

Two Billionaires Change Tax Residence

By [The Moscow Times](#)

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Novokuznetsk, a small city 3,700 kilometers east of Moscow with a population of 200,000, has never seen the kind of wealth that overflows in the Russian capital.

However, the city has now become the official residence of two civic-minded and exceedingly wealthy businessmen, Vedomosti reported Thursday.

A representative of steelmaker Evraz said company president Alexander Abramov and chairman of the board Alexander Frolov moved their registration from Moscow to Novokuznetsk last year in order “to actualize the social responsibility of business.”

Abramov is the 26th wealthiest man in Russia, with a fortune of \$4.6 billion according to Forbes magazine’s 2013 ranking. Frolov has \$2 billion and took 52nd place on the list.

Based on the dividends that Abramov and Frolov received in the second half of 2011 and first half of 2012, a 13 percent income tax would bring 562 million rubles (\$17 million) to Novokuznetsk and 140 million rubles to the Kemerovo region.

The two businessmen are not the first billionaires to pay their taxes outside of Moscow.

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