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1 Tax Treaties and Residence

1.1 How many income tax treaties are currently in force in your jurisdiction?

Russia has 82 double tax treaties (DTTs) in effect, including agreements with China, Cyprus, most EU countries, the UK, Japan and the USA. Over the past year, the process of signing new DTTs has intensified significantly. For instance, the DTT with Hong Kong was signed on 18 January 2016, and will become effective in 2017.

1.2 Do they generally follow the OECD Model Convention or another model?

Although Russia is not a member of the OECD, its Model Convention is being used in most of the DTTs signed by Russia. However, some of the treaties are based on the UN Model Tax Convention. Russia also has the local Model Tax Agreement based on the OECD Model Convention.

In 2015, Russia incorporated the concept of tax residency for legal entities into domestic law. Until this took place, the concept was used through its DTT definition only. The Russian Tax Code now contains a definition of the concept which is very close to the DTT's definition. This illustrates that Russian legislation is quite well-oriented towards implying basic OECD Model Convention rules and concepts.

1.3 Do treaties have to be incorporated into domestic law before they take effect?

In order to become effective, treaties have to be signed and then enacted under federal law or via a special procedure of ratification, which will constitute the appropriate incorporation. In some cases, it could take months or even years to ratify a treaty which has already been signed by the parties of the DTT.

1.4 Do they generally incorporate anti-treaty shopping rules (or "limitation on benefits" articles)?

The anti-treaty shopping rules are incorporated in the DTT as well as the domestic Russian tax legislation.

As regards local regulation, such concepts, including those of "beneficial owner" (BO) and limitation of benefits under tax treaties, were incorporated into the Russian Federation Tax Code in 2015 (article 7 of the RF TC). The BO concept reflects the OECD approach and means that a foreign person who receives income from Russian sources (dividends, interest, royalties, etc.) should have an actual right to this income to benefit from the DTT. BO status means that a person – by virtue of direct or indirect participation in an organisation which distributes the income, or by virtue of control over such an organisation, or by other circumstances – has the right independently to use and/or dispose of that income. Although the Tax Code does not give the definition, the Ministry of Finance puts explicitly the term "conduit companies" in its informational letters to describe the specific type of foreign companies which do not comply with the BO criteria and so cannot use the reduced tax rates under the DTT.

1.5 Are treaties overridden by any rules of domestic law (whether existing when the treaty takes effect or introduced subsequently)?

Yes, treaties are overridden by any rules of domestic law except the Constitution of the Russian Federation which act as higher legal force law. The RF TC provides that "where an international agreement of the Russian Federation containing provisions concerning taxation and levies establishes rules and norms which differ from those laid down in this Code and in normative legal acts concerning taxes and (or) levies which have been adopted in accordance with the Tax Code, the rules and norms of international agreements of the Russian Federation shall apply" (article 7 of the RF TC).

This principle corresponds to the following, stipulated by the Russian Constitution: "if an international treaty or agreement of the Russian Federation establishes other rules than those envisaged by law, the rules of the international agreement shall be applied" (part 4 of article 15 of the Russian Constitution).

1.6 What is the test in domestic law for determining corporate residence?

The concept of tax residency for legal entities was implemented in the Russian Tax Code in 2015 (article 246.2 of the RF TC). According to the legal definition:

- all Russian companies are recognised as tax residents;
- foreign organisations which are deemed to be tax residents of the RF in accordance with an international taxation agreement of the RF (i.e. DTT) for the purposes of the application of that international agreement; and
- foreign organisations whose place of management is the RF.

The place of management of a foreign organisation shall be deemed to be the Russian Federation if:

(1) the executive body (executive bodies) of the organisation regularly carries on its activities from the Russian Federation; or

(2) the chief (executive) officers of the organisation (persons who are authorised to carry out and are responsible for the planning, control and management of the enterprise's activities) primarily carry out executive management in the Russian Federation.

