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RUSSIAN FEDERATION

FEDERAL LAW

ON SPECIAL ECONOMIC ZONES IN THE RUSSIAN FEDERATION

Adopted by
The State Duma
On July 8, 2005

Approved by
The Federation Council
On July 13, 2005

(as revised by Federal laws dated 03.06.2006 N 76-Ф3, dated 18.12.2006 N 232-Ф3, dated 30.10.2007 N 240-Ф3, dated 23.07.2008 N 160-Ф3, dated 25.12.2009 N 340-Ф3, dated 01.07.2011 N 169-Ф3, dated 18.07.2011 N 215-Ф3, dated 18.07.2011 N 242-Ф3, dated 07.11.2011 N 305-Ф3, dated 30.11.2011 N 365-Ф3, dated 03.12.2011 N 392-Ф3, dated 06.12.2011 N 409-Ф3, dated 30.12.2012 N 318-Ф3, dated 04.03.2011 N 21-Ф3, dated 23.07.2013 N 231-Ф3 revised by Federal Law dated 23.06.2014 N 171-Ф3)

Chapter 1. GENERAL PROVISIONS

Article 1. Legal regulation of relations in the special economic zone sphere in the Russian Federation

(as revised by the Federal law N 409-Ф3 dated 06.12.2011)

1. Relations in the special economic zone sphere in the Russian Federation are regulated by the Agreement on free (free, special) economic zones in the customs territory of the Customs union and customs formalities of the free customs zone dated June 18, 2010 (hereinafter referred to as "Agreement on SEZ"), by other customs legislation acts of the Customs union within the limits of EurAsEC (hereinafter referred to as "Customs union"), by the Russian Federation legislation on special economic zones and other Russian Federation legislation.

2. The Russian Federation legislation on special economic zones consists of the present Federal law and other federal laws accepted according to it.

3. Relations in the sphere of special economic zones can also be regulated by decrees of the Russian Federation President, Russian Federation government orders and other normative legal acts accepted according to the Russian Federation legislation on special economic zones.

Article 2. Basic concepts used in the present Federal law
(as revised by the Federal law N 365-ФЗ dated 30.11.2011)

The following basic concepts are used for the purposes of the present Federal law:

1) special economic zone - the part of the Russian Federation territory that is determined by the Russian Federation Government and to which application of the special business activity procedure is extended, as well as customs formalities of the free customs zone can be applied;

2) management company – an open joint stock company which is created in order to realize agreements on special economic zone creation and hundred percent of shares of which belongs to the Russian Federation; or an economic society that is created with participation of such open joint stock company for stated purposes; or other economic society that has concluded an agreement on special economic zone management with the federal executive body authorized by the Russian Federation Government;

3) cluster - set of special economic zones of the same type or several types that is determined by the Russian Federation Government and management of which is performed by one management company.

Article 3. Special economic zone creation purposes
(as revised by the Federal law N 365-ФЗ dated 30.11.2011)

Special economic zones are created with a view of processing industry development, hi-tech industries, tourism development, sanatoria and health resorts sphere, port and transport infrastructures, technology development and commercialization of their results, new product type production.

Article 4. Special economic zone types

1. In territory of the Russian Federation special economic zones of the following types can be created:

- 1) industrial production special economic zones;
- 2) technology development special economic zones;
- 3) tourism and recreation special economic zones;

(Item 3 is introduced by the Federal law N 76-ФЗ dated 03.06.2006)

- 4) port special economic zones.

(Item 4 is introduced by the Federal law N 240-ФЗ dated 30.10.2007)

1.1. For the special economic zone creation purposes specified in Article 3 of the present Federal law special economic zones of one type or several types can be united in a cluster by the Russian Federation Government decision.

(Part 1.1 is introduced by the Federal law N 365-ФЗ dated 30.11.2011)

2. Industrial production special economic zones are created on no more than three plots the area of which makes no more than forty square kilometers. Technology development special economic zones are created on no more than three plots the area of which constitutes no more than four square kilometers.

(as revised by Federal laws N 76-ФЗ dated 03.06.2006, N 340-ФЗ dated 25.12.2009, N 365-ФЗ dated 30.11.2011)

2.1. Tourism and recreation special economic zones and port special economic zones are created on one or several plots.

(Part 2.1 is introduced by the Federal law N 76-ФЗ dated 03.06.2006, as revised by Federal laws N

240-ФЗ dated 30.10.2007, N 365-ФЗ dated 30.11.2011)

2.2. Port special economic zones are created on plots adjoining to seaports, the river ports opened to international traffic and foreign vessel calling, adjoining to airports opened to receiving and dispatching aircraft carrying out international air transportation, and can include plots and (or) water areas of seaports, river ports, airport territories. Port special economic zones can be created on land plots intended in accordance with the established procedure for building, reconstruction and operation of a seaport, river port, airport. Seaport infrastructure objects can be situated within the boundaries of port special economic zones according to the Federal law *On seaports in the Russian Federation and on amending separate legislative acts of the Russian Federation* N 261-ФЗ dated November 8, 2007 can settle down. Port special economic zones cannot include asset complexes intended for passenger embarkation, their debarkation and for other passenger service. (as revised by Federal laws N 340-ФЗ dated 25.12.2009, N 215-ФЗ dated 18.07.2011)

2.3. According to Part 2.2 of the present Article port special economic zones are created on plots the total area of which constitutes no more than fifty square kilometers. (Part 2.3 as revised by the Federal law N 231-ФЗ dated 23.07.2013)

2.4. Increase in special economic zone area is performed by the Russian Federation government order. (Part four. 4 is introduced by the Federal law N 340-ФЗ dated 25.12.2009)

3. A special economic zone can be situated in the territory of one municipality or territories of several municipalities within the territory of one Russian Federation constituent or territories of several Russian Federation constituents. Special economic zone creation is not allowed in a municipality territory, where the territory development zone is created. (as revised by Federal laws N 305-ФЗ dated 07.11. 2011, N 392-ФЗ dated 03.12.2011)

4. Housing facilities are not allowed in a special economic zone, except for a tourism and recreation special economic zone. (Part four as revised by the Federal law N 76-ФЗ dated 03.06.2006)

5. In the territory special economic zone the following is not allowed:

1) Mineral resources exploitation, except for exploitation of mineral waters and other natural curative resources;

(Item 1 as revised by the Federal law N 231-ФЗ dated 23.07.2013)

2) Expired. – The Federal law N 231-ФЗ dated 23.07.2013;

3) excisable goods production and processing (except for motor cars and motorcycles).

ConsultantPlus: Note.

The right of establishing the activity types prohibited on the territory of free economic zones is prescribed by the Agreement on free (special) economic zones in the customs territory of the Customs union and customs formalities of the free customs zone (concluded in Saint-Petersburg on 18.06.2010).

6. The Russian Federation Government can determine other activity types that are not allowed to undertake in a special economic zone.

(Part six as revised by the Federal law N 76-ФЗ dated 03.06.2006)

Article 5. Special economic zone creation conditions

(as revised by the Federal law N 305-ФЗ dated 07.11.2011)

1. Special economic zones can be created on publicly or municipally owned land plots, including ones that are granted in use or possession of citizens and (or) legal persons, as well as land plots that are owned by citizens or juridical persons. The specified land plots should belong to the land category of industry, power, transport, communication, broadcasting, television, computer

science, lands for space activities, lands of defense, safety or other special purpose lands or settlement lands. Tourism and recreation special economic zones can also be created on land plots belonged to the category of lands of specially protected areas and objects or lands of forest resources, lands of agricultural purpose.

2. It is allowed to include in boundaries of special economic zones lands on which publicly or municipally owned buildings, constructions are located, including ones granted in use or possession of citizens and (or) legal persons, as well as land plots with buildings, constructions that are owned by citizens or juridical persons.

Article 5.1. Special economic zone resident taxation
(introduced by the Federal law N 409-Φ3 dated 06.12.2011)

Special economic zone resident taxation is carried out according to the Russian Federation legislation on taxes and duties.

Chapter 2. SPECIAL ECONOMIC ZONE CREATION AND TERMINATION

Article 6. Special economic zone creation and termination

1. The decision on special economic zone creation in the territory of a Russian Federation constituent or territories of Russian Federation constituents and territory of a municipality or territories of municipalities is adopted by the Russian Federation Government and is made up by the Russian Federation government order.

(as revised by the Federal law N 365-Φ3 dated 30.1.2011)

1.1. Expired on January 1, 2012. – The Federal law N 365-Φ3 dated 30.11.2011.

1.2. Decision on special economic zone creation is adopted by the Russian Federation Government on the basis of special economic zone creation criteria approved by the Russian Federation Government.

(Part 1.2 is introduced by the Federal law N 365-Φ3 dated 30.11.2011)

2. The superior executive branch of the government of the Russian Federation constituent or the superior executive branches of the government of the Russian Federation constituents together with the executive-administrative body of the municipality or the executive-administrative bodies of municipalities submit to the federal executive body authorized by the Russian Federation Government an application for special economic zone creation with foundations of reasonability and efficiency of its creation for solution of problems of federal, regional, local importance. The written consent of an owner or owners of infrastructure objects located in the territory intended for port special economic zone creation is attached to the application for port special economic zone creation on the basis of infrastructure objects of a seaport, river port, airport. The consent of an owner or owners of infrastructure objects cannot be withdrawn till conclusion of an agreement on activity in a port special economic zone. Preparation procedure and submission of an application for special economic zone creation, including the list of documents attached to an application, are determined by the federal executive body authorized by the Russian Federation Government.

