

The Confidence Group company introduces the review of the rates for insurance premium to the Federal Compulsory Health Insurance Fund, Social Insurance Fund, contributions to the Pension Fund in relation to foreign citizens engaged in labor activities in the territory of Russia (current as of August 02, 2022).

Citizen status		Personal income tax	Medical insurance	Social insurance	Injury insurance premiums	Pension contributions	Right to receive a pension	Total
Foreign citizens entering Russia in a manner that does not require a visa	temporarily staying	Income from employment – 13%	<u>Rate in Federal Compulsory Health Insurance Fund:</u> 0%	<u>Rate in Social Insurance Fund:</u> 1,8% The maximum value of the base for calculating insurance premiums for 2022 is 1,032,000 rubles	+	Regardless of year of birth: 1. 22% within the established limit of the base (for 2022 – 1 565 000 rubles) 2. 10% above the established base limit	No	+2
	temporary residents		<u>Rate in Federal Compulsory Health Insurance Fund:</u> 5,1%	<u>Rate in Social Insurance Fund:</u> 2,9% The maximum value of the base for calculating insurance premiums for 2022 is 1,032,000 rubles	Premium rate: from 0.2% to 8.5%, depending on the degree of risk of the work performed. If there is an employment contract, these payments are mandatory. The payment of these premiums may also be mandatory in case of a civil contract, if it stipulates this condition, depending on the type of work performed and its risk class	Regardless of year of birth: 1. 22% within the established limit of the base (for 2022 – 1 565 000 rubles) 2. 10% above the established base limit	No	+
	permanent residents		<u>Rate in Federal Compulsory Health Insurance Fund:</u> 5,1%	<u>Rate in Social Insurance Fund:</u> 1,8% The maximum value of the base for calculating insurance premiums for 2022 is 1,032,000 rubles	Premium rate: from 0.2% to 8.5%, depending on the degree of risk of the work performed. If there is an employment contract, these payments are mandatory. The payment of these premiums may also be mandatory in case of a civil contract, if it stipulates this condition, depending on the type of work performed and its risk class	Regardless of year of birth: 1. 22% within the established limit of the base (for 2022 – 1 565 000 rubles) 2. 10% above the established base limit	Yes	-
Foreign citizens entering in a manner requiring a visa	temporarily staying	Income from employment: 30% - non-residents	<u>Rate in Federal Compulsory Health Insurance Fund:</u> 0%	<u>Rate in Social Insurance Fund:</u> 2,9% The maximum value of the base for calculating insurance premiums for 2022 is	Premium rate: from 0.2% to 8.5%, depending on the degree of risk of the work performed. If there is an employment contract, these payments are mandatory. The payment of these premiums may also be mandatory in case of a civil contract, if it stipulates this condition, depending on the type of work	Regardless of year of birth: 1. 22% within the established limit of the base (for 2022 – 1 565 000 rubles) 2. 10% above the	No	+2

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		13% - residents		1,032,000 rubles	performed and it's risk class	established base limit		
	<b>temporary residents</b>		<u>Rate in Federal Compulsory Health Insurance Fund: 5,1%</u>	<u>Rate in Social Insurance Fund: 2,9%</u> The maximum value of the base for calculating insurance premiums for 2022 is 1,032,000 rubles	Premium rate: from 0.2% to 8.5%, depending on the degree of risk of the work performed. If there is an employment contract, these payments are mandatory. The payment of these premiums may also be mandatory in case of a civil contract, if it stipulates this condition, depending on the type of work performed and it's risk class	Regardless of year of birth: 1. 22% within the established limit of the base (for 2022 – 1 565 000 rubles) 2. 10% above the established base limit	No	+1 -1
	<b>permanent residents</b>		<u>Rate in Federal Compulsory Health Insurance Fund: 5,1%</u>	<u>Rate in Social Insurance Fund: 2,9%</u> The maximum value of the base for calculating insurance premiums for 2022 is 1,032,000 rubles	Premium rate: from 0.2% to 8.5%, depending on the degree of risk of the work performed. If there is an employment contract, these payments are mandatory. The payment of these premiums may also be mandatory in case of a civil contract, if it stipulates this condition, depending on the type of work performed and it's risk class	Regardless of year of birth: 1. 22% within the established limit of the base (for 2022 – 1 565 000 rubles) 2. 10% above the established base limit	Yes	-2
<b>HQS</b>	<b>temporarily staying</b>	Income from employment – 13%	<u>Rate in Federal Compulsory Health Insurance Fund: 0%</u>	<u>Rate in Social Insurance Fund: 0%</u> The maximum value of the base for calculating insurance premiums for 2022 is 1,032,000 rubles	Premium rate: from 0.2% to 8.5%, depending on the degree of risk of the work performed. If there is an employment contract, these payments are mandatory. The payment of these premiums may also be mandatory in case of a civil contract, if it stipulates this condition, depending on the type of work performed and it's risk class	0%	No	+2
	<b>temporary residents</b>		<u>Rate in Federal Compulsory Health Insurance Fund: 0%</u>	<u>Rate in Social Insurance Fund: 2,9%</u> The maximum value of the base for calculating insurance premiums for 2022 is 1,032,000 rubles	Premium rate: from 0.2% to 8.5%, depending on the degree of risk of the work performed. If there is an employment contract, these payments are mandatory. The payment of these premiums may also be mandatory in case of a civil contract, if it stipulates this condition, depending on the type of work performed and it's risk class	Regardless of year of birth: 1. 22% within the established limit of the base (for 2022 – 1 565 000 rubles) 2. 10% above the established base limit	Yes	+1 -1
Citizens of the EAEU (Russia, Belarus, Kazakhstan, Armenia, Kyrgyzstan)		Income from employment – 13%	<u>Rate in Federal Compulsory Health Insurance Fund: 5,1%</u>	<u>Rate in Social Insurance Fund: 2,9%</u> The maximum value of the base for calculating insurance premiums for 2022 is 1,032,000 rubles	Premium rate: from 0.2% to 8.5%, depending on the degree of risk of the work performed. If there is an employment contract, these payments are mandatory. The payment of these premiums may also be mandatory in case of a civil contract, if it stipulates this condition, depending on the type of work performed and it's risk class		According to the Agreement on pension provision for workers of the EAEU Member States of December 20, 2019 (entered into force on November 20, 2020), the formation of pension rights of workers is carried out at the expense	-2

