**INFORMATION
on Insurance Contributions to the Pension Fund, Social Security Fund and Compulsory Medical Insurance Fund of the Russian Federation, Deducted from Payments to Individuals**

**Dear Colleagues!**

The information given below is based on Russian legislation.

Here we provide you with a summary of Russian legislation on compulsory insurance contributions, as Russian law in this regard is rather bulky. We have grouped relevant regulatory provisions, depending on an individual’s citizenship, migration status, legal and residential status, as well as place of employment. This summary has been prepared in order to provide you with an idea of the relevant Russian legislation and give you the opportunity to estimate the size of your social insurance contributions.

Since certain nuances still exist in some cases, we are always ready to consider any particular cases in order to produce precise calculations for you.

For more details about your insurance payments, please contact:

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**HSE** is the **payer** of all mandatory social insurance contributions, pursuant to Russian legislation, as the legal entity which pays wages and other remunerations to individuals[[1]](#footnote-1).

**All Russian citizens**, employed at HSE under employment or individual contractor agreements for provision of works and (or) services, **irrespective of their workplace location, in Russia or abroad, shall be eligible** for the types of compulsory insurance, as detailed in Table 1, including:

- compulsory pension insurance, pursuant to Federal Law No. 167-FZ “On Mandatory Pension Insurance in the Russian Federation", dated December 15, 2001

- compulsory medical insurance, pursuant to Federal Law No. 326-FZ “On Mandatory Medical Insurance in the Russian Federation", dated November 29, 2010;

- compulsory social insurance in case of temporary disability and maternity, pursuant to Federal Law No. 255-FZ, "On Mandatory Social Insurance in Case of Temporary Disability and Maternity", dated December 29, 2006.

Table 1

|  |  |
| --- | --- |
| **Citizen’s status** | **Insurance contributions remitted to the following federal funds:** |
| **compulsory pension insurance contributions (Pension Fund of the Russian Federation)** | **compulsory medical insurance contributions (Federal Compulsory Medical Insurance Fund)** | **compulsory social insurance in case of temporary disability and maternity (Social Security Fund)** | **compulsory social insurance against disability caused by workplace accidents and occupational ailments (Social Security Fund)** |
| **Russian citizen[[2]](#footnote-2)** | **22%[[3]](#footnote-3)** | **5.1%** | **2.9%[[4]](#footnote-4)** | **0.2%** |

**All foreign citizens and (or) stateless persons** employed at HSE under employment or individual contractor agreements for the provision of works and (or) services and earning income at HSE **during their employment in Russia shall be entitled to compulsory social insurance.** Depending on migration status, the following rates for compulsory insurance contributions shall be applicable to income earned by foreign citizens and (or) stateless persons in Russia, **with the exception of highly qualified specialists (hereafter, “HQS”)**:

|  |  |
| --- | --- |
| **Status****of foreign citizen or stateless person**  | **Insurance contributions remitted to the following federal funds:** |
| **compulsory pension insurance contributions (Pension Fund of the Russian Federation)[[5]](#footnote-5)** | **compulsory medical insurance contributions (Federal Compulsory Medical Insurance Fund)** | **compulsory social insurance in case of temporary disability and maternity (Social Security Fund)[[6]](#footnote-6)** | **compulsory social insurance against disability caused by workplace accidents and occupational ailments (Social Security Fund)** |
| **Foreign citizens or stateless persons permanently or temporarily residing in Russia** | **22%** | **5.1%** | **2.9%** | **0.2%** |
| **Foreign citizens or stateless persons temporarily residing in Russia** | **22%\*** | **-** | **1.8 %** | **0.2%** |
| **Foreign citizens (citizens of the EEU members states) temporarily residing in Russia** | **22%** | **5.1%** | **2.9%** | **0.2%** |

**\*** - **Provisions of international treaties of the Russian Federation (including the EEU Treaty), which may provide for special aspects of staff social insurance, should be considered in order to calculate the insurance contributions deductible from payments to international staff temporarily residing in the Russian Federation.**

Citizens of the People’s Republic of China working at HSE under employment agreements or individual contractor agreements, temporarily residing in Russia, are not entitled to compulsory pension insurance and, respectively, the income of such persons shall not be subject to deductions, pursuant to paragraph 2 of Article 12 of the International Treaty between the Russian Government and the Government of the People’s Republic of China on conditions for the temporary employment of Russian citizens in the People’s Republic of China, as well as Chinese citizens in the Russian Federation, dated November 3, 2000.

