

**DECISION OF THE GOVERNMENT OF THE RUSSIAN FEDERATION NO. 883 OF JULY 23, 1996 ON
EXEMPTIONS FROM IMPORT CUSTOMS DUTIES AND THE VALUE-ADDED TAX FOR
COMMODITIES IMPORTED BY FOREIGN INVESTORS AS A CONTRIBUTION TO THE REGISTERED
(SHARED) CAPITAL OF ENTERPRISES WITH FOREIGN INVESTMENTS**

To stimulate attraction of foreign investments in the Russian Federation, pursuant to the putting into effect of the Civil Code of the Russian Federation (Collection of Legislation of the Russian Federation, 1994, No. 32, item 3301; 1996, No. 5, item 410; No. 9, item 773), and the Federal Law on the State Regulation of Foreign-Trade Activities (Collection of Legislation of the Russian Federation, 1995, No. 42, item 3923) and, acting in compliance with Articles 34 and 37 of the Law of the Russian Federation on Customs Tariff Rates (Records of the Congress of People's Deputies and the Supreme Soviet of the Russian Federation, 1993, No. 23, item 821; Collection of Legislation of the Russian Federation, 1995, No. 32, item 3204; No. 48, item 4567; 1996, No. 1, item 4), the Government of the Russian Federation hereby decrees:

1. To establish that commodities imported to the customs territory of the Russian Federation as a contribution of a foreign founder to registered (shared) capital shall be exempted from customs duties under the condition that the commodities are:

- not subject to excise duties;
- qualified as fixed production assets;
- imported within the deadlines fixed in constituent documents for the paying up of the registered (shared) capital.

2. To establish that if a commodity mentioned in Item 1 of the present Decision is sold, then customs duties due as of the date of conditional issue shall be paid in compliance with the customs laws of the Russian Federation.

3. The Ministry of Finance of the Russian Federation, the State Tax Service of the Russian Federation, the Ministry of Economics of the Russian Federation, and the State Customs Committee of the Russian Federation shall submit within one month to the Government of the Russian Federation suggestions on amendments to the tax laws of the Russian Federation, providing for exemptions from the Value-Added Tax for commodities imported by foreign investors as a contribution to the registered (shared) capital of enterprises with foreign investments, to be granted only for commodities qualified as fixed assets.

Chairman of the Government
of the Russian Federation

V. Chernomyrdin