

Russia Probes Influencers' Earnings for Tax Fraud

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Social media influencer Yelena Blinovskaya (in red hood) at the Presnensky District Court of Moscow. Sergei Vedyashkin / Moskva News Agency

Russian authorities are inspecting social media influencers' income for signs of tax evasion amid several high-profile cases against Instagram stars, the Vedomosti business daily reported Tuesday, citing unnamed sources close to the government.

Russia's Federal Tax Service has reportedly been working to identify and notify tax-evading influencers whose earnings exceed 150 million rubles (\$1.9 million) since early 2022.

The recent arrests of Russian Instagram stars who market self-help courses are the "public face" of these efforts, Vedomosti reported.

Related article: Popular Russian Instagrammer Detained at Border on Tax Fraud Accusations

Experts estimated the total value of Russia's influencer marketing and native advertising

industry at 12 billion rubles (\$150 million) in 2022.

Russia's tax service is seeking to regulate the influencer industry with an ambitious 2023 target for the state budget, according to Vedomosti.

The Federal Tax Service and Finance Ministry have not publicly commented on the contents of Vedomosti's report, which the outlet said were confirmed by an unnamed source close to the tax service and a second source close to the cabinet of ministers.

The report comes days after law enforcement authorities arrested Yelena Blinovskaya, a popular life coach and self-help blogger, at the border on accusations of money laundering and failing to pay 918 million rubles (\$11.3 million) in taxes.

Blinovskaya was placed under house arrest ahead of her trial and banned from using the internet.

On Tuesday, the Federal Tax Service appeared to have targeted yet another popular blogger, model Oksana Samoylova, after it <u>suspended</u> financial operations for two companies she owns, according to data from SPARK-Interfax.

Russia banned U.S. social media giant Meta — the parent company of Instagram, Facebook and WhatsApp — by declaring it "extremist" in the early weeks of its full-scale military operations in Ukraine.

Many Russians continue to access Instagram and Facebook through VPNs.

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