

**FEDERAL LAW**  
**NO. 5-FZ OF JANUARY 8, 1998**  
**ON THE FEES FOR THE ISSUANCE OF LICENSES AND THE RIGHT**  
**TO THE MANUFACTURE AND TURNOVER OF ETHYL ALCOHOL SPIRITUOUS**  
**AND ALCOHOLIC PRODUCTS**

Adopted  
by the State Duma

on December 18, 1997

Approved  
by the Federation Council

on December 24, 1997

*On the application of this Federal Law see [Letter](#) of the Ministry for Taxes and Fees of the Russian Federation No. VB-08a-31/372 of September 21, 1999*

**Article 1. General Provisions**

The present Federal Law shall establish the procedure and rate for the charging of the fee for the issuance of the license and the right to the manufacture and turnover of ethyl alcoholic, spirituous and alcoholic products of each type (Potable spirit, vodka, liqueurs, champagne cognacs (brandies), calvados, grape, fruit, sparkling, effervescent natural and special wines, weakly alcoholic beverages, and other potable products with a content of ethyl alcoholic from edible raw materials of more than one and a half per cent of the volume of a unit of the alcoholic products), with the exception of beer (hereinafter the fee).

Licenceable spirituous products shall include solutions, emulsions, suspensions and other types of products with a volumetric share of ethyl alcohol over 12 per cent contained in the finished products being realized by organizations or delivered as import and imposable with excises.

No fee shall be charged for the right to the manufacture and circulation of spirituous solutions of the following types: spirituous medicinal, treatment - and - prophylactic and diagnostic agents registered by the authorized federal body of the executive power and entered in the State Register of Medicaments and Articles of Medical Purpose, and also agents manufactured by pharmaceutical institutions by individual formulas, including homeopathic preparations, preparations of veterinary purpose, perfumery - and - cosmetic products, and also the waste of the alcoholic industry and of the alcoholic products that have passed the state registration at the relevant authorized bodies.

The effect of the present Federal Law shall not extend to the relations connected with the retail realization of the said products.

*[Regulations](#) on Licensing of the Retail Trade of the Alcoholic Products was approved by the [Decision](#) of the Government of the Russian Federaton No. 987 of August 19, 1996*

**Article 2. The Payers of the Fee**

The payers of the fee shall be the organizations of any form of ownership and departmental jurisdiction (including the organizations with foreign investments) that have filed applications to the relevant authorized bodies for the obtention of the license for the right of the manufacture and turnover of ethyl alcoholic, including spirituous solutions, and of alcoholic products (hereinafter, the licence), and that have obtained such licences in the established procedure. For the purpose of the present Federal Law, by organizations should be understood the ones having the status of juridical persons.

**Article 3. The Rates of the Fee**

The fee shall be charged for the issuance of licenses at the following rates:

for the right of the manufacture, storage and realization of ethyl alcohol, including spirituous solutions, directly by the licensee organizations - 500 statutory [minimum rates of the remuneration of labour](#);

for the right of the manufacture, bottling, storage and realization of alcoholic products directly by

the licensee organizations - 500 statutory minimum rates of the remuneration of labour;  
for the right of the bottling, storage and realization of alcoholic products directly by the licensee organizations - 500 statutory minimum rates of the remuneration of labour;  
for the right of the storage of ethyl alcohol, including spirituous solutions, and of alcoholic products - 500 statutory minimum rates of the remuneration of labour;  
for the right of the purchase, storage and wholesale of ethyl alcohol, including spirituous solutions, and of alcoholic products - 500 statutory minimum rates of the remuneration of labour;  
for the right of the export of ethyl alcohol and alcoholic products - 100 statutory minimum rates of the remuneration of labour for a one-time license \* and 500 statutory minimum rates of the remuneration of labour for a general license \*\*;  
for the right of the import purchase, storage and wholesale realization of ethyl alcohol, spirituous and alcoholic products - 1000 statutory minimum rates of the remuneration of labour for a one-time license and 15 000 statutory minimum rates of the remuneration of labour for a general license.  
The payment for the conducts by an authorized federal body of the executive federal body of the executive power of the annual surveys of organizations for conformity to the conditions necessary for the carrying on of relevant type of activity shall be made separately at a rate covering the expenses on the said survey, in the procedure established by the Government of the Russian Federation (but no more than 50 statutory minimum rates of the remuneration of labour).

