

By the Judgement of 22 July 2020 No. 38-II the Constitutional Court of the Russian Federation appraised constitutionality of Article 159, Section 3 of the Criminal Code of the Russian Federation.

The challenged provision was the subject of consideration to the extent that on its basis, the issue of criminalising acts (fraud) related to the submission of a tax return on personal income tax by a taxpayer to the tax authorities in order to receive a property tax deduction in connection with the acquisition of a dwelling is resolved, when it is confirmed by the tax authority, but subsequently denied, that the taxpayer has the right to such a deduction.

The Constitutional Court recognised the provision as not inconsistent with the Constitution of the Russian Federation, since according to its constitutional and legal meaning in the system of current legal regulation, it does not imply in the said situation the imposition of criminal liability for the ungrounded application of the taxpayer, if he submitted to the tax authority documents stipulated by law that do not contain signs of forgery sufficient (with the usual care and discretion of tax officials) to refuse to provide the tax deduction, and did not commit any other actions (omissions) specifically aimed at creating conditions for the tax authority to make an incorrect decision in favour of the taxpayer.