

Klepach Says Tax Burden Could Grow

By [The Moscow Times](#)

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Businesses are likely to see a growing tax burden in the future because Russia has to find sources to finance its military and social obligations, a deputy minister said Friday.

"I don't think that we'll see the tax burden going down. To be honest, it will even increase," Deputy Economic Development Minister Andrei Klepach said at a grain conference in the Altai region, Interfax reported. "We have a sackful of military [spending] obligations."

The ongoing construction of the Vostochny Cosmodrome in the Far East, for example, requires significant expenditures, Klepach said.

Alexander Shokhin, the president of the Russian Union of Industrialists and Entrepreneurs, said in an interview with state-owned Rossiiskaya Gazeta earlier this year that the need for financing may cause the government to reintroduce the sales tax, which was canceled in 2004.

Economic Development Minister Andrei Belousov doesn't support the measure, but he

suggested in December that the sales tax could be introduced in addition to a value-added tax.

Prime Minister Dmitry Medvedev ordered the Finance Ministry late last year to research the introduction of a sales tax in some regions and provide ideas by September about what tax rates would be possible.

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