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Russian Businessmen Ask Putin to Lower Taxes for Foreign Citizens

By The Moscow Times

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Under Russian law, foreigners living in Russia must pay a 30 percent flat income tax compared to the 13 percent that Russian citizens or residents pay.

Russia's businessmen would like President Vladimir Putin to cut taxes for foreign citizens and firms in order to improve the investment climate, news agency TASS reported, citing a report presented to Putin on Tuesday by business ombudsman Boris Titov.

Under Russian law, foreigners living in Russia must pay a 30 percent flat income tax compared to the 13 percent that Russian citizens or residents pay. Foreigners also pay a higher rate of tax on income from dividends — 15 percent compared to 13 percent rate for Russians, according to the agency.

The report also proposed lowering barriers that make it difficult to attract foreign citizens and companies.

Among these proposals, the report suggested abolishing a law that requires foreigners to pass a test on Russian language, history and legislation in order to receive certain types of visas, TASS reported.

The report also proposed allowing foreign companies to employ as many international specialists as needed during their first year on the Russian market. Russia caps the number of foreigners that can be employed in many specialist professions.

This year Russia's total quota for foreign specialists stood at 275,856 people, with the largest quota, or 129,730 positions, in mining, construction and repair work, according to a government declaration issued in December last year.

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