

DECISION  
OF THE GOVERNMENT OF THE RUSSIAN FEDERATION  
NO. 1147 OF OCTOBER 2, 1998  
ON THE GRANTING A GRACE PERIOD (INSTALLMENT PAYMENT SCHEDULE)  
ON THE DEBT OWED AS PAYMENTS TO THE FEDERAL BUDGET TO  
AGRICULTURAL  
PRODUCERS, ENTERPRISES AND ORGANIZATIONS OF THE AGRICULTURAL  
COMPLEX  
IN THE YEAR 1998

Pursuant to Article 74 of the Federal Law on the Federal Budget for the Year 1998 (Collection of Legislation of the Russian Federation, item 1464, No. 13, 1998) as well as for the purposes of resolving the problem of the indebtedness of agricultural goods producers, enterprises and organizations of the agroindustrial complex owed as payments to the federal budget and creating conditions for financial rehabilitation thereof the Government of the Russian Federation hereby resolves:

1. To grant a five-year grace period (installment payment schedule) on the repayment of the debt of agricultural goods producers, enterprises and organizations of the agroindustrial complex owed as payments to the federal budget including fines and penalties in the amount of up to 5.7 billion roubles from the date when the decision is made on the granting of the grace period (installment payment schedule) and the beginning of the repayment of the said debt from January 1, 2000 in equal installments with interest charged at a rate of 5 per cent per annum for the servicing of the debt for which the grace period (installment payment schedule) is granted.

2. The ministry of Finance of the Russian Federation, the State Tax Service of the Russian Federation and the Ministry of Agriculture and Foodstuffs of the Russian Federation shall within one month set debt ceilings owed as payments to the federal budget, fines and penalties included, subject to the grace period (installment payment schedule) itemized by the subjects of the Russian Federation.

3. The Ministry of Finance of the Russian Federation and the State Tax Service of the Russian Federation by their joint decision shall delegate the right to grant a grace period (installment payment schedule) on the debt in accordance with the procedure provided under the present Decision, to the territorial bodies of the State Tax Service of the Russian Federation, should the sum of debt owed as mandatory payments to the federal budget be equal or below 20 million roubles.

4. It is hereby established that a decision to grant a grace period (installment payment schedule) on the repayment of debt to agricultural goods producers, enterprises and organizations of the agroindustrial complex owed as payments to the federal budget shall be made by the Ministry of Finance of the Russian Federation on the approval of the State Tax Service of the Russian Federation (if the sum of the debt exceeds 20 million roubles) or territorial tax bodies at the location of the registration of the said organizations (if the sum of the debt be equal or below 20 million roubles) in compliance with the ceiling as per Item 2 of the present Decision.

5. It is hereby established that the present Decision shall extend to the agricultural goods producers, enterprises and organizations of the agroindustrial complex excluding the organizations in respect to which insolvency (bankruptcy) proceedings have been commenced under the Federal Law on Insolvency (Bankruptcy) (Collection of Legislation of the Russian

Federation, item 222, No. 2, 1998) and also the organizations producing excise-taxable goods and engaged in catching/recovering sea biological resources outside of the economic zone of the Russian Federation.

6. The attached Procedure for the Granting a Grace Period (Installment Payment Schedule) on the Debt Owed as Payments to the Federal Budget to Agricultural Producers, Enterprises and Organizations of the Agricultural Complex in the Year 1998.

7. The bodies of executive power of the subjects of the Russian Federation and the bodies of local self-government are hereby recommended to grant a grace period (installment payment schedule) on the repayment of the debt of agricultural producers, enterprises and organizations of the agricultural complex owed as mandatory payments to the budgets of the subjects of the Russian Federation and local budgets respectively in the Year 1998 at the same time with the granting of a grace period on the repayment of the debt owed as mandatory payments to the federal budget.

Chairman  
of the Government  
of the Russian Federation

Ye.Primakov

Procedure  
for Granting a Grace Period (Installment Payment Schedule)  
on the Debt Owed as Payments to the Federal Budget to Agricultural  
Producers, Enterprises and Organizations of the Agricultural Complex  
in the Year 1998  
(endorsed by the Decision of the Government of the Russian Federation  
No. 1147 of October 2, 1998)

The present Procedure provides a mechanism whereby agricultural goods producers, enterprises and organizations of the agroindustrial complex (hereinafter referred to as "agroindustrial complex organizations") are to be granted a grace period (installment payment schedule) on the repayment of the debt owed as payments to the federal budget including fines and penalties for violation of the tax legislation of the Russian Federation (hereinafter referred to as "debt on mandatory payments to the federal budget") that occurred as of January 1, 1998.

