

Freelancers in Russia Will be Taxed Under New 'Experimental' Law

November 28, 2018



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Russia has introduced a new tax that will affect self-employed babysitters, tutors, translators and other freelancers in Moscow and three other regions starting on Jan. 1, 2019.

Under the new law, self-employed Russians will be subject to a 4 percent tax on their income, while those who provide services to companies or individual entrepreneurs will be charged 6 percent. The new law is part of an effort to raise tax revenues and legalize the under-the-table income of an [estimated](#) 20 million self-employed Russians who do not currently pay taxes.

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The new law, which was [signed](#) by President Vladimir Putin on Tuesday, will be rolled out in an initial “experimental” phase in Moscow and the Moscow region, as well as the Voronezh region and the republic of Tatarstan starting next year.

The experimental phase will last in the four federal subjects until 2028, the success of which will determine whether it will be expanded nationwide.

“No tax will be levied on those who helped out their neighbors in their yard, but if they earn money doing the work regularly – we give them a chance to legalize themselves,” Russia’s State Duma [explained](#) on its website.

Under the law, self-employed workers will be exempt from paying income and value-added taxes, with the exception of imports of products from abroad.

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