

Kremlin Denies Reports on Possible Tax Rise in 2018

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The Kremlin has officially denied reports of possible tax rises after the presidential elections in 2018, the TASS news agency reported Monday. The claims were originally made in an article which appeared on the Wall Street Journal website Sunday.

“No decisions have been made and there is no dominating point of view on the issue. There is nothing to discuss,” Kremlin spokesman Dmitry Peskov told TASS. He also added that there were no current tax programs that would imply such a rise.

“Nobody can predict the state of Russian economy after the 2018 presidential elections, so these statements are fully hypothetical,” Peskov said.

The article published by the Wall Street Journal reported that Russian officials were debating a possible 7 percent rise for income tax and as well an increase to value-added tax. The plans were allegedly scheduled for 2018, the newspaper reported, referring to unnamed sources within the Russian Cabinet of Ministers.

The sources also confirmed the possible increase to the state retirement age later this year.

The reforms follow the growing possibility of a budget deficit and are expected to be deeply unpopular among the population.

Federal reserves generated by previously high oil prices can currently cover the deficit, but are soon expected to run out, the Wall Street Journal reported.

“Discussions are going on now about how not to look excessive and not to hit people too hard,” one of the sources said, as quoted by the Wall Street Journal.

Original url:

<https://www.themoscowtimes.com/2016/05/16/kremlin-denies-reports-on-possible-tax-rise-in-2018-a52881>