

By the Judgement of 30 June 2020 No. 31-II the Constitutional Court of the Russian Federation appraised constitutionality of Article 164, para.1, subpara.12 and para.3, Article 165, para.14 of the Tax Code of the Russian Federation.

The subject of consideration was the indicated interrelated provisions, on the basis of which the issue of the tax rate on value added tax is resolved in relation to the operation for the provision of services for the lease of sea vessels on the basis of time charter contracts for the purpose of transporting goods exported outside the Russian Federation when the taxpayer provided the relevant services only at the domestic stage of international transportation due to unforeseen circumstances which did not depend on the will of the parties who had interrupted international transportation.

The challenged provisions were recognised not contradicting the Constitution of the Russian Federation, because in the system of existing legal regulation and taking into account legal positions of the Constitutional Court of the Russian Federation, they suggest the need for value added tax at a rate of 0 percent of operations for the provision of services for the lease of sea vessels on the basis of vessel time charter agreements for the purpose of transporting goods exported outside the Russian Federation and in such a case, if the taxpayer submits documents that reliably confirm the connection of these services with the completed export operation, subject to value added tax at a rate of 0 percent, as well as the fact of the occurrence of unforeseen and independent of the will of the parties circumstances in connection with which the continuation of international transportation became impossible.