2 Transaction Taxes

2.1 Are there any documentary taxes in your jurisdiction?

The Tax Code contains a special chapter, State Duty (25.3), regulating state duties which are deemed as documentary taxes.

2.2 Do you have Value Added Tax (or a similar tax)? If so, at what rate or rates?

Yes, there is only one indirect tax in Russia – VAT. No sales/turnover tax or other similar taxes are introduced.

VAT is applied to the sale of goods, work, services and property rights. Under the general rule, the amount of VAT payable is calculated as the difference between the "output VAT", chargeable on sales income, and the "input VAT", related to the sales costs.

The basic VAT rate applicable in most cases is 18%. Reduced tax rates are also proposed. A 10% rate mostly applies to food products and 0% is applied mostly on export sales. However, the VAT imposed on goods imported into Russia could be deducted in most cases after the customs procedures are satisfied. The so-called "calculating tax rate" is also introduced (18/118 and 10/110) in limited instances, such as VAT chargeable on advance payments.

2.3 Is VAT (or any similar tax) charged on all transactions or are there any relevant exclusions?

All sales transactions are subject to VAT, as a general rule. However, Article 149 of the RF TC provides a list of non-taxable operations. Financial services transactions, including debt financing, sale of medical goods and some food products, could be mentioned as an example of "non-VAT-able" transactions. Also, specific types of taxpayers are excluded from VAT. However, the taxpayer could claim under a specific tax regime provided by the RF TC which proposes no VAT on transactions by such taxpayers (the simplified taxation system and some other tax regimes).

2.4 Is it always fully recoverable by all businesses? If not, what are the relevant restrictions?

VAT is a recoverable tax as a general rule, but with restrictions for certain types of transactions and taxpayers. For instance, no "input" VAT deduction is applied if the transaction is "non-VAT-able", or it is executed outside the territory of the Russian Federation (Article 171, 172 of the RF TC). This territorial principle leads to some issues related to withholding VAT when it is necessary to detect the proper approach "by seller" or "by purchaser", deciding if there is an obligation to withhold VAT to the Russian treasury on a cross-border transaction. The concept of "reverse charge VAT", which is widespread in the EU, is not so popular in Russia and is applicable to a shorter list of services.

2.5 Does your jurisdiction permit "establishment only" VAT grouping, such as that applied by Sweden in the *Skandia* case?

Such rules are not applicable.

2.6 Are there any other transaction taxes payable by companies?

No, there are no such other taxes.

2.7 Are there any other indirect taxes of which we should be aware?

Yes, the following indirect taxes besides VAT are introduced: excises (the key taxable products being oil products and alcohol); and customs duties (on the import and export of goods).

3 Cross-border Payments

3.1 Is any withholding tax imposed on dividends paid by a locally resident company to a non-resident?

Dividends paid from resident to non-resident are taxable with a Profits Tax at a general rate of 15%. The tax rate may be reduced to 10% and 5% in accordance with certain DTTs.

3.2 Would there be any withholding tax on royalties paid by a local company to a non-resident?

Yes, income in the form of royalties is taxable with a Profits Tax at a general rate of 20%. The tax rate may be reduced to 0% (Cyprus and some others) and 15% (Bulgaria and some others) in accordance with certain DTTs.

Russian withholding VAT on royalties is chargeable to foreign counterparty sellers of intangible assets and property rights as a general rule. The territorial VAT principle "by purchaser" is applicable in this case. Services for the transfer of intangible assets and property rights thereto, which shall be paid via royalties, are considered to be rendered in Russia if the purchaser of such services carries out activities in Russia or is registered in Russia.

3.3 Would there be any withholding tax on interest paid by a local company to a non-resident?

Yes, interest payments are taxed at 20% if the rate is not reduced by a DTT to 15%, 10%, 5% or even to "non-taxable" for the payer (e.g. the DTT between the Russian Federation and Cyprus, and some others).