**During their temporary stay in Russia, international HQS - citizens of the EEU member states, and international HQS temporarily residing in Russia, shall be entitled** to compulsory social insurance and eligible for the following types of compulsory social insurance:

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| --- | --- |
| **Status****of foreign citizen or stateless person** | **Insurance contributions remitted to the following federal funds:** |
| **compulsory pension insurance contributions (Pension Fund of the Russian Federation)[[7]](#footnote-7)** | **compulsory medical insurance contributions (Federal Compulsory Medical Insurance Fund)** | **compulsory social insurance in case of temporary disability and maternity (Social Security Fund)[[8]](#footnote-8)** | **compulsory social insurance against disability caused by workplace accidents and occupational ailments (Social Security Fund)** |
| **HQS temporarily residing in Russia**  | **22%** | **-** | **2.9%** | **0.2%** |
| **HQS (residents of EEU member states) temporarily residing in Russia** | **-** | **5.1%** | **2.9%** | **0.2%** |

**Foreign citizens referred to the category of HQS** employed at HSE under employment or individual contractor agreements for provision of works (or) services and earning income at HSE **during their temporary stay in Russia** shall not be entitled to compulsory social insurance, except for compulsory social insurance against disability caused by workplace accidents and occupational diseases. No compulsory insurance contributions shall be deducted from the income of international HQS, except for compulsory social insurance against disability caused by workplace accidents: 0.2%.

|  |  |
| --- | --- |
| **Status****of foreign citizen or stateless person** | **Insurance contributions remitted to the following federal funds:** |
| **compulsory pension insurance contributions (Pension Fund of the Russian Federation)[[9]](#footnote-9)** | **compulsory medical insurance contributions (Federal Compulsory Medical Insurance Fund)** | **compulsory social insurance in case of temporary disability and maternity (Social Security Fund)[[10]](#footnote-10)** | **compulsory social insurance against disability caused by workplace accidents and occupational diseases (Social Security Fund)** |
| **HQS temporarily residing in Russia (except for residents of EEU member states)**  | **-** | **-** |  | **0.2%** |

**Foreign citizens and (or) stateless persons working (remotely) outside Russia** and employed at HSE under employment or individual contractor agreements for provision of works (or) services **shall not be entitled to compulsory social insurance**, except for compulsory social insurance against disability caused by accidents at work and occupational diseases. No compulsory insurance contributions shall be deducted from the income of foreign citizens and (or) stateless persons working outside of Russia, except for compulsory social insurance against disability caused by accidents: 0.2%.

|  |  |
| --- | --- |
| **Status****of foreign citizen or stateless person** | **Insurance contributions remitted to the following federal funds:** |
| **compulsory pension insurance contributions (Pension Fund of the Russian Federation)**  | **compulsory medical insurance contributions (Federal Compulsory Medical Insurance Fund)** | **compulsory social insurance in case of temporary disability and maternity (Social Security Fund)** | **compulsory social insurance against disability caused by workplace accidents and occupational diseases (Social Security Fund)** |
| **Foreign citizens and (or) stateless persons working outside of Russia** | **-** | **-** | **-** | **0.2%** |

1. Paragraph 1 of Article 419 of the Tax Code of the Russian Federation [↑](#footnote-ref-1)
2. A Russian citizen is:

а) a person with citizenship of the Russian Federation as of the effective date of Federal Law No. 62-FZ “On the Citizenship of the Russian Federation”, dated May 31, 2002; or

b) a person who has acquired Russian citizenship, pursuant to Federal Law No. 62-FZ “On the Citizenship of the Russian Federation”, dated May 31, 2002. [↑](#footnote-ref-2)
3. Levied from annual taxable income of 876,000 roubles, accrued from the beginning of the calendar year, +10% from the amount of taxable income, accrued from the beginning of the calendar year exceeding 876,000 roubles. [↑](#footnote-ref-3)
4. Levied from annual taxable income of 755,000 roubles, accrued from the beginning of the calendar year. No insurance contributions shall be charged from taxable income accrued from the beginning of the calendar year which exceeds 755,000 roubles. [↑](#footnote-ref-4)
5. Levied from annual taxable income of 876,000 roubles, accrued from the beginning of the calendar year, +10% from the amount of taxable income, accrued from the beginning of the calendar year exceeding 876,000 roubles. [↑](#footnote-ref-5)
6. Levied from annual taxable income of 755,000 roubles, accrued from the beginning of the calendar year. No insurance contributions shall be charged from the taxable income accrued from the beginning of the calendar year which exceeds 755,000 roubles. [↑](#footnote-ref-6)
7. Levied from annual taxable income of 876,000 roubles, accrued from the beginning of the calendar year, +10% from the amount of taxable income, accrued from the beginning of the calendar year exceeding 876,000 roubles. [↑](#footnote-ref-7)
8. Levied from annual taxable income of 755,000 roubles, accrued from the beginning of the calendar year. No insurance contributions shall be charged from taxable income accrued from the beginning of the calendar year that exceeds 755,000 roubles. [↑](#footnote-ref-8)
9. Levied from annual taxable income of 876,000 roubles, accrued from the start of the calendar year, +10% from total taxable income, accrued from the beginning of the calendar year exceeding 876,000 roubles. [↑](#footnote-ref-9)
10. Levied from annual taxable income of 755,000 roubles, accrued from the beginning of the calendar year. No insurance contributions shall be charged from taxable income accrued from the beginning of the calendar year which exceeds 755,000 roubles. [↑](#footnote-ref-10)