

Elections Commission Warns Mayoral Candidates Over Fundraising

By [The Moscow Times](#)

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The Central Elections Commission has cautioned politicians against using offshore schemes to fund election campaigns in an explicit reference to the fundraising of prominent opposition candidate Alexei Navalny.

Offshore schemes "might be a violation not only of election laws, but of tax laws as well," the commission's deputy chairman Leonid Ivlev said Wednesday.

Ivlev said that income tax must be paid on any money collected via Yandex.Money or Yandex digital wallets, Vedomosti reported.

The comments are aimed at a strategy called Credit Trust, which was recently developed by Navalny and his team after consultation with lawyers.

The system invites private individuals to make the maximum legal donation of 1 million

rubles (\$30,466) to the official campaign account. The contributor then creates a Yandex wallet allowing anyone with a credit card to anonymously compensate them, said Vladimir Ashkurov, Navalny's authorized representative.

Ashkurov himself was the first to employ the idea, recovering his contribution over several days.

The scheme raised objections in the Moscow City Duma on Friday, when Vladimir Zhirinovskiy, head of the Liberal Democratic Party, suggested that Navalny could be running his campaign on illegal foreign donations and announced plans to request an investigation.

United Russia has also criticized the strategy. Konstantin Mazurevskiy, deputy head of the party's executive committee, said that two-tiered fundraising strategies are against election law in an interview with Itar-Tass on Sunday.

The Navalny campaign staff said that the program is entirely legal and that all contributions transferred to the account come from Russian citizens who have provided the required personal information.

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