

FEDERAL LAW  
NO. 36-FZ OF FEBRUARY 22, 1999  
ON THE FEDERAL BUDGET FOR 1999  
(with the Amendments and Additions of July 5, 17, 1999)

Adopted  
by the State Duma

on February 5, 1999

Confirmed  
by the Federation Council

on February 17, 1999

Article 1. To lay down the following basic purposes of the economic policy for 1999:

- the surmounting of the consequences of the 1998 financial crisis, the maintenance of the living standard of the population and the secured functioning of the real sector of the economy;
- the discontinuance of the economic recession and the secured economic growth in the second half-year of 1995;
- the stabilization of the credit and monetary system and the rouble rate;
- the cutback in the tax burden, the creation of favourable conditions for productive investment and the boost of the level of the tax collection;
- the restructuring of the national debt of the Russian Federation subject to the achieved understanding with creditors;
- the minimization of government borrowings of the Russian Federation on financial markets and the reduction of the federal budget deficit;
- the reduction of non-payments, the decrease in the non-monetary forms of settlements, including the forms with the use of barter;
- the large-scale change-over to the treasury system of the execution of the federal budget and the transition to this system of execution of the budgets of the subjects of the Russian Federation, the local budgets and the budgets of the state extra-budgetary budgets;
- the full discharge by the State of its obligations provided for by the federal budget;
- the secured excess of the federal budget revenues for 1999 over the expenditures (except for the expenditure on the servicing of the national debt of the Russian Federation) in the amount of 65.5 billion roubles, or 1.64 per cent of the gross domestic product.

Article 2. To approve the 1999 federal budget in expenditures to the amount of 575, 046.6 million roubles and in revenues to the amount of 473, 676.1 million roubles on the basis of the predictable volume of the gross domestic product in the amount of 4,000 billion roubles and the level of inflation at 30.0 per cent (December 1999 to December 1998).

To establish the maximum amount of the federal budget deficit for 1999 in the amount of 101,370.5 million roubles, or 2.54 per cent of the volume of the gross domestic product.

Article 3. The Government of the Russian Federation shall have the right to channel in 1999 for the cover of the federal budget deficit in 1999 the revenues from the issue of government securities, the incomes from the privatization of state property, the amount of the budgetary surplus in government stocks of precious metals and precious stones, the credits of international financial organizations, the governments of foreign States, banks and companies, the monetary

funds from the purchase by the Central Bank of the Russian Federation of the federal loan bonds with a permanent coupon yield in the amount of 32,728.5 million roubles, including within the extent of 40 per cent of the fixed amount in the first quarter of 1999.

To lay down that federal loan bonds with a permanent coupon yield shall be acquired by the Central Bank of the Russian Federation in 1999 for a term of not less than 10 years with their repayment in equal shares beginning with 2014 on an interest-free basis.

Article 4. To establish the maximum amount of state credits to be granted in 1999 by the Russian Federation to foreign States (except for the Member-States of the Commonwealth of Independent States) in the amount of 400.0 million US dollars.

Article 5. To establish the maximum amount of state credits to be granted in 1999 by the Russian Federation to the Member-States of the Commonwealth of Independent States in the amount of 500.0 million roubles, including 250.0 million roubles to the Republic of Belarus.

To lay down that state credits to the Member-States of the Commonwealth of Independent States under intergovernmental agreements shall be extended their obligations to make interest payments and disburse amounts in the repayment of the principal indebtedness under the credits granted earlier.

Article 6. To establish the contribution of the Russian Federation to the budget of the Union of Belarus and Russia in the amount of 520.0 million roubles.

The Government of the Russian Federation shall contribute the monetary funds to the budget of the Union of Belarus and Russia, extend credit resources to the Republic of Belarus, stipulated by Article 5 of the present Federal Law, and also provide state guarantees to the Russian participants in the interstate investment projects of Russia and the Republic of Belarus in the amount of 800.0 million roubles in keeping with the order, approved by the bodies of the Union of Belarus and Russia.

Article 7. To establish the Fund for the Development of the Federal Frontier Service of the Russian Federation since January 1, 1999.

Article 8. To create the following allocated funds since January 1, 1999:  
the Fund for the Management, Study, Preservation and Reproduction of Water Biological Resources;

the Federal Fund for the Restoration and Protection of Bodies of Water;

the Federal Fund for the Reproduction of the Mineral Raw Material Sources

Article 9. To consolidate in the federal budget (to include in the federal budget) for 1999 the resources of the following allocated budgetary funds:

the Federal Highway Fund of the Russian Federation;

the Federal Ecological Fund of the Russian Federation;

the State Crime Control Fund;

the Fund of the Development of the Customs System of the Russian Federation;

the Fund of the Ministry of Atomic Power of the Russian Federation;

the Federal Fund for the Reproduction of the Mineral Raw Material Sources;

the Federal Fund for the Restoration and Protection of Bodies of Water;

the Federal Fund of the Ministry of Taxes and Fees of the Russian Federation and the Federal Tax Police Service of the Russian Federation;

the Fund for the Management, Study, Preservation and Reproduction of Water Biological Resources.

Operations in the resources of the said funds, except for the Federal Highway Fund of the Russian Federation, shall be carried out through the bodies of the Central Federal Treasury Administration of the Ministry of Finance of the Russian Federation.

Article 10. The subjects of the Russian Federation shall be recommended to consolidate in the corresponding budgets (to include in the corresponding budgets) the resources of the extra-budgetary funds, set up in accordance with the decisions of the legislative (representative) and executive bodies of the subjects of the Russian Federation at the expense of special taxes, dues and other receipts.

Article 11. To lay down that the revenues of the federal budget for 1999 shall be formed at the expense of:

the tax on the profit (income) of the enterprises and organizations - at fixed rates in conformity with the legislation of the Russian Federation;

the income tax levied on the natural persons - at fixed rates in conformity with the legislation of the Russian Federation;

the tax on game business - at fixed rates in accordance with the legislation of the Russian Federation;

the value-added tax on goods (works, services) produced (performed, rendered) on the territory of the Russian Federation;

in the amount of 75 per cent of revenues in the first quarter of 1999 and in the amount of 85 per cent since April 1, 1999;

the value-added tax on goods brought into the territory of the Russian Federation, and also on precious metals and precious stones released from the State Stock of Precious Metals and Precious Stones of the Russian Federation - in the amount of 100 per cent of returns;

excises on oil (including stabilized gas condensate), natural gas, passenger cars, motor gasoline, ethyl alcohol from raw materials of all kinds (except for edible raw materials) - in the amount of 100 per cent of incomes;

excises on ethyl alcohol from edible raw materials, vodka and alcoholic beverages containing solutions produced on the territory of the Russian Federation - in the amount of 50 per cent of incomes;

excises on goods brought into the territory of the Russian Federation - in the amount of 100 per cent of incomes;

license and registration fees - in accordance with the legislation of the Russian Federation;

the tax on the purchase of foreign currency notes and payment documents expressed in foreign currency - in the amount of 60 per cent of incomes;

the single tax on the imputed income for definite types of activity - at the norms fixed in compliance with the legislation of the Russian Federation;

the tax on transactions in securities - in the amount of 100 per cent of incomes;

the payments for subsoil use - at the norms fixed in accordance with the legislation of the Russian Federation;

the payments for the first stock use - in the amount of 40 per cent of incomes;

the charge for the use of bodies of water - in the amount of 40 per cent of incomes;  
the land tax and the rental fee for urban lands and agricultural lands in the parts accumulated in the federal budget for financing centralized undertakings;  
the charge for normative and extra-normative emissions and discharges of pollutants, disposal of waste and for other types of pernicious influence on the environment - in the amount of 10 per cent of incomes;  
the customs duties, customs fees and other customs payments, and incomes from foreign economic activity - in the amount of 100 per cent of incomes;  
the national duty - in keeping with the legislation of the Russian Federation;  
the dividends of shares held in federal ownership, and also incomes from the lease of federal property;  
the profit of the Central Bank of the Russian Federation;  
the consular fee, collected on the territory of the Russian Federation, in rouble terms;  
other taxes, fees, duties and other payments subjects to the remittance to the federal budget in keeping with the legislation of the Russian Federation.

The resources of the following allocated budgetary funds shall be included in the revenues of the federal budget for 1999:

the Federal Highway Fund of the Russian Federation;  
the Federal Ecological Fund of the Russian Federation;  
the State Crime Control Fund;  
the Fund for the Development of the Customs System of the Russian Federation;  
the Fund of the Ministry of Atomic Energy of the Russian Federation;  
the Federal Fund for the Reproduction of the Mineral Raw Material Sources;  
the Federal Fund for the Restoration and Protection of Bodies of Water;  
the Federal Fund of the Ministry of Taxes and Dues of the Russian Federation and the Federal Tax Police Service of the Russian Federation;  
the Fund for the Management, Study, Preservation and Reproduction of Water Biological Resources.

Article 12. To lay down that the value-added tax, paid by the supplier of material resources used in the production of export products shall be fully reimbursed from the federal budget resources.

Article 13. To lay down that in 1999 the payers of the land tax and the rental fee for urban lands shall transfer the said funds in full scope to the accounts, opened with the bodies of the Central Federal Treasury Administration of the Ministry of Finance of the Russian Federation, with the subsequent distribution of them among the levels of the budget system of the Russian Federation in the following amounts:

30 per cent to the federal budget;  
20 per cent to the budgets of the subjects of the Russian Federation;  
50 per cent to the budgets of cities towns and urban settlements.

To suspend for 1999 the operation of Article 24 of the Law of the Russian Federation on the Charge for Land (Gazette of the Congress of People's Deputies of the RSFSR and the Supreme Soviet of the RSFSR, No. 44 of 1991, item 1424; Collected Legislation of the Russian Federation, No. 16, 1994, item 1860) in the part of the designated use of the centralized land tax and rental fee.

To channel in 1999 the resources of the land tax and the rental fee for urban lands in the amount of 5,3636 million roubles, remitted to the federal budget, to the undertakings carried out within the framework of the State Programme of Raising the Soil Fertility, to the financing of the purchase of mineral fertilizers, the keeping of the land cadastre and to the measures to improve the land regulation and land use, to the financing of capital expenditures associated with the agricultural land improvement, the laying of perennial plantations and with the building of group water conduits, to the development of the material and technical base of state institutions participating in the performance of said works, including the acquisition of technology and equipment that is not part of said construction, land reclamation technology, to the agrochemical improvement of soils, applied research works, and also to the payment of subsidies and compensations for the support of the growing of the highest quality seeds and pedigree animal husbandry.

The procedure for granting said funds shall be determined by the Government of the Russian Federation.

Article 14. To lay down that the minimum rates of the charge for the standing timber shall be applied in 1999 with a ratio of 1.4.

Article 15. To lay down that the rates of the land tax that was in effect in 1998 shall be applied in 1999 for all the categories of lands, except for agricultural lands granted to farming organizations and peasant farms, and also to individuals for subsidiary personal farming, gardening, truck gardening, stock-raising, haymaking and pasture farming with a ratio of 2.

Article 16. To lay down that funds received by the Russian Agency of Patents and Trademarks in the form of duties and tariffs for the registration of objects of intellectual property and other services, except for the funds for the maintenance of the Russian Agency of Patents and Trademarks, shall be remitted to the federal budget for 1999 and shall be channelled to finance the expenditure in the Section "Industry, Power Engineering and Construction" of the functional classification of the expenditures of the federal budget.

Article 17. To exempt in 1999 the Ministry of Defence of the Russian Federation, the Ministry of Internal Affairs of the Russian Federation, the Federal Frontier Service of the Russian Federation, the Federal Agency of Government Communication and Information under the President of the Russian Federation, the Foreign Intelligence Service of the Russian Federation, the Federal Guard Service of the Russian Federation and military formations of the Russian Federation, the Ministry of Justice of the Russian Federation, and also the State Customs Committee of the Russian Federation and the Federal Tax Police Service of the Russian Federation from the payment of insurance contributions from the money allowance of servicemen, the non-commissioned officers and other ranks of the internal affairs bodies, the staff members of criminal-execution system and the federal tax police bodies to the Social Insurance Fund of the Russian Federation, the State Employment Fund of the Russian Federation and to the obligatory medical insurance funds.

Article 18. To exempt in 1999 the federal courts, procurator's offices and the customs agencies from insurance premiums from the salaries of the judges, procurators, investigators and customs officers who have special ranks to the Pension Fund of the Russian Federation.

Article 19. To record in the 1999 federal budget the receipts of revenues from the main sources in the following amounts:

	(mln. roubles)
Tax returns, total	399,499.7
including:	
Tax on profit (income)	
of enterprises and organizations	36,033.4
Income tax on natural persons	25,230.8
Tax on game business	189.5
Value-added tax	143,722.8
with due account of the compensation	
of the value-added tax paid to	
suppliers of material resources,	
used in the production of export	
products	35,650.0
Excises	87,141.1
including:	
on ethyl alcohol from edible raw	
materials, hard liquor, spirit-containing	
solutions, vodka and alcoholic	
beverages	13,002.0
on motor gasoline	5,307.1
on natural gas	48,872.3
on oil (including stabilized gas	
condensate)	14,850.0
on passenger cars	58.7
on imported goods	5,051.0
License and registration fees	440.0
Tax on the purchase of foreign currency notes	
and payment documents expressed in foreign	
currency	1,896.3
Taxes on the aggregate income	2,809.4
Tax on transactions in securities	296.0
Payments for the use of natural	
resources,	9,489.2
including:	
payments for the subsoil use	3,884.1
payments for the forest stock use	654.2
the charge for the use of bodies of	
water,	1,405.7
of which:	
channelled to the Fund of the	
restoration and protection of the	
bodies of water	400.0

land tax	3,270.2
other payments (including the charge for normative and extra-normative releases and discharges of pollutants, disposal of waste)	275.0
Customs duties and other customs fees and payments, including:	91,251.2
import duties	60,472.0
export duties	30,779.2
State duty	600.0
Miscellaneous taxes, fees and duties	400.0
Transfer of tax returns to the allocated budget funds -	400.0
Non-tax returns, total, including:	33,012.9
Incomes from the property held in state ownership or from activity, including:	7,908.4
transfer of the profit of the Central Bank of the Russian Federation	1,000.0
dividends on shares belonging to the State	1,500.0
incomes from the lease of the property held in state ownership	4,113.4
consular fee in rouble terms	180.0
incomes from all-Russia state lotteries	500.0
other receipts	615.0
Incomes from foreign economic activity	23,300.1
Other non-tax returns	1,804.4
Revenues of the allocated budgetary funds, total	41,563.5
Federal Highway Fund of the Russian Federation	29,556.0
Federal Ecological Fund of the Russian Federation	161.4
Fund of the Development of the Customs System of the Russian Federation	3,626.1
State Crime Control Fund	333.0
Federal Fund for the Reproduction of the Mineral Raw Material Sources	3,600.0
Federal Fund for the Restoration and	

Protection of Bodies of Water	400.0
Fund for the Management, Study, Preservation and Reproduction of Water Biological Resources	3,887.0

Article 20. To lay down that the receipts from the following federal taxes shall be remitted to the budgets of the subjects of the Russian Federation: the tax on the profit (income) of the enterprises and organizations - at fixed rates in accordance with the legislation of the Russian Federation;

the income tax on the natural persons - at fixed rates in conformity with the legislation of the Russian Federation;

the tax on the game business - in amounts over and above the minimum rates envisage by the legislation of the Russian Federation;

the value-added tax on goods (works, services) produced (performed, rendered) on the territory of the Russian Federation, except for the value-added tax on precious metals and precious stones, released from the State Stock of Precious Metals and Precious Stones of the Russian Federation - in the amount of 25 per cent on incomes in the first quarter of 1999 and in the amount of 15 per cent of incomes since April 1, 1999;

excises on ethyl alcohol from edible raw material, vodka and alcoholic beverages, spirits-containing solutions, produced on the territory of the Russian Federation - in the amount of 50 per cent of incomes;

excises on other goods produced on the territory of the Russian Federation, except for excises on oil (including stabilizing gas condensate), natural gas, passenger cars, motor gasoline, ethyl alcohol from raw material of all kinds (except for edible raw material) - in the amount of 100 per cent of incomes;

licence and registration fees - in accordance with the legislation of the Russian Federation;

the tax on the purchase of foreign currency notes and payment documents expressed in foreign exchange - in the amount of 40 per cent of incomes;

the single tax on imputed income in definite types of activity at norms fixed by the legislation of the Russian Federation;

payments for subsoil use - at norms fixed by the legislation of the Russian Federation;

payments for the forest stock use - in the amount of 60 per cent of incomes;

the charge for the use of bodies of water - in the amount of 60 per cent of incomes;

other taxes, fees, duties and other payments subject to the remittance to the budgets of the subjects of the Russian Federation in conformity with the legislation of the Russian Federation.

Article 21. To lay down that in 1999 50 per cent of revenues from excises on grape wines (including sparkling and champagne wines) and cognac shall remain at the disposal of the grape and wine-making concerns, agricultural firms and enterprises of the Republic of Daghestan, the Republic of North Ossetia-Alania, the Kabardinian-Balkar Republic, the Republic of Adygeiya (Adygeiya), the Krasnodar and the Stavropol Territories, and the Rostov Region with the use of said incomes for the development of viticulture.

Article 22. To lay down that taxes and other obligatory payments in the amounts subject to the remittance to the federal budget at the time of the construction of the gas pipeline on the territory of the Kamchatka Region shall be used for the financing of the building of the said gas



pipeline with the proviso that the shares of the Kamchatgasprom Joint-stock Company should be transferred into federal ownership in the statutory order at nominal price on the sum of the granted funds.

The Government of the Russian Federation shall determine the order of the transfer and use of said funds.

Article 23. In order to ensure the receipt of revenues by the federal budget in the amounts, approved by Article 2 of the present Federal Law, pending the introduction of amendments to Item 2 of Article 855 of the Civil Code of the Russian Federation as per the Decision of the Constitutional Court of the Russian Federation, it shall be laid down that in case of the insufficiency of monetary funds on the taxpayer's account to satisfy all the claims laid to him, the write off of funds according to the payment documents which provide for payments to the budget and the state extra-budgetary funds, and also the transfer of monetary funds for the payment of wages and salaries to persons working under a labour contract shall be effected in the order of the calendar priority of the receipt of said documents after the transfer if payments attributed by the said Article of the Civil Code of the Russian Federation to the first and second turns.