(as revised by Federal laws N 240-Φ3 dated 30.10.2007, N 160-Φ3 dated 23.07.2008, N 365-Φ3 dated 30.11.2011)

3. Expired on January 1, 2012. – The Federal law N 365-Φ3 dated 30.11.2011.

4. The Russian Federation Government, the superior executive branch of the government of the Russian Federation constituent or superior executive branches of the government of Russian Federation constituents, the executive-administrative body of the municipality or executive-administrative bodies of the municipalities, in the territories of which a special economic zone is created, conclude an agreement within thirty days of the date of the Russian Federation

Government decision on special economic zone creation (hereinafter referred to as “agreement on special economic zone creation) that stipulates:

1) package of measures for elaboration of long-term special economic zone development plan and order of their financing;

2) obligations of an executive branch of the government of the Russian Federation constituent or obligations of executive branches of the government of Russian Federation constituents concerning transfer of authority of management and disposal of land plots and other real estate objects located within the special economic zone boundaries for the term of its existence to the federal executive body authorized by the Russian Federation Government;

3) obligations of an executive-administrative body of the municipality or executive-administrative bodies of the municipality concerning transfer of right of management and disposal of municipally owned land plots and other real estate objects located within the special economic zone boundaries for the term of its existence to the federal executive body authorized by the Russian Federation Government;

4) order of special economic zone supervisory board.

(Part 4 as revised by the Federal law N 365-Φ3 dated 30.11.2011)

4.1. In terms stipulated by the agreement on special economic zone creation mentioned in Part 4 of the present Article the following is also established:

1) financing amount and terms of creation of special economic zone civil engineering, transport, social, innovative and other infrastructure objects at the expense of federal budget resources, budgets of Russian Federation constituents, local budgets, non-budgetary financing sources;

2) special economic zone boundaries and the list of land plots forming it;

3) the territory adjoining to a special economic zone, total area of which cannot exceed the one indicated in Parts 2 and 2.3 of Article 4 of the present Federal law;

4) necessary facilities provision plan and corresponding fitting-out of a special economic zone and surrounding area;

5) other conditions provided by the present Federal law.

(Part 4.1 is introduced by the Federal law N 365-Φ3 dated 11.30.2011)

5. Expired on January 1, 2012. – The Federal law N 365-Φ3 dated 30.11.2011.

6. A special economic zone is created for a term of forty nine years. Special economic zone existence term is not subject to prolongation.

(Part 6 as revised by the Federal law N 365-Φ3 dated 30.11.2011)

7. Early termination of special economic zone existence is permitted only in the following cases:

1) it is caused by necessity of people’s life and health protection, nature and cultural values preservation, national defense and state security;

2) within three years of the special economic zone creation date it no agreements on realization (conducting) of industrial production, technology development, tourism and recreation activity and (or) activity in a port special economic zone are concluded or all earlier agreements are terminated;

(as revised by the Federal law N 240-Φ3 dated 30.10.2007)

3) within three years in succession special economic zone residents do not perform in it

industrial production, technology development, tourism and recreation activity or activity on building, reconstruction and operation of seaport, river port, airport infrastructure objects.
(as revised by the Federal law N 240-Φ3 dated 30.10.2007)
(Part seven as revised by the Federal law N 76-Φ3 dated 03.06.2006)

8. Decision on early special economic zone existence termination is made by the Russian Federation Government.

Article 6.1. Financing of creation of special economic zone civil engineering, transport, social, innovative and other infrastructure objects at the expense of federal budget resources, budgets of Russian Federation constituents, local budgets
(introduced by the Federal law N 365-Φ3 dated 30.11.2011)

1. Financing of creation of special economic zone civil engineering, transport, social, innovative and other infrastructure objects at the expense of federal budget resources, budgets of Russian Federation constituents, local budgets is effected according to the Russian Federation budget legislation.

2. Russian Federation obligations of financing of creation of special economic zone civil engineering, transport, social, innovative and other infrastructure objects can be fulfilled by means of contribution to authorized capital of an open joint stock company created with a view to realize agreements on special economic zone creation and hundred percent of shares of which belongs to the Russian Federation, and subsequent financing of special economic zone infrastructure object creation by this open joint stock company, including financing by means of contribution to authorized capital of a special economic zone management company.

3. Obligations of a Russian Federation constituent or Russian Federation constituents, a municipality or municipalities concerning financing of creation of special economic zone civil engineering, transport, social, innovative and other infrastructure objects can be fulfilled by means of contribution to authorized capital of a special economic zone management company.

Chapter 3. SPECIAL ECONOMIC ZONE MANAGEMENT

Article 7. Special economic zone managerial bodies

1. Development of a unified state policy in the sphere of special economic zone creation and functioning and special economic zone management are entrusted to the federal executive body authorized by the Russian Federation Government.

(as revised by the Federal law N 340-Φ3 dated 25.12.2009)

2. By the decision of the head of the federal executive body authorized by the Russian Federation Government certain authorities on special economic zone management can be delegated on the basis of the agreement to the executive body of the Russian Federation constituent or delegated to a management company taking into account peculiarities provided by the present Federal law. The standard form of an agreement on transfer of special economic zones management authorities is approved by the federal executive body authorized by the Russian Federation Government.

(as revised by Federal laws N 340-Φ3 dated 25.12.2009, N 365-Φ3 dated 30.11.2011)

3. The federal executive body authorized by the Russian Federation Government, executive bodies of Russian Federation constituents and organizations specified in Part 2 of the present article constitute unified centralized special economic zone management system (hereinafter

referred to as “special economic zone managerial bodies”).
(Part three as revised by the Federal law N 340-Φ3 dated 25.12.2009)

4. With a view to coordinate activity of federal executive bodies, executive branches of the government of the Russian Federation constituent or executive branches of the government of Russian Federation constituents, an executive-administrative body of the municipality or executive-administrative bodies of the municipalities, business entities of special economic zone development, control of observance of an agreement on special economic zone creation, assistance in realization of special economic zone residents’ projects, other investors’ projects, besides with a view to consider and approve long-term special economic zone development plans, control of realization of these plans the special economic zone supervisory board is created.
(Part 4 as revised by the Federal law N 365-Φ3 dated 30.11.2011)

5. The supervisory board includes representatives of federal executive bodies authorized by the Russian Federation Government, representatives of an executive branch of the government of a Russian Federation constituent or representatives of executive branches of the government of Russian Federation constituents, representatives of an executive-administrative body of the municipality or executive-administrative bodies of the municipalities, management company representatives, special economic zone residents’ representatives and representatives of other organizations, including representatives of educational and research institutions performing activity within the boundaries of municipality or boundaries of municipalities, in the territories of which the special economic zone is located . The special economic zone supervisory board composition is approved by the federal executive body authorized by the Russian Federation Government.
(as revised by Federal laws N 340-Φ3 dated 25.12.2009, N 365-Φ3 dated 30.11.2011)

6. Expired. – The Federal law N 340-Φ3 dated 25.12.2009

7. Special economic zone supervisory board powers are stipulated by Provision on special economic zone supervisory board approved by the federal executive body authorized by the Russian Federation Government.
(as revised by the Federal law N 340-Φ3 dated 25.12.2009)

Article 8. Powers of special economic zone managerial bodies
(as revised by the Federal law N 340-Φ3 dated 25.12.2009)

1. The federal executive body authorized by the Russian Federation Government:

- 1) registers legal persons and individual entrepreneurs as special economic zone residents;
 - 2) keeps the special economic zone resident register;
 - 3) issues extracts from the special economic zone resident register at the request of special economic zone residents or on demand of interested persons;
 - 4) annually estimates special economic zone functioning efficiency in accordance with the procedure established by the Russian Federation Government;
- (Item 4 as revised by the Federal law N 365-Φ3 dated 30.11.2011)

4.1) generalizes information on special economic zone functioning results and submits an annual report of special economic zone functioning results to the Russian Federation Government;
(Item 4.1 is introduced by the Federal law N 365-Φ3 dated 30.11.2011)

5) supervises special economic zone resident’s execution of the agreement on realization of industrial production, technology development, tourism and recreation activity or activity in a port special economic zone in accordance with the procedure established by the federal executive body authorized by the Russian Federation Government;

6) not less than once in a quarter publishes data on availability of land plots, state and (or) municipal property located within special economic zone boundaries and not leased in print and electronic media determined by the federal executive body authorized by the Russian Federation Government;

7) exercises state customer functions of documentation preparation of territory layout within the special economic zone boundaries and creation of civil engineering, transport, social, innovative and other infrastructures of this zone at the expense of federal budget resources, budgets of a Russian Federation constituent, local budgets, unless otherwise is provided by the Russian Federation government;

(as revised by the Federal law N 365-Φ3 dated 30.11.2011)

8) manages and disposes of publicly and municipally owned land plots and other real estate objects located within the special economic zone boundaries, including:

a) Expired. – The Federal Law N 21-Φ3 dated 04.03.2013);

b) rents out such land plots and other real estate objects;

c) makes decisions on land plot formation within the special economic zone boundaries;

d) makes decisions on leaseholders' redemption of publicly and municipally owned land plots located within the special economic zone boundaries according to Part 3 of Article 32 of the present Federal law;

e) performs other actions of management and disposal of such land lots and other real estate objects;

(Item 8 as revised by the Federal law N 365-Φ3 dated 30.11.2011)

9) provides design documentation and engineering survey examination;

10) Expired on January 1, 2012. – The Federal law N 365-Φ3 dated 30.11.2011.

11) receives specifications of connection to utility network and performs transfer of these conditions and building licenses to individual entrepreneurs, legal persons performing construction or reconstruction;

(as revised by Federal laws N 318-Φ3 dated 30.12.2012, N 21-Φ3 dated 04.03.2013)

12) performs other responsibilities provided by the present Federal law.

