

Ukrainian Restaurant Chain in Russia Found Guilty of Tax Evasion

By The Moscow Times

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Restaurant chain Korchma Taras Bulba has been ordered to pay one billion rubles (\$15.2 million) after being found guilty of tax evasion, the Vedomosti newspaper reported Monday.

The ruling comes after an investigation into the dealings of the 15 companies in charge of running the Russian branches of Korchma Taras Bulba, which serves traditional Ukrainian cuisine.

The Moscow Arbitration Court found that income had regularly been under-reported between 2011 and 2013.

The total amount to be paid includes fines and penalties against the company.

Prosecutors told the court that cash registers had been modified to show lower daily takings. The undeclared income from each restaurant would be placed in their respective safes, then taken to security deposit boxes.

Restaurant managers would contact the chain's owner, Yury Beloyvan, directly with information on the branch's actual takings, while another receipt reporting a lower income would be fabricated.

The initial investigation was triggered after the Yunitek Group, a company that manages one of the restaurants, was found to have underpaid their taxes by 1.8 million rubles. The company filed for bankruptcy on April 18, 2016, losing a challenge against the decision on May 24.

Founded in 1999 by Kiev-born Russian Yury Beloyvan, the company owns branches in New York, Kiev, and 18 restaurants in Moscow. Beloyvan has said that he will appeal the decision, calling the claims "groundless."

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