



Key Russian Law Developments in November 2025

I. Russian Companies Resume Paying Dividends on Depository Receipts Subject to Counter-sanctions Restrictions.

The President signed the federal law prescribing Russian joint-stock companies, which preserved their depository receipts programs, to pay dividends not only to direct shareholders, but also to holders of depository receipts.¹ Since April 2022, Russian joint-stock companies were exempted from paying dividends on depository receipts (unless a holder of depository receipts applies for such a payment) and were ordered to surrender depository receipts programs by converting the receipts into underlying shares.² Now, that exemption expires.

The dividends on depository receipts will be paid in compliance with Russian counter-sanctions, which means the funds will be blocked on a type "C" account if the holder of receipts or a foreign depository is a person of "unfriendly state". Meanwhile, the holders of depository receipts who converted them into the shares of the Russian company are allowed to claim the dividends undeclared since 2022 in accordance with the general rules³ for receiving unclaimed dividends. The limitation period for that claim is three years, starting from the date of conversion.

The amendments came into force on 28 November 2025.

II. State Authorities Published Draft Law Prohibiting Dividend Payments if Resolution Violates Preferred Shareholders' Rights.

The Ministry of Economic Development of the Russian Federation developed a draft law to implement the legal position of the Constitutional Court on protection of preferred shareholders' rights (reported in our September update).⁴ The draft law aims to protect the rights of shareholders holding preferred shares with a fixed dividend amount stipulated in the company's charter.

The draft law provides for the following measures:

¹ [Federal Law No. 431-FZ](#) dated 28 November 2025 "On Amending Certain Legislative Acts of the Russian Federation, Suspending the Operation of Certain Provisions of Legislative Acts of the Russian Federation, and Establishing Specifics of Budget Execution of the Budget System of the Russian Federation in 2026."

² [Federal Law No. 114-FZ](#) dated 16 April 2022 "On Amending the Federal Law "On Joint-Stock Companies" and Certain Legislative Acts of the Russian Federation."

³ [Federal Law No. 208-FZ](#) dated 26 December 1995 "On Joint-Stock Companies."

⁴ [Draft Federal Law](#) "On Amending Article 43 of the Federal Law "On Joint-Stock Companies."

- If a shareholders' resolution on the distribution of dividends to ordinary shareholders is adopted without dividends being distributed to preferred shareholders, that shareholders' resolution on dividends will be deemed unenforceable.
- If the resolution has nevertheless been adopted and dividends on ordinary shares have actually been paid, preferred shareholders are entitled to claim the unpaid amount of dividend from the company under the rules of unjust enrichment.

Currently, the draft law is under the process of regulatory review and has not been submitted to the State Duma yet.

III. Law on Increasing Value-Added Tax and Revising Business Tax Regimes Adopted.

The President signed the law amending the Tax Code of the Russian Federation (reported in our September update). The final version of the law provides for the following key amendments:

- Value-added tax (VAT) standard rate increases by two percentage points from 20% to 22%. The change will apply to all VAT taxpayers.
- VAT registration threshold for application of the simplified tax system (STS) is reduced. The annual revenue thresholds for the STS will be reduced gradually. From 2026, the threshold will decrease from RUB 60 million (~775 000 U.S. dollars) to RUB 20 million (~260 000 U.S. dollars), in 2027 — to RUB 15 million (~195 000 U.S. dollars), and in 2028 — to RUB 10 million (~130 000 U.S. dollars).
- Preferential social insurance contribution rates for small and medium-sized enterprises (SMEs) are abolished. Only enterprises operating in priority sectors (the list of these sectors to be adopted by the Government) will retain the right to apply preferential rates. Standard rates will apply to other small and medium-sized enterprises: 15%-30% depending on the amount of revenue.

The amendments will come into force on 1 January 2026.

IV. Miscellaneous Updates

- On 17 November 2025, the President signed a law amending the procedure for tax registration of foreign companies in Russia. Under the new rules, tax registration in connection with opening a bank account in Russian bank will be carried out exclusively through the relevant bank.⁵ The amendments will become effective on 1 September 2026.
- The Ministry of Finance published a draft order providing for the exclusion of the United Arab Emirates from the list of offshore zones.⁶ The document is currently under regulatory review.

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⁵ [Federal Law No. 416-FZ](#) dated 17 November 2025 "On Amending Articles 83 and 84 of Part One of the Tax Code of the Russian Federation."

⁶ [Draft Order](#) on Amending the List of States and Territories Providing Preferential Tax Regimes and/or Not Requiring Disclosure and Provision of Information During Financial Transactions (Offshore Zones), Approved by Order of the Ministry of Finance of the Russian Federation No. 86n dated 5 June 2023.

We will be happy to answer any questions you may have on this subject.



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