3.4 Would relief for interest so paid be restricted by reference to "thin capitalisation" rules?

The "thin capitalisation" rules are to change dramatically from 2017 (by Federal Law #25-FZ of 15 February 2016). Thin capitalisation rules will not be applicable to controlled debt to independent banks anymore. The new rules are interrelated with the Russian transfer pricing (TP) rules through the concept of "interdependent parties".

This in particular leads to the fact that, in assessing the applicability of thin capitalisation rules, the threshold for the participation in the capital of the borrower will increase from 20% to 25%. However, this does not mean that the rules will now apply to a smaller number of situations. On the contrary, the new law leads to the extension of such situations, increasing possible risks. This could be illustrated by the new rule that the debt may be deemed controlled by the court, even if it does not fall under the formal criteria set out in the RF TC. The tax authorities should prove in the court that the purpose of such debt is the withdrawal of capital abroad through interest payments under the rule.

3.5 If so, is there a "safe harbour" by reference to which tax relief is assured?

In the case of "thin capitalisation", "safe harbour" is granted by means of fixing in tax law the "debt to equity" ratio, which should not exceed 3. It is critical to note that under recent court practice, even DTTs directly stipulating so-called "unlimited interest relief" are not considered to be in compliance with national rules of "thin capitalisation". However, most DTTs of the Russian Federation establish the right of Russia to use national rules of "thin capitalisation", in case of non-market relationships between borrower and lender – for example, when such relationships correspond to the concept of "associated enterprises", which is also given in most DTTs of the Russian Federation.

3.6 Would any such rules extend to debt advanced by a third party but guaranteed by a parent company?

Yes, if a controlled debt is advanced by a third party but guaranteed by a parent company or its Russian subsidiary, "thin capitalisation" rules are applicable in 2016. As regards the new rules coming into force from 2017 (see question 3.4), this approach is also applicable.

3.7 Are there any other restrictions on tax relief for interest payments by a local company to a non-resident?

No other restrictions concerning tax deduction for interest payments by a local company to a non-resident are provided by Russian tax law. However, if the loan is considered a controlled deal under the Russian TP rules, the deductibility of interest imposes additional restrictions. The interest deduction for the Profits Tax purposes can be considered in this case if such interests are within the so-called "safe harbour", regardless of whether the lender is tax-resident in Russia or not. No restrictions on interest deduction under the uncontrollable loans are provided in 2016 and 2017, and the interest in the amount of the actual rate established by the loan agreement could be deducted.

3.8 Is there any withholding tax on property rental payments made to non-residents?

Yes, a withholding tax at the rate of 20% is chargeable by Russian residents as tax agents on property rental payments made to foreign contractors. However, DTTs generally impose the Russian withholding tax only for immovable property located in the Russian Federation.

3.9 Does your jurisdiction have transfer pricing rules?

TP rules were introduced to the Russian Tax Code in 2012. TP rules applicable to material deals which exceed special thresholds (RUR 1 billion if the contractors are Russian residents, and a smaller one for deals with interdependent non-resident companies). Tax control over TP should be executed by a special tax authority – the central Department of Federal Tax Services, which is authorised to conduct special TP tax audits. Russian transfer pricing rules are based on the OECD principles. The court practice of application of these rules in Russia is not yet developed because of the novelty of the new standards.

4 Tax on Business Operations: General

4.1 What is the headline rate of tax on corporate profits?

The general Profits Tax rate is 20%: 2% to the federal budget; and 18% to the regional budget. Regions can reduce the rate by local law for certain groups of taxpayers (to a minimum of 13.5%). Therefore, the minimum tax rate can be reduced to 15.5%.

The Profits Tax rate reductions which are also achievable for the members of special investment programmes, are implemented in a number of the Russian Federation's regions. In this case, the tax rate could be less than 15.5%. Such investment incentives are available under the so-called Regional Investment Projects (RIP) and to the residents of territories of advanced development (TAD) as well.

