

Ukrainian President's Russian Candy Factory Wins Case Against Russian Taxman

By [The Moscow Times](#)

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Petro Poroshenko

A local court has sided with a Russian chocolate factory owned by Ukrainian President Petro Poroshenko in a dispute with the tax authorities, news agency RIA Novosti reported Wednesday citing a court statement.

The decision is a rare victory for the Roshen Confectionary Factory in Lipetsk, about 440 kilometers south of Moscow, which has faced court cases, police raids and criminal investigation following Moscow's annexation of Crimea from Ukraine last year.

The Lipetsk court ruled that Russia's Federal Tax Service unlawfully added 35.5 million rubles (\$621,000) to the factory's tax bill and refused the company a deduction on VAT worth 25.9 million rubles (\$455,000) last year, RIA reported. The court did not provide an explanation for

the ruling. The tax service has a month to appeal.

The decision leaves the factory with other problems. In April, investigators opened a criminal case into alleged fraud by the company of 180 million rubles during construction work in 2012–13. Russian authorities then seized assets belonging to the factory worth 2 billion rubles (\$35 million) to block their sale.

Poroshenko, a Ukrainian oligarch dubbed “the chocolate king,” pledged to sell his business empire after becoming president last year, though he has not yet done so.

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