2. The federal executive body authorized by the Russian Federation Government has the right to involve a management company to execute its powers of real estate objects creation within the special economic zone boundaries and surrounding area at the expense of federal budget resources, budget of a Russian Federation constituent, local budgets, non-budgetary financing sources and management of these and earlier created real estate objects. Powers provided by Items 2, 3, 6, 7 and 11 Part 1 of the present article, as well as powers provided by Items 8 Part 1 of the present article, except for alienation powers of the specified real estate objects, in accordance with procedure established by the federal executive body authorized by the Russian Federation Government, can be delegated to a management company that is obliged to submit to the federal executive body authorized by the Russian Federation Government the report on realization of delegated powers in terms established by the federal executive body authorized by the Russian Federation Government

(as revised by the Federal law N 365-Φ3 dated 30.11.2011)

3. The federal executive body authorized by the Russian Federation Government has the right to involve a management company in execution of functions of receiving and issuing documents in cases provided by the present Federal law, as well as of providing public authorities and local bodies with necessary information in accordance with procedure established by the present Federal law.

(as revised by the Federal law N 365-Φ3 dated 30.11.2011)

4. Powers specified in Part 1 of the present article and not delegated to a management company can be delegated to executive bodies of Russian Federation constituents in accordance with procedure established by Part 2 Article 7 of the present Federal law.

(as revised by Federal laws N 365-Φ3 dated 30.11.2011, N 21-Φ3 dated 04.03.2013)

5. Powers delegated to executive bodies of Russian Federation constituents should be early revoked ahead of time by the federal executive body authorized by the Russian Federation Government in the following cases:

1) failure to exercise delegated powers in terms established by the Russian Federation legislation;

2) breach of agreement conditions of delegation of special economic zone management powers.

6. Powers delegated to executive bodies of Russian Federation constituents can be revoked ahead of time by the federal executive body authorized by the Russian Federation Government in cases provided by the agreement of delegation of special economic zone management powers.

7. In case certain special economic zone management powers are delegated to executive bodies of Russian Federation constituents and a management company, supervision of delegated powers execution is exercised by the federal executive body authorized by the Russian Federation Government.

(as revised by the Federal law N 365-Φ3 dated 30.11.2011)

Article 8.1. Management company functions

(introduced by the Federal law N 365-Φ3 dated 30.11.2011)

The management company performs the following functions:

1) provides creation of special economic zone infrastructure objects and other objects intended for special economic zone functioning according to the special economic zone creation agreement;

2) provides functioning of special economic zone infrastructure objects and other objects intended for special economic zone functioning;

3) involves residents and other investors in a special economic zone, including for realization of special economic zone infrastructure object creation activity;

4) develops a special economic zone layout project and submits it for approval to an authorized body according to the Russian Federation legislation;

5) performs others functions provided by the present Federal law and the special economic zone management agreement.

Article 8.2. The special economic zone management agreement

(introduced by the Federal law N 365-Φ3 dated 30.11.2011)

1. Federal executive body authorized by the Russian Federation Government involves management companies with a view of realization of special economic zone creation agreements

and provision of creation of special economic zone infrastructure objects and other objects intended for special economic zone functioning, management of the specified objects.

2. Federal executive body authorized by the Russian Federation Government concludes with a management company a special economic zone management agreement, approximate form of which is established by the federal executive body authorized by the Russian Federation Government.

3. The special economic zone management agreement is concluded in relation to each special economic zone.

4. The special economic zone management agreement should contain the following general provisions:

1) management company functions;

2) special economic zone functioning efficiency indices during special economic zone management agreement life;

3) procedure of management company activity control by the federal executive body authorized by the Russian Federation Government;

4) an order of special economic zone functioning results annual report submission by the management company to the federal executive body authorized by the Russian Federation Government;

5) liabilities of the special economic zone management agreement parties;

6) bases and order of special economic zone management agreement termination.

5. In case of special economic zone existence termination special economic zone management agreement terminates.

6. Data on special economic zone management agreement conclusion with a management company, as well as data on a management company are posted on an official website in Internet data telecommunications network by the federal executive body authorized by the Russian Federation Government.

7. The management company discloses information on its activity and on the special economic zone that is under its supervision in Internet data telecommunications network.

Chapter 4. SPECIAL ECONOMIC ZONE RESIDENT LEGAL STATUS

Article 9. Special economic zone resident

1. An industrial production special economic zone resident is a commercial organization except for a unitary enterprise registered according to the Russian Federation legislation in the municipality territory, within the boundaries of which the special economic zone is located, and concluded with special economic zone managerial bodies an industrial production or logistics activity agreement or agreement of technology development activity in an industrial production special economic zone pursuant to the terms and procedures provided by the present Federal law. (as revised by the Federal law N 365-Φ3 dated 30.11.2011)

2. A technology development special economic zone resident is an individual entrepreneur or commercial organization except for a unitary enterprise registered according to the Russian

Federation legislation in the municipality territory, within the boundaries of which the special economic zone is located, and concluded with special economic zone managerial bodies a technology development activity agreement pursuant to the terms and procedures provided by the present Federal law.

(as revised by the Federal law N 365-Φ3 dated 30.11.2011)

2.1. Tourism and recreation special economic zone residents are an individual entrepreneur, a commercial organization (except for a unitary enterprise) registered according to the Russian Federation legislation in the municipality territory, within the boundaries of which the special economic zone is located (in the territory of one of municipalities, if the tourism and recreation special economic zone is located in the territory of several municipalities) and concluded with special economic zone managerial bodies a tourism and recreation activity agreement pursuant to the terms and procedures provided by the present Federal law.

(Part two. 1 is introduced by the Federal law N 76-Φ3 dated 03.06.2006)

2.2. A port special economic zone resident is a commercial organization except for a unitary enterprise registered according to the Russian Federation legislation in the municipality territory, within the boundaries of which the special economic zone is located (in the territory of one of municipalities, if the port special economic zone is located in the territory of several municipalities) and concluded with special economic zone managerial bodies a port special economic zone activity agreement pursuant to the terms and procedures provided by the present Federal law.

(Part 2.2 is introduced by the Federal law N 240-Φ3 dated 30.10.2007)

3. An individual entrepreneur or a commercial organization are considered special economic zone residents of the date of entering corresponding record into the special economic zone resident register.

4. The federal executive body authorized by the Russian Federation Government enters a specified person registration record in the special economic zone resident register within three days of the date of signing an agreement of realization (conduct) of industrial production, technology development, tourism and recreation activity or activity in a port special economic zone.

(as revised by Federal laws N 76-Φ3 dated 03.06.2006, N 240-Φ3 dated 30.10.2007, N 365-Φ3 dated 30.11.2011)

5. The federal executive body authorized by the Russian Federation Government issues to a special economic zone resident the certificate confirming a person's registration as a special economic zone resident. The certificate form is approved by the federal executive body authorized by the Russian Federation Government.

(as revised by Federal laws N 340-Φ3 dated 25.12.2009, N 365-Φ3 dated 30.11.2011)

6. Within three days of the registration date the federal executive body authorized by the Russian Federation Government reports data on person's registration as a special economic zone resident to tax and customs authorities, as well as to authorities performing the premium payment control if reduced premium rates are applied to a special economic zone resident according the Russian Federation legislation.

(Part 6 as revised by the Federal law N 365-Φ3 dated 30.11.2011)

7. The federal executive body authorized by the Russian Federation Government submits to customs and tax authorities a copy of an agreement of realization (conduct) of industrial production, technology development, tourism and recreation activity or activity in a port special economic zone in terms specified in Part 6 of the present Article.

(as revised by Federal laws N 76-ФЗ dated 03.06.2006, N 240-ФЗ dated 30.10.2007, N 365-ФЗ dated 30.11.2011)

8. Person's withdrawal of special economic zone resident status is allowed only judicially in cases provided by the present Federal law and termination of the agreement of realization (conduct) of industrial production, technology development, tourism and recreation activity or activity in a port special economic zone.

(as revised by Federal laws N 76-ФЗ dated 03.06.2006, N 240-ФЗ dated 30.10.2007)

9. The federal executive body authorized by the Russian Federation Government enters a record of person's withdrawal of special economic zone resident status in the special economic zone resident register within three days of the date of court decision entered into legal force of person's withdrawal of special economic zone resident status.

(as revised by Federal laws N 76-ФЗ dated 03.06.2006, N 365-ФЗ dated 30.11.2011)

10. The federal executive body authorized by the Russian Federation Government reports data on person's withdrawal of special economic zone resident status to tax and customs authorities, as well as to authorities that perform premium payment control, if reduced premium rates are applied to the special economic zone resident, according to the Russian Federation legislation within the day following the day of entering the corresponding record in the special economic zone resident register.

(as revised by the Federal law N 365-ФЗ dated 30.11.2011)

Article 10. Procedure for business activity in the special economic zone territory

1. An industrial production special economic zone resident carries out industrial production or logistics activity in the given special economic zone. For the purposes of the present Federal law industrial production activity is production and (or) processing of goods (products) and their realization, logistics activity is goods transportation warehousing service. Thus an industrial production special economic zone resident has the right to carry out in an industrial production special economic zone only activity provided by the industrial production activity agreement or technology development activity agreement. Technology development activity in an industrial production special economic zone is permitted by decision of a technology development special economic zone expert council.

(Part 1 as revised by the Federal law N 365-ФЗ dated 30.11.2011)

2. A technology development special economic zone resident carries out technology development activity in the given economic zone. For the purposes of the present Federal law technology development activity is innovative activity, creation, production and realization of scientific and technical goods, creation and realization of computer programs, databases, integrated circuit layout, information systems, introduction and maintenance services of such goods, programs, databases, layouts and systems, as well as rendering to technology development special economic zone residents innovative infrastructure services necessary for carrying out their activity. Thus a technology development special economic zone resident has the right to carry out in a technology development special economic zone only activity provided by the technology development activity agreement. Scientific and technical goods production in a technology development special economic zone is permitted by decision of a technology development special economic zone expert council that follows priority science and technology development directions and the Russian Federation critical technology list adopted by the Russian Federation Government.