Article 24. To approve the federal budget expenditures in 1999 in the departmental structure of the 1999 federal budget expenditures in the amounts established by Appendices 1 and 2 (secret) to the present Federal Law.

Article 25. In the course of the implementation of the 1999 federal budget the Government of the Russian Federation shall have the right to introduce changes to the following sections of the federal budget upon the proposals of the federal government bodies and other recipients of federal budget resources:

the departmental structure of the federal budget expenditures in connection with the transfer of the powers of financing particular institutions, undertakings or the types of expenditure;

the departmental structure of the federal budget expenditures, the functional and economic classification of the expenditures of the budgets of the Russian Federation to the amounts of financing to be carried out in 1999 at the expense of the unused balances of federal budget resources as of January 1, 1999 on the personal accounts opened to the recipients of budget resources with the bodies of the Central Federal Treasury Administration of the Ministry of Finance of the Russian Federation subject to the completion of operations in the execution of the federal budget for 1998;

the distribution of expenditures the subsections of the functional classification of expenditures of the budgets of the Russian Federation, target items and kinds of expenditures of the departmental classification of expenditures of the federal budget and the economic classification of expenditures of the budgets of the Russian Federation including, without limitation, education expenditures incorporating expenditures relating to the reimbursement offsetting current financing on the prescriptions of the monitoring bodies of the Ministry of Finance of the Russian Federation and the Computations Chamber of the Russian Federation, such reimbursement being done in respect of the budget funds spent by the beneficiaries of budget funds either unlawfully or otherwise than earmarked, and also in the event of funds having been economized in the course of the performance under the federal budget for the Year 1999 under specific items of the classification of expenditures of the budgets of the Russian

Federation, with amendments being subsequently introduced in the Federal Law on the Federal Budget for the Year 1999 and the Federal Law on the Budget Classification of the Russian Federation.

Article 26. The expenditures of non-trade character, provided for by the present Federal Law in the Section "International Activity", shall be financed in foreign currency (US dollars).

The structure of non-trade expenditures according to the departmental classification of the federal budget expenditures, and also the order and conditions of the spending of these resources shall be approved by the Government of the Russian Federation within one month since the day of the entry of this Federal Law in force.

Article 27. To lay down that additional receipts from the credits of the International Bank for Reconstruction and Development, intended for the structural reorganization of the coal sector of the economy, shall be used in 1999 for rendering state support for the coal sector over and above the amounts, provided for by Article 24 of the present Federal Law for these purposes.

Article 28. The resources of the state support for the coal sector in the form of subsidies to redress the harm caused to workers by injuries, occupational diseases or by any other impairment of their health, connected with the discharge by them of their labour duties in the mines being liquidated and in coal open-casts, shall be channelled in 1999 to the Social Insurance Fund of the Russian Federation for financing the said undertakings.

Article 29. In order to strengthen the national defence, the monetary funds incoming in the order of the reimbursement for the damage caused to the property assigned to military units and the organizations of the federal executive bodies, in which the legislation of the Russian Federation provides for the training in the military service and the service equated therewith, and also as a result of the application of the civil-law, administrative and criminal responsibility and of penalties in connection with the infliction of the said damage, shall be fully accounted in the federal budget revenues and shall be used according to the designated purpose of financing the military reform measures, the social protection of servicemen and persons equated therewith, the law-protective activity over and above the amounts, provided for by Article 24 of the present Federal Law.

The Government of the Russian Federation shall approve the procedure of accounting and using the said resources within three months since the enforcement of the present Federal Law.

Article 30. To lay down that in 1999 incomes from the lease of the property of the federally owned scientific organizations, educational establishments and medical institutions, state museums, state institutions of culture and art shall be fully accounted in the federal budget revenues and reflected in the said organizations' estimates of incomes and expenses. The incoming incomes shall be fully used by the said organizations and institutions as an additional source of the budget financing of the maintenance and development of their materials and technical base over and above the amounts fixed by Article 24 of the present Federal Law and shall be posted via the personal accounts of the Central Federal Treasury Administration of the Ministry of Finance of the Russian Federation.

Article 31. A target budgetary Fund for the Promotion of the Military Reform shall be set

up in 1999 within the federal budget expenditures in order to ensure its social guarantees for dismissible servicemen and persons equated therewith in accordance with the legislation of the Russian Federation.

The distribution of the resources of the Fund for the Promotion of the Military Reform shall be determined by the Government of the Russian Federation subject to the decisions to be taken by the President of the Russian Federation to reduce the staff number of troops and military formations in which the legislation of the Russian Federation provides for the military service and the service equated therewith.

Funds incoming in 1999 from the privatization of the organizations being withdrawn from the Armed Forces of the Russian Federation, from other troops, military formations and bodies equated therewith, and also from the sale and use of arms, military hardware and property, shall be remitted to the federal budget at norms, fixed by legislative and other normative legal acts of the Russian Federation, and shall be channelled to finance housing construction and the provision of social guarantees for dismissible servicemen and persons equated therewith over and above the amounts of money, fixed by Article 24 of the present Federal Law in respect of the expenditures of the target budgetary Fund for the Promotion of the Military Reform.

Article 32. The total number of servicemen and persons equated therewith, and also of the civilian personnel shall be established as per Appendix 4 (secret) to the present Federal Law.

Article 33. To approve the federal budget expenditures in 1999, associated with the natural defence, in the amounts fixed by Appendix 7 (secret) to the present Federal Law.

Article 34. To approve the following distribution of appropriations used for the maintenance of the Armed Forces of the Russian Federation within the monetary funds stipulated by Article 24 of the present Federal Law:

	(thous. roubles)
The central machinery of the Ministry of Defence of the Russian Federation	479,585.4
including:	
the monetary allowance of servicemen	379,559.0
the salaries of the civilian personnel (with charges on payroll)	100,026.4
The material maintenance of the active roll,	43,427,201.5
including:	
the monetary allowance of servicemen	21,591,633.8
the salary of the civilian personnel (with charges on payroll)	10,847,867.7
the supply of foodstuffs	6,011,200.0
payment for clothing and other stores	2,304,500.0
travelling expenses (going on leave)	983,300.0
public utilities (payment for preferences)	450,000.0
other expenses on the maintenance of the active roll	1,238,700.0
Military training and logistics of troops,	13,924,300.0

including:	
payment for special fuel, fuels and oils	4,500,000.0
transport expenses (except for going on leave)	3,016,700.0
payment for communication services	200,000.0
public utilities	4,672,000.0
current repairs of buildings and structures	550,000.0
miscellaneous expenses	985,600.0
Maintenance and operation of military facilities	573,400.0
Maintenance of trial, scientific-research and other institutions	44,000.0
Educational expenses of military educational establishments	5,000.0
Departmental expenses on education	110,400.0
Departmental expenses on health protection	500,000.0

To lay down that the part of the means of the income tax levied on natural persons that enters to the federal budget as per Article 36 of the present Federal Law shall be used in the amount of 200,000.0 thousand roubles for the additional provision of the expenses of the Ministry of Defence of the Russian Federation on health protection.

Article 35. The Government of the Russian Federation shall approve the financing of the state defence order in the order established by the legislation of the Russian Federation within the limits of the expenditures, provided for by Articles 24, 33 and 36 of the present Federal Law, on the basis of its basic indicators as per Appendix 8 (secret) to the present Federal Law.

Article 36. To channel, according to the designated purpose to the expenses on the national defence, the part of the funds of the income tax levied on the natural persons and remitted in 1999 to the federal budget over and above the amounts, fixed by Article 19 of the present Federal Law, of one per cent of the rate of the income tax on the natural persons in the following sums:  
(million roubles)

#### The North area

Arkhangelsk Region	80.7
Nenets Autonomous Area	5.9
Vologda Region	88.3
Murmansk Region	110.1
Republic of Karelia	50.4
Republic of Komi	98.4

#### The North-Western Area

City of St.Petersburg	379.1
Leningrad Region	76.5
Novgorod Region	32.8
Pskov Region	23.5
The Central Area	
Bryansk Region	28.6
Vladimir Region	51.3
Ivanovo Region	29.4
Tver Region	53.0
Kaluga Region	37.8
Kostroma Region	26.1
City of Moscow	1,494.2
Moscow Region	366.5
Orel Region	31.1
Ryazan Region	37.8
Smolensk Region	37.0
Tula Region	62.2
Yaroslav Region	57.2
The Volga-Vyatka Area	
Nizhny Novgorod Region	159.7
Kirov Region	48.8
Republic of Marii El	19.3
Republic of Mordovia	19.3
Chuvash Republic - Chavash Republic	36.1
The Central-Black Earth Area	
Belgorod Region	55.5
Voronezh Region	59.7
Kursk Region	33.6
Lipetsk Region	51.3
Tambov Region	28.6
The Volga Area	
Astrakhan Region	38.7
Volgograd Region	100.0
Samara Region	227.0
Penza Region	34.5
Saratov Region	79.9
Ulyanovsk Region	37.8

Republic of Kalmykia	15.1
Republic of Tatarstan (Tatarstan)	197.6
The North-Caucasian Area	
Krasnodar Territory	179.1
Republic of Adygeiya (Adygeiya)	10.9
Stavropol Territory	71.5
Karachai-Circassian Republic	7.6
Rostov Region	111.0
Republic of Daghestan	16.0
Kabardinian-Balkar Republic	14.3
Republic of North Ossetia-Alania	12.6
Chechen Republic	
Republic of Ingushetia	5.0
The Urals Area	
Kurgan Region	37.8
Orenburg Region	88.3
Perm Region	175.7
Komi-Permyak Autonomous Area	3.4
Sverdlovsk Region	269.0
Chelyabinsk Region	206.8
Republic of Bashkortostan	171.5
Udmurt Republic	66.4
The West-Siberian Area	
Altai Territory	77.3
Republic of Altai	10.1
Kemerovo Region	194.2
Novosibirsk Region	131.1
Omsk Region	81.5
Tomsk Region	58.0
Tyumen Region	96.7
Khanty-Mansi Autonomous Area	422.0
Yamalo-Nenets Autonomous Area	202.6
The East-Siberian Area	
Kranoyarsk Territory	239.6
Republic of Khakasia	30.3
Taimyr (Dolgan-Nenets) Autonomous Area	11.8
Evenki Autonomous Area	3.4

Irkutsk Region	168.1
Ust-Ordyn Buryat Autonomous Area	2.5
Chita Region	52.1
Aginsk Buryat Autonomous Area	0.8
Republic of Buryatia	39.5
Republic of Tyva	7.6
The Far Eastern Area	
Primoriye Territory	130.3
Khabarovsk Territory	107.6
Yewish Autonomous Region	7.6
Amur Region	53.0
Kamchatka Region	50.4
Koryak Autonomous Area	3.4
Magadan Region	31.9
Chukotka Autonomous Area	15.1
Sakhalin Region	74.0
Republic of Sakha (Yakutia)	114.3
Kaliningrad Region	38.7

The incoming revenues in the amount of 8,402.8 million roubles shall be channelled in equal proportions to maintain the Armed Forces of the Russian Federation and to develop, purchase, operate and repair arms, military hardware, communication facilities and equipment within the framework of the state defence order over and above the amounts, provided for by Article 24 of the present Federal Law, for the Ministry of Defence of the Russian Federation, except for the amount of 200,000,000 roubles, provided for by Article 34 of this Federal Law.

The Government of the Russian Federation shall determine the order of granting the said amounts of money.

Article 37. To lay down that the Federal Fund for the Financial Support of the Subjects of the Russian Federation shall be formed in 1999 at the expense of 14 per cent of the total amount of tax returns to the federal budget, except for the returns controlled by the State Customs Committee of the Russian Federation. To approve the share of each subject of the Russian Federation in the Federal Fund for the Financial Support of the Subjects of the Russian Federation in the following amounts:

	(in per cent)
Republic of Adygeiya (Adygeiya)	1.2212
Republic of Altai	0.4289
Republic of Buryatia	3.0867
Republic of Daghestan	6.9741
Republic of Ingushetia	1.0691
Kabardinian-Balkar Republic	3.1129
Republic of Kalmykia	0.5989

Karachai-Circassian Republic	1.1428
Republic of Karelia	0.9594
Republic of Marii El	1.2700
Republic of Mordovia	1.4786
Republic of Sakha (Yakutia)	3.0816
Republic of North Ossetia-Alania	1.8915
Republic of Tyva	1.5009
Udmurt Republic	1.0235
Republic of Khakasia	0.4173
Chechen Republic	0.8450
Chuvash Republic - Chavash respublik	1.2842
Altai Territory	6.2281
Krasnodar Territory	1.8459
Primoriye Territory	3.9785
Stavropol Territory	1.5553
Khabarovsk Territory	2.6100
Amur Region	2.2725
Arkhangelsk Region	1.4884
Astrakhan Region	0.8539
Belgorod Region	0.2288
Bryansk Region	1.3268
Vladimir Region	1.1585
Volgograd Region	0.8779
Vologda Region	0.1513
Voronezh Region	1.7174
Ivanovo Region	1.6427
Irkutsk Region	0.9210
Kaliningrad Region	0.6109
Kaluga Region	0.9855
Kamchatka Region	1.5732
Kemerovo Region	2.9356
Kirov Region	0.9182
Kostroma Region	0.9128
Kurgan Region	1.2249
Kursk Region	0.6443
Leningrad Region	0.2928
Magadan Region	1.4064
Murmansk Region	0.5609
Nizhny Novgorod Region	0.4720
Novgorod Region	0.5987
Novosibirsk Region	0.9204
Omsk Region	0.9409
Orenburg Region	0.6364
Orel Region	1.2236
Penza Region	1.4849
Pskov Region	1.3417



Rostov Region	2.7618
Ryazan Region	1.0615
Saratov Region	1.6113
Sakhalin Region	1.9166
Smolensk Region	0.4549
Tambov Region	1.2724
Tver Region	0.7756
Tomsk Region	0.5828
Tula Region	0.5895
Tyumen Region	0.8902
Ulyanovsk Region	0.5306
Chelyabinsk Region	0.4488
Chita Region	2.4072
Yaroslav Region	0.2644
Yewish Autonomous Region	0.8534
Aginsk Buryat Autonomous Area	0.3685
Komi-Permyak Autonomous Area	0.4249
Koryak Autonomous Area	0.4439
Nenets Autonomous Area	0.1199
Taimyr (Dolgan-Nenets) Autonomous Area	0.2704
Ust-Ordyn Buryat Autonomous Area	0.6243
Chukotka Autonomous Area	1.0642
Evenki Autonomous Area	0.3352

Information about the total volume of monetary resources of the Federal Fund for the Financial Support of the Subjects of the Russian Federation shall be brought to the notice of the subjects of the Russian Federation every month by the Government of the Russian Federation.

The Federal Fund for the Financial Support of the Subjects of the Russian Federation shall be executed in proportion to the shares, provided for by this Article, to the extent of the actual receipt of revenues by the federal budget, at the expense of which the Federal Fund for the Financial Support of the Subjects of the Russian Federation is formed and subject to the mutual settlements arising between the federal budget and the budgets of the subjects of the Russian Federation in the process of the implementation of the federal budget. Every month the Government of the Russian Federation shall send the report on the execution of the Federal Fund for the Financial Support of the Subjects of the Russian Federation to the State Duma of the Federal Assembly of the Russian Federation.

To ensure in 1999 the transfer to the treasury system of budgetary execution of the highly subsidized subjects of the Russian Federation, and also of the subjects of the Russian Federation which systematically fail to secure the timely payment of wages and salaries to the workers of the state-financed organizations. This transfer shall be effected in the Order established by the Government of the Russian Federation.

Article 38. The Government of the Russian Federation shall elaborate a package of measures to reform the interbudgetary relations which are conducive to the greater interest of the subjects of the Russian Federation in the maximum mobilization of their financial resources, to

the optimization of their expenditures and the reduction of the budget deficits of the subjects of the Russian Federation on the basis of the control measures, implemented by the authorized federal executive bodies in respect of the execution of the budgets of the subjects of the Russian Federation, and to the adjustment of the concluded contracts and agreements on interbudgetary relations to the legislation of the Russian Federation.

Article 39. The Federal Fund for the Financial Support of the Subjects of the Russian Federation shall be formed in progressive total on the latest reporting date that precedes the planned month on the basis of the actual receipt of tax returns by the federal budget, except for the revenues, controlled by the State Customs Committee of the Russian Federation, with the simultaneous clarification of the planned indicators of 1999 for the subjects of the Russian Federation.

Article 40. The resources of the Federal Fund for the Financial Support of the Subjects of the Russian Federation shall be allocated in the shares, endorsed by Article 37 of the present Federal Law, only to the subjects of the Russian Federation which meet the requirements of the budget and tax legislation of the Russian Federation without any exceptions, additions and/or special conditions. The subjects of the Russian Federation which determine the special features of their financial relations with the federal organs of state power on the basis of bilateral contracts or agreements may receive money from the federal budget in the form of subventions whose purposes and dimensions are determined by the present Federal Law in conformity with the said contracts or agreements.

In case of the withdrawal of resources stipulated by the first part of this Article the Government of the Russian Federation shall use them for the financial assistance to refugees and forced resettlers.

Article 41. To lay down that the amount of resources transferred from the federal budget to the subjects of the Russian Federation shall be reduced by the sum of the value of property handed over on a contractual basis in keeping with the current legislation from the federal ownership to the ownership of the subjects of the Russian Federation, and also by the sum of the value of the federally owned shares handed over on a contractual basis in accordance with the legislation of the Russian Federation to the subjects of the Russian Federation for subsequent sale. In said cases the norms of the allocation of money received from privatization, established by Article 107 of this Federal Law, shall not be applied.

Article 42. The resources provided in 1999 for the compensation of electric power tariffs to the Far Eastern territories, and also to the regions defined by Government decisions before the entry into force of the present Federal Law, shall be channelled to the subjects of the Russian Federation as target subventions.

Article 43. To form a Fund of Target Subventions in the amount of 7,111.4 million roubles within the expenditures of the federal budget for 1999.

The resources of the Fund of Target Subventions shall be channelled for the following purposes: to provide the financial support to the life sustainment of the Far North areas and the localities equated therewith with limited periods of the delivery of cargoes for the supply of the population, enterprises and organizations in the social sphere and in the housing and communal

services to the amount of 3,000 million roubles; to render additional financial aid to the highly subsidized subjects of the Russian Federation and to compensate for losses in connection with the introduction of new methods of allocating the resources of the Federal Fund for the Financial Support of the Subjects of the Russian Federation to the amount of 1,611.4 million roubles; to finance the programmes for the development of regions to the amount of 1,500 million roubles; to compensate for the electricity tariffs for the Far Eastern territories, and also to regions according to the adopted Government decisions as target subventions to the amount of 1,000 million roubles.

