

Duma Makes Car Ownership Simpler, More Expensive

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A salvage fee starting at \$612 will be imposed on vehicles to cover costs related to the end of their service life. **Andrei Makhonin**

Drivers will find that servicing their cars is simpler but buying a new one is slightly more expensive, under legislation passed Friday.

Among the flurry of laws Duma deputies signed off on before retiring for their summer recess last week were two pieces of automobile legislation.

One abolishes separate checkups on vehicles that undergo compulsory technical inspection at an authorized dealership.

Instead it will be sufficient to produce a certificate from an authorized dealer that the car's technical inspection is up to date.

The legislation is a finishing touch to a change in the law introduced in January that

transferred responsibility for compulsory technical road-worthiness inspections from the Interior Ministry to the private sector.

The other, an amendment to the law on industrial and consumer waste, levies a salvage charge on both imported and locally produced vehicles. It is intended to cover the cost of disposal at the end of a vehicle's lifespan.

The charge, which is set to come into force by Sept. 1, will be paid directly into the federal budget.

The levy has not yet been set, but preliminary figures from the Industry and Trade Ministry and Economic Development Ministry put the base charge at 20,000 rubles (\$612) to 45,000 rubles for a new car or light vehicle, and 150,000 rubles to 400,000 rubles for heavy trucks, depending on the class.

The fee is expected to raise between 20 billion rubles and 70 billion rubles annually for the federal budget, Vedomosti reported Friday. The money is meant to be spent on decommissioning old vehicles, including building infrastructure for that purpose.

Organizations that themselves assume responsibility for the safe disposal of cars at the end of their life cycle will be exempt from the charge.

Exemptions will also be given to vehicles that cross the border from Belarus and Kazakhstan as part of the Eurasian Economic Union, cars belonging to diplomats and refugees, and vehicles over 30 years old and with their original engines.

While the cost of the levy will likely be passed on to customers, industry observers say, it needn't lead to an overall price rise if it is offset by lower import duties from Russia's entry to the World Trade Organization.

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