(Part 2 as revised by the Federal law N 365-ФЗ dated 30.11.2011)

2.1. A tourism and recreation special economic zone resident has the right to carry out in a special economic zone only tourism and recreation activity within the scope provided by the

tourism and recreation activity agreement. For the purposes of the present Federal law tourism and recreation activity is legal persons and individual entrepreneurs' activity of construction, reconstruction, tourist industry object operation, objects intended for health resort treatment, medical rehabilitation and citizens' rest, as well as tourist activity and activity on exploitation of mineral resources, therapeutic muds and other natural curative resources, their extraction and use, including activity on health resort treatment and disease prevention, medical rehabilitation, citizens' rest, mineral water industrial filling.

(Part two.1 is introduced by the Federal law N 76-Φ3 dated 03.06.2006)

2.2. A port special economic zone resident has the right to carry out in the given special economic zone port activity and (or) construction, reconstruction and operation of seaport, river port or airport infrastructure objects that are provided by the port special economic zone activity agreement (hereinafter referred to as activity in a port special economic zone). For the purposes of the present Federal law port activity is the following activity performed in the seaport, river port, airport territories:

1) goods warehousing, storage and other service typically rendered in a sea port, river port, airport according to the international contracts of the Russian Federation and the Russian Federation legislation;

2) provision (including with marine stores, board supplies) and equipment of vessels, aircraft;

3) production, repair, maintenance, modernization of sea-going, river and aircraft, aerotechnics, including aviation engines and other components;

4) water biological resources processing;

5) preparation operations of goods for sale and transportation (packing, sorting, repacking, lot dividing, marking and similar operations);

6) simple assembly and other operations, execution of which does not considerably change goods condition according to the list approved by the Russian Federation Government;

7) exchange trade in goods;

8) wholesale trade in goods;

9) provision of port special economic zone infrastructure object functioning;

10) production activity according to the port special economic zone activity agreement.

(Part 2.2 as revised by the Federal law N 365-Φ3 dated 30.11.2011)

2.3. Construction, reconstruction and operation of infrastructure objects in woods located within the tourism and recreation special economic zone boundaries are permitted according to designated purpose of land, on which these woods are located, if in terms of necessary facilities provision and fitting out of a tourism and recreation of a special economic zone planned development of woods, within the boundaries of which infrastructure object construction, reconstruction and operation are specified. Woods development procedure is established by the Woods code of the Russian Federation.

(Part 2.3 is introduced by the Federal law N 240-Φ3 dated 30.10.2007, as revised by the Federal law N 365-Φ3 dated 30.11.2011)

3. Individual entrepreneurs and the commercial organizations that are not special economic zone residents have the right to carry out business activity in a special economic zone, except for a port special economic zone, taking into account provisions of the present Part. The right to carry

out activity in a port special economic zone belong to:

1) seaport, river port, airport administration, the federal state enterprises and open joint stock companies (shares of which are in federal ownership) – seaport, river port, airport functioning and safety activity in full according to the Russian Federation legislation;

2) executive body of the Russian Federation constituent, a management company or a joint stock company specified in Part 2 Article 8 of the present Federal law delegated with separate port special economic zone management powers according to Article 7 of the present Federal law – port special economic zone functioning activity;

3) individual entrepreneurs and commercial organizations that are not port special economic zone resident – activity of construction and operation of port special economic zone infrastructure objects and infrastructure objects created within the boundaries of land plots given to port special economic zone residents by a port special economic zone managerial body.

(Part 3 as revised by the Federal law N 409-ΦЗ dated 06.12.2011)

4. A special economic zone resident does not have the right to have branches and representative offices outside special economic zone territory.

Article 11. State control (supervision) in special economic zone territory and municipal control in special economic zone territory

(as revised by the Federal law N 242-ΦЗ dated 18.07.2011)

1. Federal state control (supervision), regional state control (supervision) and municipal control in special economic zone territory in respect of special economic zone residents are executed by the authorized federal executive bodies, executive bodies of Russian Federation constituents and local authorities accordingly (hereinafter referred to as state control (supervision) bodies and municipal control bodies) according to the Russian Federation legislation.

(Part 1 as revised by the Federal law N 242-ΦЗ dated 18.07.2011)

2. The provisions of the Federal law N 294-ΦЗ *On protection of legal persons and individual entrepreneurs' rights in state control (supervision) and municipal control* dated December 26, 2008 are applied to relations connected with state control (supervision) in the special economic zone territory, with special economic zone resident inspection organization and execution, taking into account peculiarities of organization and execution of inspections specified by the present Article.

(Part 2 as revised by the Federal law N 242-ΦЗ dated 18.07.2011)

3. Scheduled inspections except for scheduled inspections in tax and customs control are carried out by state control (supervision) bodies and municipal control bodies in the form of joint inspections.

(Part 3 as revised the Federal law N 242-ΦЗ dated 18.07.2011)

4. Scheduled inspection term is no more than fifteen working days of the date of its beginning. In exceptional cases connected with necessity of difficult and (or) long special investigations and examinations on a basis of inspecting officials' grounded proposals, inspection term can be extended, but no more than for ten working days.

(Part 4 as revised by the Federal law N 242-ΦЗ from 18.07.2011)

5. In case of detection of special economic zone residents violation of the Russian Federation legislation during scheduled inspection officials of state control (supervision) bodies and municipal control bodies issue directions to the special economic zone resident to eliminate violations. The violation elimination direction copy is issued to the special economic zone resident or his representative within not later than three days of drawing up the scheduled inspection results act against receipt or by other way testifying to the date of special economic zone resident or his

representative directive receipt. If it is not possible to issue the violation elimination directive to the special economic zone resident or his representative by above-mentioned means, it is mailed by registered letter and is considered received on the expiry of six days after its sending.

(as revised by Federal laws N 340-ФЗ dated 25.12.2009, N 242-ФЗ dated 18.07.2011)

6. State control (supervision) bodies, municipal control bodies carry out unscheduled inspection of a special economic zone resident on the expiry of two months of the violation elimination direction date. In case of violation elimination direction non-execution by a special economic zone resident prior to unscheduled inspection the person can be deprived of special economic zone resident status by court decision on the basis of a special economic zone managerial bodies' application.

(as revised by the Federal law N 340-ФЗ dated 25.12.2009)

7. Unscheduled inspections are carried out with approval of special economic zone managerial bodies. Unscheduled inspection term cannot exceed five working days.

(as revised by N 340-ФЗ Federal laws dated 25.12.2009, N 242-ФЗ dated 18.07.2011)

8. During inspection of a state control (supervision) body, municipal control body the special economic zone resident has the right:

(as revised by Federal laws N 340-ФЗ dated 25.12.2009, N 242-ФЗ dated 18.07.2011)

1) to be present at inspection, explain issues concerning inspection subject;

2) to receive information that is provided by Russian Federation standard legal acts;

3) to get acquainted with inspection results and specify in acts his acquaintance, agreement or disagreement with them, as well as with certain actions of state control (supervision), municipal control body officials;

(as revised the Federal law N 340-ФЗ dated 25.12.2009)

4) to appeal against actions (failure to act) of officials of bodies of the state control (supervision), bodies of the municipal control in administrative and (or) a judicial order according to the legislation of the Russian Federation.

(as revised the Federal law N 340-ФЗ dated 25.12.2009)

9. Tax and customs authorities of the Russian Federation carry out tax and customs control in the special economic zone territory according to the Russian Federation legislation and notify the federal executive body authorized by the Russian Federation Government of detected violations. In case of a special economic zone resident's two and more fundamental tax and (or) customs legislation violations, the person can be deprived of the special economic zone resident status according to consideration results of an application of the federal executive body authorized by the Russian Federation Government.

(as revised by Federal laws N 76-ФЗ dated 03.06.2006, N 365-ФЗ dated 30.11.2011)

Chapter 5. AGREEMENT ON INDUSTRIAL PRODUCTION, TECHNOLOGY DEVELOPMENT, TOURISM AND RECREATION ACTIVITY OR ACTIVITY IN A PORT SPECIAL ECONOMIC ZONE

(as revised by the Federal law N 365-ФЗ dated 30.11.2011)

Article 12. Subject matter and conditions of the agreement of industrial production, technology development, tourism and recreation activity or activity in a port special economic

zone

(as revised by the Federal law N 365-ФЗ dated 30.11.2011)

1. The agreement on industrial production, technology development, tourism and recreation activity or activity in a port special economic zone (hereinafter referred to as the agreement on carrying out activity) concludes between a port special economic zone resident, the federal executive body authorized by the Russian Federation Government and a management company. During life of the agreement on carrying out activity a special economic zone resident undertakes to perform activity provided by the agreement on carrying out activity and to make investments and capital investments as per amounts and terms provided by the agreement on carrying out activity, and the federal executive body authorized by the Russian Federation Government undertakes to exercise its powers specified by the present Federal law, among other things to lease land plot to a special economic zone resident provided that a special economic zone resident needs land plot for carrying out corresponding activity. The agreement on carrying out activity may specify an obligation of the federal executive body authorized by the Russian Federation Government to conclude with a special economic zone resident a lease contract for carrying out corresponding activity in term established by the agreement on carrying out activity in case of state and (or) municipal property located within the special economic zone boundaries. A management company undertakes to perform necessary actions according to procedure and within the competence established by the special economic zone management agreement, among other things to provide special economic zone infrastructure object creation. The agreement on carrying out activity can contain other rights and obligations of the parties.

2. The lease contract of state and (or) municipal property located within the special economic zone boundaries is concluded with a special economic zone resident for duration of the agreement on carrying out activity unless shorter term is declared by a special economic zone resident. Approximate form of the lease contract of such property and rent calculation methods are established by the federal executive body authorized by the Russian Federation Government.

3. According to the agreement on carrying out activity an industrial production special economic zone resident is obliged to make capital investments in the amount not less than of one hundred twenty million roubles (except for intangible assets), furthermore an industrial production special economic zone resident is obliged to make capital investments in the amount not less than of forty million roubles (except for intangible assets) within three years of the date of conclusion of the agreement on carrying out activity.

