

Tax incentives for investment activities in St. Petersburg

Tax benefits in St. Petersburg

According to the Tax code of the Russian Federation and the laws of the subject St. Petersburg has the following basic taxes and rates²:

No.	Tax title	Rate ³ , %
1	Income tax	20%
2	Value Added Tax	18%, 10%
3	Tax on personal income	13%
4	Corporate Property Tax	2.2%
5	Land tax	The tax rate is defined as % of the cadastral value of the plot, depending on the type of permitted use.

To stimulate the investment process and reduce the costs of investors in St. Petersburg, there are tax benefits provided by the law of St. Petersburg from 14.07.1995 No.81-11.

In addition, St. Petersburg has a moratorium on the cancellation or change of tax benefits within three years after the entry into force of the law of St. Petersburg, establishing or changing the relevant tax benefit.

Reduction of income tax rate

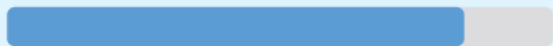
In the period from 2018 to 2020, there is an additional reduction in the preferential rate by 1 %, except for preferential rates for the creation of high-paying jobs.

1. Creating high-paying jobs

NUMBER OF EMPLOYEES >400 PEOPLE

Fixed average salary >81.9 thousand rubles

Preferential rate 16.5%



Standard rate 20%

Period of validity **1 YEAR**

NUMBER OF EMPLOYEES >100 PEOPLE

Fixed average salary >140 thousand rubles

Preferential rate 13.5%



Rate in 2017 16.5%

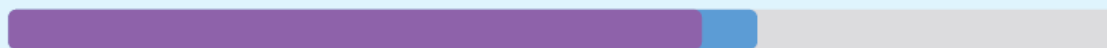
Period of validity **1 YEAR**

2. $\frac{4}{5}$ of revenue the company receives from the sale of products of its own production, as defined by law

INVESTMENT AMOUNT FOR 3 YEARS IN THE PERIOD
FROM 01.01.2010 TO 12.31.2016

≥ 50 MILLION RUBLES

Preferential rate 13.5%



In the period from 2018 to 2020 with 12.5%

Standard rate is 20%

Period of validity **5 YEARS**

3. Tax benefits provided for the following industries

Manufacturing

**Transport
and communications**

**Production and distribution
of electricity, gas and water**

THE AMOUNT OF INVESTMENT FOR ALL 3 YEARS
IN THE PERIOD FROM 01.01.2010 TO 31.12.2016

≥ 800 MILLION RUBLES

Preferential rate 13.5%



In the period from 2018 to 2020 with 12.5%

Standard rate is 20%

Period of validity **5 YEARS**

4. The place of registration of a legal entity is St. Petersburg

THE AMOUNT OF INVESTMENT FOR ANY 5 YEARS
IN A ROW STARTING FROM 01.01.2012

≥ 15 BILLION RUBLES

Preferential rate 13.5%



In the period from 2018 to 2020 with 12.5%

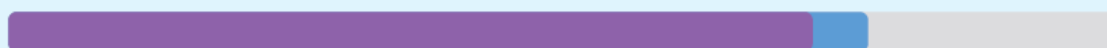
Standard rate is 20%

Period of validity **7 YEARS**

THE AMOUNT OF INVESTMENT FOR 1 OF ANY YEAR
STARTING FROM 01.01.2015

≥ 300 MILLION RUBLES

Preferential rate 15.5%



In the period from 2018 to 2020 with 14.5%

Standard rate is 20%

Period of validity **3 YEARS**

Reduction of real estate tax rate

Newly created real estate object

INVESTMENT AMOUNT **FOR NO MORE THAN 3 YEARS** IN THE PERIOD FROM 01.01.2015

≥300 MILLION RUBLES

Preferential rate

From the cadastral value of the object

1.0%

2018

1.0%

2019

1.25%

2020

1.5%

2021

1.75%

2022

Exemption from land tax

The place of registration of a legal entity is St. Petersburg

INVESTMENT IN REAL ESTATE (EXCEPT LAND)

NOT LESS THAN 30% OF LAND PLOTS ARE TAKEN BY OBJECTS OF REAL ESTATE PROPERTY IN WHICH HAVE BEEN IMPLEMENTED INVESTMENTS WITHIN NO MORE THEN 3 ANY YEARS STARTING FROM 01.01.2015

≥100 MILLION RUBLES

Period of validity **5 YEARS**

Exemption from property tax

The place of registration of a legal entity is St. Petersburg, the object of fixed assets is included in the calculation of the total amount of investments

Manufacturing

Transport and communications

Production and distribution of electricity, gas and water

THE AMOUNT OF INVESTMENT **FOR ANY 3 YEARS** DURING THE PERIOD FROM 01.01.2010 TO 31.12.2016

≥800 MILLION RUBLES

Period of validity **5 YEARS**

Real estate

THE AMOUNT OF INVESTMENT **FOR ANY 3 YEARS** DURING THE PERIOD FROM 01.01.2015

≥300 MILLION RUBLES

Period of validity **2 YEARS**