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Number of Russians Facing Travel Ban Over Unpaid Debt Up 40%

By The Moscow Times

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The sharp increase comes as more Russians are struggling to repay their debts amid falling incomes, caused by the country's economic recession.

The number of Russians banned from leaving the country due to unpaid debt has increased by 41 percent in the past year, the Izvestia newspaper reported Friday, citing a recent report.

Some 1.7 million Russians will be unable to spend their winter vacations abroad this year because of outstanding debts, while 1.2 million were barred from leaving the country for the same reason last year, the report by debt collection agency Sequoia Credit Consolidation showed, according to Izvestia.

Under Russian legislation, anyone with more than 10,000 rubles ($156) in unpaid bank charges, alimony, community service payments, fines or taxes is banned from leaving the country if a creditor makes a claim in court.

The total amount of debt owed by Russians banned from leaving the country increased from 1 trillion rubles ($15.6 billion) to 1.4 trillion rubles ($21.8 billion) over the past year, the report said.

The sharp increase comes as more Russians are struggling to repay their debts amid falling incomes, caused by the country's economic recession.

“It's likely that in 2015, a record number of travel restrictions over unpaid debt will be imposed,” Yelena Dokuchayeva, president of Sequoia Credit Consolidation, was quoted by the newspaper as saying.

In total, some 9 million Russians have more than 10,000 rubles in unpaid debt and may be affected by the law, according to Dokuchayeva.

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