4. In case the agreement on carrying out activity in a port special economic zone stipulates seaport, river port or airport infrastructure object construction and reconstruction, during the life of the agreement on carrying out activity a port special economic zone resident undertakes to make capital investments in roubles in the amount not less than of:

1) four hundred million roubles (except for intangible assets) in case of seaport, river port or airport infrastructure object construction, including new seaport, river port or airport infrastructure objects, therewith a port special economic zone resident is obliged to make capital investments in the amount not less than of forty million roubles (except for intangible assets) within three years of conclusion of the agreement on carrying out activity;

2) one hundred twenty million roubles (except for intangible assets) in seaport, river port or airport infrastructure object reconstruction, therewith a port special economic zone resident is obliged to make capital investments at the amount not less than of forty million roubles (except for intangible assets) within three years of the date of conclusion of the agreement on carrying out activity.

5. Free customs zone formalities application by a port special economic zone resident is determined by ensuring payment of customs dues, taxes in a customs authority in accordance with the procedure established by the customs legislation of the Customs union and (or) the Russian Federation legislation on customs procedures. Ensuring payment of custom duties, taxes in carrying out port activity is stipulated by the agreement on carrying out activity and its amount cannot be less than:

1) thirty million roubles in goods warehousing, storage, wholesale trade, exchange trade in goods (including excisable goods or mineral raw materials);

2) ten million roubles in warehousing of goods that are not excisable, storage of such goods, wholesale trade, exchange trade in them;

3) two and a half million roubles in carrying out other port activity.

6. According to the agreement on carrying out activity that stipulates new seaport, river port or airport infrastructure object construction and (or) seaport, river port or airport infrastructure object reconstruction, a port special economic zone resident undertakes to develop design documentation, to execute engineering surveys, to conduct design documentation state expert appraisal, to carry out functions of a customer and investor in seaport, river port or airport infrastructure object construction and (or) reconstruction within the term provided by the agreement on carrying out activity.

7. According to the agreement on carrying out activity that stipulates new seaport, river port or airport infrastructure object construction and (or) seaport, works can be performed in a seaport, river port water areas, in the airport territory accordingly. In this case the federal executive body authorized by the Russian Federation Government will ensure issue of necessary permissions for accomplishment of such works as per design documentation agreed in accordance with the established procedure.

8. According to the agreement on carrying out activity that stipulates new seaport, river port or airport infrastructure object construction out of a port special economic zone, construction of transport and energy infrastructure objects, infrastructure objects of water supply and water disposal system, communication lines can be performed, if it is necessary for carrying out activity in a port special economic zone. During such construction special business activity procedure does not applied.

9. The agreement on carrying out port activity can stipulate in case of its termination on the bases provided by Article 20 of the present Federal law port special economic zone resident's obligation to dispose real estate objects located within the port special economic zone boundaries and belonged to him on the basis of the real estate object ownership right, including incomplete construction objects by means of their sale to a person registered as a port special economic zone resident.

10. A special economic zone resident does not have the right to transfer to other person the rights and obligations under the agreement on carrying out activity.

11. Standard forms of agreements on industrial production, technology development, tourism and recreation activity or activity in a port special economic zone are adopted by the federal executive body authorized by the Russian Federation Government.

12. A special economic zone resident assists special economic zones managerial bodies in observance control of conditions of the agreement on carrying out activity, among other things ensures special economic zone managerial body officials' unobstructed access to special economic

zone infrastructure objects belonged to him and located within the special economic zone boundaries, provides information necessary for control orally and in writing to special economic zone managerial bodies.

Article 13. Documents necessary for conclusion of an agreement on carrying out activity (as revised by the Federal law N 365-ФЗ dated 30.11.2011)

1. A person intended to achieve the special economic zone resident status (hereinafter referred to as applicant), submits an application for conclusion of an agreement on carrying out activity in the federal executive body authorized by the Russian Federation Government. Such an application should contain data:

1) on applicant's supposed activity in a special economic zone;
2) on publicly and (or) municipally owned property necessary for carrying out applicant's supposed activity;

3) on a land plot area necessary for carrying out applicant's supposed activity;

4) on supposed investment volume and supposed capital investment volume during applicant's activity in a special economic zone, including data on capital investment volume within three years of the conclusion date of an agreement on carrying out activity;

5) on applicant's power receiver connected capacity value, as well as on types and value, on planned value of necessary connected load concerning necessary resources (including cold and hot water, pipeline gas and thermal energy) used for rendering heat, gas, water supply services, other resources necessary for industrial production, technology development, tourism and recreation activity or activity in a port special economic zone.

2. The following documents are attached by an applicant to an application on carrying out activity:

1) copies of constituent documents (for legal persons);
2) a business plan, the form of which is established by the federal executive body authorized by the Russian Federation Government.

3. The following documents are also necessary for consideration of an application for conclusion of an agreement on carrying out activity:

1) a copy of the State Registration Certificate of a legal person or an individual entrepreneur;
2) a copy of the tax registration certificate.

4. If the documents specified by Part 3 of the present Article are not submitted by an applicant, the federal executive body authorized by the Russian Federation Government that conducts state registration of legal, natural persons as individual entrepreneurs and peasant (farm) economy provides on interagency demand of the federal executive body authorized by the Russian Federation Government provides the information certifying data about entering in the Uniform State Register of Legal Persons or the Uniform State Register of Individual Entrepreneurs, and the federal executive body that performs control and supervision functions of compliance with the tax and duty legislation provides information on applicant's tax registration. The applicant has the right to submit the documents containing such data on his initiative.

5. Documents specified in Parts 1-4 of the present Article are accepted by the federal executive body authorized by the Russian Federation Government according to the inventory, the copy of which with a note of the said documents acceptance date is submitted to an applicant.

6. On reception of all the documents specified in Parts 1-4 of the present Articles, the federal executive body authorized by the Russian Federation Government makes and directs to an

applicant not later than in ten working days of receipt of the said documents one of the following decisions:

1) on transfer of an application for conclusion of an agreement on carrying out activity and a business plan to the industrial production, technology development, tourism and recreation or port special economic zone expert council formed by the federal executive body authorized by the Russian Federation Government;

2) on admitting an application for conclusion of an agreement on carrying out technology development activity to examination, if according to the business plan investment volume is provided in the amount of less than thirty million roubles and granting of a land plot is not required;

3) on examination refusal of an application for conclusion of an agreement on carrying out activity.

7. Refusal of an application for conclusion of an agreement on carrying out activity is permitted only in the case of:

1) person's failure to provide the documents specified in Parts 1 and 2 of the present Article;

2) absence within the special economic zone boundaries of publicly and (or) municipally owned property that can be transferred into the applicant's ownership and (or) possession and that corresponds to conditions of this application;

3) absence within the special economic zone boundaries of free land plot corresponding to conditions specified in this application;

4) non-compliance of applicant's supposed activity to activity types, realization of which is permitted in a special economic zone;

5) non-compliance of supposed capital investment volume to the requirements established by Parts 3 and 4 Article 12 of the present Federal law.

8. The federal executive body authorized by the Russian Federation Government is obliged to specify motivated grounds in the decision on refusal of an application for conclusion of an agreement on carrying out activity. This decision can be judicially appealed by the applicant.

9. Business plan estimation is performed by the expert council or in a case provided by Item 2 Part 7 of the present Article by the federal executive body authorized by the Russian Federation Government on the basis of criteria and estimation procedure established by the federal executive body authorized by the Russian Federation Government.

10. Provision of the expert council is adopted by the federal executive body authorized by the Russian Federation Government.

11. Not later than in thirty days of the receipt date of an application for conclusion of an agreement on carrying out activity and a business plan the expert council of corresponding special economic zones takes and directs to the federal executive body authorized by the Russian Federation Government one of following decisions according to business plan estimation results:

1) on business plan support;

2) on business plan refusal.

12. The decision of the expert council of corresponding special economic zones can also contain one or several obligations of business plan modification, execution of which is assigned to an applicant according to the present Federal law and is taken into consideration by special economic zone managerial bodies in conclusion of an agreement on carrying out activity.

13. Within five days of the decision date of the expert council of corresponding special economic zones the federal executive body authorized by the Russian Federation Government directs to an applicant the notice in writing:

1) of conclusion of an agreement on carrying out activity in case of business plan support decision;

2) of refusal of conclusion of an agreement on carrying out activity in case of business plan refusal;

3) of conclusion of an agreement on carrying out activity provided that an applicant carries out business plan modification obligations.

14. In a case provided by Item 2 Part 6 of the present Article within thirty days of the notice date of taking an application of an agreement conclusion on carrying out technology development activity and a business plan for examination the federal executive body authorized by the Russian Federation Government prepares and directs to an applicant and a management company an agreement on carrying out the said activity or directs to an applicant a motivated refusal of concluding with it the said agreement.

Article 14. Conclusion procedure of an agreement on carrying out activity
(as revised by the Federal law N 365-ФЗ dated 30.11.2011)

1. The federal executive body authorized by the Russian Federation Government authority prepares and directs to the applicant and to a management company the agreement on carrying out activity within ten working days of the decision adoption date of its conclusion with an applicant.

2. An agreement on carrying out activity comes into force of the date of its signing by the parties.

3. All changes introduced to an agreement on carrying out activity are finalized by the supplementary agreement to the agreement on carrying out activity.

Article 15. The form of an agreement on carrying out activity
(as revised by the Federal law N 365-ФЗ dated 30.11.2011)

An agreement on carrying out activity concludes in writing by drawing up one document signed by the parties.

Article 16. Life of an agreement on carrying out activity
(as revised by the Federal law N 365-ФЗ dated 30.11.2011)

An agreement on carrying out activity is concluded for the term not exceeding the term that have remained before special economic zone termination.

