

# B2B Electronic Services: Looming Deadline for VAT Registration of foreign suppliers in Russia



## Changes as of 2019

Since **1 January 2019**, foreign providers of electronic services to business customers in Russia ("B2B e-services") have new Russian VAT obligations. These include:

- VAT registration with the Russian tax authorities (even for VAT exempt e-services);
- invoice requirements;
- VAT reporting and payment to the Russian tax authorities.

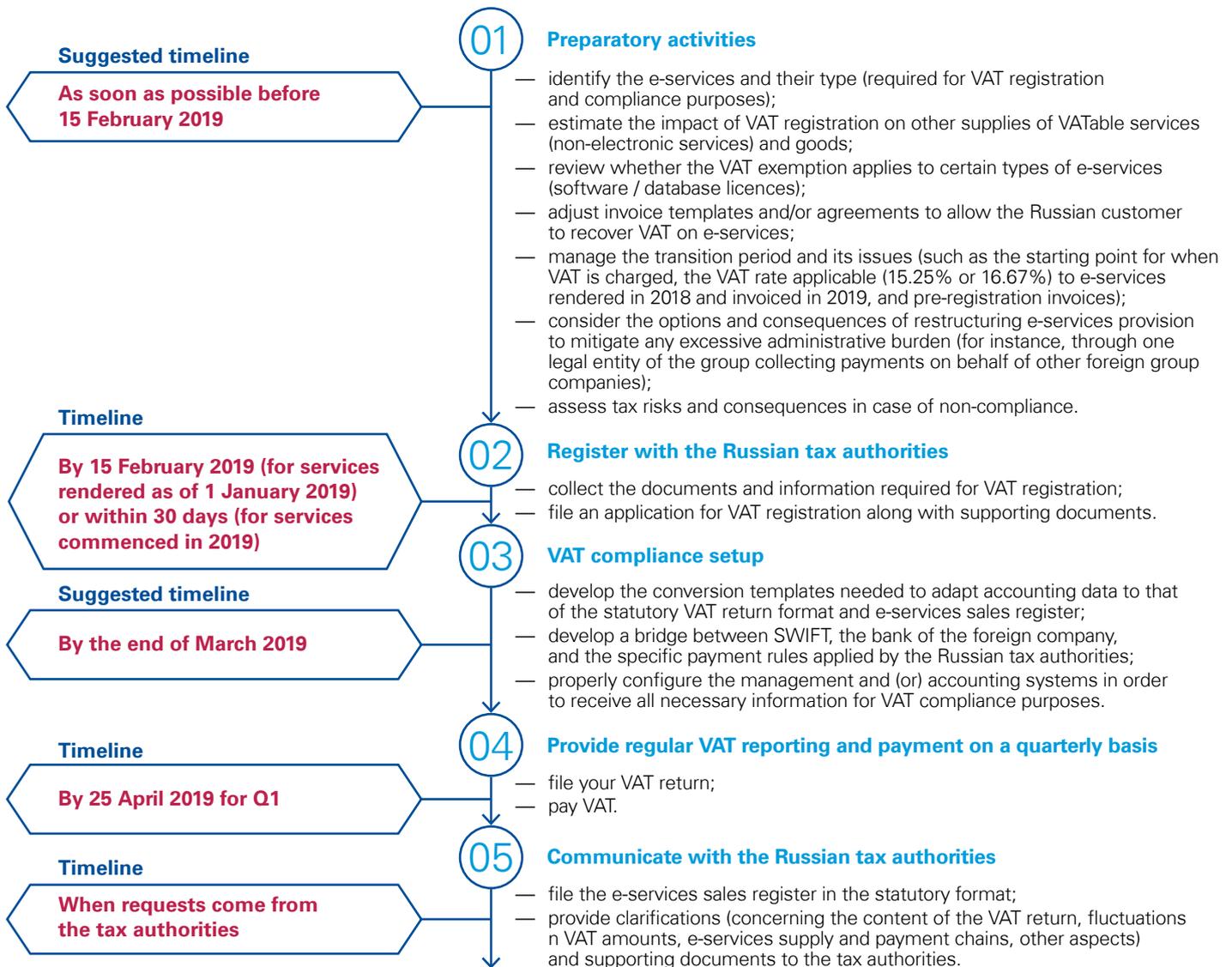


## Who is affected?

- Any foreign entity supplying intragroup e-services, such as:
  - Licensing of software, including ERP systems, CRM programs and other internal software
  - Updating software;
  - Access to online database, tools and IT services;
  - Online trainings and platforms used for goal setting, feedback and other HR purposes, procurement, sales, etc.;
  - Online IT support;
- Technology companies providing e-services to business customers in Russia;
- Intermediaries collecting payments for e-services from Russian customers.



## What actions are usually required?



KPMG is ready to assist you in assessing the impact of these changes on your business and in implementing the actions needed to meet these new legal requirements.

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