4.2 Is the tax base accounting profit subject to adjustments, or something else?

Under Russian law, there is a significant difference between the Profits Tax base, calculated under the separate tax accounting rules, and the accounting profit. The tax base is calculated according to the special rules stipulated by the Russian Tax Code, but not by the local Russian accounting standards (RAS). There is a special accounting standard #18/02, "Profits Tax accounting", which was implemented in the RAS to reflect the differences in accounting.

4.3 If the tax base is accounting profit subject to adjustments, what are the main adjustments?

Fundamentally, it is not reasonable to talk about the main adjustments, since the Profits Tax base is considered under the tax rules and does not depend on the RAS. The tax base is determined as the difference between revenues and expenses. Those expenses and incomes recognised in tax accounting under the RF TC may not be recognised or accepted under the RAS, which constitutes a difference. Such differences do not affect the Profits Tax liability and have value only in terms of the correct formation of financial statements under the RAS.

4.4 Are there any tax grouping rules? Do these allow for relief in your jurisdiction for losses of overseas subsidiaries?

A "consolidated group of taxpayers" (CGT) was introduced into Russian tax legislation in 2012. The CGT is a special institute which aims to optimise the tax burden and simplify tax accounting in large groups of companies. Under this concept, the responsible company on behalf of the CGT calculates and pays corporate Profits Tax and reports to the tax authorities the appropriate tax return. The criteria which should be met in order to obtain a CGT treaty are hardly achievable, due to the requirements for the size of the consolidated group including consolidated income.

In 2016–2017, the treaties establishing new consolidated groups of taxpayers or the accession of new members to an existing CTG

will not be registered, since the moratorium has been settled by the federal authorities. CTGs registered in 2014–2015 are considered to be unregistered.

4.5 Do tax losses survive a change of ownership?

In general, tax losses survive a change of ownership. The transfer of tax losses is also possible within some types of corporate reorganisation, including the splitting of companies.

4.6 Is tax imposed at a different rate upon distributed, as opposed to retained, profits?

The double taxation system for profits, which is typical in many EU countries, is also established in the Russian Federation. The tax is imposed firstly on operating profits at the rate of 20%, and secondly on the profits' distribution in the form of dividends. At this stage, taxpayers can use different rates depending on the resident status of shareholders. In the case of dividends payable to the Russian shareholders, the applicable tax rate of 0% is achievable if several conditions are met (e.g. that the capital share is at least 50%, and the holding period is not less than 365 days as stipulated in Clause 4 of Article 284 of the RF TC).

4.7 Are companies subject to any significant taxes not covered elsewhere in this chapter – e.g. tax on the occupation of property?

Essentially, companies are subject to VAT, corporate property tax, land tax, transport tax, excises and some other taxes which are specific, such as a biological resources use fee, water tax, etc. The Mineral Extraction Tax (MET) should also be mentioned, since it is critical for subsoil users in Russia. This tax could exceed Profits Tax and VAT payments and is calculated under specific and complicated rules. MET applies to the amount of mined minerals or the value of the sold minerals.

5 Capital Gains

5.1 Is there a special set of rules for taxing capital gains and losses?

There are no special rules regulating the taxation of capital gains and losses in Russia. Capital gains issues are regulated under the Profits Tax rules provided by the RF TC. These rules are very limited and mostly regulate cases where assets are sold at a higher price compared with the acquisition price (capital shares). If these assets earn interest, that would also be considered a capital gain.

5.2 Is there a participation exemption for capital gains?

The participation exemptions for capital gains in Russia are very limited. The only example of an exemption which has a practical value is the recently introduced capital gains relief on sales of shares, and the 0% Profits Tax rate for dividends distributed to Russian shareholders (see question 4.6 above).

As regards relief on sales of shares, the profits from such deals are taxable at the rate of 0% if the following requirements are met: (1) selling the shares in Russian companies; and (2) a holding period of five years.