Article 17. Expired on January 1, 2012. – The Federal law N 365-ФЗ dated 30.11.2011.

Article 18. Modification of an agreement on carrying out activity
(as revised by the Federal law N 365-ФЗ dated 30.11.2011)

1. In case a special economic zone resident intends to make modifications to an agreement on carrying out activity connected with business plan change, he submits to the federal executive body authorized by the Russian Federation Government an application as well as a business plan, the form of which is established by the federal executive body authorized by the Russian Federation Government.

2. Documents specified by Part 1 of the present Article are accepted according to the inventory by the federal executive body authorized by the Russian Federation Government that directs and hands in an inventory copy with an acceptance date note.

3. Not later than in five working days of the date of receipt of documents specified in Part 1 of the present Article the federal executive body authorized by the Russian Federation Government submits a business plan to the special economic zone expert council, except for cases specified by Item 2 Part 6 Article 13 of the present Federal law.

4. Not later than in thirty working days of the date of receipt of documents specified by Part 1 of the present Article the expert council of corresponding special economic zones takes and directs to the federal executive body authorized by the Russian Federation Government one of the following decisions:

- 1) on business plan support;
- 2) on business plan refusal.

5. The decision of the expert council of corresponding special economic zones can also contain one or several obligations on business plan modification that are entrusted to an applicant according to the present Federal law and are taken into account by the federal executive body authorized by the Russian Federation Government in conclusion of a supplementary agreement to an agreement on carrying out activity.

6. Within five days of the decision date of the expert council of corresponding special economic zones the federal executive body authorized by the Russian Federation Government directs to a special economic zone resident a notice in writing:

- 1) of modifications of an agreement on carrying out activity in case of business plan support decision;
- 2) of refusal to modify an agreement on carrying out activity in case of business plan refusal decision;
- 3) of modifications of an agreement on carrying out activity provided that an applicant carries out business plan modification obligations.

7. Modifications made to an agreement on carrying out activity and not connected with its essential conditions change are finalized by a supplementary agreement together with a special economic zone resident's submission of documents confirming modification validity of an agreement on carrying out activity without examination of the expert council of corresponding special economic zones.

8. Within ten working days of the date of decision on conclusion of supplementary agreement to an agreement on carrying out activity taken by the expert council of corresponding special economic zones it is concluded in writing by means of drawing up one document signed by the parties.

Article 19. Termination of an agreement on carrying out activity
(as revised by the Federal law N 365-ФЗ dated 30.11.2011)
Validity of an agreement terminates:

- 1) upon termination of terms on which it was concluded;
- 2) in case of its dissolution;
- 3) in case of early special economic zone termination;
- 4) in case of activity termination of a legal or physical person as an individual entrepreneur.

Article 20. Dissolution of an agreement on carrying out activity
(as revised by the Federal law N 365-ФЗ dated 30.11.2011)

1. Dissolution of an agreement on carrying out activity is allowed by agreement of the parties.

2. An agreement on carrying out activity can be dissolved by court on request of one of the parties due to material breach of its conditions by the other party, essential circumstance change or on other grounds provided by the present Federal law.

3. Material condition breach of an agreement on carrying out activity by of a special economic zone resident is:

1) carrying out business activity that is not provided by an agreement on carrying out activity in a special economic zone;

2) failure to carry out the specified activity within twenty four months in succession of the moment of ascertainment of the fact of failure to carry out activity by the federal executive body authorized by the Russian Federation Government according to Item 5 Part 1 Article 8;

3) failure to submit within the term specified by an agreement on carrying out activity to the federal executive body authorized by the Russian Federation Government design documentation and engineering survey results necessary for realization of measures provided by the business plan with a view to conduct design documentation and engineering survey result state expert appraisal, their coordination in case their submission is provided by an agreement on carrying out activity;

4) Failure to make investments, including capital investments, in volume and in terms that are provided by the said agreement, if these investments are specified by an agreement on carrying out activity.

4. In case of special economic zone managerial bodies' refusal to conclude a land plot lease contract and (or) publicly or municipally owned real estate lease contract, a special economic zone resident has the right to file a court action for dissolution of an agreement on carrying out activity or a land plot lease contract conclusion and (or) a publicly or municipally owned real estate lease contract.

5. An agreement on carrying out activity can include other actions of a special economic zone resident and (or) special economic zone managerial bodies that are considered by the parties as condition material breaches of an agreement on carrying out activity.

6. An agreement on carrying out activity can be dissolved by court decision on request of the federal executive body authorized by the Russian Federation Government in case of state expert appraisal negative assurance of design documentation if design documentation is not finalized within reasonable time with regard for remarks and offers stated in this conclusion.

7. In case of termination of an agreement on carrying out activity expenses arisen out of its execution by a special economic zone resident are not reimbursed.

Article 21. Termination consequences of an agreement on carrying out activity (as revised by the Federal law N 365-Ф3 dated 30.11.2011)

1. In case of termination of an agreement on carrying out activity the person loses the special economic zone resident status.

2. The person who lost the industrial production, technology development, tourism and recreation activity special economic zone resident status, among other things due to early termination of an agreement on carrying out activity, has the right to carry out business activity in a special economic zone in accordance with general practice.

3. The person who lost the port special economic zone resident status, among other things

due to early termination of an agreement on carrying out activity in a port special economic zone does not have the right to carry out business activity in a port special economic zone in accordance with general practice. Thus a land plot lease contract is subject to termination.

4. Unless otherwise is stipulated by Part 9 Article 12 of the present Federal law, the person who lost the special economic zone resident status, among other things due to early termination of an agreement on carrying out activity, has the right to dispose of movable and immovable property belonged to him and located within the special economic zone boundaries, at his discretion according to the civil legislation in case of observance of the conditions established by Article 37 of the present Federal law.

5. In case of early termination of an agreement on carrying out activity due to material condition breach of an agreement on carrying out activity by a special economic zone resident the person who lost the special economic resident zone status is obliged to pay the penalty in the amount provided by the specified agreement.

6. In case of termination of an agreement on carrying out activity the publicly and (or) municipally owned real estate lease contract state and (or) land plot lease contract that are concluded on conditions provided by an agreement on carrying out activity are terminated according to the Russian Federation legislation.

Chapter 6. AGREEMENT ON CARRYING OUT TECHNOLOGY DEVELOPMENT ACTIVITY

Expired on January 1, 2012. – The Federal law N 365-Ф3 dated 30.11.2011.

Chapter 6.1. AGREEMENT ON CARRYING OUT TOURISM AND RECREATION ACTIVITY

Expired on January 1, 2012. – The Federal law N 365-Ф3 dated 30.11.2011.

Chapter 6.2. AGREEMENT ON CARRYING OUT ACTIVITY IN A PORT SPECIAL ECONOMIC ZONE

Expired on January 1, 2012. – The Federal law N 365-Ф3 dated 30.11.2011.

Chapter 7. PROVISION PROCEDURE OF LAND PLOTS LOCATED WITHIN THE SPECIAL ECONOMIC ZONE BOUNDARIES AND PROCEDURE FOR USE OF THE SAID LAND PLOTS

(as revised by the Federal law N 240-Ф3 dated 30.10.2007)

Article 32. Land tenure mode in a special economic zone

1. Special economic zone managerial bodies control and dispose of land plots within the special economic zone boundaries on the basis of a special economic zone creation agreement according to the Russian Federation legislation and taking into account the present Federal law provisions.

(as revised by the Federal law N 240-Ф3 dated 30.10.2007)

2. Land plots within the special economic zone boundaries can be granted in temporary use

and possession solely on the basis of a lease contract.

(as revised by the Federal law N 240-Φ3 dated 30.10.2007)

3. Leaseholders of land plot located within the special economic zone boundaries – proprietors of the real estate objects created by them – have the redemption right of the land plots located under the said objects according to the Russian Federation legislation.

(as revised by the Federal law N 240-Φ3 dated 30.10.2007)

4. A land plot located within the special economic zone boundaries can be confiscated from the proprietor for state or municipal needs as per the procedure established by the Russian Federation legislation, if according to the site design a land plot is intended for placing of linear facilities constituting special economic zone infrastructure, except cases, when linear facilities are placed on terms of the servitude.

(Part 4 as revised by the Federal law N 365-Φ3 dated 30.11.2011)

Article 32.1. Servitude creation peculiarities within the special economic zone boundaries for special economic zone infrastructure object construction and (or) operation

(introduced by the Federal law N 365-Φ3 dated 30.11.2011)

1. Servitude creation is permitted within the special economic zone boundaries for the purposes provided by Part 2 of the present Article and taking into account peculiarities stipulated by the present Article.

2. Servitudes within the special economic zone boundaries can be created with a view of:

1) construction of linear structures (including transmission lines, communication lines and structures, pipelines, water pipelines, municipal, engineering, electric and other lines and networks, cableways) placed according to the confirmed site design, reconstruction, major repairs, operation of such linear structures;

2) construction and other materials passage, thoroughfare, transportation for special economic zone infrastructure object construction and (or) operation;

3) construction of temporary structures and auxiliary facilities (including enclosures, site huts, sheds), construction and other materials warehousing for special economic zone infrastructure object construction and (or) operation;

4) placement of information boards, guide signs, warning notices, tripods on the land plot for special economic zone infrastructure object construction and (or) operation;

5) engineering survey, research and other works for special economic zone infrastructure object construction and (or) operation;

6) flooding and underflooding protection works of territories intended for special economic zone infrastructure object construction and (or) operation.

3. If servitude creation within the special economic zone boundaries leads to impossibility to use the land plot or its part, the land plot user, the owner has the right to demand withdrawal of land plot or its part for state needs, and the leaseholder of such land plot has the right to unilaterally demand lease contract termination and reimbursement of caused losses.