*Decision of the Government of the Russian Federation No. 987 of August 21, 1998 approved the Procedure for Making Payment for the Conduct of the Annual Checkup of Organizations to Verify the Availability of Conditions Required to Pursue Licensed Kinds of Activities in the Field of Production and Sale of Ethyl Alcohol, Alcohol-Containing and Alcohol Products*

#### **Article 4.** The Time and Procedure for the Payment of the Fee

The fee shall be paid by the payer annually on its own - once for every year of the effect of the licence.

The payment of the fee shall be made at the following time:

by organizations that have filed applications to the relevant authorized bodies for the obtention of the licence - prior to the filing of the said application (for the first year of the effect of the said licence);

by organizations that have received in the established procedure the licences for the right to the conduct of relevant type of activity - on or before the date (day and month) of the putting into effect of the said licence (for each subsequent year of its effect).

For the obtention of licences granting the right to conduct several types of activity, the payer shall pay the fee separately for the right to conduct each type of the activity indicated in the licence.

In the conduct of a licence activity on several territorially isolated objects, the payer shall pay the fee separately for the right to conduct the activity on each object.

In the redrawing of a licence, a payment shall be charged at a rate stipulated for the issuance of a new licence.

No payment shall be charged in the renewal of the effect of suspended licences.

For the issuance of a new licence instead of the lost one, the payer shall pay the amount of the fee stipulated by [Article 3](#) of the present Federal Law.

In the case of the dismissal of a licence the paid fee shall be subject to return minus the expenses on the consideration of the application for the obtention of the licence in the amount of three statutory minimum rates of the remuneration of labour.

The return of the amounts of the paid fee shall be carried out by the tax body upon the presentation by an organization that has filed the application for the issuance of a licence, of a document confirming the dismissal of the licence, a document issued by an authorized body conducting the licensing.

In all other cases the paid fee shall not be subject to return.

The amounts of the paid fees shall be included by organizations in the expenses on the manufacture and realization of the products (the performance of works or services), the expenses

accepted in the calculation of the profit tax.

The fee payers shall submit annually to the tax bodies at their location the tax calculation (declaration) on the established form no later than 15 days after the date of the issuance of the license. Simultaneously the payers shall send a copy of the issued license to the tax bodies.

*On the form of tax declaration see the [Letter](#) of the State Tax Service of the Russian Federation No. KV-6-03/45 of January 20, 1998*

**Article 5.** The Procedure for the Entering of the Fee

The fee amount shall go to the revenue of the budget at whose expense is maintained the body authorized for the conduct of the licensing activity.

**Article 6.** Instructions for the Application of the Present Federal Law

The instructions for the application of the present Federal Law shall be issued by the State Tax Service of the Russian Federation in agreement with the Ministry of Finance of the Russian Federation and the Federal Service of Russia for Ensuring the State Monopoly on Alcoholic Products.

*By the [Decree](#) of the President of the Russian Federation No. 14 of January 10, 1998 the Federal Service of Russia for Ensuring the State Monopoly on the Alcoholic Products was abolished and the State Committee of the Russian Federation for Ensuring the Monopoly on the Alcoholic Products (State Alcoholic Monopoly Committee of Russia) was created*

**Article 7.** Responsibility of the Payers and the Control of the Tax Bodies

For the violation of the Law of the Russian Federation on the Fee for the Issuance of License for the Manufacture and Turnover of Ethyl Alcohol and Alcoholic Products the payers and their official shall bear responsibility in accordance with the [Law](#) of the Russian Federation on the Bases of the Tax System in the Russian Federation.

The control over the correctness, fullness and timeliness of the payment of the fee to the budget shall be carried out by the tax bodies in accordance with their competence determined by the federal law.

*See the [Procedure](#) for Conducting Control Technological Checkups and Annual Inspection in Respect to Organizations in the Sphere of the Production of and Trading in Ethyl Alcohol, Alcohol-Containing and Alcohol Products approved by [Order](#) of the State Tax Service of the Russian Federation No. BF-3-31/213 of August 26, 1998*

**Article 8.** on the Procedure for the entry into force of the present Federal Law

The present Federal Law shall enter into force as from the day of its [official publication](#).

To recommend the President of the Russian Federation and assign the Government of the Russian Federation to bring their normative legal acts in conformity with the present Federal Law.

President  
of the Russian Federation

Boris Yeltsin

Moscow, the Kremlin

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\* The one-time export (import) license shall be issued for the export (import) delivery of ethyl alcohol, spirituous solutions or alcoholic products whose customs cost does not exceed 10 000 [minimum rates of the remuneration of labour](#) or whose volume, in terms of absolute alcohol, does not exceed two thousand decalitres, for a period no longer than two months.

\*\* The general export (import) license is one for the export (import) of ethyl alcohol, spirituous or alcoholic products in the course of one year from the date of the receipt of the said license.