Procedure for granting and spending the resources of the Funds of Target Subventions to render the state financial support for the delivery of products (goods) ahead of schedule to the Far North areas and the localities equated therewith with limited terms of cargo delivery shall be determined by the Government of the Russian Federation.

Article 44. In cases of breaking the statutory order of the remittance of taxes and other incomes to the federal budget by certain subjects of the Russian Federation and by the closed administrative-territorial entities the Government of the Russian Federation shall have the right to apply to them the following sanctions in order to protect the interests of the federal budget and to ensure the full mobilization of financial resources in the budget:

to suspend the financing from the federal budget of the federal programmes and undertakings, realized on the territories of the corresponding subjects of the Russian Federation and the transfer of funds, provided for in the Section "Financial Aid to the Budgets of Other Levels" and of other resources of the federal budget, fixed by the present Federal Law for the transfer to the budgets of the subjects of the Russian Federation and to the budgets of the closed administrative-territorial entities, and also the granting of budget loans and credits;

to stop the issue of licenses for export;

to hold up the delivery of products to be received from government resources in a centralized way.

Article 45. The amount of the actual transfer of the funds provided for the subjects of the Russian Federation, the closed administrative-territorial entities under the Section "Financial Aid to the Budgets of Other Levels" and other federal budget resources and established by the present Federal Law for the transfer to the budgets of the subjects of the Russian Federation and to the budgets of the closed administrative-territorial entities, shall be reduced by the amounts of the subsidies and subventions to be granted from the budgets of the subjects of the Russian Federation and of the closed administrative-territorial entities and of preferences introduced by the legislation of the Russian Federation, the decrees of the President of the Russian Federation and the decisions of the Government of the Russian Federation.

Upon the actual transfer of the funds indicated in the first part of this Article it is necessary to take into consideration the following:

the observance of the practice of making social security payments strictly to certain categories of people and of the changeover to the system of personal applications for children's allowances;

the timely and full payment of wages and salaries to the works belonging to the sphere of state financing.

The Government of the Russian Federation shall be instructed to channel the funds set free in conformity with the first and second paragraphs of this Article in the following way:

the resources of the Federal Fund for the Financial Support of the Subjects of the Russian Federation shall be used to render the financial aid to the highly subsidized subjects of the Russian Federation;

the resources intended for the granting of subsidies and subventions to the closed administrative-territorial entities shall be used to increase the subsidies and subventions to other closed administrative-territorial entities.

The order of the realization of the clauses of this Article shall be determined by the Government of the Russian Federation.

Article 46. To establish in 1999 the maximum amount of subsidies and subventions from the federal budget to the budgets of the closed administrative-territorial entities on whose territory there are facilities of the Ministry of Atomic Energy of the Russian Federation and the Ministry of Defence of the Russian Federation for financing the expenditures that are not provided with internal financial resources. These subsidies and subventions shall be fixed in the following amounts:

	(thousand roubles)		
	Subsidy for current expen- ditures	Subven- tion for capital invest- ments	Subven- tion for sett- ling in a new place
The Northern Area			
Arkhangelsk Region			
the town of Mirny	10,057.0		
Murmansk Region			
the town of Snezhnogorsk	62,315.0		
the town of Skalisty	98,926.0		
the town of Ostrovnoi	120,418.0		50,000.0
the town of Zaozersk	67,152.0		
the town of Polyarny	109,321.0		
the town of Severomorsk	205,125.0		10,000.0
The Central Area			
Tver Region			
the urban settlement of Ozerny	48,572.0		9,061.0
the urban settlement of Solnechny	20,088.0	1,800.0	800.0
Moscow Region			
the town of Krasnoznamensk	66,752.0		880.0
the urban settlement of Voskhod	358.0		462.0
the urban settlement of Molodezhny	2,428.0	391.0	1,660.0

Vladimir Region			
the town of Raduzhny	25,504.026	300.0	7,672.0
The Volga-Vyatka Area			
Kirov Region			
the urban settlement of Pervomaisky	3,867.0	830.0	2,430.0
The Volga Area			
Astrakhan Region			
the town of Znamensk	35,695.0	4,000.0	2,000.0
Saratov Region			
the urban settlement of Svetly	10,138.0		8,600.0
the town of Shikhany	25,400.0	3,000.0	1,000.0
Penza Region			
the town of Zarechny	62,869.010	835.0	7,700.0
The Urals Area			
Republic of Bashkortostan			
the town of Meshgoriye	63,679.0		3,000.0
Orenburg Region			
the urban settlement of Komarovsky	23,947.0	2,703.0	4,500.0
Perm Region			
the urban settlement of Zvezdny	25,681.0	7,390.0	8,892.0
Sverdlovsk Region			
the urban settlement of Svobodny	10,486.0		
the town of Lesnoi	115,720.0		
The West-Siberian Area			
Altai Territory			
the urban settlement of Sibirsky	24,112.0	6,337.0	7,040.0
The East-Siberian Area			
Krasnoyarsk Territory			
the urban settlement of Solnechny	16,660.0		
the urban settlement of Kedrovyy	8,327.0		
the town of Zheleznogorsk	242,640.0		10,000.0
Chita Region			
the urban settlement of Gorny	2,779.0		
The Far Eastern Area			

Primoriye Territory	
the town of Fokino	96,398.0
the town of Bolshoi Kamen	48,221.0
Amur Region	
the urban settlement of Uglegorsk	6,311.0
Kamchatka Region	
the town of Vilyuchinsk	148,542.0

The Government of the Russian Federation shall have the right to redistribute during 1999, within the limits of the funds approved in the first part of this Article, the amounts of the said subsidies and subventions according to the results of the execution of the revenue side of the relevant budgets of the closed administrative-territorial entities.

Article 47. To establish for 1999 the maximum size of subsidies from the federal budget on the maintenance of the infrastructure of the town of Baikonur (Republic of Kazakhstan) bearing on the lease of the Baikonur Cosmodrome in the amount of 353, 129.000 roubles in order to fund the expenditures not backed up by internal financial resources.

Article 48. For the purpose of the partial compensation of the expenditures on the discharge of the functions of the capital of the Russian Federation the Government of the Russian Federation shall transfer in 1999, on a gratuitous basis, into the ownership of the city of Moscow the federally owned shares of joint-stock companies to the amount of 3 billion roubles at their market price.

Article 49. To establish for 1999 the maximum size of subsidy from the federal budget to the budget of the city resort of Sochi in the amount of 238,000,000 roubles.

Article 50. To channel in 1999 100 per cent of the funds incoming to the federal budget from the auction sale of quotas of particular goods brought in from other countries under the customs treatment of a free customs zone on the territory of the special economic zone in the Kaliningrad Region and use these funds for financing the Federal Target-oriented Programme for the Development of the Special Economic Zone in the Kaliningrad Region for the 1998-2005 Period.

The list of quota-regulated goods brought in from other countries and the procedure for the reflection of funds, provided for by this Article, in the revenues and expenditures of the federal budget shall be approved by the Government of the Russian Federation on the proposal of a subject of the Russian Federation.

Article 51. The counter-claims between the federal budget and the `budgets of the subjects of the Russian Federation may be offset only through the territorial agencies of the Central Federal Treasury Administration of the Ministry of Finance of the Russian Federation, set up in the relevant subjects of the Russian Federation.

Article 52. During two since the day of the enforcement of the present Federal Law, the

Government of the Russian Federation shall introduce amendments to all the bilateral treaties and/or agreements with the subjects of the Russian Federation dealing with interbudgetary relations in order to bring them into conformity with the norms established by Article 11 of this Federal Law.

Article 53. The Government of the Russian Federation shall grant to the Government of the Republic of Ingushetia deferment of the repayment until March 1, 2001 of the budget loan, obtained in 1995, in the amount of the indebtedness formed before March 1, 1999 - a total of 411.9 million roubles, including the moratorium on interest for the use of federal budget resources, and also a delay in interest payments charged for the use of the budget loan over the period from March 1, 1999 to March 1, 2001 and making up 49.9 million roubles.

Article 54. Before April 1, 1999 the Government of the Russian Federation shall be instructed to work out a method of allocating compensatory payments in connection with the introduction of a new method of distributing the resources of the Federal Fund for the Financial Support of the Subjects of the Russian Federation and of rendering additional financial aid to the highly subsidized subjects of the Russian Federation and to table proposals on concrete amounts of the said payments to the subjects of the Russian Federation for their coordination in the tripartite working group with the aim of improving the interbudgetary relations in the Russian Federation and with subsequent approval in a separate appendix to the Federal Law on the Federal Budget for 1999.

Article 55. In 1999, the Government of the Russian Federation shall have the right to finance the following expenditures on the basis of repayment within the appropriations, approved according to the corresponding sections and subsections of the functional classification of the federal budget expenditures as per Article 24 of the present Federal Law:

the expenditures on the supply of the agro-industrial complex with engineering products and on the acquisition of pedigree livestock on the basis of contracts of financial lease (leasing) - in the order and on the conditions established by the Government of the Russian Federation;

on a repayable and payable basis:

the expenditures on the seasonal lending of the enterprises and organizations of the agro-industrial complex, in the first place of agricultural commodity producers, - in the order established by the Government of the Russian Federation, with payment of interest for the use of the granted funds in the amount of one-fourth of the Central Bank's rate of refinancing that is effective on the day of the enforcement of the present Federal Law;

the purchases of agricultural produce for the Federal Foodstuff Stock on a competitive basis in the scope of the requirements that cannot be supplied with market mechanisms - for a term of one year with payment of interest for the use of the granted funds in the amount of one-fourth of the Central Bank's rate of refinancing that is effective on the day of the enforcement of the present Federal Law;

the expenditures on the development of the inter-farm cooperative movement - in the order established by the Government of the Russian Federation for a term of four years with payment of interest for the use of the granted funds in the amount of one-fourth of the Central Bank's rate of refinancing that is effective on the day of the enforcement of the present Federal Law;

the expenditures on the seasonal purchase of raw and auxiliary materials for the production of consumer and producer products in the light and textile industry up to 700 million roubles - within the limits of the funds incoming from the repayment of budget loans granted earlier to the enterprises of the light and textile industry, and also of the charge for using them;

up to 1,800 million roubles in addition from the federal budget resources, of which 700 million roubles being spent on the creation of inter-seasonal stocks of timber, raw material and fuel for the enterprises of the timber industry and 1,100 million roubles - on the seasonal purchase of raw and auxiliary materials for the production of consumer goods and industrial and technical purpose products by the light and textile industry.

The said resources shall be earmarked in equal shares within the limits of a financial year with payment of interest for the use of the granted funds in the amount of one-third of the Central Bank's rate of refinancing that is effective on the day of the enforcement of the present Federal Law; the expenditures on highly effective applied scientific and technical developments with commercial value in the amount of 1 per cent of the appropriations on the development of promising technologies and priority trends of scientific and technical progress - in the order and on the conditions established by the Government of the Russian Federation; the expenditures on the realization of highly effective investment projects in the coal industry to be placed on a competitive basis - in the order and on the conditions established by the Government of the Russian Federation; the expenditures on the cover of river transport losses related to the emergence in the industry of cash gaps of a seasonal nature - for a period of one year in the order and on the conditions established by the Government of the Russian Federation; the expenditures on the support of the export of high-tech products against the concluded contracts, on the realization of programmes of the conversion of defence production in the amount of 2,000 million roubles - for a term of one year in the order and on the conditions established by the Government of the Russian Federation.

Article 56. In 1999, the Government of the Russian Federation shall have the right to issue interest-free budget loans from the federal budget to the executive bodies of the Russian Federation during one financial year:

to cover temporary cash gaps arising in the budgets of the subjects of the Russian Federation in connection with the discrepancy between the time of the repayment of money to the regional funds for the state support of the anticipatory delivery of products (goods) to the Far North areas and the localities equated therewith and the limited time of the delivery of cargoes under the earlier granted loans and the time of the purchase and delivery of cargoes to the said areas and localities.

to cover the temporary cash gaps arising during the execution of the budgets of the subjects of the Russian Federation.

Article 57. In 1999, the Government of the Russian Federation shall have the right to finance on the repayment and payability terms the following expenditures within the limits of the funds incoming from the repayment of money, granted in 1995-1998 from the federal budget to fund the highly effective investment projects, the part of the 1995 federal investment programme and the investment programme and the investment programmes of the conversion of the defence industry, and also the charge for their use:

- the expenditures on the realization of the highly effective investment projects to be placed on a competitive basis, including the projects which have passed the competitive selection - in



the order established by the Government of the Russian Federation with payment of interest for the use of said funds in the amount of one third of the Central Bank's rate of financing that is effective on the day of the enforcement of the present Federal Law;

- the expenditures on the investment programmes of the conversion of the defence industry
- in the order and on the conditions which are established by the Government of the Russian Federation.

Article 58. To lay down that with the exception of the cases provided for by Article 117 of the present Federal Law, the charge for the use of the federal budget resources, granted on a repayable basis, and the amounts intended for their redemption, shall be remitted to the federal budget.

The Government of the Russian Federation shall have the right to offset the counter-claims, including those legalized by the guarantee liabilities of the budgets of the subjects of the Russian Federation and the federal budget, in respect of the monetary funds stipulated for the transfer to the budgets of the subjects of the Russian Federation and the budgets of the closed administrative-territorial entities in the Section "Financial Aid to the Budgets of Other Levels" and in respect of the federal budget resources due to the transfer to the budgets of the subjects of the Russian Federation and the budgets of the closed administrative-territorial entities in accordance with the present Federal Law.

The charge for the use of the federal budget resources granted in 1995-1998 on a repayable basis to fund the highly effective investment projects and the sums of money for their repayment shall be remitted to the federal budget and shall be accumulated on the personal account of the Central Federal Treasury Administration of the Ministry of Finance of the Russian Federation with the subsequent use for the same purposes in conformity with the order, established by Article 129 of the present Federal Law.

Article 59. To lay down that for the non-observance of the time of repayment and the use not according to the designated purpose of the federal budget resources, granted to the executive bodies of the subjects of the Russian Federation and to enterprises and organizations against the guarantees (sureties) by the executive bodies of the subjects of the Russian Federation of the repayment of the federal budget resources, granted on a repayable basis:

- the granting of the financial aid of all types to the executive bodies of the subjects of the Russian Federation shall be reduced or ceased;

- the subjects of the Russian Federation, in the drive for the repayment of their indebtedness, shall levy execution on the mutual settlements of the federal budget with the budgets of the subjects of the Russian Federation in respect of the resources, provided for by the Section "Financial Aid to the Budgets of Other Levels", and of other federal budget resources due to the transfer to the budgets of the subjects of the Russian Federation in conformity with this Federal Law.

Article 60. To lay down that since January 1, 1999:

for the not target use by enterprises and organizations of the federal budget resources, granted on a repayable and not-repayable basis, a fine shall be exacted in the amount of the double rate of refinancing of the Central Bank of the Russian Federation, which is in effect during the time of using budget resources not according to the designated purpose in 1999;

for the untimely repayment of the federal budget resources granted on a repayable basis the

granting of state support of all forms shall be reduced or ceased, including the granting of a deferment and/or instalment plan for the payment of taxes and dues to the federal budget;

for the delay in payment of the principal sum of the debt, and also of interest for the use of federal budget resources, granted in a repayable basis, a penalty shall be charged and exacted in the amount of one-three hundredth of the Central Bank's rate of refinancing that is effective during 1999 for each calendar day of the default on the obligations to pay the amount of the debt and interest for the use of the federal budget resources;

the repayment of the federal budget resources granted on a repayable basis to enterprises and organizations, and also the charge for the use of these resources shall be equated to the payments to the federal budget.

Article 61. The state financial support of the anticipated delivery of products (goods) to the Far North areas and the localities equated therewith with limited terms of cargo delivery shall be rendered from the resources of the regional funds for the state financial support of the anticipated delivery of products (goods) to the Far North areas and the localities equated therewith with the time-limits of the delivery of cargoes and resources allocated from the Fund of Target Subventions.

The resources of the said regional funds shall be reflected in the budgets of the subjects of the Russian Federation and used for the purchase and delivery of oil, oil products, fuel, food (except for spirits, beer and tobacco goods), medicines and medical samples, material-technical products and non-food essential consumer goods to the Far North areas and the localities equated therewith with time-limits of cargo delivery for the supply of the population, enterprises and organizations in the social sphere and in the housing and communal services.

Federal budget resources allocated from the Fund of Target Subventions shall be granted to the executive bodies of the subjects of the Russian Federation.

The Government of the Russian Federation shall:

before May 15, 1999 channel 35 per cent of the resources stipulated in the 1999 federal budget, to finance cargo delivery measures, before July 15, 1999 - 70 per cent and before November 1, 1999 - 100 per cent.

approve during one month since the enforcement of the present Federal Law the distribution of the federal budget resources, allocated from the Fund of Target Subventions, among the subjects of the Russian Federation;

transfer since January 1, 1999 for management by the subjects of the Russian Federation the federal budget resources, allocated to them in 1994-1995 for the state financial support of the delivery of products (goods) to the Far North areas and the localities equated therewith and those funds of the state financial support of the anticipatory delivery of products (goods) to the Far North areas and the localities equated therewith with time-limits of cargo delivery;

hand over since January 1, 1999 into the possession, use and disposal by the subjects of the Russian Federation the amount of interest payments, charged in 1994-1998 for the use of budget loans granted in 1994-1995 to finance the measures for the state financial support of the delivery of products (goods) to the Far North areas and the localities equated therewith, to form regional funds for the state financial support of the anticipated delivery of products (goods) to the Far North areas and the localities equated therewith with time-limits of cargo delivery;

recommend to the subjects of the Russian Federation to grant the resources of the said regional funds on a repayable basis with payment of interest for their use in the amount of one-third of the Central Bank's rate of financing that is effective during 1999.

The order of using the resources of the regional funds for the state financial support of the anticipatory delivery of products (goods) to the Far North areas and the localities equated therewith time-limits of cargo delivery shall be approved by the legislative bodies of the subjects of the Russian Federation.

Control over the allocated use of the resources handed over into the management of the subjects of the Russian Federation shall be exercised by the Government of the Russian Federation and by the organs of state power of the subjects of the Russian Federation.