1. A grace period (installment payment schedule) on the repayment of the debt owed as mandatory payments to the federal budget shall be granted to the agroindustrial complex organizations for a five-year term from the date when decision to grant the grace period (installment payment schedule) is adopted, the repayment of the said debt beginning from January 1, 2000 in equal installments.

2. The amount of the debt owed as mandatory payments to the federal budget subject to grace period (installment payment schedule) shall be determined for specific organizations with due regard of the part of the debt that occurred as of January 1, 1998 repaid in the Year 1998.

3. The sum of the debt owed as penalties charged subject to grace period (installment payment schedule) under the present Procedure shall be determined with the account taken of its being recomputed in accordance with the Procedure for Repeated Computation of the Debt of Legal Entities Owed as Penalties Relating to Taxes and Fees the Collection of Which is Monitored by the Bodies of the State Tax Service of the Russian Federation endorsed by the Decision of the Government of the Russian Federation No. 576 of June 9, 1998 on the Charging

of Penalties and the Procedure for Repeated Computation of the Debt of Legal Entities Owed as Penalties (Collection of Legislation of the Russian Federation, item 2737, No. 24, 1998).

4. Interest shall be charged for the granting of the grace periods (installment payment schedules) on the repayment of the debt owed as mandatory payments to the federal budget for the servicing of the said debt at a rate of 5 per cent per annum.

5. To obtain a grace period (installment repayment schedule) on the debts owed as mandatory payments to the federal budgets agroindustrial complex organizations shall file an application of the said grace period with a tax body at the location of their registration.

The following shall be attached to the application:

information on the debt owed as mandatory payments to the federal budget as of January 1, 1998 and the due date in 1998;

accounting documents (the balance sheet of the enterprise, statement of financial results and the use of financial resources as of the last accounting date);

documents confirming the availability and amount of grace periods granted earlier on mandatory payments owed to the federal budget which are not yet expired as of the moment when the application is filed; the taxpayer's pledge to repay the arrears on which the grace period is granted and debt servicing interest.

6. Decision to grant a grace period (installment payment schedule) on the repayment of a debt owed as mandatory payments to the federal budget to agroindustrial complex organizations shall be adopted by a tax body at the location of the registration of the organization (if the amount of the debt owed as payments to the federal budget does not exceed 20 million roubles).

Should the debt owed as payments to the federal budget exceed 20 million roubles, territorial tax bodies shall present a complete package of documents with the confirmation of the debt owed the federal budget to the State Tax Service of the Russian Federation so that a decision be adopted by the Ministry of Finance of the Russian Federation on the approval of the State Tax Service of the Russian Federation.

7. The decision to grant the grace period (installment payment schedule) on the debt owed as mandatory payments to the federal budget shall contain the following:

the taxpayer's full name, legal address and identification number;

the amount of the debt on which the grace period is granted including the indication of the debt sums owed as taxes and penalties as well as fines charged;

a debt repayment schedule;

indication of the agroindustrial complex organization's obligation to effect payments to repay the debt in compliance with the established schedule when due and in full;

the amount of pay for the servicing of the debt for which the grace period is granted.

8. Agroindustrial complex organizations shall repay a debt owed as mandatory payments to the federal budget on which a grace period (installment payment schedule) has been granted, beginning from the Year 2000 in equal installments as per the established schedule. The interest charged shall be subject to be paid at the same time with a respective part of the debt. The organization shall be entitled to effect the repayment of the debt earlier than the dates provided by the schedule.

9. Should the agroindustrial complex organization violate the debt repayment schedule relating to the mandatory payments owed the federal budget and also should current mandatory payments be deferred and/or remitted only partially to the federal budget on over four due dates, the tax body shall within one month make a decision to terminate the grace period granted on the said debt.

In such a case the organization shall pay the whole remaining debt owed as mandatory payments and interest for the servicing of the debt on which the grace period was granted for the part of the grace period actually used. A penalty at a rate established by the effective legislation shall be charged on the remaining part of the debt beginning from the third day following the date when the decision to terminate the grace period (the installment payment schedule) was adopted.

10. Upon the expiration of the effective term of the grace period (installment payment schedule) the debt owed as mandatory payments to the federal budget, still unpaid as well as the penalty charged per deferment day beginning from the day following the date of the expiration of the grace period and interest for the servicing of the debt on which the grace period was granted shall be subject to collection by the tax body.

11. The territorial bodies of the State Tax Service of the Russian Federation shall be responsible, in accordance with the effective legislation, for monitoring the agroindustrial complex organizations' observing the obligations ensuing from the approved schedule for the repayment of a debt owed as mandatory payments to the federal budget.