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Audit Says Golos Owes 2.3M Rubles in Back Taxes

By The Moscow Times

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The Federal Tax Service has accused election watchdog Golos of not paying 2.28 million rubles ($70,200) in income taxes in 2009-10 on funding it received from USAID, in what rights activists see as the latest in a string of state attacks on independent observers.Auditors from Tax Inspectorate No. 9 concluded that the 38 million rubles it received from the U.S. Agency for International Development was contributed "in the interests of the U.S." and therefore could not be exempt from taxation in Russia, Kommersant reported Friday.

Golos has been firmly under the state's spotlight since a law came into force last November requiring nongovernmental organizations that receive funding from abroad and engage in political activities to register as "foreign agents" with the Justice Ministry.

The NGO was in June ordered by the ministry to cease all activities for six months, and it was the first to be fined for refusing to register, receiving a bill of 300,000 rubles in April.

The tax audit focused on an agreement between Golos and USAID to monitor Russian elections, for which Golos received 22.53 million rubles in 2009 and 15.5 million in 2010.

This money was "wrongly" omitted "in profit tax calculation for 2009-2011" resulting in underpaid income tax to the tune of 1.35 million rubles in 2009 and 930,000 rubles in 2010, the audit said.

The report "suggests" that the unpaid taxes should be recovered from Golos and that a fine of 463,000 rubles should be imposed on the organization.

Golos said the grant constituted a free donation and should therefore be exempt, but tax authorities said USAID was not included in the government list of foreign organizations whose grants are not taxed.

The auditors referred to the national Security Strategy of the Russian Federation and the official Foreign Ministry statement that the work of USAID in Russia "did not always corresponded to the declared goal of promoting bilateral cooperation in the humanitarian field."

Grigory Melkonyants, deputy director of elections watchdog Golos, said that the authorities' accusations had "nothing to do with the law" and that they had been trying to catch Golos out on such charges for a whole year.

Director of the Institute of Human Rights Mikhail Gefter said the latest news had "come out of the blue" and could lead to "further havoc on the organization or even threaten its existence."

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