Article 62. To extend to 1999 the conditions for the granting the order of the receipt and the amount of housing subsidies from federal budget resources to the citizens of the Russian Federation who leave the Far North areas and the localities equated therewith, and also the distribution of federal budget resources for housing subsidies among the subjects of the Russian Federation, on whose territory there are Far North areas and localities equated therewith, fixed by the Federal Law on Housing Grants to Citizens Leaving the Far North Areas and the Localities Equated Therewith (Collected Legislation of the Russian Federation, No. 31, 1998, item 3809).

Article 63. In 1999, the Government of the Russian Federation shall hand over into the possession, use and disposal of the subject of the Russian Federation the federal budget resources granted in 1994-1998 for management by the executive bodies of the subjects of the Russian Federation in order to form regional food stocks, and also amounts incoming in the shape of payment for their use.

Article 64. Federal budget resources allocated on a repayable basis in 1993-1998 to form the Federal Food Stock and handed over for the management of the Federal Food Corporation, and also amounts incoming in the shape of payment for their use, shall be subject to return to the federal budget and shall be channelled in the volume of receipts to state unitary enterprise - the Federal Agency for the Regulation of the Food Market under the Ministry of Agriculture and Foodstuffs Supply of the Russian Federation for the formation of the Federal Food Stock.

The Government of the Russian Federation shall be instructed to determine the order of using the resources of the said Stock.

Article 65. Federal budget resources allocated on a repayable basis in 1994-1998 to supply the agro-industrial complex with engineering products and to buy pedigree livestock, and also the amounts incoming in the shape of the payment for their use, shall be channelled for the same purposes in the volume of receipts.

Article 66. The seasonal crediting of rural commodity producers shall be carried out in 1999 on the terms stipulated by Article 55 of the present Federal Law and at the expense of:

the resources of the special budgetary fund of preferential crediting, set up in 1997;

the resources channelled to this fund to repay a budget loan in the form of deferred commodity credit, received by rural commodity producers in 1995; the resources from the sale of bonds issued by the subjects of the Russian Federation in redemption of the 1996 credit against goods;

50 per cent of the funds incoming to the federal budget in the form of fines for the non-allocated use of the funds issued on a repayable basis from the special budgetary fund of soft

credits;

100 per cent of the funds incoming to the federal budget in the form of a penalty for the default of the principal sum of the debt under the credits issued on a repayable basis from the special budgetary fund of soft credits;

the funds incoming to the federal budget in the form in interest for the use of said credits and of a penalty for delayed payment;

the federal budget resources allocated to replenish the special budgetary funds of soft credits.

The resources of special budgetary fund of soft credits, and also the amounts of money incoming in the form of the charge for them, shall be returned to the federal budget and used for the purposes of seasonal crediting rural commodity producers. The order of the use and repayment of the resources of the said fund shall be determined by the Government of the Russian Federation.

To extend to 1999 the old order of accounting the resources of the fund of soft credits to the enterprises and organizations of the agro-industrial complex.

Article 67. The federal budget resources shall be granted to enterprises and organizations on a repayable basis to finance the investment programmes of the conversion of the defence industry through the state fund of conversion.

The charge for the use of the federal budget resources, granted beginning with 1995 on a repayable basis to finance the highly effective investment projects of the conversion of the defence industry and the amount of money for their repayment shall be remitted to the federal budget with the subsequent use for the same purposes.

Article 68. To channel the following resources for the financing the seasonal procurement of fuel in the electric power stations, including the atomic power stations, for the pumping of gas into underground reservoirs, the repair of power equipment and the supply of the population with fuel by the fuel and power complex enterprises: the resources from the return of budget loans granted in 1995-1998 from the Federal Fund for the Financial Support of the Seasonal Procurement of Fuel on Electric Power Stations, the Pumping of Gas into Underground Reservoirs, the Repair Equipment, and the Supply of the Population with Fuel; the interest payments for the use of said resources, and also the resources received from the sale of fuel and power and material-technical resources (including funds from the sale of securities), transferred to the Ministry of Fuel and Power of the Russian Federation in 1996 and in subsequent years in accordance with Government decisions; the budget loans extended to the joint-stock companies in the sphere of power development and electrification and to the atomic power engineering enterprises for a term of one calendar year with payment of interest for the use of the granted funds in the amount of one-third of the Central Bank's rate of financing that is effective on the day of the enforcement of the present Federal Law. The conditions and the order of the granting of said resources shall be determined by the Government of the Russian Federation.

To extend up to May 1, 1999 the term of the repayment of budget loans granted in 1998 to the enterprises of the fuel and power complex from the Federal Fund in the Electric Power Stations, the Pumping of Gas into Underground Reservoirs, the Repair of Power Equipment, and the Supply of the Population with Fuel with the collection of the charge in the amount of one-third of the Central Bank's rate of refinancing that is effective on the day when the present Federal Law enters into force.

Article 69. The Government of the Russian Federation shall place at the disposal of the Chief Trade Administration of the Ministry of Defence of the Russian Federation the resources incoming to repay the budget loans granted to the said Administration in 1994-1995 for the delivery of products (goods) to the Far North Areas and the localities equated therewith and for the supply with foodstuffs and essential consumer goods of the troops withdrawn to the territory of the Russian Federation and of the troops carrying out the peace-keeping mission of the Russian Federation in the zones of inter-national conflicts, and also the amounts of money incoming in the form of the charge for the use of said resources for the timely supply of the troops with foodstuffs and essential consumer goods.

Article 70. To lay down that the revenues of the Federal Highway Fund of the Russian Federation for 1999 shall be formed from the following sources:

	(million roubles)
The balance of the Fund's resources at the beginning of the year	100.0
The tax on the sale of fuels and oils	12,891.1
The tax on highway users	16,014.1
Other tax and non-tax receipts	550.8

To channel in 1999 the resources of the Federal Highway Fund of the Russian Federation in the amount of 29,556.0 million roubles for the following purposes:

	(million roubles)
The maintenance and repair of the present network of federal highways and facilities on them, total,	9,238.49
including:	
the expenditures on the joint financing of projects realized at the expense of the International Bank for Reconstruction and Development, on the service and repayment of IBRD credits	1,865.0
The construction and reconstruction of federal highways and facilities on them, the development of the production base of highway organizations, total	8,691.30
of which:	
the repayment of creditor indebtedness for the construction and reconstruction of the present network of federal highways	2,600.0
the repayment of the commercial banks' credits and interest on them	250.0

the expenditures on the joint financing of projects realized at the expense of the International Bank for Reconstruction and Development, on the service and repayment of IBRD credits	266.68
The acquisition of road-building and operating machinery and other equipment needed for the functioning and maintenance of federal highways	400.0
The federal expenditures, total	700.0
of which:	
the expenditures of the Federal Highway Service of Russia on the management of the road facilities	37.7
the expenditures on the creation of hi-tech zones on the lands adjoining the federal highways	5.0
the creation of the multilevel system of integrated communication, including the expenditures on the creation of a dispatching and communication system on federal highways	9.0
the expenditures on the siting of the bodies managing federal highways	50.0
The expenditures on pensions	1,000.0
Subventions and subsidies to the subjects of the Russian Federation on the development, repair and maintenance of public highways, total	9,346.21
of which:	
subsidies to the subjects of the Russian Federation on the financing of works under contracts for putting in normative order the rural highways with the aim of including them in the network of territorial highways of public use	1,191.0
Reserves of the Fund resources	100.0
The balance of the Fund resources at the end of 1999 года	80.0

The resources of the taxes, fees and other payments, which form the revenues of the Federal Highway Fund of the Russian Federation in accordance with the current legislation, shall be accumulated on particular special accounts opened in the institutions of the Central Bank of Russia to the Federal Highway Fund of the Russian Federation and shall be spent to the extent of their receipt.

The resources incoming to repay the debts which were formed on January 1, 1999 with

regard to the tax on the sale of fuels and oils and to the tax on highway users (in respect of the part remitted to the Federal Highway Fund of the Russian Federation), and also the fines and the penalty for the untimely fuel payment of said taxes shall be remitted to the Federal Highway of the Russian Federation.

To channel the following types of other tax and non-tax revenues to the Federal Highway Fund of the Russian Federation:

the resources from the payment of the single tax paid by organizations in accordance with the Federal Law on the Single Tax Levied on Imported Income from Certain Types of Activity in the amount of four per cent of the amount of the single tax;

the incomes from the use of the assets of federal Highways, the conclusion of contracts of lease (leasing), contracts of the use of land occupied with the right of the way of federal highways, and of contracts of advertising within the right of the way;

the incomes from the operation of paid highways and facilities on them;

the monetary funds received as a result of the application of measures of civil, administrative and criminal responsibility for breaches of the law committed in federal highways and bearing on the infringement of the rules for using federal highways, the rules for the carriage of heavy-weight and oversized cargoes and the legal regime of using the lands of federal highways and roadside strips, the rules for the placement of outdoor advertisements in the rights of the way and roadside strips of said highways, and also the monetary funds from the reparation of the harm inflicted on federal highways;

the returns from the collection of the charge from owners and users of motor transport vehicles carrying heavy-weight and oversized cargoes on federal highways; the returns from the collection of the charge for the passage of motor transport vehicles registered on the territory of foreign States on federal highways; the monetary amounts of federal license fees received from the licensing of the traffic activity on federal highways.

The resources of the Federal Highways Fund of the Russian Federation shall have a target-oriented nature and shall not be subject to sequestration within the federal budget.

In 1999, the Government of the Russian Federation shall be obliged by way of exception to permit the federal executive body, authorized to manage the federal highways, to transfer every quarter to the accounts of the Pension Fund of the Russian Federation financial resources for the payment of pensions in proportion to the actual execution of the revenue side of the budget of the Federal Highway Fund of the Russian Federation.

The resources received by the Federal Highway Fund of the Russian Federation over and above the incomes in the amount of 29,556.0 million roubles shall not be subject to the withdrawal for the purposes not stipulated by the Law of the Russian Federation on the Highway Funds in the Russian Federation and shall be used in proportion to the items of the budget expenditures of the Federal Highway Fund of the Russian Federation, and also used for the material encouragement of the workers of the Federal Highway Service of Russia.

The federal executive body, authorized to manage the resources of the Federal Highway Fund of the Russian Federation, shall be obliged, on the basis of contracts and in the order established by the Government of the Russian Federation, to provide for the financing of the activity of the subdivisions of the bodies of the Ministry of Internal Affairs of the Russian Federation protecting the federal highway and the cargoes and passengers carried on them.

Subventions from the Federal Highway Fund of the Russian Federation shall be channeled on a gratuitous and a non-repayable basis to the construction and reconstruction of specific road facilities having interregional importance or ensuring international transport relations, including

in the form of the share in the construction or reconstruction of these facilities, on the basis of contracts concluded by the executive bodies of the subjects of the Russian Federation with the federal executive body authorized to carry on the operative management of the resources of the Federal Highway Fund of the Russian Federation.

Subsidies from the Federal Highway Fund of the Russian Federation shall be allocated on a gratuitous and non-repayable basis for the maintenance and repair of specific public highways owned by subjects of the Russian Federation in cases when there are no sufficient resources, computed on the basis of the maximum rate of the federal tax on highway users, established by the second and third paragraphs of Item 2 of Article 5 of the Law of the Russian Federation on the Highway Funds in the Russian Federation, for the maintenance and repair of the territorial public highways in accordance with the approved norms, and also for the financing of the works associated with the adjustment of the highways which connect populated centres to the normative state and which are subject to the inclusion in the network of public highways in the established order.

To permit the financing of expenditures on the social sphere of the system of highways from the resources of Federal Highway Fund of the Russian Federation in the amount of 2.5 per cent of the sum of money used for federal expenditure in keeping with the present Federal Law.

The Federal Highway Fund resources, which have not been used on time or used not according to the designated purpose, shall be transferred to the accounts of the Federal Highway Service of Russia for accounting the resources of the Federal Highway Fund of the Russian Federation in the Central Bank of Russia.

The Government of the Russian Federation shall be instructed to permit the federal executive body authorized to carry on the operative management of the resources of the Federal Highway Fund of the Russian Federation to purchase in a centralized way basic material and technical resources for the realization of the programme of the construction, reconstruction, repair and maintenance of the federal highways and the programme of road-improvement works on the territorial highways, performed at the expense of subventions.

The Government of the Russian Federation shall be instructed in the established order to grant to the Federal Highway Service of Russia the right of the transfer of federal property, including that of the federal highways and the assets needed for their utilization, by right of economic management or by right of operative management, to the organizations responsible for the running and maintenance of public highways and to the bodies administering the road facilities of the subjects of the Russian Federation.

In order to create conditions for the building of new federal highways, the Government of the Russian Federation shall be instructed to determine the order of reserving lands for the perspective road building at the stage of the preliminary approval of the allotment of land plots and to provide in cases of necessity for the reimbursement for damages to the landed proprietors and land users of these plots in accordance with the current legislation.

The Government of the Russian Federation shall be instructed to work out and approve the procedure for the repayment of debts on payments to the Federal Highway Fund of the Russian Federation, bearing in mind the use of the received funds for the development of the network of public highways.

To authorize the Government of Moscow to make use of the over-plan incomes of the territorial highway fund of the city of Moscow in amount of 700 million roubles for the financing the works of developing the Moscow subway.

To approve the distribution of subventions and subsidies among the subjects of the Russian



Federation for the development, maintenance and repair of public highways in the following amounts:

	(million roubles)	
	total, including the subventions and subsidies intended for the adjustment to a normative condition of the rural roads subject to the inclusion in the network of public highways	
The Russian Federation total	9,346.21	1,191.00
The North Area	693.96	60.0
Republic of Karelia	90.16	30.0
Republic of Komi	65.00	10.0
Arkhangelsk Region	158.50	20.0
Vologda Region	220.20	
Murmansk Region	154.00	
Nenets Autonomous Area	6.10	
The North-Western Area	328.31	46.00
Leningrad Region	100.00	40.00
Novgorod Region	102.81	
Pskov Region	125.50	6.00
The Central Area	1,856.23	225.00
Bryansk Region	53.35	30.00
Vladimir Region	120.00	
Ivanovo Region	119.75	15.00
Kaluga Region	260.00	10.00
Kostroma Region	370.60	
Moscow Region	40.00	40.00
Orel Region	149.90	35.00
Ryazan Region	128.22	
Smolensk Region	79.99	
Tver Region	249.06	75.00
Tula Region	117.16	20.00
Yaroslavl Region	168.20	

The Volga-Vyatka	455.20	70.00
Republic of Marii El	79.90	10.00
Republic of Mordovia	123.20	30.00
Chuvash Republic - Chavash respubliki	35.00	10.00
Kirov Region	172.10	20.00
Nizhny Novgorod	45.00	
The Central Black-earth Area	260.26	120.00
Belgorod Region	55.00	15.00
Voronezh Region	65.00	25.00
Kursk Region	48.26	20.00
Lipetsk Region	20.00	
Tambov Region	72.00	60.00
The Volga Area	1,023.06	143.00
Republic of Kalmykia	114.16	73.00
Astrakhan Region	95.00	
Volgograd Region	165.00	35.00
Penza Region	54.90	
Samara Region	20.00	10.00
Saratov Region	310.00	
Ulyanovsk Region	264.00	25.00
Republic of Tatarstan (Tatarstan)		
The North-Caucasian Area	859.38	145.00
Republic of Adygeiya (Adygeiya)	45.50	5.00
Republic of Daghestan	241.05	20.00
Republic of Ingushetia	34.70	
Kabardinian-Balkar Republic	102.10	20.00
Karachai-Circassian Republic	28.62	
Republic of North Ossetia-Alania	99.60	17.00
Krasnodar Territory	78.00	38.00
Stavropol Territory	130.00	30.00
Rostov Region	99.81	15.00
Chechen Republic		
The Urals Area	848.40	40.00
Udmurt Region	70.00	20.00
Kurgan Region	182.40	
Orenburg Region	90.00	20.00
Perm Region	180.00	

Sverdlovsk Region	166.00	
Chelyabinsk Region	40.00	
Komi-Permyak Autonomous Area	120.00	
Republic of Bashkortostan		
The West-Siberian Area	922.30	135.00
Altai Territory	297.40	30.00
Republic of Altai	79.90	10.00
Kemerovo Region	120.00	
Novosibirsk Region	60.00	
Omsk Region	75.00	75.00
Tomsk Region	130.00	20.00
Tyumen Region	90.00	
Khanty-Mansi Autonomous Area	70.00	
Yamalo-Nenets Autonomous Area		
The East-Siberian Area		
Republic of Buryatia	821.61	132.00
Republic of Tyva	107.50	30.00
Republic of Khakassia	101.49	10.00
Krasnodar Territory	112.50	17.00
Irkutsk Region	100.00	40.00
Chita Region	170.00	20.00
Aginsk Buryat Autonomous Area	95.30	
Taimyr (Dolgan-Nenets) Autonomous Area	10.00	
Ust-Ordyn Buryat Autonomous Area	16.38	5.00
Evenki Autonomous Area	87.30	10.00
	21.14	
The Far Eastern Area	1,117.50	75.00
Republic of Sakha (Yakutia)	39.20	20.00
Primoriye Territory	102.00	10.00
Khabarovsk Territory	455.00	15.00
Amur Region	38.40	25.00
Kamchatka Region	48.00	
Magadan Region	88.70	
Sakhalin Region	181.40	
Jewish Autonomous Region	69.70	5.00
Koryak Autonomous Area	6.30	
Chukotka Autonomous Area	88.80	

The Baltic Area	10.00
Kaliningrad Region	10.00

city of Moscow

city of St.Petersburg (for the construction of facilities of the transport section of the circular highway of the city of St.Petersburg that passes through the dam protecting the city from floods)	150.00
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Article 71. To lay down that the revenues of the Federal Ecological Fund of the Russian Federation shall be formed in 1999 from the following sources:

	(thousand roubles)
The balance of the Fund resources at the end of the year	4 000,0
10 per cent deductions from the amounts due to the transfer by nature users to the state ecological funds	137,700.0
Miscellaneous receipts	19,700.0
Total	161,400.0

To channel in 1999 the resources of the Federal Ecological Fund of the Russian Federation for the following purposes:

	(thousand roubles)
The financing of the federal target- oriented ecological programmes	104,200.0
Subsidies for other nature-conservation undertakings	25,000.0
Monitoring of environmental pollution	10,068.0
Maintenance of special inspectorates and special marine inspections	17,000.0
Maintenance of the Fund directorate and its regional branches	5,132.0

To lay down that resources incoming in 1999 to the Federal Ecological Fund of the Russian Federation over and above the amounts, fixed by Article 24 of the present Federal Law shall be used for the financing the expenditures of the Federal Ecological Fund of the Russian Federation in the directions and in proportions established by this Article, except for the maintenance of the directorate of the said Fund.