During this five-year period, these shares should comply with the following additional requirements:

- they have never been listed;
- during this period, they have been referred to the high-technology (innovation) sector of the economy; and
- certain other requirements.

This rule is applicable to shares acquired after 1 January 2011 where the effective date on which the relief could be used is 1 January 2016 considering the above-mentioned five-year holding period.

5.3 Is there any special relief for reinvestment?

No special tax benefits or exemptions associated with reinvestment have been introduced into Russian tax legislation. However, there are so-called investment incentives proposed by the Tax Code. These investment incentives allow shareholders to invest in the capital of their subsidiaries, which is non-taxable at the level of the subsidiaries. Thus, it provides for a good opportunity to increase the net assets of the subsidiaries, and non-debt intragroup financing opportunities as well (sub 11, clause 1 of article 251 and sub 3.4, clause 1 of article 251 of the RF TC).

5.4 Does your jurisdiction impose withholding tax on the proceeds of selling a direct or indirect interest in local assets/shares?

Yes, but in specific cases only. The withholding tax is applicable to the non-resident sellers of an interest (stocks and shares) in Russian entities, more than 50% of the assets of which consist of immovable property located within the territory of the Russian Federation, as well as financial instruments derived from such shares, except for stocks recognised as listed on an organised securities market (clause 5, article 309 of the RF TC).

In 2015, these rules were tightened and they now apply when the seller owns such shares not only directly but also indirectly.

The tax base is calculated considering the expenses on the purchasing of these shares.

6 Local Branch or Subsidiary?

6.1 What taxes (e.g. capital duty) would be imposed upon the formation of a subsidiary?

A state duty in the sum of RUR 4,000 (approximately USD 62) would only be imposed upon the formation of a legal entity of any kind in Russia. In the case of the registration of a joint-stock company, a state duty in the sum of RUR 35,000 (approximately USD 550) must be paid upon the issue of the stocks.

6.2 What is the difference, if any, between the taxation of a locally formed subsidiary and the branch of a non-resident company?

There is no specific difference. The taxes that would be incurred by a locally formed subsidiary in comparison to a branch of a non-resident company would be the same. The concept of a separate legal entity is applicable to any subsidiary of a non-resident company established under Russian law.

If a foreign company conducts business in Russia through its branch, it is obliged to pay Russian taxes, since the permanent establishment (PE) concept would be applicable to this branch. The branch which

executes the preparatory and auxiliary functions of the non-resident company does not create a PE of such company, which means it holds non-taxable status in Russia.

6.3 How would the taxable profits of a local branch be determined in its jurisdiction?

In the case that the branch forms the PE in Russia (i.e. it performs business activity), the taxable profits would be determined under the same rule as that which applies for all Russian tax residents: total business income, reduced on deductible business costs carried on by the PE, is taxed at a general rate of 20%.

6.4 Would such a branch be subject to a branch profits tax (or other tax limited to branches of non-resident companies)?

There is no special branch profits tax under the Russian tax legislation.

6.5 Would a branch benefit from double tax relief in its jurisdiction?

Most of the existing DTTs of the Russian Federation state that Russia may tax the income of a foreign company only in terms of profits attributable to its Russian PE. Thus, if under the local law of the foreign company, income tax is subject to all of its global profits (worldwide) including income from a Russian PE, a DTT does not eliminate such double taxation. However, a tax credit for taxes paid by the foreign PE of such company is usually provided by the local laws of most countries.

6.6 Would any withholding tax or other similar tax be imposed as the result of a remittance of profits by the branch?

No, withholding tax would not be imposed.

7 Overseas Profits

7.1 Does your jurisdiction tax profits earned in overseas branches?

Yes, Russia imposes tax on profits earned in overseas branches, but taxes paid by these branches abroad could be credited in an amount no greater than the Russian Profits Tax to be paid.

