

Russian Culture Ministry Keen to Tax Internet Users

By Peter Spinella

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A final version of the tax legislation is now expected to be ready by late April.

Russia's Culture Ministry is pushing for a tax on Internet usage by October, despite the presidential administration's earlier criticism of the proposal.

The ministry wants Internet users to pay 300 rubles (\$5) per year for the privilege, state newspaper Rossiiskaya Gazeta reported Monday.

The tax was initially proposed late last year by the Russian Union of Right-Holders, headed by film director Nikita Mikhalkov, as a way of compensating copyright holders for pirated copies of their work being distributed online.

The proposal was criticized by the presidential administration and other high-ranking officials, in part because current anti-piracy legislation makes it redundant, the Vedomosti newspaper reported last week.

The Federal Anti-Monopoly service also spoke out against the idea when it was first proposed, saying the Internet enables the sale of goods and services, and thus "should not have encumbrances and limitations," TASS reported.

But a final version of the tax legislation is now expected to be ready by late April, and the Culture Ministry wants it enforced by the end of the third quarter of this year, Rossiiskaya Gazeta reported.

Internet users would pay the tax to their Internet provider, which would then give the money to an accredited organization to reimburse copyright holders, the newspaper said this week.

The tax would be reduced or waived for people with disabilities, pensioners and students, the Izvestia newspaper reported Tuesday, citing Deputy Culture Minister Grigory Ivliyev.

Internet piracy remains rampant in Russia despite the government's obligation to crack down on it under the rules of the World Trade Organization, which the country joined in 2012.

Russia's most popular social network, VKontakte, has been blacklisted for years by U.S. authorities because it allows access to pirated films and music.

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