the RF Government site (<http://government.ru/news/43634/>)

Exchange of electronic documents with inspectorate is changing from 2022

An updated procedure of document flow with the Federal Tax Service is entering into force on January 1, 2022. The main change concerns the dates when a confirmation from the inspection regarding the document receipt has been sent. According to the amendment, if a taxpayer does not confirm the receipt, or does not send a refutation within six days from the date of the message from the Federal Tax Inspectorate, it will be considered accepted.

Document: RF Tax Service Order# ED-7-8/795 dated September 7, 2021

Ministry of Finance has clarified the VAT payment procedure by foreign companies

In its letter, the Ministry of Finance indicates that foreign enterprises acting as the VAT payers shall independently, on their own account pay VAT when providing electronic and other services.

Document: RF Ministry of Finance Letter # 03-07-08/60250 dated July 28, 2021

PAYROLL AND HR RECORDS KEEPING

Judicial practice: issue of document copies at the request of employee

The company issued documents at the request of the employee in part, providing only the documents related to his activities. Also, instead of the receipt of the copies of corporate regulations, the employee was proposed to read them again. The employee challenged the actions of the company.

The court confirmed the employer's position: a company shall not provide every document at the request of an employee, only the documents related to his/her work. At the same time, employees shall be familiarized with the corporate regulations when hiring.

Document: Decision by the Third Court of Cassation # 88-13027/2021 dated September 15, 2021

Rostrud: to challenge the control body decision is possible only after a pre-trial appeal

From July 1, 2021, to appeal against court decisions, as well as actions or inaction of the Rostrud officials and state labor inspectorates is possible only after a pre-trial appeal.

Complaints are submitted in electronic form via the Unified Portal of State and Municipal Services using service 'Complaint against decision of control body'.

A complaint filed by an authorized official of the company is signed with a simple or enhanced qualified electronic signature. A complaint filed by a legal entity shall be signed with an enhanced qualified electronic signature.

The period of consideration of the complaint is twenty working days.

Document: Data by Rostrud (the Federal Labor and Employment Service) dated October 20, 2021

Mandatory remote work and reports on the employees transferred to it is restored in Moscow

In accordance with the Order of the Mayor of Moscow # 61-UM, all employers are required to transfer to remote work from October 25, 2021 to February 25, 2022.

It concerns:

- at least 30% of the employees and contractors;
- all persons over 60 years of age and all persons having diseases from the list established by the Moscow Department of Health, unless the presence of such persons is critical to the company's activity.

Exceptions from the above requirement include:

- the companies whose activities cannot be limited in accordance with the Decree of the President of Russia # 316 dated May 11, 2020;
- the employees who have endured confirmed COVID-19 in the past 6 months, or who have received a full vaccination

Companies shall also ensure that totally no more than 70% of employees and contractors are present in the office at the same time.

Starting from October 25, 2021, the employers have to file a weekly report about the employees transferred to remote work at the Moscow Mayor's website mos.ru. If the information does not change, there is no need to resubmit such reports.

Document: Resolution by the Chief state sanitary doctor for the city of Moscow #3 dated October 19, 2021, Order by the Mayor of Moscow # 61-UM dated October 19, 2021, Data from the website of the Mayor of Moscow dated October 19, 2021

LABOR LEGISLATION

Employee was dismissed on agreement to avoid the dismissal on defamatory grounds, the court discovered no enforcement

The employment contract with an employee was terminated on agreement of the parties. The person challenged the company's actions, stating that he was forced to resign.

The Iskitim District Court, the Novosibirsk Region (first instance), the Judicial Collegium for Civil Cases of the Novosibirsk Regional Court (appeal instance), and the Eighth Cassation Court of General Jurisdiction (cassation instance) took the employer's side.

The Eighth Cassation Court decided that the plaintiff's arguments about the employer's psychological pressure on him to force him to sign the agreement were reasonably recognized as insolvent, since the plaintiff did not provide any evidence for these arguments during the consideration of the case.

The courts considered the plaintiff's arguments that he had no intention to resign by agreement of the parties, as not affecting the legality of the dismissal, and not indicating the absence of an intention to terminate the employment relationship on the indicated grounds.

In addition, an attempt to avoid dismissal by using the right to file a letter of resignation by agreement of the parties and the subsequent termination of the employment contract cannot be evidence of the employer's pressure on the employee. Even if the employer stated that dismissal is possible on the initiative of the employer, it cannot be regarded as pressure on the employee so that to make him to write a letter of dismissal.

The intention of the employee to terminate the employment contract is also confirmed by the fact that he signed the agreement without objection, received a work record book on the day of dismissal and left the place of work.

Document: Decision by the Eighth Cassation Court 3 88-14859/2021 dated September 7, 2021

MIGRATION LEGISLATION

Some measures against foreigners have expired due to pandemic

Since October 1, 2021, the foreigners who have not settled their legal status in the Russian Federation are not subject to the restrictions related to the reduction of the temporary stay period, deportation and transfer under a readmission agreement.

Foreigners who arrived before March 15, 2020 and as of June 16, 2021, were in the Russian Federation illegally, could leave the Russian Federation or apply to the Ministry of Internal Affairs to settle their legal status until September 30, 2021 inclusively.

Document: RF President Order # 364 dated June 15, 2021

Employment of certain categories of foreign qualified specialists is proposed to simplify

It is projected to supplement the list of professions that are not covered by the quota for the permits to work in Russia.

Additionally, it is planned to supplement the list of professions for foreigners who will be able to obtain the Russian citizenship in a simplified manner. It was proposed to add 33 new job positions. They shall include CFO, his deputy and software engineer.

Document: RF Ministry of Labor draft order (<https://regulation.gov.ru/p/120825>)

RF Ministry of Labor draft order (<https://regulation.gov.ru/p/120820>)

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