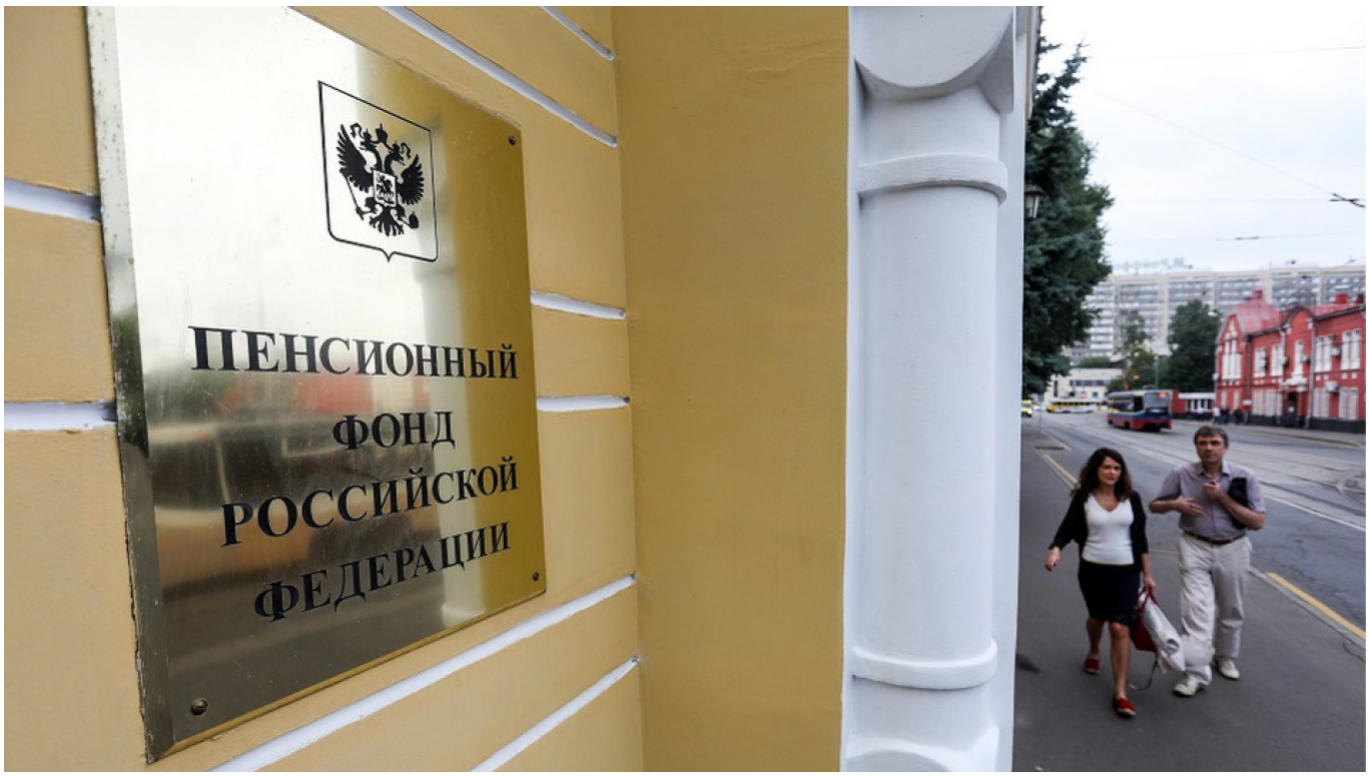
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Confiscated Dirty Money to Be Added to Russia's Pension Fund

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Anton Novoderezhkin / TASS

Assets seized in corruption cases will now be diverted into Russia's pension fund as retirement ages are set to go up this year.

Lawmakers adopted the corrupt asset-seizure amendments which President Vladimir Putin signed into law last fall alongside unpopular hikes in Russians' retirement ages that sparked nationwide protests.

"These funds [used to] disappear inside the federal budget," the head of Russia's state-owned Pension Fund Anton Drozdov said shortly after the changes became law. "[As of Jan. 1], they will definitely be allocated to pension payments."

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Russia's Federal Treasury estimates that in 2019-2024 these funds will total 1.8 billion rubles ($25.8 million), reads an explanatory note to the legislation.

The ruling United Russia party had said it hoped to raise 1.2 billion rubles ($17.2 million) from the asset-forfeiture scheme by 2024. Based on Putin's estimate that Russia needs to spend 20 billion rubles ($287.2 million) daily on pensions, the six-year bonus from confiscated dirty money will reportedly add 15 minutes to the national pension fund until it runs out.

The measure is part of a range of new laws that came into effect on Jan. 1, including an increase in value-added tax and concessions that seek to soften the effects of the retirement age hike.

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