

\$284M in Fines Levied Against Alcoholic Beverage Firm

By [The Moscow Times](#)

November 13, 2012

The  **Moscow Times**

The North Caucasus Arbitration Court has ruled that the Kaskad alcoholic beverage manufacturing and distribution company must pay 9 billion rubles (\$284 million) in taxes and fines, making it the largest claim against a spirits company in the country's history.

According to the ruling, Kaskad will have to pay 5.04 billion rubles in excise tax and 1.29 billion rubles in VAT for various violations between 2007 and 2009, Vedomosti reported Tuesday. The rest of the amount is owed in fines.

An unidentified official told Vedomosti that recovering such an amount is unrealistic because cash reserves are usually instantly withdrawn from such companies and that only criminal charges against the owners might help.

Inspectors from the Federal Service for Regulating the Alcohol Market accused Kaskad of declaring and paying taxes for 0.5, 0.7 and 1.5-liter bottles, while delivering larger bottles

to its customers in 33 regions across the country.

The firm is accused of producing enough illegal alcoholic beverages to fill 144 million 0.5-liter bottles.

The investigation began in 2010 and revealed that Kaskad, registered as a wine producer in the North Caucasus republic of Kabardino-Balkaria, has also been engaging in the illegal production and supply of vodka.

Related articles:

- [Upper House Backs Tougher Punishments for Treason](#)
- [Professionals, Activists Question Duty-Free Ban](#)
- [\\$1.6M Needed Annually for Processing Bootleg Liquor](#)

Original url:

<https://www.themoscowtimes.com/2012/11/13/284m-in-fines-levied-against-alcoholic-beverage-firm-a-19355>