7.2 Is tax imposed on the receipt of dividends by a local company from a non-resident company?

Yes. Divided income derived from foreign companies by a Russian company is taxed at a general tax rate of 13%. This rate was increased in 2015 (9% was applicable before).

7.3 Does your jurisdiction have "controlled foreign company" rules and, if so, when do these apply?

Yes. On 1 January 2015, controlled foreign company (CFC) rules were introduced into Russian tax legislation. These rules are comparatively complicated and are subject to further development by the federal authorities.

A CFC is defined as a foreign organisation or foreign entity without a legal personality that (i) is not a Russian tax resident, and (ii) is controlled by a Russian tax resident ("controlling person"). In particular, the controlling person of an organisation is defined as an individual or legal entity whose participation share in the company exceeds 25% or 10% (including the spouse and minor children, in the case of individuals), provided that the overall amount of shareholding by Russian tax residents exceeds 50%.

Special rules apply in determining the controlling persons of foreign entities without a legal personality and entities with no share capital, such as foundations.

The general rule is that the undistributed profit of a CFC should be included in the tax base of the controlling person in proportion to the person's participation in the CFC, and is subject to taxation in Russia at a rate of 13% (for individuals) or 20% (for legal entities) if the CFC's profit exceeds the threshold of RUR 10 million (RUR 30 million in 2016). The profit of the CFC that is taxable in Russia can be reduced by the amount of dividends distributed by the CFC.

8 Taxation of Real Estate

8.1 Are non-residents taxed on the disposal of real estate in your jurisdiction?

Yes. The disposal of real estate in Russia is subject to tax, applicable to residents and non-residents, with no exceptions.

8.2 Does your jurisdiction impose tax on the transfer of an indirect interest in real estate located in your jurisdiction and, if so, what constitutes an indirect interest?

Yes. Russia imposes a withholding tax on the disposal of indirect interest in Russian organisations which hold immovable property located in the territory of Russia in their balance (see point 5.4 for details).

Before 2015, only direct interest was taxable.

Indirect interest is constituted through indirect share capital participation in companies which hold the assets. Revenues from the disposal of investment units of closed-end mutual funds, relating to the categories of rental funds or real estate funds, also constitute indirect interest and are subject to withholding tax.

8.3 Does your jurisdiction have a special tax regime for Real Estate Investment Trusts (REITs) or their equivalent?

No. Russia does not have a special tax regime for Real Estate Investment Trusts. The transfer of real estate to the trust, as well as returning it from the trust, is not taxable with the Profits Tax.

However, there is a list of tax issues related to VAT recovery in the course of property contributions to closed-ended mutual funds which are not currently regulated by tax laws and result in tax risks.

9 Anti-avoidance

9.1 Does your jurisdiction have a general anti-avoidance or anti-abuse rule?

There is no special law with provisions concerning general anti-

avoidance rules and doctrines. However, a long list of key anti-avoidance concepts was implemented in the Russian Tax Code. For instance, it combines (1) transfer pricing rules (section V.1), (2) thin capitalisation rules (article 269), (3) the "beneficial owner" concept and the concept of the limitation of benefits under tax treaties (article 7), and (4) CFC rules.

Formally, Russia is not a country of precedent law. However, the court practice is very important due to developing trends and legal approaches on controversial and complex tax issues within law enforcement. It is notable that one of the key anti-avoidance mechanisms – the doctrine of "unjustified tax benefit" – was established by the Higher Arbitrazh Court of the RF (now reformed to the Supreme Court of the RF) but not by the law (the decree of the Plenum of the Higher Arbitrazh Court of the RF № 53 dated 12 October 2006). This doctrine is now going to be incorporated into the TC RF.

9.2 Is there a requirement to make special disclosure of avoidance schemes?

Formally, there are no such requirements to disclose tax schemes on the initiative of the taxpayer. Tax avoidance schemes are subject to precise analysis, to be performed by the tax authorities within the field of tax audits.

