

Higher Duties Sought on Online Purchases from Abroad

By The Moscow Times

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Postal workers sorting out packages at a distribution centre. Sergei Porter

The Federal Customs Service is seeking to cut customers' number of duty-free deliveries from foreign online stores to one per month and reduce the maximum weight of duty-free packages, the service's head Andrei Belyaninov said.

Currently, shoppers pay 30 percent of the customs value but no less than 4 euros per kilogram (\$5.44) for parcels exceeding 1,000 euros in value or 31 kilograms in weight per month, Vedomosti reported Friday.

Most Russian shoppers buy foreign products online less frequently than once a month. Of Internet shoppers who bought items from abroad, 55 percent of those polled by market research company GfK and Yandex.Market made orders between one and three times over the last year.

Customs authorities have been considering increasing duties on Internet purchases from abroad since early 2013, arguing that the government should get more revenues from an explosion of online shopping.

About 80 percent of all parcels from abroad are online purchases, according to the Federal Customs Service, coming from stores located in the U.S., China, Germany, Italy, Japan, South Korea, Great Britain, Taiwan, Ukraine and Turkey.

The value of Russians' online purchases from abroad is expected to double from its 2012 number and reach between 100 billion and 120 billion rubles (\$3 billion to \$3.6 billion) in 2013, according to the Association of Online Vendors.

Russia's total e-commerce market is expected to grow 43 percent to 400 billion rubles in 2013, Data Insight said.

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