To lay down that in 1999 10 per cent of the amounts due to the transfer by nature users to the state ecological funds shall be remitted to the Federal Ecological Fund of the Russian Federation for the realization of nature conservancy undertakings of federal importance, whole the remaining sum shall be transferred to the territorial state ecological funds according to the

existing order.

Article 72. The legislative (representative) and executive bodies in the subjects of the Russian Federation shall send the receipts in excess of the plan to the territorial ecological funds for the financing of state preserves and special inspectorates of the State Committee of the Russian Federation for Environmental Protection.

Article 73. To lay down that the revenues of the State Crime Control Fund shall be formed in 1999 from the following sources:

100 per cent of the monetary funds received from the sale of assets confiscated according to the court judgements, rulings and decisions which have come into legal force, except for the financial resources and other assets with a special procedure of disposal and sale.

15 per cent of the funds exacted in the form of fines imposed in administrative proceedings, and also according to court judgements, with the exception of the monetary funds with a special procedure for allocation. In 1999, the said funds shall be paid by payers directly to the federal budget.

100 per cent of the funds received from the sale of assets, recognized as abandoned in the procedure established by the legislation of the Russian Federation and withdrawn during crime-detection operations, except for derelict things whose procedure of acquisition by right of property is stipulated by the civil legislation of the Russian Federation.

50 per cent of the funds collected for the issue of licenses for the right of sale of weapons and of licenses for the acquisition of weapons by individuals, enterprises, institutions and organizations;

voluntary contributions and charitable donations by enterprises, institutions and organizations, public associations, and also by foreign legal entities and foreign nationals in the form of monetary funds.

The resources of the State Crime Control Fund shall be used in 1999 to acquire arms, special equipment and communication facilities within the limits of the approved state defence order for these purposes and shall be distributed by the Government of the Russian Federation in the following way:

	(million roubles)
Ministry of Internal Affairs of the Russian Federation	233.0
Federal Security Service of the Russian Federation	50.0
Foreign Intelligence Service of the Russian Federation	50.0

In case of over-plan receipts to the State Crime Control Fund they shall be channelled to finance the Programme of the More Intensified Struggle Against Crime in 1998-2000 and shall be distributed by the Government of the Russian Federation.

Article 74. To lay down that the revenues of the Fund of the Development of the Customs Systems of the Russian Federation in the amount of 3,626.1 million roubles shall be formed in 1999 to the tune of 19.8 per cent of deductions from the sources established by the customs legislation of the Russian Federation, including earnings in foreign currency.

In 1999, the resources of the Fund of the Development of the Customs System of the Russian Federation shall be channelled for the following purposes:

(million roubles)

The current maintenance of the central apparatus of the State Customs Committee of the Russian Federation	23.3
The maintenance of the personnel	2,274.1
Military training and logistics	1,215.4
The maintenance of test scientific-research and other facilities	20.0
The maintenance of educational institutions	39.1
The maintenance of health protection institutions	54.2

The revenues of the Fund of the Development of the Customs System of the Russian Federation from the sources established by the customs legislation of the Russian Federation, including the earnings in foreign currency incoming during the year of 1999 over and above the resources booked in the federal budget, shall be used to finance the expenditures in the interests of the Armed Forces of the Russian Federation and the law-enforcement bodies in the amount of 57.6 per cent of receipts,

including:

	(in per cent)
on the building and maintenance of the Armed Forces of the Russian Federation	46.08
on the construction of housing for officers of the law-enforcement bodies	11.52

to the Fund of the Development of the Customs System of the Russian Federation to realize the federal target-oriented programme "The Development of the Customs Service of the Russian Federation for 1996-1997 and for the Period up to 2000" - in the amount of 30 per cent of receipts;

to finance the capital investments, provided for by the following target-oriented programmes: "More Intensified Struggle Against Crime in 1998-2000", "The Promotion of the Employment of Persons Convicted to Deprivation of Freedom for a Period of up to 2000" and "The Construction and Reconstruction of Investigatory Isolation Wards and Prisons for the Ministry of Internal Affairs of the Russian Federation, and also the Building of Housing for the Personnel of the Said Institutions for a Period of up to 2000" in proportions set by the Government of the Russian Federation - in the amount of 12.4 per cent of receipts.

The Government of the Russian Federation shall approve the procedure for granting the said funds.

Article 75. To preserve in 1999 at the disposal of the State Customs Committee of the Russian Federation the financial resources received by the customs agencies of the Russian Federation from the sale of goods, transport vehicles and other objects turned into federal property in the statutory manner in cases of smuggling and in other offences in the sphere of customs management, in cases of breaking the customs rules, provided that these resources are used for the financing of investment spending.

To lay down that the said goods, transport vehicles and other objects shall be sold on a competitive basis in the order established by the Government of the Russian Federation.

The order of using the afore-mentioned resources, and also the procedure for submitting reports on them, shall be established by the Government of the Russian Federation.

Article 76. The funds recovered in 1999 by the Federal Frontier Service of the Russian Federation in conformity with the legislation of the Russian Federation in the form of fines for breaking the regime of the State Border of the Russian Federation, the frontier conditions and the routine in the crossing points across the State Border of the Russian Federation, the funds incoming from the sale of assets confiscated for said violations and from contraband to be discovered and detained in accordance with Subitem 9 of the second part of Article 30 of the Law of the Russian Federation on the State Border of the Russian Federation, and also the funds received from the collection of fees for the extension of the validity of Russian visas for foreign nationals and stateless persons, shall be accounted in full scope in the revenues of the federal budget and shall be used for the material and technical supply and development of the Federal Frontier Service of the Russian Federation over and above the amounts of money, endorsed by Article 24 of the present Federal Law.

Funds to be recovered in 1999 by the Federal Frontier Service of the Russian Federation from the protection of marine biological resources of the continental shelf, in the exclusive economic zone of the Russian Federation, and also funds to be received from the sale of assets confiscated for said violations, shall be remitted to the federal budget and channelled in the amount of 50 per cent to the target-oriented budgetary Fund for the Management, Study, Preservation and Reproduction of Water Biological Resources and of 50 per cent to the material and technical supply and development of the Federal Frontier Service of the Russian Federation over and above the amounts, endorsed by Article 24 of the present Federal Law.

Article 77. Resources received from the disposal of the rights of the Russian Federation to the results of scientific-research, research and development works of military, special and dual designation shall be accounted in full scope in the revenues of the federal budget and channelled to finance the undertakings, associated with the military reform and the realization of the federal target-oriented programmes, over and above the amounts endorsed by Article 24 of the present Federal Law, and also to finance the expenditures on the legal protection of the objects of intellectual property and other undertakings. The procedure for the formation and distribution of said resources shall be determined by the Government of the Russian Federation.

Article 78. To lay down that the revenues of the Federal Fund for the Reproduction of Mineral Raw Material Sources shall be formed in 1999 from the following sources:

	(million roubles)
The balance of resources at the beginning of 1999	0.5
Deductions for the reproduction of the mineral raw material sources subject to the remittance to the federal budget	3,599.5

In 1999, the resources of the Federal Fund for the Reproduction of the Mineral Raw Material Sources shall be used for the following purposes:

	(million roubles)
The geological exploration of the bowels of the earth on the territory of the Russian Federation, the continental shelf of the Russian	

Federation and the World Ocean for meeting federal needs	1,966.9
Expenditures on the management of the State Subsoil Stock of the Russian Federation	275.8
Geological prospecting works	1,056.8
The transfer of monetary funds to the Pension Fund of the Russian Federation to repay debts for the payment of pensions for 1998	300.0
The balance of resources carried over at the end of 1999	0.5

In 1999, the monetary resources shall be transferred to the Pension Fund of the Russian Federation to repay the debts for the payment of pensions for 1998 by way of exception from the revenues of the Federal Fund for the Reproduction of Mineral Raw Material Sources.

The procedure for the allocated use of the resources of the Federal Fund for the Reproduction of Mineral Raw Material Sources shall be determined by the Government of the Russian Federation in keeping with the Law of the Russian Federation on Subsoil and the present Federal Law.

To lay down that the resources to be incoming in 1999 to the Federal Fund for the Reproduction of Mineral Raw Sources over and above the sums of money, fixed by the first part of this Article, shall be used in the amount of 100 per cent of the receipts for the financing of the geological exploration of the bowels of the earth on the territory of the Russian Federation, the exploration of the continental shelf of the Russian Federation and the World Ocean to meet federal needs.

Article 79. To lay down that in 1999 the deductions for the reproduction of mineral raw material sources, which are left at the disposal of the subjects of the Russian Federation for the allocated financing the works of reproducing mineral raw material sources in conformity with the territorial programmes of the geological exploration of the bowels of the earth, and also incomes from the deductions made in the extraction of widespread minerals and subterranean waters used for local needs, shall be channelled to form the revenues of the territorial funds for the reproduction of mineral raw material sources.

Article 80. To lay down that the revenues of the target-oriented budgetary Federal Fund for the restoration and protection of bodies of water shall be formed in 1999 from the receipt of 29 per cent of the charge for the use of the water bodies by the federal budget to the sum of 400 million roubles.

In 1999, the resources of the allocated budgetary Federal Fund for the Restoration and Protection of Bodies of Water for the following purposes:  
(million roubles)

Reconstruction and major repairs of hydrotechnical structures owned by the



Federation	210.0
Construction of facilities of engineering flood control and protection against pulling-down of river banks	80.0
Acquisition of technological equipment, machines and mechanisms necessary for the operation of federally owned hydro-technical structures	50.0
Normative, information, technical and methodological support for the management, use and protection of bodies of water	60.0

To lay down that the order of using resources for capital water economic measures shall be determined by the Government of the Russian Federation in keeping with the Water Code of the Russian Federation and the present Federal Law.

To lay down that resources incoming in 1999 to the target-oriented Federal Fund for the Restoration and Protection of Bodies of Water over and above the amounts, fixed by the first part of this Article, shall be used to carry on measures for the keeping the safety of federally owned hydrotechnical structures.

The order of the formation and spending of the resources of the said Fund shall be established by the Government of the Russian Federation.

Article 81. To lay down that foreign currency earnings due to the value of separation works from the low-enriched uranium supplied to the USA within the framework of the execution of the commitments of the Russian Federation in the sphere of disarmament and control over armaments shall be remitted to the target-oriented Budgetary Fund of the Ministry of Atomic Energy of the Russian Federation in the amount of 392 million dollars.

The Government of the Russian Federation shall be instructed to work out and approve the procedure for placing resources to the target-oriented Budgetary Fund of the Ministry of Atomic Energy of the Russian Federation, and also the procedure of their formation and spending in the following directions:

the compensation to enterprises and organizations for their expenditures, including foreign trade organizations, which take part in the implementation of the Russian Federation's commitments in the sphere of disarmament and control over armaments;

the financial backing of the measures of raising nuclear and radiation safety, of ecological programmes and supporting the fundamental and applied science, and also of other expenses on the restructuring and conversion of the enterprises and organizations of the nuclear complex.

To lay down that resources incoming in 1999 to the target-oriented Budgetary Fund of the Ministry of Atomic Energy of the Russian Federation over and above the amounts, approved by this Article, shall be used for the additional financial backing of measures for raising nuclear and radiation safety, ecological programmes and of the support for the fundamental and applied science, and also other expenses on the restructuring and conversion of the enterprises and organizations of the nuclear complex.

To lay down that foreign currency earnings shall be placed to foreign currency accounts of accounting the federal budget resources, which are to be opened in the order established by the Central Bank of the Russian Federation by agreement with the Government of the Russian

Federation.

A separate accounting of said resources in foreign and national currencies shall be effected by the Central Federal Treasury Administration of the Ministry of Finance of the Russian Federation.

Article 82. To lay down that in 1999 the resources from the sale and/or use of the natural raw-material component of low-enriched uranium to be returned to the Russian Federation as a result of the implementation of the international commitments of using highly enriched uranium, derived from nuclear weapons, shall be remitted to the federal budget and used to secure the additional financing of the programmes of the utilization and liquidation of armaments and of other expenses made by the Ministry of Atomic Energy of the Russian Federation, and also to guarantee social benefits to the servicemen. To lay down that foreign currency earnings shall be placed to the foreign currency accounts of accounting federal budget resources, which are to be opened in the order, established by the Central Bank of the Russian Federation by agreement with the Government of the Russian Federation.

A separate accounting of said resources shall be effected by the Central Federal Treasury Administration of the Ministry of Finance of the Russian Federation.

The Government of the Russian Federation shall ensure the timely realization of the measures for the sale and/or use of the natural raw-material component of low-enriched uranium and the fullness of relevant settlements.

Concrete directions and volumes of spending the said resources shall be determined by the Government of the Russian Federation.

Article 83. To realize the Federal Law on the Ratification of the Convention on the Prohibition of the Development, Production, Stockpiling and Application of Chemical Weapons and on Their Destruction, the Government of the Russian Federation shall use the resources of not less than 500 million roubles, provided for by the 1999 federal budget, under the sections of the functional classification of the federal budget expenses "The Utilization and Liquidation of Armaments, Including the Implementation of International Treaties and Agreements" and "International Activity".

Article 84. To lay down that the revenues of the Federal Fund of the Ministry of the Russian Federation for Taxes and Fees and of the Federal Tax Police Service of the Russian Federation shall be formed from 45 per cent of the amount of taxes and other obligatory payments remitted in 1999 to the federal budget and the target-oriented budgetary funds and collected in addition by the Ministry of the Russian Federation for Taxes and fees and by the Federal Tax Police Service of the Russian Federation as a results of control work, with the exception of fines and other sanctions recovered for the violation of the tax legislation of the Russian Federation. The total amount of revenues of the Federal Fund of the Ministry of the Russian Federation for Taxes and Fees and of the Federal Tax Police Service of the Russian Federation shall be estimated in the amount of 4,635 million roubles.

The resources of the Federal Fund of the Ministry of the Russian Federation for Taxes and Fees and of the Federal Tax Police Service of the Russian Federation shall be channelled in 1999 to maintain and develop the Ministry of the Russian Federation for Taxes and Fees and the Federal Tax Police Service of the Russian Federation, of which 4,135 million roubles shall be used for the maintenance and development of the Ministry of the Russian Federation for Taxes

and Fees and 500 million roubles shall be used to maintain and develop the Federal Tax Police of the Russian Federation. The Ministry of the Russian Federation for Taxes and Fees shall be a customer for the manufacture of excise duty marks on tobacco goods.

The expenses on the manufacture of said marks shall be financed from the resources of the Federal Fund of the Ministry of the Russian Federation for Taxes and Fees and the Federal Tax Police Service of the Russian Federation in the part channelled to maintain and develop the Ministry of the Russian Federation for Taxes and Fees.

Resources charged to the Federal Fund of the Ministry of the Russian Federation for Taxes and Fees and the Federal Tax Police Service of the Russian Federation over and above the total sum of incomes set by this Article shall be channelled to maintain and develop the bodies of the Ministry of the Russian Federation for taxes and Fees, the Central Federal Treasury Administration of the Ministry of Finance of the Russian Federation, the Federal Tax Police Service of the Russian Federation in the order prescribed by the Government of the Russian Federation.

The financing of the expenses of the Ministry of the Russian Federation for Taxes and Fees and of the Federal Tax Police Service of the Russian Federation from the Federal Fund of the Ministry of the Russian Federation for taxes and Fees shall be carried out by the Ministry of Finance of the Russian Federation every month in the amount of one-twelfth of the total sum of revenues of the Federal Fund of the Ministry of the Russian Federation for Taxes and Fees and the Federal Tax Police Service of the Russian Federation, determined by this Article with the correction of the volume of financing according to the Results of receipts in 1999.

Article 85. To lay down that in 1999 the revenues of the target-oriented Budgetary Fund for the Management, Study, Preservation and Reproduction of Water Biological Resources shall be formed at the expense of:

100 per cent of the amount of the charge for the use of water biological resources incoming from Russian users;

100 per cent of the amount of the charge for the use of water biological resources incoming from foreign users under inter-governmental agreements;

100 per cent of the amount of the charge for the use of water biological resources incoming from Russian (with the participation of foreign capital) and foreign users.

The means of the target-oriented Budgetary Fund for the Management, Study, Preservation and Reproduction of Water Biological Resources shall be accounted in the revenues of the federal budget for 1999 in the amount of 3,887 million roubles and shall be used in 199 for the following purposes:

	(million roubles)
Federal Frontier Service of the Russian Federation (for the maintenance of the bodies protecting the water biological resources of the territorial sea, the continental shelf of the Russian Federation, the exclusive economic zone of the Russian Federation)	450,0
The State Fishing Committee of the Russian Federation, including:	2344,4

the specialized science and the financing of the global maritime communication system for cases of distress and safety of life at sea,	747,5
of which:	
the hydrometeorological service of fisheries the financing of the fish protection and breeding bodies of the State Fishing Committee of the Russian Federation and of the Rosrybkhhoz State-cum-Cooperative Association, including the financing of the facilities reproducing salmons in keeping with the intergovernmental agreements with Japan	1193,1
the emergency and rescue fleet	241,3
the expenses on the fulfilment of measures associated with the international commitments of the Russian Federation in the sphere of the preservation of water biological resources	54,0
sailing ships for training	108,5
state support for the coastal regions of the Russian Federation in accordance with Government decisions and intergovernmental agreements	1092,6

With the introduction of a charge for the use of particular water biological resources by Russian users the received means shall be remitted to the target-oriented Budgetary Fund for the Management, Study, Preservation and Reproduction of Water Biological Resources with the subsequent use of the received money on the state support of the fish branch (including collective fisheries) and of the coastal regions of the Russian Federation in conformity with the decisions of the Government of the Russian Federation. To determine that the financial resources of the target-oriented Budgetary Fund for the Management, Study, Preservation and Reproduction of Water Biological Resources shall be used in the directions, stipulated by the intergovernmental agreements, the decrees of the President of the Russian Federation, the decision and orders of the Government of the Russian Federation, and in the volumes of receipts to the said Fund.

