

Oil Tax Change Possible

By [The Moscow Times](#)

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BADEN-BADEN, Germany — Russia will consider shifting the tax burden for high-cost offshore oil drilling from taxes on revenues to taxes on profits to encourage development of the Arctic, Deputy Finance Minister Sergei Shatalov said Sunday.

"[Regarding the] development of offshore, especially in the Arctic, there we are thinking of taking more vigorous steps forward," Shatalov told the second session of the Russian Economic and Financial Forum in Germany.

"The idea is to support those companies that are prepared to operate offshore, and the taxation system will be based on taxing profit," he said via an interpreter.

"The taxation system should be changed in a way so that it reduces taxes related to income, but at the same time raises those taxes that are related to export profits," Shatalov said. He added that designing such a system would be complicated.

(Reuters)

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