4. Servitude creation agreement is concluded between persons, for the benefit of whom the servitude is created. The said persons belong the following:

1) a management company in case special economic zone infrastructure object construction and (or) operation are performed at the expense of the management company;

2) organizations performing special economic zone infrastructure object construction and (or) operation if construction and (or) operation of such infrastructure object are performed at the expense of federal budget resources, budget of a Russian Federation constituent or local budgets;

3) organizations performing special economic zone infrastructure object construction and (or) operation if construction and (or) operation of such infrastructure object are performed at the expense of other legal persons.

5. Servitude creation agreement is concluded between persons, for the benefit of whom the servitude is created and a special economic zone managerial body or a legal person or a citizen – an owner of the land plot located within the special economic zone boundaries. In case the land plot is publicly or municipally owned and is leased to a special economic zone resident, such an agreement is concluded by the corresponding leaseholder, for the benefit of whom the servitude is created.

6. A servitude creation agreement can provide urgent or permanent servitude creation.

7. Creation term of the servitude in respect of a publicly or municipally owned land plot and leased to a special economic zone resident cannot exceed land plot lease contract period.

8. Servitude creation agreement should contain:

1) cadastral number of a land plot in respect of which it is supposed to create the servitude;

2) data on the agreement parties;

3) servitude creation purposes and grounds;

4) servitude validity period;

5) servitude payment amount;

6) the right of a person, for the benefit of whom the servitude is created, to carry out activity, for which the servitude is created, including the right to enter the land plot, to delivery construction and other required materials, to perform construction, reconstruction, major repairs of special economic zone infrastructure objects, for construction and (or) operation of which the servitude is created, to carry out necessary engineering surveys, to cut trees and shrubs, to carry out earth works;

7) an obligation of a person, for the benefit of whom the servitude is created, to pay for the servitude and to recover in full losses caused in connection with servitude creation;

8) an obligation of a person, for the benefit of whom the servitude is created, to bring the land plot to the state suitable for its use according to permitted use after termination of servitude validity.

ConsultantPlus: Note.

In accordance with the Federal law N 171-Φ3 dated 23.06.2014 from March 1, 2015 in Part 9 Article 32.1 the word "for formation" will be replaced by "with the view of state cadastral registration".

9. With a view of servitude creation agreement draft preparation the persons, for the benefit of whom the servitude is created, provide servitude payment calculation and if necessary to carry out cadastral works for formation of a land plot part, in respect of which the servitude is created.

10. The payment amount of the servitude created according to the present Federal law is determined as follows:

1) for the permanent servitude the payment amount is smaller than market value of the land plot owing to its encumbrance by the servitude, if the smaller servitude payment amount is not

stipulated by the servitude creation agreement;

2) for the term servitude (annual payment amount) the payment is 1% of land plot cadastral value per its area unit multiplied by the area of the land plot or its part, for the benefit of which the servitude is created, if the smaller servitude payment amount is not stipulated by the servitude creation agreement.

11. If a servitude creation agreement is not concluded on the expiry of thirty days of the receipt date of such agreement draft by the person specified in Part 5 of the present article, persons, for the benefit of whom the servitude is created, have the right to file a court action for compulsion to conclude a servitude creation agreement.

12. Servitude payment as well as losses recovery caused in connection with servitude creation by persons, in respect of whom the servitude is created, is effected at the expense of persons, for the benefit of whom the servitude is created.

13. The persons specified in Part 5 of the present article have no right to carry out actions that exclude or complicate special economic zone infrastructure object construction and (or) operation carried out by the person, for the benefit of whom the servitude is created.

14. The servitude can be terminated by court decision on the following grounds:

1) a person, for the benefit of whom the servitude is created, does not carry out activity, for which the servitude is created, within one year of the servitude creation date, unless otherwise is provided by the servitude creation agreement;

2) owing to absence of purposes for which the servitude was created.

15. Servitudes, except for the ones created according to the present Article for the term less than one year, are subject to the state registration according to the Federal law N 122-Φ3 *On the state registration of titles to real estate and transactions therewith* dated July 21, 1997. State registration of the servitude created according to the present Article, is effected on the basis of an application of a person, for the benefit of whom the servitude is created without a submission of a notarially certified letter of attorney issued by the right holder of the land plot encumbered with the servitude.

16. The servitude created according to the present Article remains in case of transfer of the rights to a land plot, in respect of which the servitude is created, to other person, as well as in case of transfer of rights of persons, for the benefit of whom the servitude is created, to other persons performing special economic zone infrastructure object construction and (or) operation.

Article 33. Land plot lease contract

The land plot lease contract approximate form and rental calculation technique are determined by the federal executive body authorized by the Russian Federation Government.

(as revised Federal laws N 76-Φ3 dated 03.06.2006, N 340-Φ3 dated 25.12.2009)

Article 34. Rental

1. Rental maximum amount for land plots given to a special economic zone resident on the basis of an agreement on industrial production, technology development, tourism and recreation activity or activity in a port special economic zone is determined by the federal executive body authorized by the Russian Federation Government.

(is revised by Federal laws N 76-Φ3 dated 03.06.2006, dated 30.10.2007 N 240-Φ3, N 160-Φ3 dated 23.07.2008)

2. Rental and other payments for land plots located within the special economic zone boundaries come to the budget of budgetary system corresponding level of the Russian Federation according to the Russian Federation legislation.
(as revised by the Federal law N 240-Φ3 dated 30.10.2007)

ConsultantPlus: Note.

In accordance with the Federal law N 171-Φ3 dated 23.06.2014 from March 1, 2015 in Article 35 the word "fixed-term" will be removed.

Article 35. Land plot disposal within the special economic zone boundaries
(as revised by the Federal law N 240-Φ3 dated 30.10.2007)

A special economic zone resident – a leaseholder of a publicly or municipally owned land plot does not have the right to underlet it (sublease) and transfer the rights and obligations under the lease contract to other person (lease transfer), give the land plot into uncompensated fixed-term use, as well as to give leasehold interests and contribute them to authorized capital of economic societies and associations or contribute as shares to production cooperative.

Chapter 8. FREE CUSTOMS ZONE PROCEDURE APPLICATION IN SPECIAL ECONOMIC ZONE TERRITORIES

(as revised by the Federal law dated N 409-Φ3 06.12.2011)

Article 36. General provisions of free customs zone procedure in special economic zone territories

(as revised by the Federal law N 409-Φ3 dated 06.12.2011)

1. The present chapter determines application of a free customs zone procedure established by the customs legislation of the Customs union in the territories of industrial production, technology development and port special economic zones.

2. Free customs zone procedure does not applied in the tourism and recreation special economic zone territories.

3. Goods placed under free customs zone procedure, Customs union goods not placed under free customs zone procedure, and foreign goods placed under other customs procedures can be placed and used in the industrial production, technology development special economic zone territories.

4. Goods placed under free customs zone procedure, and in cases established by the Special Economic Zone Agreement international traffic vehicles and goods not placed under free customs zone procedure of free custom enforcement area can be placed and used in the port special economic zone territories. Customs union goods imported into a port special economic zone by an executive body of a Russian Federation constituent or by a management company or a joint stock company specified by Part 2 Article 8 of the present Federal law, that exercise separate port special economic zone management powers in a port special economic zone territory according to Article 7 of the present Federal law, including ensuring its functioning, are not placed under free customs zone procedure.

5. The federal executive body authorized in customs affairs determines customs formalities order and techniques concerning goods, including vehicles imported into special economic zone territories and exported from special economic zone territories.

Article 37. Free customs zone procedure

(as revised by the Federal law N 409-Φ3 dated 06.12.2011)

1. Free customs zone procedure content and conditions of goods placement under free customs zone procedure are determined by the Special Economic Zone Agreement.
2. Goods established according to the Special Economic Zone Agreement cannot be placed under free customs zone procedure. The Russian Federation Government has the right to establish the list of goods that are not subject to placement under free customs zone procedure.
3. Goods placed under free customs zone procedure are subject to customs declaration in accordance with the procedure established by the customs legislation of the Customs union and (or) the Russian Federation legislation on customs affairs, except for goods specified by Part 4 of the present Article.
4. Foreign goods imported into the port special economic zone territory from the territory of a state, non-member of the Customs union, if such goods are not intended for construction, reconstruction of seaport, river port, airport infrastructure objects located in a port special economic zone territory of, are placed under free customs zone without customs declaring, except for cases established according to Part 5 of the present Article. Only customs operations connected with goods arrival in the customs territory of the Customs union are carried out in respect of such goods.
5. The Russian Federation Government has the right to establish cases when foreign goods imported in the port special economic zone from the territory of a state, non-member of the Customs union, and placed under free customs zone procedure are subject to customs declaring.
6. In goods placement under free customs zone procedure applied in the territory of industrial production or technology development special economic zones, only the resident of a special economic zone, in the territory of which such goods are imported, can act as a goods declarant.
7. In goods placement under free customs zone procedure applied in the port special economic zone territory, only the port special economic zone resident or other person specified by Sub-item 1 or the fifth paragraph of Sub-item 2 Article 186 of the Customs code of the Customs union can act as a declarant.
8. Goods are placed under free customs zone procedure by special economic zone residents with a view of carrying out (conducting) industrial production, technology development or port activity according to an agreement on carrying out (conducting) activity in the special economic zone territory.
9. With a view of conditions observance confirmation of goods placement under free customs zone procedure by the special economic zone resident an agreement on carrying out (conducting) activity in the special economic zone territory and a certificate of entering into the special economic zone resident register or copies of the specified documents certified by the person that submitted them are submitted to the customs authority.
10. If goods are placed under free customs zone procedure with a view of their placement in the port special economic zone territory by a port special economic zone non-resident, a goods declarant should submit an agreement on rendering services of goods warehousing (storage), loading (unloading) and carrying out other operations established by the Special Economic Zone Agreement concluded between an owner of such goods and a port special economic zone resident

to the customs authority for conditions observance confirmation of goods placement under free customs zone procedure.

