

COVID-19. Postponement of reporting and payment deadlines for certain taxes

We continue to monitor the measures taken owing to the current epidemiological situation. In this letter, we present the main innovations in terms of the timing of financial and tax reporting.



On April 2, 2020, the Russian Government issued Decree No. 409 «On measures, ensuring the sustainable development of the economy». The decree provides some measures to support businesses, but most of the measures apply to small and medium-sized businesses¹ in the sectors most affected by the epidemiological situation².

One of the measures provided for supporting businesses is to postpone the deadline for submitting financial statements, as well as the deadline for paying certain taxes.

It should be noted that the first business day following the 31 of March, 2020, is the day when the deadline for submitting reports to the tax authorities expires. Due to the weekends caused by the epidemiological situation, as well as May's holidays, the first working day should be recognized as **6 of May, 2020³**. We recommend you to follow the appeals of the President of the Russian Federation and his decrees, since the period of non-working days can be changed both up and down.

Letter No. 07-04-07/27289 / VD-4-1/5878@ dated 07.04.2020 from the Ministry of Finance of the Russian Federation and the Federal tax service on the deadline for submitting the mandatory copy of the annual accounting (financial) statements for 2019 owing to the establishment of non-working days from April 4 to April 30, 2020.

1. Changes which are applicable to all taxpayers and tax agents (with the exception of entrepreneurs and SMBs in the affected sectors of the economy)

Corporate Income Tax (for the 2019 year)

- Reporting deadline – 3 months postponement (presumably, June 30, 2020)
- Payment deadline – unchanged (presumably, May 6, 2020)

VAT (for the 1 quarter of 2020 year)

- Reporting deadline – May 15, 2020. (presumably, June 30, 2020)
- Payment deadline – unchanged (including the postponement of non-working days-May 6, May 25, June 25)

¹ The criteria for small and medium-sized businesses (SMBs) are set out in Federal law No. 209-FZ of 24.07.2007 «On the development of small and medium-sized businesses in the Russian Federation». The list-register of SMB entities is available on the website <https://rmsp.nalog.ru>

² The list was approved in Government Decree No. 434 of April 3, 2020.

³ Letter No. 07-04-07/27289 / VD-4-1/5878@ dated 07.04.2020 from the Ministry of Finance of the Russian Federation and the Federal tax service on the deadline for submitting the mandatory copy of the annual accounting (financial) statements for the 2019 owing to the establishment of non-working days from April 4 to April 30, 2020.

3-PIT form of report (for the 2019)

- Reporting deadline – 3 months postponement (July 30, 2020)
- Payment deadline – unchanged (July 15, 2020)

6-PIT form of report (for the 1 quarter of 2020)

- Reporting deadline – 3 months postponement (July 30, 2020)
- Payment deadline – unchanged

Contributions to the compulsory insurance scheme (for the 1 quarter of 2020)

- Reporting deadline – May 15, 2020. (presumably, June 30, 2020 r.)
- Payment deadline – unchanged (including the postponement of non-working days - May 6, May 25, June 25)

Other tax payments

- Reporting deadline – 3 months postponement
- Payment deadline – unchanged (including the postponement of non-working days - May 6, May 25, June 25)

It also should be noted that the deadlines for submitting financial statements to tax authorities and statistical agencies have remained unchanged. Financial statements will be required to be submitted on the first business day after March 31, 2020 (presumably, May 6, 2020)⁴.

2. Changes for entrepreneurs and SMB organizations from the industries most affected by the epidemiological situation:

Corporate Income Tax, Simplified Tax System , Single Agricultural Tax (for the 2019)

- Payment deadline – 6 months postponement (September 30, 2020)

PIT for Entrepreneurs (for the 2019)

- Payment deadline – 3 months postponement (October 15, 2020)

It is also provided for the postponement of 4-6 months for other tax payments (with the exception of VAT, professional income tax, taxes paid as a tax agent). It should be noted that the deadlines for submitting declarations by SMBs have not been changed. The decree also provides for a number of measures to change the terms for micro enterprises.

In addition, in the appeal of Russian President Vladimir Putin on April 8, 2020, it was announced that «as an emergency, additional assistance is proposed to extend to all affected small and medium-sized businesses the postponement in paying contributions to the compulsory insurance scheme for six months – as we have already done for microenterprises.» Government decrees on this issue have not been issued yet⁵.

Previous Tax Alerts

COVID-19 and novelties of tax legislation <https://althausgroup.ru/wp-content/uploads/2020/04/ALTHAUS-TaxAlert-Apr2020-RUS.pdf>

Update for the international WTS chain on the situation owing to COVID-19
<https://althausgroup.ru/wp-content/uploads/2020/03/ALTHAUS-Alert-Coronavirus.pdf>

⁴ Letter No. 07-04-07/27289 / VD-4-1/5878@ dated 07.04.2020 from the Ministry of Finance of the Russian Federation and the Federal tax service on the deadline for submitting the mandatory copy of the annual accounting (financial) statements for 2019 owing to the establishment of non-working days from April 4 to April 30, 2020.

⁵ The meeting with the heads of regions of combating the spread of coronavirus in Russia.
<http://www.kremlin.ru/events/president/news/63176>