10 BEPS and Tax Competition

10.1 Has your jurisdiction introduced any legislation in response to the OECD's project targeting Base Erosion and Profit Shifting (BEPS)?

On 8 April 2016, the Ministry of Finance of the RF issued a draft law on the introduction to public discussion in Russia of the BEPS requirements for the preparation and presentation of inter-country reporting. Therefore, there are not yet any tax laws in Russia that have come into force implementing the BEPS initiatives.

The draft law was developed within the framework of the implementation in Russia of the international BEPS initiatives and, in general, corresponds to that which is set out in the OECD guidelines. Cross-country reporting was provided under Action 13 of the Report on the BEPS Plan, released in October 2015. This Plan provides for a three-level implementation system of tax reporting for international groups of companies (cross-country reporting, master file, and local reporting).

Under the Bill, Russian taxpayers will file notification of participation in such international groups of companies.

Taxpayers who are the parent companies or the authorised participants of the international groups will be further required to prepare and submit cross-country reporting.

Russia has not yet taken any other steps in respect of other elements of the BEPS Plan and will probably wait for the OECD proposals and initiatives.

10.2 Does your jurisdiction intend to adopt any legislation to tackle BEPS which goes beyond what is recommended in the OECD's BEPS reports?

There is no information publicly available to date with regard to such an initiative.

10.3 Does your jurisdiction support public Country-by-Country Reporting (CBCR)?

Yes. See question 10.1 above.

10.4 Does your jurisdiction maintain any preferential tax regimes such as a patent box?

No. There is no "patent box" regime.

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Kirill has extensive experience (over the past 12 years) of providing tax advice, legal representation in tax disputes, M&A support and due diligence for big companies.

He is the author of a number of articles on taxation. His expertise may be appealing to those clients who have to address tax optimisation when structuring intragroup financing, including transfer pricing issues. Prior to his current status, Kirill held different positions in PricewaterhouseCoopers, TNK BP Management (now incorporated into Rossneft) and for over two years headed the Tax Function of En+ Group (RUSAL's major shareholder of and part of the Basic Element group).

In 2015, 'World Tax', published by *International Tax Review*, recognised Kirill as one of the leading individuals in its regular ranking.

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Sergey Shapovalov is a partner at the law firm ShapovalovPetrov.

Sergey has impressive experience of resolving tax disputes in commercial courts of almost all judicial venues. His expertise may be especially valuable to subsoil users. His clientele includes major oil and gas producers, as well as mineral extracting firms. He is the author of quite a few articles and several books on taxation.

Dozens of companies enroll in his workshops for subsoil users, while the books on taxation may be found at virtually every mining company across Russia. The most recent of these, 'Complicated Cases of MET Accrual in Gold and Uranium Mining', was published in 2016.

In 2015, *Chambers & Partners Europe* for a second time listed Sergey among the tax lawyers it recommends.

In 2015, *Best Lawyers* included Sergey in its Russian Ranking of Tax Law.

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ShapovalovPetrov is a Russian law firm specialising in tax law, M&A, litigation and bankruptcy. It is named after its two co-founders, Sergey Shapovalov and Kirill Petrov, who set it up in 2015. Prior to ShapovalovPetrov law firm, Sergey was a managing partner and co-founder of Nalogovaya Pomoshch (also known as TaxHelp). Kirill, before joining Sergey in this endeavour, was a partner in TaxArt Group consultancy, which also focused on taxation issues.

After the partners and their teams merged, the new enlarged company was able to expand the list of services it provides, which now embrace tax consulting, tax litigation support, along with M&A, transfer pricing and deal structuring.

Today, ShapovalovPetrov's team is made up of professionals with extensive experience of working for the Big Four accounting firms, as well as major oil companies and steelworks. Our consultants and lawyers have an impressive track record of consulting on taxation and law, along with protecting their clients' interests in commercial courts.

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