The financial resources incoming over and above the volume, established by this Article, including 50 per cent of the amounts of fines for violating the legislation of the Russian Federation on fishing and on the protection of water biological resources in the executive economic zone of the Russian Federation and on its continental shelf, and also from the sale of assets confiscated for such violations, shall be accounted in full scope in the federal budget revenues and remitted in 1999 to the target-oriented Budgetary Fund for the Management, Study, Preservation and Reproduction of Water Biological Resources for the following purposes: the specialized science - 600 million roubles additionally; the specialized science - 60 million

roubles additionally; the creation and functioning of the system of monitoring water biological resources, the supervision and control over fishing vessels with the use of space vehicles and information technologies - 60.4 million roubles; other expenses on the state management of water biological resources - by a Government decision.

In case of the non-receipt of planned monetary means, by the target-oriented Budgetary Fund for the Management, Study, Preservation and Reproduction of Water Biological Resources the Government of the Russian Federation shall have the right to correct the available amounts of money according to the directions of their use.

To lay down that the order of the formation and use of the means of the target-oriented Fund for the Management, Study, Preservation and Reproduction of Water Biological Resources shall be determined by the Government of the Russian Federation in accordance with the Federal Law on the Animal Kingdom and the present Federal Law.

Article 86. Expenditures on the granting of preferences, introduced by the Federal Law on Veterans in respect of rides on the railway, air, water or inter-city motor transport, to the veterans from among the persons, discharged from the military service and receiving pensions in conformity with the Law of the Russian Federation on the Pension Coverage of the Persons Who Served in the Army, Navy, and Air Force, in the Bodies of Internal Affairs, Institutions and Agencies of the Penal System and of Their Families, shall be made from the 1999 federal budget within the limits of the appropriations, stipulated in the estimates of the Ministry of Defence of the Russian Federation, the Ministry of Internal Affairs of the Russian Federation and of other federal executive bodies providing for the military service in keeping with the legislation of the Russian Federation.

The Government of the Russian Federation shall determine the order of realizing the said expenditures.

Article 87. The financing from the federal budget of the measures for implementing the state housing programmes for servicemen and persons transferred to the reserve or retired and for other categories of people shall be effected, among other things, by the issue and redemption of state housing certificates of the acquisition and building of living accommodation.

To lay down that in 1999 the financial backing of the measures for the realization of the Presidential Programme "State Housing Certificates" shall be provided within the limits of the appropriations, established by Article 107 of the present Federal Law, and also from the federal budget revenues over and above the amounts, fixed by Article 19 of the present Federal Law and used for these purposes in accordance with Articles 31, 74 and 107 of the present Federal Law.

The Government of the Russian Federation shall:

determine the order of remittance revenues to the federal budget in 1999 as provided for by this Article;

approve the order of the phased granting of state housing certificates within the limits of the actually received revenues for the financial backing of the Presidential Programme "State Housing Certificates" in the amount of 4.5 billion roubles.

To lay down that the federal budget resources, provided for the supply of housing to persons to be transferred or already transferred to the reserve or retired and of the persons equated therewith, shall be channelled in proportions, fixed by the Presidential Programme "State Housing Certificates".

Article 88. To suspend for 1999 the validity of the following articles and items of federal laws:

Article 8 of the Federal law on the Execution of the Budget of the Pension Fund of the Russian Federation for 1996 (Collected Legislation of the Russian Federation, No. 22, 1998, item 2333);

Article 4 and 5 of the Federal Law on the Budget of the Pension Fund of the Russian Federation for 1997 (Collected Legislation of the Russian Federation, No. 22, 1998, item 2334);

the Federal Law on the Order of Financing the State Pensions Paid from the Federal Budget Under the Legislation of the Russian Federation in respect of the payment of the expenses on the delivery of labour pensions from the federal budget resources (Collected Legislation of the Russian Federation, No. 44, 1998, item 5393).

Article 89. The expenses on the payment of state pensions and benefits shall be compensated from the federal budget resources in accordance with the legislation of the Russian Federation, and the expenses on their delivery in 1999 to the Pension Fund of the Russian Federation shall be compensated in the amount of 17.7 billion roubles.

In case of necessity in the first quarter of 1999 the Government of the Russian Federation shall issue an interest-free loan to the Pension Fund of the Russian Federation within the limits of the funds, indicated in the first part of this Article, for a term of six months for the redemption of the 1998 indebtedness on the payment of pensions in conformity with the legislation of the Russian Federation from the resources of the Pension Fund of the Russian Federation.

Article 90. The order of the investment of the free resources of the Social Insurance Fund of the Russian Federation, the State Employment Fund of the Russian Federation and the Federal Obligatory Medical Fund in government securities shall be established by the Government of the Russian Federation.

Article 91. The Government of the Russian Federation shall be instructed to carry out a quarterly monitoring of the volumes and trends of using extra-budgetary means by the federal organs of state power and other recipients of federal budget resources on the basis of the Central Bank's information about the balances of money on accounts.

Article 92. To set the upper-limit for the national internal debt of the Russian Federation as of January 1, 2000:

in respect of the debt commitments of the Russian Federation - in the amount of 648.3 billion roubles; in respect of the target-oriented debt commitments of the Russian Federation - in the amount of 30 billion debt roubles.

The Government of the Russian Federation shall have the right to determine the volumes of the release, forms and methods of issue of government securities, which are the debt commitments of the Russian Federation and to issue them in the volume that is not responsible for the excess of the upper limit of the national internal debt of the Russian Federation, established by the first part of this Article, unless otherwise stipulated by federal laws.

Article 93. The national internal debt of the USSR in the part that falls on the Russian Federation in the amount of 191.4 million roubles and is accountable within the national internal

debt of the Russian Federation shall be legalized by the issue of interest-free federal loan bonds by the Ministry of Finance of the Russian Federation to the Central Bank of Russia.

Article 94. The Government of the Russian Federation shall have the right to make use of the resources from the placement of external and internal government securities for the service and the redemption of the national debt of the Russian Federation within the framework of the single system of the management of the national debt of the Russian Federation.

Article 95. The Government of the Russian Federation and the Central Bank of the Russian Federation shall redraw the Finance Ministry's bills that belongs to the Central Bank of the Russian Federation as of January 1, 1999 and have the time of maturity before December 31, 1999 and the interest on them due to payment, which are computed as of January 1, 1999, into government securities with maturity dates from 2013 to 2018, with the payment of income in the amount of 2 per cent per annum and with the attribution of the expenses on the service and the retirement of bills that have maturity dates before December 31, 1998 to the year of 1998.

The Central Bank of the Russian Federation shall be instructed to suspend since January 1, 1999 the interest charges on the bills of the Finance Ministry of the Russian Federation with maturity dates before December 31, 1999, which belong to the Central Bank of the Russian Federation before the completion of the redrawing of these bills into government securities.

Article 96. The Government of the Russian Federation and the Central Bank of the Russian Federation shall exchange the Government securities owned by the Central Bank of the Russian Federation as of January 1, 1999 for federal loan bonds with a permanent coupon yield with the payment of interest income in the amount of 2 per cent per annum.

The Central Bank of Russia of the Russian Federation shall suspend since January 1, 1999 the interest charges on government securities that belong to the Central Bank of the Russian Federation before the completion of their exchange for federal loan bonds with a permanent coupon yield.

Article 97. The Government of the Russian Federation shall account all operations in the exchange of government short-dated bonds and federal loan bonds with maturity dates before December 31, 1999 by the internal sources of financing the federal budget deficit and the expenditures on the service of the 1998 national internal debt of the Russian Federation.

Article 98. The Government of the Russian Federation shall form the charter capital of the Agency for the Restructuring of Credit Organizations in the amount of 10 billion roubles.

For the purpose of forming the charter of the agency for the Restructuring of Credit Organizations the Government of the Russian Federation shall issue federal loan bonds with a permanent coupon yield (OFZ-PD) to the total amount of 10 billion roubles with payment of income once in a year to the time of 2 per cent per annum and with redemption in 2005 to the amount of 1 billion roubles and in 2017 to the amount of 9 billion roubles. The Central Bank of the Russian Federation shall acquire the said federal loan bonds with a permanent coupon yield to the total amount of 10 billion roubles on the secondary market (through the Savings Bank of the Russian Federation).

Results of these settlements shall be reflected in the report on the execution of the federal budget for 1998.

Article 99. The federal budget resources in the amount of 1,200 million roubles shall be channelled to finance the expenditures on the redemption in 1999 of state debt commodity liabilities by the Government of the Russian Federation.

Article 100. To extend for 1999 the validity of Article 72 of the Federal Law on the Federal Budget for 1998 (Collected Legislation of the Russian Federation, No. 13, 1998, item 1464) and to establish that the redrawing into the national internal debt of the Russian Federation of the debts with no sources of repayment on the centralized credits issued in 1992-1994 to the enterprises and organizations of the fuel and power, agro-industrial and timber complexes, the textile and light industry, and other branches of the economy, and also to the organizations realizing the state programme of resettlement, and on the accrued interest shall be effected as of January 1, 1999 in the order prescribed by the Government of the Russian Federation.

Article 101. The indebtedness on technical credits granted by the Central Bank of the Russian Federation to Member-States of the Commonwealth of Independent States, which has been redrawn in accordance with intergovernmental agreements into state credits of the Russian Federation to the said States (including the indebtedness under interstate settlements, which has formed during the check-up of these interstate settlements, and also the indebtedness that has formed as a result of intra-Russian and interstate offsets of the mutual claims of economic units) in the amount of 2.4 billion roubles, shall be redrawn in 1999 into the national internal debt of the Russian Federation by means of the issue by the Ministry of Finance of the Russian Federation to the Central Bank of the Russian Federation of interest-free federal loan bonds with repayment dates during 10 years, beginning with 2000 in equal shares every year.

Article 102. For the purpose of the timely performance of the urgent payments of repayment and servicing of the state foreign debt of the Russian Federation there shall be raised in the first half of 1999 credits of Vnesheconombank and Vneshtorgbank to effect settlements for the state foreign debt of the Russian Federation in an amount of up to US Dollar 4.5 billion at the expense of the remittance of funds in foreign currency by the Central Bank of the Russian Federation to the said banks.

Article 103. To fix the upper limit of the government external drawings of the Russian Federation for 1999 in the amount of 9.5 billion US dollars.

Article 104. To lay down that in 1999 it is necessary to implement only the agreements on obtaining government credits (loans) according to the list of credits (loans), indicated in the programme of state external drawings of the Russian Federation and of government credits granted by the Russian Federation for 1999. During one month since the day of the enforcement of the present Federal Law, the Government of the Russian Federation shall submit to the State Duma for approval the said programme with a list of all credits (loans) and with a reference to the sources and amounts of the attraction or the granting of untied (financial) credits or loans, and also with an indication of the trends of their use, while in case of tied credits or loans with a reference to the section of the functional classification of the federal budget expenditures, to the end recipient, the name of imported goods or services, and to the total amount of a credit or loan,



the sum of money used before January 1, 1999 and the sum of money to be intended for use in 1999.

Article 105. For the purpose of returning to the federal budget of the monetary funds received from foreign States, banks and companies and granted to enterprises and organizations for financing investment projects the Government of the Russian Federation shall have the right:

to exact in extra-judicial procedure from the accounts of enterprises and organizations the resources granted against foreign credits in case of their non-allocated use;

to repay the borrower's debts by the levy of execution on mutual settlements, subventions, subsidies and resources of the Federal Fund for the Financial Support of the Subjects of the Russian Federation, if there are guarantees or sureties of the executive bodies of the subjects of the Russian Federation.

Article 106. The Government of the Russian Federation shall allocate resources from the 1999 federal budget to non-governmental profit-making organizations for the construction, technical re-equipment and reconstruction of facilities, provided only that the additionally issued shares are transferred into federal ownership at their nominal value to the amount of the granted resources and that there are the economic substantiation for these operations, the necessary design estimates and the experts' opinion.

Procedure for the allocation of federal budget resources for the said purposes and procedure for the transfer of shares shall be established by the Government of the Russian Federation.

Article 107. To fix since January 1, 1999 the norms of the allocation of financial resources from the privatization of federal property at auctions and tenders, and also from the sale of shares of joint-stock companies set up in the process of privatization, among the following recipients:

	(in per cent)
The federal budget	84.8
of which:	
The construction of housing for servicemen transferred to the reserve or retired	5.0
The budgets of the subjects of the Russian Federation	10.0
The Ministry of State Property of the Russian Federation	1.2
The Russian Stock of Federal Property	1.5
The Russian Bank of Development	2.5

Article 108. If in the course of the execution of the revenue side of the 1999 federal budget the latter receives revenues over and above the amounts, fixed by Article 19 of the present Federal Law and associated with the excess of the level of inflation and the deviation of the rate of the rouble to the US dollars as compared with predictable parameters, and also if the collection of particular taxes rises, the received additional revenues shall be used by the Government of the Russian Federation to finance the 1999 federal budget expenditures for the following purposes:

the service and repayment of the national debt of the Russian Federation - in the amount of 50 per cent;

the financing of the 1999 federal budget expenditures in the sections of the functional

classification of the federal budget expenditures, except for the expenditures on the service and the repayment of the national debt of the Russian Federation, in the amount of 50 per cent, including:

in a priority order:

the social policy insofar as it concerns arrangement for the disbursement of pensions to military servicemen, pensions and allowances in the law enforcement bodies: in the amount of 8,171.7 million roubles;

the indexation of the wages and salaries of the budget sphere workers;

fundamental research and promotion of scientific and technological progress - in the amount of 800 million roubles;

education - in the amount of 1,500 million roubles; and also in the following sections: Social Policy, including benefits to persons with children (with the use for social purposes of additional incomes from state lotteries in 1999), the remittance of these incomes to the budgets of the subjects of the Russian Federation; International Activity; Industry, Power Engineering and Construction - in the amount of 2,000 million roubles;

Space Exploration; Liquidation and Utilization of Armaments, Including the Implementation of International Treaties and Agreements;

Restructurization and Conversion of the Defence Industry;

Agriculture and Fishing - in the amount of 1,655 million roubles;

Financial Aid to the Budgets of Other Levels;

Protection of the Environment and Natural Resources, Hydrometeorology, Cartography and Geodesy;

Law-protective Activity and State Security,

including: the Foreign Intelligence Service of the Russian Federation - in the amount of 100 million roubles; the Federal Security Service of the Russian Federation - in the amount of 100 million roubles; the Ministry of Internal Affairs of the Russian Federation, including the State Fire-prevention Service - in the amount of 190 million roubles; The Central Administration for the Execution of Sentences - in the amount of 2,000 million roubles; the procurator's offices; the formation of a reserve fund of the Budget of Development of the Russian Federation - in the amount of 300 million roubles; the financing of the projects of mortgage lending of house building.

Changes in the 1999 federal budget indicators in the above-listed trends of expenditure financing shall be made by introducing relevant amendments to the Federal Law on the Federal Budget for 1999.

Article 109. To authorize the Government of the Russian Federation to finance the expenses of the enterprises refining casing-head gas and produce liquefied gas for the population in the amount of 250 million roubles in the course of the execution of the 1999 federal budget from additional revenues received over and above the amounts of money, fixed by Article 19 of the present Federal Law.

Article 110. The legislative and other normative legal acts involving additional expenditures from the 1999 federal budget resources, and also curtailing the federal budgets revenue base, shall be realized and applied only in the presence of appropriate sources of additional receipts by the federal budget and/or in the case of the reduction of expenditures under the specific items of

the 1999 federal budget, and also after the introduction of relevant amendments to the present Federal Law.

If the legislative acts providing for the budgetary obligations whose realization is backed by federal budget resources contradict the Federal Law on the Federal Budget for 1999, the Federal Law on the Federal Budget for 1999 shall be applied.

If the realization of a legislative act is partially backed by the sources of financing in the 1999 federal budget, such a legislative act shall be realized and applied within the limits of the funds stipulated by the Federal Law on the Federal Budget for 1999.

The subjects of the Russian Federation and the local self-government bodies shall be recommended to apply the similar principles in the execution of the budgets of the subjects of the Russian Federation and of the local budgets.

Article 111. To lay down that the expenditures on state investments within the limits of the scope, fixed by Article 24 of the present Federal Law, shall be financed as per the list of government customers in keeping with the Federal Investment Programme for 1999.

Article 112. In the course of the execution of the 1999 federal budget the Government of the Russian Federation shall be instructed to allocate 500 million roubles for the financing of subways against payments of penalties, charged additionally in 1999 to the federal budget according to the results of the certificates of checks carried out by the Ministry of the Russian Federation for Taxes and Fees.

Article 113. The expenditures on the labour remuneration of the employees of the machinery of the federal organs of state power, except for the courts of the Russian Federation; shall be financed on the basis of the actual numbers of the staff employees over the previous month with account of 10 per cent of vacancies.

In 1999, the Government of the Russian Federation shall not have the right to take decisions responsible for the increase in the number of employees in the budget sphere.

Article 114. The Government of the Russian Federation shall work out measures for the savings of expenses on the maintenance of the federal organs of state power in 1999, which are financed under the section "State Administration and Local Self-government" at the expense of the realization of measures directing at the optimization of their structure.

Article 115. The Government of the Russian Federation shall:

carry on the full inventory taking of the creditor indebtedness of the federal bodies of state power, including the creditor indebtedness of the organizations, which are under the authority of the said organs of power, and of other recipients of federal budget resources, which was formed as of January 1, 1999 as a result of the under-financing of the expenditures, sanctioned by the budget legislation of the Russian Federation, from federal budget resources in the process of the execution of this budget in 1997 and 1998.

determine, on the basis of the full inventory taking of the creditor indebtedness, the volume of the indebtedness of the federal organs of state power, including the creditor indebtedness of the organizations functioning under the authority of the said organs of power and of other recipients of federal budget resources, which arose as of January 1, 1999 as a result of the administration of the expenditures that are not sanctioned by the budget legislation of the

Russian Federation in the process of the activity of these bodies.

determine the mechanisms of the repayment of the volumes of the creditor indebtedness of the federal organs of state power, which were discovered as per the present Article, including the creditor indebtedness of the organizations under the authority of said organs of power, and of other recipients of federal budget resources, the creditor indebtedness that was formed as of January 1, 1999 on the payment for the consumed products (services) by means of its restructuring;

determine the procedure and terms of the restructuring of the creditor indebtedness of the legal entities on the taxes and fees to the federal budget and the state extra-budgetary funds.

In case of restructuring the creditor indebtedness of federal organs of state power, including the creditor indebtedness of the organizations under the authority of the said bodies of power, and of other recipients of federal budget resources on the payment for the consumed products (services), the deferred amounts shall be repaid, beginning with 200 from the resources reckoned for these purposes by the appropriate items of the budget expenditures of the Russian Federation.

