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Article 1. The following basic terms are used for the purposes of the present Federal Law:

"gratuitous aid (assistance)" meaning funds, goods provided to the Russian Federation, the subjects of the Russian Federation, the bodies of state power and the bodies of local self-government, legal entities and natural persons as well as works performed for them and services provided to them as humanitarian or technical aid (assistance) on free of charge terms by foreign states, the federal or municipal entities thereof, international and foreign institutions or non-commercial organizations and also by natural persons (except for the cases provided for by the third part of the present Article) for which there exist certificates (documents) confirming that the said funds, goods, works and services are humanitarian or technical aid (assistance);

"technical aid (assistance)" meaning a kind of gratuitous aid (assistance) provided as aimed at rendering support in the pursuance of economic, social reforms and implementing disarmament by means of conversion, disposal of weaponry and military hardware, performance of the radiation and environmental activities in handling radioactive waste, used-up nuclear fuel and other nuclear materials stockpiled earlier and/or produced in the course of operation and decommissioning of civilian and military-purpose atomic energy facilities as well as by means of the conduct of research, training, exchange of specialists, postgraduate students and undergraduate students, transfer of experiences and know-how, delivery of equipment and other logistic supplies under the projects and programs registered in accordance with the procedure established by the Government of the Russian Federation;

"humanitarian aid (assistance)" meaning a kind of gratuitous aid (assistance) granted for the purpose of providing medical and social aid to low-income, socially unprotected groups of the populace as well as those subjected to natural disasters and other extraordinary accidents, for the purpose of eliminating the aftermath of natural disasters and other extraordinary accidents, expenses towards the transportation, accompaniment and storage of the said aid (assistance);

"certificate" meaning a document confirming the belonging of funds, goods, works and services to humanitarian or technical aid (assistance) executed per the form and issued in accordance with the procedure defined by the Government of the Russian Federation.

Tax and customs exemptions shall be granted to all participants in the implementation of gratuitous aid (assistance) programs stipulated in Article 2 of the present Federal Law only if the certificate is available.
For the purpose of issuing the certificate in the event when technical aid (assistance) is provided it shall be required that there be a registered project or program for the provision of such aid (assistance). Monetary funds and goods granted by natural persons and the works and services financed by them may not be referred to technical aid (promotion).

Excise taxable goods (products) shall not qualify as gratuitous humanitarian and/or technical aid with the exception of the following motor transport vehicles intended for the state and municipal organisations financed from the budgets of all levels: special cars for rendering first medical aid, and also mobile diagnostic laboratories fitted with special medical equipment and received by medical establishments to meet their own needs; passenger cars designed for the carriage of ten and more persons and brought in for infants' and children's homes, homes for the aged and invalids; passenger cars equipped with lifts for carriages for invalids brought in for the centres of the rehabilitation of disabled persons.

The form and procedure for the registration of technical aid (assistance), the order of disposing of passenger cars granted as humanitarian and/or technical aid (promotion), the procedure for the provision of humanitarian aid (assistance) shall be defined by the Government of the Russian Federation.

GARANT system comment
The Procedure for Providing Humanitarian Aid (Assistance) to the Russian Federation was approved by Decision of the Government of the Russian Federation No. 1335 of December 4, 1999

See Instructions on the Procedure for Customs Formalization of Commodities Imported to the Customs Territory of the Russian Federation as Technical Aid (Assistance), approved by Order of the State Customs Committee of the Russian Federation No. 911 of October 8, 2000

It is prohibited to sell (either in full or in part) gratuitous aid.

Article 2. Amendments shall be introduced in the following legislative acts of the Russian Federation on taxes:

1. Abolished from January 1, 2002.
5. Abolished from January 1, 2005.

"g) goods imported to the customs territory of the Russian Federation as gratuitous aid (assistance) as well as imported to the territory and/or exported from the territory for charitable purposes along the lines of states, international organizations, governments including among other things for the purposes of providing technical aid (assistance);".

GARANT system comment
Federal Law No. 8-FZ of January 10, 2003 amended Article 3 of this Federal Law. The amendments shall enter into force after an expiry of one month as of the day of the official publication of the said Federal Law
See the previous text of the Article
Article 3. Insurance premiums payable to the Pension Fund of the Russian Federation, the Social Insurance Fund of the Russian Federation and the obligatory medical insurance funds shall not be accrued on the payroll fund of foreign natural persons invited for the period of implementing projects and programs whereby gratuitous aid (assistance) is rendered to the Russian Federation, insofar as it concerns remuneration for labor disbursed out of the funds of such aid (assistance).

GARANT system comment
For calculating and paying insurance contributions to be made to the Pension Fund of the Russian Federation, the Social Insurance Fund of the Russian Federation, the Federal Obligatory Medical Insurance Fund and Regional Obligatory Medical Insurance Funds from January 1, 2010, see Federal Law No. 212-FZ of July 24, 2009

Article 4. Paragraph One of Article 4 was abrogated from January 1, 2009. Should gratuitous aid (assistance) be used otherwise as earmarked, the recipient who uses the tax, customs and other exemptions granted to him shall pay the sums of taxes and other mandatory payments to the budgets of all levels as well as the amounts of penalties and fines at applicable rates charged on such sums.

Article 5. The legislative (representative) bodies of the subjects of the Russian Federation and the local self-government bodies are hereby recommended to adopt respective regulatory legal acts providing for the provision of exemptions from the taxes and fees payable to the budgets of the subjects of the Russian Federation and local budgets in connection with the rendition of gratuitous aid (assistance) to the Russian Federation.

Article 6. The present Federal Law shall come into force as of the date of the official publication thereof.

The present Federal Law shall also extend to the relationships that had occurred in connection with the implementation of projects and programs whereby gratuitous aid (assistance) is provided to the Russian Federation prior to the coming into force of the present Federal Law. In the cases where in the course of the rendition of gratuitous aid (assistance) there was used another tax regimen rather than the one stipulated by the present Federal Law no assessment shall be made of the amounts of taxes and payments for the benefit of the state non-budget funds paid in excess equally as the refund out of them of sanction amounts already collected charged according to the results of checkups performed by the monitoring bodies.

The Government of the Russian Federation shall within three months after the coming of the present Federal Law into force:

in compliance with Article 1 of the present Federal Law define the form and procedure for the registration of technical aid (assistance) projects and programs, the form and procedure for the issuance of the certificates confirming the belonging of funds, goods, works and services to humanitarian or technical aid (assistance), the procedure for providing humanitarian aid (assistance);

GARANT system comment
See the Procedure for Registering Technical Aid Assistance) Projects and Programs, Issuing the Certificates Confirming That Facilities, Goods, Works and Services Are Technical Aid (Assistance) and Monitoring the Use Thereof as Earmarked, approved by Decision of the Government of the Russian Federation No. 1046 of September 17, 1999
in compliance with Articles 1 and 4 of the present Federal Law define the procedure for monitoring the use of gratuitous aid (assistance) as earmarked by the recipient thereof; in compliance with Subitem 2 Item 2 Article 2 of the present Federal Law elaborate the procedure for reimbursing the value added tax.

Part Three was abrogated from January 1, 2009.

President of the Russian Federation

B. Yeltsin

Moscow, the Kremlin