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					<p>of pension contributions on the same conditions and in the same manner as the formation of pension rights of citizens of the state of employment. Realization of the right to the appointment and payment of pensions to workers (their family members) is carried out on the same conditions as for citizens of the state of employment.</p> <p>A worker (his or her family member) has the right to apply for the appointment and payment of a pension to the competent authority of the state of residence and (or) to the competent authority of the state of employment. The date of submission of an application and other documents for the purposes of pension provision to the competent authority of one Member State shall be considered the date of their submission to the competent authority of another Member State.</p> <p>A worker (his or her family member) cannot be denied the appointment and payment of a pension on the basis of residence in the territory of another Member State.</p>	
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\*On January 1, 2023, the [Federal Law No. 240-FZ dated July 14, 2022 "On Amendments to the Labor Code of Russia"](#) and the [Federal Law No. 237-FZ dated July 14, 2022 "On Amendments to Certain Legislative Acts of Russia"](#) come into force, according to to which employers of foreign citizens temporarily staying in Russia, with the exception of HQS, as well as HQS permanently residing in Russia, will be required to pay contributions to the Federal Compulsory Health Insurance Fund at the general rate - see our [news](#).

\*\* The rates of insurance premiums for Pension Insurance, Social Insurance, Compulsory Health Insurance can be reduced for insurers recognized as small or medium-sized businesses. The algorithm for calculating insurance premiums for SMEs for periods starting from April 1, 2020 was brought up by letter of the Federal Tax Service of Russia dated April 29, 2020 N BS- 4-11/7300@.

\*\*\*It should be noted that at the moment (before the above law comes into force) the right to receive all types of benefits for compulsory social insurance in case of temporary disability and in connection with motherhood (temporary disability benefit, pregnancy and childbirth allowance, a one-time allowance for women registered with medical organizations in the early stages of pregnancy, a one-time allowance for the birth of a child, a monthly allowance for child care, a social allowance for burial) are available only to foreign citizens permanently or temporarily residing in Russia, as well as temporarily staying in Russia, citizens of the countries of the Eurasian Economic Union (hereinafter referred to as the EAEU), without any restrictions.

At the same time, part 4.1 of Article 2 of Law No. 255-FZ establishes that foreign citizens temporarily staying (with the exception of citizens of the EAEU countries) in Russia are entitled to receive only temporary disability benefits and subject to employers paying insurance premiums for them in The Social Insurance Fund of Russia for a period of at least six months preceding the month of the onset of temporary disability.

\*\*\*\*From 01.01.2023, an amendment to Article 2 of Law No. 255-FZ enters into force, which introduces paragraph 4.2 of the following content:

4.2. Insured persons working under civil law contracts, the subject matter of which is the performance of works and (or) the provision of services, contracts of author's order, as well as those who are authors of works, receiving payments and other remuneration under contracts for the alienation of the exclusive right to works of science, literature, art, publishing license agreements, agreements on granting the right to use a work of science, literature, art, are entitled to receive insurance coverage, provided that the amount of insurance premiums accrued from payments in their favor, including within the framework of labor relations, by insurers, specified in Part 1 of Article 2.1 of this Federal Law, for the calendar year preceding the calendar year in which the insured event occurred, is in the aggregate amount not less than the cost of the insurance year, determined in accordance with Part 3 of Article 4.5 of this Federal Law.

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(Part 4.2 was introduced by Federal Law No. 237-FZ of July 14, 2022)

\*\*\*\*\* The government has allocated 78 preferential sectors, whose representatives can take advantage of a 12-month deferral of contributions. Companies and entrepreneurs operating in preferential sectors will be able to defer the payment of insurance premiums, with the exception of deductions for injuries (Government Order No. 776 dated April 29, 2022). The company's right to a deferment is determined by OKVED according to the code specified in the Unified State Register of Legal Entities or Unified State Register of Legal Entities as of April 1, 2022 as the main one.

\*\*\*\*\* Federal Laws No. 17-FZ dated February 25, 2022 and No. 18-FZ dated February 25, 2022 introduced an experimental regime, according to which companies and individual entrepreneurs will be able not to pay insurance premiums if they switch to automated simplified taxation (AUSN). The experiment will be carried out in four regions: Moscow, Moscow and Kaluga regions, as well as in the Republic of Tatarstan. The experiment period is from July 01, 2022 to December 31, 2027.

Newly registered companies in these four regions can start applying the new regime from the date of registration, while existing companies and individual entrepreneurs will be able to switch to it only from January 01, 2023.

For more information, please contact the consultants of the Confidence Group company.

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