In order to repay the indebtedness for the delivered products or for the performed works (services) of the modernization, repair and service of armaments and military hardware within the framework of a state defence order, the Government of the Russian Federation shall hand over the arms, military hardware and ammunition, controlled by the Armed Forces of the Russian Federation, with the expiring dates of operation to the enterprises which produced or still produce these items of production. The Government of the Russian Federation shall determine the mechanism of the formation of prices for said products and the procedure for their payment.

Article 116. The Government of the Russian Federation shall realize measures of repaying the indebtedness to the federal budget that formed as of January 1, 1999 on the funds granted earlier on a repayable basis to finance investment projects and investment programmes for the conversion of the defence industry, on the loans, investment tax credits, and also on the payment of interest for the use of these funds against the reduction of the federal budget indebtedness to the recipients of budget resources, including to the enterprises executing the state defence order.

To lay down that the penalty fee charged in 1999 for the delayed payment of the principal amount of the debt, and also interest for the use of federal budget resources shall not be collected and shall be summed up at the time of payments as per this Article. The Government of the Russian Federation shall determine the order of repaying the mutual indebtedness.

Article 117. To lay down that the levy of execution on the budget resources to be found on the accounts of the Central Federal Treasury Administration of the Ministry of Finance of the Russian Federation shall be carried out on the basis of the writs of execution of courts, and also of collection letters of the Constitutional Court of the Russian Federation, the Supreme Court of the Russian Federation, the Higher Arbitration Court of the Russian Federation, the Judicial Department of the Supreme Court of the Russian Federation in the order prescribed by the legislation of the Russian Federation.

The recovery of funds from the accounts of the bodies of the Central Federal Treasury Administration of the Ministry of Finance of the Russian Federation according to the writs of execution of courts shall be effected exclusively within the target allocations, stipulated by the present Federal Law according to the functional and economic classifications of the budget

expenditures of the Russian Federation.

The funds of the budget resources recipients shall be written off the accounts of the bodies of the Central Federal Treasury Administration of the Ministry of Finance of the Russian Federation on the basis of the writs of execution of courts in accordance with this Article on the strength of the acceptance of the said bodies of the federal treasury.

Article 118. To lay down that the cash execution by the territorial bodies of the Central Federal Treasury Administration of the Ministry of Finance of the Russian Federation of the budgets of the subjects of the Russian Federation and the local budgets may be effected on a contractual repayable basis.

Monetary funds incoming for the performance of said works shall be used in the order prescribed by the Government of the Russian Federation.

Article 119. To lay down that the conclusion by the organizations and institutions, financed from the federal budget on the basis of the estimates of revenues and expenditures, of the contracts, which are performed at the expense of federal budget resources, shall be effected within the limits of the approved appropriations from the federal budget.

The subjects of the Russian Federation shall be recommended to take similar decisions in respect of the conclusion of contracts by the organizations and institutions financed from their budgets.

Article 120. In 1999, the Government of the Russian Federation and the executive bodies authorized by it shall restructure the indebtedness of legal entities to the federal budget according to the charge penalty fee and fines for the untimely repayment of the funds granted from the federal budget on a repayable basis and for the delayed payment of interest for their use as of January 1, 1999.

The Government of the Russian Federation shall determine the order of restructuring the said indebtedness.

Article 121. In 1999, not to charge the penalty fee and fines for back payments to the federal budget and the state extra-budgetary funds, which arise for the reason of non-payment to the organizations and enterprises putting out products and performing works (services) under the state defence order in the share proportional to this non-payment for products, works, (services), realized under the state defence order.

Article 122. The Government of the Russian Federation and the executive bodies authorized by it shall determine the order of and carry out in 1999 the restructuring of the indebtedness of the public joint-stock company KAMAZ on the budget loans granted in 1993-1996 and on other debt liabilities to the federal budget (except for the indebtedness to the federal budget on taxes and other obligatory payments) by means of the novation of the debt to the amount of the available indebtedness with the transfer into federal ownership of the bonds convertible into ordinary registered shares of the said joint-stock company at their nominal price with the subsequent increase in the share of the property of the Russian Federation in its charter capital.

Article 123. In 1999, the federal budget resources in the amount of 3 billion roubles shall be

allocated to finance the expenditures on meeting the urgent socially necessary needs of the owners of the guaranteed savings, determined by the Federal Law on the Restoration and Protection of the Savings of Citizens of the Russian Federation from the following sources:

the monetary funds released from the restructuring of the bond liabilities of the Russian Joint-stock Company High-Speed Trunk Line (except for the bond liabilities of Russian Joint-stock Company High-Speed Trunk Line to the resident natural persons), guaranteed by the Government of the Russian Federation - in the amount of 824.9 million roubles;

the monetary funds from the appropriations, provided for in the Subsection "The Service of the National Internal Debt" of the Section "The Service of the National Debt" of the functional classification of the 1999 federal budget expenditures - in the amount of 2,175.1 million roubles.

Before the establishment by a federal law of the procedure for satisfying the urgent socially necessary needs of the owners of the guaranteed savings, payments to the owners of the guaranteed savings shall be made in the order, prescribed by the Government of the Russian Federation within one month since the day of the enforcement of the present Federal Law.

In 1999, the Government of the Russian Federation shall make the payment of the preliminary compensation for the deposits belonging to the particular categories of citizens of the Russian Federation and opened with the Savings Bank of the Russian Federation as of June 20, 1991, since these deposits represent the guaranteed savings of citizens, determined by the Federal Law on the Restoration and Protection of the Savings of Citizens of the Russian Federation, bearing in mind that the said compensation shall be paid in priority order to the citizens of the Russian Federation who were born before 1922 inclusive (including the apparent heirs who were born before 1922 inclusive), to the first group invalids, and also to their heirs (in case of the death of the owners of the guaranteed savings) without the restriction of their age for the payment for ritual services in the amount of 1,000 roubles.

Article 124. To lay down that the monetary funds incoming to the federal budget in 1999 from the services rendered by the Armed Forces of the Russian Federation on a contractual basis, the sale of products of the utilization of arms and military hardware shall be fully accounted in the federal budget revenues and channelled to compensate for the expenses on the activities of these types, to finance the measures of the utilization of arms and military hardware, and to solve the social problems of the servicemen over and above the amounts, provided for by Article 24 of the present Federal Law.

Article 125. The Government of the Russian Federation shall establish a procedure for the adjustment of mutual payments between the Ministry of Defence of the Russian Federation and the federal executive bodies, in which the legislation of the Russian Federation provides for the military service or the service equated therewith and for the maintenance and service of their troops military formations and bodies), the training of military personnel and other material support in their interests by the Ministry of Defence of the Russian Federation.

Article 126. To approve the Budget of Development of the Russian Federation in the amount of 20,775 million roubles within the federal budget for 1999.

The Budget of Development of the Russian Federation shall be a component part of the federal budget, which is to be formed within the capital expenditures of the federal budget and used for the crediting, investment and guaranteed security of investment projects.

To lay down that the Budget of Development of the Russian Federation for 1999 shall be

formed from the following sources:

	(million roubles)
The sources of the formation of the Development Budget of the Russian Federation for 1999, total,	20,775.0
including:	
Tied foreign credits received under the guarantees of the Government of the Russian Federation, investment credits of the International Bank for Reconstruction and Development	18,400.0
Federal budget revenues (except for the revenues of the target-oriented budgetary funds and for the land tax)	2,375.0

Assignments to the Development Budget of the Russian Federation for 1999 of federal budget revenues, (except for the revenues of the target-oriented budgetary funds and for the land tax) shall be made in the amount of 06 per cent of the sum of the actually received revenues for the previous month and shall be remitted to the federal budget with the subsequent channelling of the to the Russian Bank for Development.

Article 127. To lay down that the resources of the Development Budget of the Russian Federation for 1999 shall be used in the amount of 20,775 million roubles for the following purposes:

	(million roubles)
The financing for the export-oriented and import-substituting investment projects and other investment projects of Russian organizations	18,400.0
The support of the export of high-tech products against the concluded contracts; the realization of the programmes of conversion of defence production	2,000.0
The formation of the charter capital for the Russian Bank for Development with the subsequent use in 1999 by this Bank of these resources to fully repay the creditor indebtedness under highly effective competitive investment projects	375.0

Article 128. In 1999, the Government of the Russian Federation and the Central Bank of the Russian Federation shall set up the Russian Bank for Development, a government credit

organization in the form of a public joint-stock company that credits investment projects from the Development Budget of the Russian Federation as well. In 1999, the Government of the Russian Federation shall form the charter capital of the Russian Bank for Development in the amount of 3 billion roubles.

to channel in 1999 the following resources to the charter capital of the Russian Bank for Development:

375 million roubles, provided for by the Section "Industry, Power Engineering and Construction" of the functional classification of the federal budget expenditures;

2.5 per cent of the resources from the privatization of federal property, accomplished at auctions or tenders, and also from the sale of shares belonging to joint-stock companies set up during privatization;

federally owned non-cash assets;

the resources incoming to the federal budget from the repayment and payment of interest on the budget appropriations made earlier on the terms of repayability, payability and urgency for the rendering on a competitive basis the state support of the realization of highly effective investment projects in conformity with the legislation of the Russian Federation.

The Government of the Russian Federation shall procure the remaining resources in the course of the implementation of the 1999 federal budget and introduce appropriate amendments to the Federal Law on the Federal Budget for 1999.

To lay down that the Russian Bank for Development shall be an agent of the Government of the Russian Federation in the sphere of investments, including at the expense of the resources of the Development Budget of the Russian Federation to be granted to legal entities on the terms of repayability, payability and urgency.

Article 129. In accordance with Articles 58 and 128 of the present Federal Law the Government of the Russian Federation shall use as an additional source for the formation of the Development Budget of the Russian Federation for 1999 the resources to be received from the repayment and payment of interest or the budget investment appropriations made earlier on the basis of repayability, payability and urgency in order to render on a tender basis that state support for the realization of highly effective investment projects in accordance with the legislation of the Russian Federation.

The said federal budget resources for 1999 shall be accumulated on the personal accounts of the Central Federal Treasury Administration of the Ministry of Finance of the Russian Federation.

To expedite the consideration and adoption of decisions on the repayment by legal entities of said debts and also to exercise control over the implementation of these measures, the Government of the Russian Federation shall set up a special commission consisting of the representatives of the Government and the State Duma.

According to the results of the work of the said commission corresponding proposals on finding additional sources of the formation of the Development Budget of the Russian Federation shall be submitted to the State Duma.

Article 130. To lay down that the resources of the Development Budget of the Russian Federation for 1999 shall be used on a competitive, repayable, urgent and payable basis in conformity with the Federal Law on the Budget of Development of the Russian Federation.

The 1999 Development Budget resources shall be spent for the realization of highly



effective investment projects in the order and on the conditions set by Articles 24, 57, 58 and 60 of the present Federal Law.

Article 131. The Government of the Russian Federation shall grant state guarantees for the projects to be realized by the resident legal entities without the right of assignment, including insurance of export credits.

The Government of the Russian Federation shall grant state guarantees within the framework of the upper limit of the national debt of the Russian Federation, provided for by Article 75 and 83 of the present Federal Law, for the attraction of funds for investment projects in the order prescribed by the legislation of the Russian Federation in the total amount of 50 billion roubles.

The Government of the Russian Federation shall grant state guarantees with the establishment of the upper limit at 60 per cent of the borrowed resources for the realization of investment projects in the order prescribed by the Government of the Russian Federation.

To lay down that 30 per cent of investment projects shall be financed from the Development Budget of the Russian Federation in accordance with their social and economic importance for the people.

The Government of the Russian Federation shall grant state guarantees for the said projects with the establishment of the upper limit at 80 per cent of the borrowed resources, and for financial leasing for agricultural machinery in the amount of 100 per cent of borrowed funds.

The liabilities under state guarantees granted in 1999 and 1999 may be realized at the expense of the reserve fund of the Development Budget of the Russian Federation in the amount of 300 million roubles, formed from the additional federal budget revenues over and above the amounts fixed by Article 19 of the present Federal Law.

If residents of the Russian Federation fail to make use of the reserve fund of the Development Budget of the Russian Federation to cover possible losses under the granted state guarantees for the attraction by Russian enterprises of the credits to be extended by the residents of the Russian Federation, the Government of the Russian Federation shall have the right to redistribute the said resources for the cover of creditor indebtedness on highly effective investment projects. For the purpose of financing in 1999 the priority projects of enterprises in the light and food industries, and also for the purpose of supplying the population with foodstuffs, the Government of the Russian Federation shall be authorized to grant state guarantees to non-resident creditors in order to attract foreign credits for the purchase of raw material for the enterprises of the light and food industry and of essential foodstuffs with a validity date of 10 years and a period of grace of two years. Said credits shall be extended to Russian borrowers who have passed a competitive selection in the order prescribed by the Government of the Russian Federation on the terms of the repayability, urgency and payability of the borrowed funds.

To lay down that decisions on the granting said state guarantees shall be taken by the Government of the Russian Federation in the order defined by the Federal Constitutional Law on the Government of the Russian Federation and by the Decree of the President of the Russian Federation No. 773 of July 23, 1997 on the Granting of Guarantees or Sureties for Loans and Credits.

Article 132. The Government of the Russian Federation shall have the right to grant in the 1999 financial year budget loans at the expense of the additional federal budget revenues, received over and above the revenues and approved by this Federal Law, against the highly effective contracts concluded for the output and delivery of products, including those for export, for a term of six months with the payment of interest for the use of the granted funds in the amount of one-third of the Central Bank's rate of refinancing that is effective on the day of the enforcement of the present Federal Law.

To set the maximum amount of loans being extended at 5 billion roubles.

The Government of the Russian Federation shall work out the order of granting said loans and of financing.

Article 133. To endorse the distribution of appropriations from the 1999 federal budget within the limits of the amounts set by Article 24 of this Federal Law according to:

the list of the federal target-oriented programmes intended for financing from the 1999 federal budget as per Appendix 3;

the sections and subsections of the functional classification of the federal budget expenditures as per Appendix 5;

the federal directly addressed investment programme for 1999 as per Appendix 6;

the Section "International Activity" as per Appendix 9;

the Section "Fundamental Research and Promotion of Scientific and Technological Progress" as per Appendix 10;

the Subsection "Construction and Architecture" in the Section "Industry, Power Engineering and Construction" as per Appendix 11;

the trends of the use of state guarantees for the realization of the investment projects in 1999 as per Appendix 12;

the Section "Agriculture and Fishing as per Appendix 13;

the Section "Protection of the Environment and Natural Resources, Hydrometeorology, Cartography and Geodesy" as per Appendix 14;

the financing of the federal target-oriented ecological programmes as per Appendix 15;

the Section "Education" as per Appendix 16;

the specially valuable objects of the cultural heritage of the peoples of the Russian Federation in the Section "Culture, Art and Cinematography" as per Appendix 17;

the central and regional mass media as per Appendix 18;

the Section "Social Policy" as per Appendix 19;

the Section "Financial Aid to the Budgets of Other Levels" as per Appendix 20;

the financing of the programmes of regional development (including investment expenditures) as per Appendix 21;

the expenditures on the realization of the Federal Law on Veterans and the Federal Law on Government Benefits for Individuals Having Children as per Appendix 22;

the Section "Miscellaneous Expenditures" as per Appendix 23.

Article 134. Within one month since the day of the enforcement of the present Federal Law, the Government of the Russian Federation shall approve the schedule of revenues, expenditures and sources of financing the 1999 federal budget deficit in accordance with Articles 2, 19 and 24 of the present Federal Law.

To lay down that in the event of a considerable diversion of the volume of the aggregate revenues incoming to the federal budget from the amounts fixed by Articles 2 and 19 of this Federal Law and on this basis of the approved schedule of revenues, expenditures and sources of financing the 1999 federal budget deficit the Government of the Russian Federation shall submit to the State Duma every quarter in keeping with the report on the execution of the federal budget over the corresponding period of 1999 its information about the budget execution and shall table its proposals on the trends of the use of additional revenues in the order, established by Articles 108 and 109 of this Federal Law, and in case of need its proposals on the correction of the federal budget indicators set by the present Federal Law.

Article 135. The Government of the Russian Federation shall submit to the State Duma for its consideration before May 15, 1999 a draft of the Federal law on the Introduction of Amendments and Addenda to the Federal law on the Federal Budget for 1999 according to the sources of financing the measures of raising pensions in 1999 to the persons who are affected by Article 1 of the Law of the Russian Federation on the Pension Coverage of the Persons Who Have Served in the Army, Navy and Airforce, in the Bodies of Internal Affairs and the Penal System, and of Their Families.

The Government of the Russian Federation shall arrange in the second half of 1999 for a phased repayment of the debt incurred in the course of the performance under the federal budget for the Year 1999 in connection with the increase in pension disbursements.

Article 136. A charge in the amount of half of the minimum wage or salary, fixed by the legislation of the Russian Federation shall be collected from citizens of the Russian Federation for passports, including passports for foreign travel, issued by the Ministry of Internal Affairs of the Russian Federation.

Said funds shall be fully remitted to the federal budget and channelled to finance the measures associated with the acquisition of passport forms, equipment and materials needed for their legislation and for meeting the needs of the Ministry of Internal Affairs of the Russian Federation over and above the volumes set by Article 24 of the present Federal Law.

Within one month since the enforcement of this Federal Law, the Government of the Russian Federation shall determine a list of persons who are exempted from the said charge, and also the order of the remittance and use of said monetary funds.

The Government of the Russian Federation shall guarantee the financing of the expenditure on the manufacture of passport forms in the terms of repayability with subsequent redemption in 1999 by using the resources incoming to the federal budget from the collection of the charge as per this Article.

Article 137. To lay down that in 1999 3 per cent of the execution fee to be collected in the final process shall be remitted to the federal budget and channelled in full scope to finance the expenditures on the maintenance and material support of the Service of Bailiffs of the Ministry of Justice of the Russian Federation.

Procedure for the remittance and use of said funds shall be established by the Government of the Russian Federation.

Article 138. By agreement with the State Duma the Audit Chamber of the Russian Federation shall elaborate, approve and introduce the forms of financial accounting obligatory for the participants in the budget process and necessary for the Audit Chamber of the Russian Federation to exercise control over the implementation of the federal budget for 1999.

Article 139. For the purpose of exercising control over the execution of the 1999 federal budget the Ministry of Finance of the Russian Federation shall promptly submit the copies of payment documents, on the basis of which operations in the federal budget resources have been handled, at the request of the Audit Chamber of the Russian Federation.

Every week the Central Bank of the Russian Federation shall submit or hand over to the Audit Chamber of the Russian Federation from its information system an electronic copy of the database of payment documents and of abstracts of all accounts confirming operations in federal budget resources in roubles and foreign currency.

Article 140. For the purpose of ensuring the organizational and functional independence of the Audit Chamber of the Russian Federation the monetary funds on its maintenance shall be transferred by the Central Federal Treasury Administration of the Ministry of Finance of the Russian Federation every month, before the 10th of the month concerned in equal shares in the amount of one-twelfth of the sum of money, envisaged for the maintenance of the Audit Chamber of the Russian Federation by the present Federal Law. In the event of a non-transfer of said funds or of their incomplete transfer within the fixed period of time these funds shall be written off the account of the Central Federal Treasury Administration of the Ministry of Finance of the Russian Federation without acceptance by the collection letters of the Audit Chamber of the Russian Federation.

Article 141. The present Federal Law shall enter into force since the day of its official publication.

President of the Russian Federation  
Moscow, the Kremlin

Boris Yeltsin

Appendix 3  
to the Federal Law  
on the Federal Budget for 1999

The List of Federal Target-oriented Programmes  
Envisaged for Financing from the 1999 Federal Budget

Nos	Names of programmes or sub-programmes	State investments	Current expenditures		Total volume of financing
			R&D needs	Other	
6.3	Programme "Rehabilitation of				

the Population and the Socio-Economic Development of the Districts of the Altai Territory, Subjected to Radiation as a Result of Nuclear Tests on the Semipalatinsk Proving Ground"	21.8(2.0)	4.673	26.473(2.0)
	-----		-----
(1994-2000 годы)	23.80		28.473

Government customer: the Ministry of Emergency Situations of Russia

6.4. Programme "The Rendering of Medical and Social Aid to the Population and the Normalization of the Sanitary and Hygienic State of the Populated Centres of the Republic of Altai, Subjected to Radiation as a Result of Nuclear Tests on the Semipalatinsk Proving Ground" (1996-1997 and in the period up to 2000)

	5.7	6.232	11.932
--	-----	-------	--------

Government customers: the Ministry of Emergency Situations of Russia and the Government of the Republic of Altai

6.5 Programme "The Handling with Radioactive Waste and Used Nuclear Materials, Their Utilization and Burial" (1996-2005 годы)

20.0	55.39	75.39
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Government customer: the Ministry of Atomic Energy of Russia

6.6	Presidential Programme "The Destruction of Stocks of Chemical Weapons in the Russian Federation" (1995-2009)		370.0	370.0
	Government customer: The Ministry of Defence of Russia			
6.7	Programme "The Ensuring of the Seismic Stability of the Economic Projects in the Kamchatka Region" ("Seismic Protection) (1995-2005)	33.6	4.13	10.0
	Government customer: The Administration of the Kamchatka Region			
6.8	Programme "The Development of the Federal System of Seismic Observations and Earthquake Forecasting" (1995-2000)		4.0	4.0
	Government customer: the Ministry of Emergency Situations			
6.9	Programme "Fire Safety and Social Protection" (1995-2000)	3.0	51.1	54.1
	Government customer: the Central Administration of the State Fire-Protection Service, the Ministry of Internal Affairs of Russia			
6.10	Programme "The Improvement of the All-Russia Service of Medicine of Catastrophes" (1997-2001)	7.0	6.2	91.4
	Government customer: the Ministry of Public Health of Russia			
7	General federal problems	92.38		92.38
7.1	Programme "The			

	World Ocean"			
	(1998-2012)	86.12		86.12
	Government customers: the Ministry of Economics of Russia as a coordinator, the Ministry of Foreign Affairs of Russia, the Ministry of Science of Russia, the Ministry of Defence of Russia, the Ministry of Natural Resources of Russia, the Ministry of Agriculture and Foodstuffs Supply of Russia, the Ministry of Transport of Russia, the Ministry of Regional Development of Russia, the Federal Service of Russia for Hydrometeorology			
7.2	Programme "The Reforming of Statistics"			
	(1997-2000)	6.11		6.11
	Government customers: the State Statistics Committee of Russia as a coordinator, the Ministry of Economics of Russia, the Ministry of Science of Russia			
7.3	Programme "The Improvement of the Ritual Services of the Population"			
	(1993-2000)	0.15		0.15
	Government customer: the State Architecture and Construction Committee of Russia			
8	The Fighting of Crime and the Licensing of Criminogenic Danger	140.8(90.0)	1 338.44	1479.24(90.0)
		-----		-----
		230.8		1 569.24
8.1	Programme "Greater Fighting of Crime"	74.2(40.0)		1 404.2(40.0)
	(1998-2000)	-----		-----
		114.2	1 330.0	1 444.2
	Government customer: the Ministry of Internal Affairs of Russia as a coordinator			
8.2	Programme "Promotion of the Employment of Persons Convicted to Deprivation of Liberty"	0.6(9.0)		9.04(9.0)
	(for the period up to 2000)	-----		-----
		9.6	8.44	18.04
	Government customer: the Ministry of Justice of Russia			

8.3	Programme "The Construction and Reconstruction of the Investigatory Isolation Words and Prisons of the Ministry of Internal Affairs of Russia, and Also the Construction of Housing of the Personnel of Said Institutions" (for the period of up to 2000)	66.0(41.0) ----- 107.0			66.0(41.0) ----- 107.0
Government customer: the Ministry of Justice of Russia					
9	Basic branches of the Economy and Infrastructure	550.0(400.3) ----- 950.3	1799.44	4462.47(210.0) ----- 4 672.47	6811.91(610.3) ----- 7 422.21
9.1	Programme "The Restructuring and Conversion of the Defence Industry" (1998-2000)		625.36	363.4(70.0) ----- 433.4	988.76(70.0) ----- 1 058.76
Government customers: the Ministry of Economics of Russia, the Ministry of Atomic Energy of Russia, the Russian Space Agency including:					
9.1.1	The Preservation and Maintenance of the Unique Stand Base			48.0	48.0
9.1.2	The Conversion of the Enterprises of the Russian Space Agency	50.3		25.2(20.0) ----- 45.3	75.6(20.0) ----- 95.6
9.2	Presidential Programme "The Development of the Civilian Aviation				



Technology"		67.0(125.0)	681.29(125.0)
(for the period of		-----	-----
up to 2000)	614.29	192.0	806.29
Government customer: the Ministry of Economics of Russia			
including:			
9.2.1 The Support of			
the Experimental			
Aerodrome Base		15.0(35.0)	15.0(35.0)
of the Flying		-----	-----
Research Insti-		50.0	50.0
tute Named After			
Gromov			
9.2.2 The Development			
of a New Genera-			
tion Aircraft			
(the Experimental		(10.0)	(10.0)
Comprehensive Engi-			
neering Production			
Unit in the town of			
Korolev)			
9.2.3 The Financing of the			
Project of An-70		(20.0)	(20.0)
9.2.4 The Mastering of			
the Production of			
the Flight Control			
Systems of Il-96,			
Il-96-300,			
Tu-204, Tu-214		(5.0)	(5.0)
9.2.5 The Financing of			
the Development			
of Aircraft			
Be-200 (the			
Aviation and Space			
Technological			
Complex named			
after Beriyev)		(5.0)	(5.0)
9.3 Presidential			
Programme "Rus-			
sian Shipyards"			
(1996-2000)	139.41	10.0	149.41
Government customer: the Ministry of Economic of Russia			
9.4 Presidential			
Programme "The			
Development of			
Electronic Tech-			222.42(15.0)
nology in Russia"			-----

	(1994-2000)	222.42	(15.0)	237.42
	Government customer: the Ministry of Economics of Russia			
9.5	Programme "Fuel and Power" (1996-2000)	303.2(273.3)	39.31	342.51(273.3)
		-----		-----
		576.5		615.81
	Government customers: the Ministry of Fuel and Power of Russia as a coordinator, the Ministry of Atomic Energy of Russia, the Ministry of Science of Russia including:			
9.5.1	Subprogramme "The Safety of the Atomic Power Stations"	130.0		130.0
	Government customer: the Ministry of Atomic Energy of Russia			
9.5.2	Subprogramme "The Technical Re-equipment, Reconstruction and Construction of Atomic Power Stations"	75.0(75.0)		75.0(75.0)
		-----		-----
		150.0		150.0
9.6	Programme "The Gasification of Russia" (1996-2000)	16.0(46.0)		16.0(46.0)
		-----		-----
		62.0		62.0
	Government customers: the Ministry of Fuel and Power as a coordinator and the Ministry of Agriculture and Foodstuffs Supply of Russia including:			
9.6.1	Gasification of the Countryside	8.0(30.0)		8.0(30.0)
		-----		-----
		38.0		38.0
9.7	Programme "The Resurgence of the Merchant Fleet of Russia" (1993-2000)	74.0(21.0)		82.11(21.0)
		-----		-----
		95.0	8.11	103.11
	Government customer: the Ministry of Transport of Russia			
9.8	Presidential Programme "The Internal Waterways of Russia" (1996-2000)	150.0(60.0)		735.56(60.0)
		-----		-----
		210.0	7.96	577.6
				795.56
	Government customer: the Ministry of Transport of Russia			

- 9.9 Programme "The Development of the Productions of City Buses, Trolleybuses and Trams in the Russian Federation" ("The Development of Transport Vehicles for Passenger Carriage") (1993-2000) 2.08 2.08  
Government customer: the Ministry of Transport of Russia
- 9.10 Programme "The Development of the Postal Communication of the Russian Federation" (1994-2005) 1.0 1.0  
Government customer: the State Communications Committee of Russia
- 9.11 Presidential Programme "The Creation of Technical Facilities of Communication, Television and Radio" (1997-2005) 102.34 102.34  
Government customer: the Ministry of Economic of Russia
- 9.12 Programme "The Use of the Global Navigation Sputnik System (GLONASS) in the Interests of Civilian Consumers" (1997-2001) 4.2 5.0 9.2  
Government customers: the Ministry of Transport of Russia as a coordinator, the Ministry of Economic of Russia, the Ministry of Defence of Russia, the Russian Space Agency, the Federal Aviation Service of Russia, and the Federal Geodesy and Cartography Service of Russia
- 9.13 Presidential

Programme "The Creation and the Development of the Special In- formation Tele- communication System in the Interests of the Organs of State Power (The ITCS Programme, Go- vernmental Communication)"	(1996-2000)	2.0	2.88	105.8	110.68
Government customer: the Federal Agency of Governmental Communication and Information					
9.14 Programme "The Production of Gold and Silver in Russia" (for the period of up to 2000)			8.61		8.61
Government customer: the Ministry of Economics of Russia					
9.15 Programme "The Extraction, Pro- duction and Con- sumption of Li- thium and Beryl- lium. The Deve- lopment of the Production of Tantalum, Nio- bium and Tin in the Enterprises of the Ministry of Atomic Energy of Russia"	(1997-2012)	1.8			1.8
Government customer: the Ministry of Atomic Energy of Russia					
9.16 Programme "The Development of the Mineral Raw Material Sources of the Russian Federation"	(1994-2000)			3 300.0	3 300.0

- Government customer: the Ministry of Natural Resources of Russia
- 9.17 Programme "The Development of Industrial Bio-technology (1996-2000) 2.0 6.07 8.07  
Government customer: the Ministry of Economic of Russia
- 9.18 Presidential Programme "The Development and Application of Double-function Technologies" ("Special Chemistry") (1996-1999) 5.0 5.0  
Government customers: the Ministry of Economics of Russia and the Russian Space Agency as coordinators
- 9.19 Programme "The Development of the Ore Raw-Material Sources of the Metallurgical Industry in the Russian Federation" ("Ore") (1997-2005) 11.34 11.34  
Government customer: the Ministry of Economics of Russia
- 9.20 Programme "The Rise in Traffic Safety in Russia (1996-2000) 2.06 5.67 7.73  
Government customers: the Ministry of Transport of Russia as a coordinator and the Federal Road Service of Russia
- 9.21 Presidential Programme "The National Technological Base" (1996-2005) 23.0 23.0  
Government customers: the Ministry of Economics of Russia as a coordinator, the Ministry of Atomic Energy of Russia, the Ministry of Science of Russia, the State Architecture and Construction Committee of Russia, the State Committee of Russia for Environmental protection, the Ministry of Fuel and Power of Russia, the Russian Space Agency, and the Ministry of Education of Russia including:

9.21.1	The Development of the Federal Target-oriented Programme "The Development of the Cryogenic Aerospace and Other Transportation Technology"			3.0	3.0
9.22	Programme "The State Protection of Machine-Tool Manufacture" (1993-1999) Government customer: the Ministry of Economics of Russia		3.0		3.0
10	The Agro-industrial Complex, Forestry and Fishing	207.0(30.0)	94.16	6 970.0	7 271.16 (30.0)
		-----			-----
		237.0			7 301.16
10.1	Programme "The Stabilization and Development of Agro-Industrial Production in the Russian Federation" (1996-2000) Government customer: the Ministry of Agriculture and Foodstuffs Supply of Russia, including the target-oriented programmes:	69.0(25.0)			4 551.82 (25.0)
		-----			-----
		94.0	49.22	4433.6	4 576.82
10.1.1	Programme "Greater Soil Fertility in Russia" ("Fertility") (1993-2000) Government customer: the Ministry of Agriculture and Foodstuffs Supply of Russia including:				4 371.54(15.0)
					-----
		(15.0)	7.94	4363.6	4 386.54
10.1.1.1	Programme "Hop in Russia" (1996-2000) Government customer: the Ministry of Agriculture and Foodstuffs Supply of Russia				30.0(15.0)
					-----
		(15.0)		30.0	45.0

10.1.2 Programme				
"The Development of Peasant Farms and Cooperatives"				
(1996-2000)		70.0		70.0
Government customer: the Ministry of Agriculture and Foodstuffs Supply				
10.1.3 Programme "The Development of the Flax Complexes in Russia"	68.0(10.0)			109.28(10.0)
(1996-2000)	78.0	41.28		119.28
Government customers: the Ministry of Economics of Russia as a coordinator and the Ministry of Agriculture and Foodstuffs Supply of Russia				
10.1.4 Programme "The Increase in Sugar Production in the Russian Federation"				
(1997-2000 and for the period up to 2005)	1.0			1.0
Government customer: the Ministry of Agriculture and Foodstuffs Supply of Russia				
10.2 Programme "The Creation of an Automated System of Keeping the State Land Cadastre"				
(1996-2000)		831.0		831.0
Government customer: the State Committee of Russia for Land Resources and Load Regulation				
10.3 Programme "The Forests of Russia"				
(1997-2000)	3.25	810.1		813.35
Government customers: the Federal Forestry Service of Russia as a coordinator, the Ministry of Defence and the Ministry of Agriculture and Foodstuffs Supply				
10.4 Programme "The Development of Timber Industry Complex in the Russian Federation"	58.0(5.0)			99.69(5.0)

tion (1996-2005) Government customer: the Ministry of Economics of Russia	63.0	41.69	104.69
10.5 Programme "The Fire Protection of Forests" (1999-2005) Government customers: the Federal Forestry Service of Russia as a coordinator, the Ministry of Defence of Russia, the Ministry of Agriculture and Foodstuffs Supply of Russia, and the State Committee of Russia for Environmental Protection	80.0	718.4	798.4
10.6 Programme "The Development of Fisheries in the Russian Federa- tion" ("Fish") (for the period of up to 2000) Government customer: the Ministry of Agriculture and Foodstuffs Supply of Russia		176.9*	176.9
11 Foreign economic activity		709.3	709.3
11.1 Programme "The Development of the Customs Ser- vice in the Rus- sian Federation" (1996-1997 and for the period of up to 2000) Government customer: the State Customs Committee as a coordinator		709.3	709.3
Total	4090.7(1120.4)	6351.49 21984.034(210.0)	32426.224(1330.4)
	-----	22194.034	33 756.424
	5 211.1		

\* Other directions are financed from the financial resources of the target-oriented budgetary Fund for the Management, Study, Preservation and Reproduction of Water Biological Resources in accordance with Article 68 of the Federal Law on the Federal Budget for 1999.



The Guidelines for the Use of State Guarantees  
for Implementing Investment Projects in the Year 1999

(million roubles)

State guarantees limits, total	50,000.0
including:	
Industry	21,940.0
including:	
defense branches (manufacturing civilian-purpose products and dual-purpose technologies)	2,800.0
aerospace	2,400.0
atomic engineering	2,060.0
electronic, instruments, communications	2,060.0
engineering and metal working	2,060.0
shipbuilding	1,900.0
light industry and textile industry	2,500.0
timber, wood, pulp and paper	1,450.0
medical and microbiological	1,450.0
chemical and petrochemical	1,000.0
building materials manufacture	830.0
metallurgical	930.0
mining	500.0
Russian participants in international investment projects of Russia and Byelorussia	800.0
Civil engineering/construction	2,000.0
Communications, information technologies	6,000.0
Transportation	2,500.0
Fuel and power complex	2,140.0
Financial leasing	14,620.0
including:	
civil aircraft	4,000.0
agricultural machinery	7,120.0
city transportation machinery	1,000.0
timber/wood industry complex machinery	1,000.0
complete set technological equipment	1,000.0
mining equipment	250.0
road construction equipment/machinery	250.0

Appendix 23  
to the Federal Law

on the Federal Budget for 1999

The Distribution of Appropriation from the 1999  
Federal Budget in the Section "Miscellaneous Expenditures"  
of the Functional Classification of the Federal Budget Expenditures

(thous. roubles)

Miscellaneous expenditures, total	- 9 532 380.6
including:	
Reserve funds, total	2 850 250.0
including:	
the Reserve Fund of the Government of the Russian Federation	700 000.0
the Reserve Fund of the President of the Russian Federation	150 000.0
the Reserve Fund of the Russian Federation for the Prevention and Liquidation of Emergency Situations and Disaster Consequences	2 000 250.0
The holding of elections and referenda	1 752 133.8
Budgetary loans	- 14 836 500.0
Miscellaneous expenditures, which are not referred to other subsections	701 735.6
of which:	
the financing of the search for missing persons during the hostilities in the Chechen Republic, of the exhumation and the identification of ruined persons	109 654.6
the accomplishment of projects for the support and preservation of working places in compact communal settlements of refugees and forces resettlers (the Russian Fund for the Aid to Refugees - the Fund of Compatriots)	40 000.0