11. In respect of foreign goods subject to placement (placed) under free customs zone procedure and processing operations intended for such goods during which goods lose their individual characteristics, and (or) operations of goods production (including assembly, disassembly, installation, adjustment), as well repair, the customs authority according to declarant's choice identifies such goods with goods made (obtained) with use of foreign goods placed under free customs zone procedure.

12. With a view of identification of foreign goods placed under free customs zone procedure with goods made (obtained) with use of foreign goods placed under free customs zone procedure identification methods established by the Special Economic Zone Agreement can be used.

13. Acceptability of the declared identification method of foreign goods placed under free customs zone procedure with goods made (obtained) with use of foreign goods placed under free customs zone procedure is established by the customs authority taking into account specific features of goods and operations with them specified by Part 11 of the present Article. If the identification method offered by the declarant of foreign goods subject to placement (placed) under free customs zone procedure with goods made (obtained) with use of foreign goods placed under free customs zone procedure, is not considered by the customs authority acceptable, the customs authority has the right to independently specify an identification method.

14. Identification procedure of foreign goods subject to placement (placed) under free customs zone procedure with goods made (obtained) with use of foreign goods placed under free customs zone procedure is determined by the federal executive body authorized in the customs affairs field.

15. Free customs zone procedure is completed according to the Special Economic Zone Agreement.

16. In completion of free customs zone procedure applied in industrial production and technology development special economic zone territories in respect of goods placed under free customs zone procedure and goods made (obtained) with use of goods placed under free customs zone procedure only a special economic zone resident, who placed goods under free customs zone procedure can act as a declarant, except cases specified by Parts 17 and 18 of the present Articles.

17. In case of person's loss of the special economic zone resident status in free customs zone procedure completion in accordance with the procedure provided by the Special Economic Zone Agreement, a person who lost the special economic zone resident status can act as a goods declarant.

18. In case of delegation of ownership, use and (or) disposal rights of goods placed under free customs zone procedure to other special economic zone resident in free customs zone procedure completion in accordance with procedure provided by the Special Economic Zone Agreement the special economic zone resident, to whom rights of such goods ownership, use and (or) disposal are delegated can act as a declarant.

19. In goods placement under free customs zone procedure applied in the port special economic zone territory, and in the specified customs procedure completion, if such goods remain in an unchanged state, except changes caused due to natural wear-and-tear or natural loss under normal transportation, storage and (or) use (operation) conditions, a port special economic zone

resident, who placed goods under free customs zone procedure, except cases specified by Part 17 and 18 of the present Article, or other person specified by Sub-item 1 or the fifth paragraph of Sub-item 2 Article 186 of the Customs code of the Customs union can act as a goods declarant.

20. In free customs zone procedure applied in the port special economic zone territory in respect of goods made (obtained) in the port special economic zone territory with use of goods placed under free customs zone procedure, only the port special economic zone resident who placed the goods under free customs zone procedure, except for a case provided by Part 17 of the present Articles can act as a declarant.

21. In free customs zone procedure completion by placement under customs procedure of reimport of goods made (obtained) exclusively from the Customs union goods, including with use of goods of the Customs union that are not placed under free customs zone procedure amounts of VAT, excise duty in respect of the Customs union goods, in placement of which under free customs zone procedure compensation of the specified taxes according to the Russian Federation legislation on taxes and duties, are subject to return in the federal budget.

22. VAT, excise amounts in cases specified by Part 21 of the present Article are calculated proceeding from the rates of customs declaration registration date in placement of Customs union goods under free customs zone procedure, and from customs value of goods and (or) their physical characteristics in physical terms (quantity, weight, volume or other characteristics) specified in the day of Customs union goods placement under free customs zone procedure.

23. If during customs inspection the customs authority revealed signs that the document confirming the status of goods made (obtained) with use of foreign goods placed under free customs zone procedure contains false data and (or) is issued on the basis of forged, false and (or) incomplete data, the customs authority directs motivated address to the body authorized by the Russian Federation Government to issue the specified document (hereinafter referred to as the body authorized to issue the document confirming the goods status) to carry out additional document issue validity inspection joined with the customs authority. In accordance with results of the said inspection the document confirming the goods status can be cancelled by the body authorized to issue the document confirming the goods status.

24. Organization and conduct procedure of the inspection specified by Part 23 of the present Article is determined by the federal executive body authorized in the customs affairs field together with the body authorized to issue the document confirming the goods status.

25. In special economic zone functioning termination equipment placed under free customs zone procedure, put into operation and used by the special economic zone resident for realization of an agreement on carrying out (conducting) activity in the special economic zone territory, as well as goods placed under free customs zone procedure and used for real estate object creation in the special economic zone territory, are considered as Customs union goods that are not under the customs control, without customs duty and tax payment, without prohibitions and restrictions and without placement under customs procedure of production for home consumption.

26. In case of person's resident status loss in connection with expiration of an agreement on carrying out (conducting) activity in the special economic zone territory and agreement conditions fulfillment, equipment placed under free customs zone procedure, put into operation and used by the special economic zone resident for realization of an agreement on carrying out (conducting) activity in the special economic zone territory, and goods placed under free customs zone procedure and used for real estate object creation in the special economic zone territory, are considered as Customs union goods that are not under the customs control, without customs duty

and tax payment, without prohibitions and restrictions and without placement under customs procedure of production for home consumption.

27. With a view of recognition of goods specified in Parts 25 and 26 of the present Article as Customs union goods the special economic zone resident should submit to the customs authority a written application drawn up in any form, and documents containing the following data:

1) on the resident;

2) on resident's conditions fulfillment of an agreement on carrying out (conducting) activity in a special economic zone territory;

3) on placement of these goods under free customs zone procedure;

4) on equipment commissioning if an application is issued in respect of the equipment;

5) on record entering of special economic zone resident's ownership right of a real estate item into the Unified State Register of Title to Real Estate and Transactions therewith, if an application is submitted in respect of goods used for real estate item creation in the special economic zone territory.

28. To documents confirming resident's special economic zone data belong:

1) constituent documents;

2) document confirming record entering of a resident-legal person in the Uniform State Register of Legal Persons, or a document confirming record entering of a resident-physical person in the Uniform State Register of Individual Entrepreneurs. If the said document is not submitted by a special economic zone resident, on interagency demand of the customs authority the federal executive body that effects state registration of legal persons, physical persons as individual entrepreneurs provides information confirming entering of data on a legal person or an individual entrepreneur in the Uniform State Register of Legal Persons and the Uniform State Register of Individual Entrepreneurs accordingly;

3) tax registration certificate. If the said document is not submitted by a special economic zone resident, on interagency demand of the customs authority the federal executive body that exercises control and supervision of compliance with tax and duty law provides information confirming legal person or individual entrepreneur tax registration;

4) certificate of entering in the special economic zone resident register. If the said document is not submitted by a special economic zone resident, on interagency demand of the customs authority the federal executive body that registers legal persons and individual entrepreneurs as special economic zones residents provides information confirming entering of legal persons or individual entrepreneurs in the special economic zone resident register.

29. The document confirming a special economic zone resident's conditions fulfillment of an agreement on carrying out (conducting) activity in a special economic zone territory is a written certificate issued by a special economic zone managerial body in accordance with the form and procedure determined by the federal executive body performing functions of national policy making and normative legal regulation in the sphere of special economic zone creation and functioning in the Russian Federation territory.

30. Goods placed under free customs zone procedure and worn out, as well as package and packing materials imported together with goods in the special economic zone territory that in full or in part lost their initial purposes and consumer properties can be destroyed with permission of a

customs authority in the special economic zone territory or exported from the special economic zone territory with a view of their destruction in accordance with procedure determined by the federal executive body authorized in the customs affairs field and with destruction indication of goods placed under free customs zone procedure and worn out in reports submitted to a customs authority according to Article 37.4 of the present Federal law.

31. The Russian Federation Government has the right to determine cases when package and packing materials that are foreign goods imported in the special economic zone territory together with foreign goods and have not lost their initial purposes and consumer properties can be exported from the special economic zone territory with a view of their destruction without placement under destruction customs procedure, as well as their export and destruction conditions and procedure.

Clause 37.1. Operations with goods placed under free customs zone procedure in special economic zone territories

(Introduced by the Federal law N 409-Φ3 dated 06.12.2011)

1. Operations with goods placed under free customs zone procedure are determined according to the Special Economic Zone Agreement.

2. Retail sale of goods placed under free customs zone procedure and goods made (obtained) with use of goods placed under free customs zone procedure is forbidden in industrial production, technology development and port special economic zone territories. The Russian Federation Government has the right to establish the list of other prohibited operations with goods placed under free customs zone procedure in industrial production, technology development and port special economic zone territories. The Russian Federation corresponding governmental order comes into force not earlier than in one year of the day of its official publication.

3. With permission of a customs authority sampling operations are permitted according to Article 155 of the Customs code of the Customs union and transfer of such samples for examination, among other things with a view of certification in relation to:

- 1) goods placed under free customs zone procedure;
- 2) goods made (obtained) with use of goods placed under free customs zone procedure;

3) goods made (obtained) with use of goods placed under free customs zone procedure, and the Customs union goods not placed under free customs zone procedure.

4. Permit for sampling operations in respect of goods specified by Part 3 of the present Article, and transfer of such samples for examinations is issued by a customs authorities on the basis of a written address drawn up in any form by an interested person – a special economic zone resident or other person that is the owner of goods placed in the port special economic zone territory. Permit is issued in writing on the address day in the form of a separate document or by making a corresponding note in the interested person's written address by the authorized customs authority official. Permit issue is allowed only subject to fulfillment of requirements specified by Item 2 Article 155 of the Customs code of the Customs union.

5. In special economic zone resident's delegation of ownership, use and (or) disposal rights of goods placed under free customs zone procedure to other special economic zone resident such goods can be moved from one special economic zone territory, where free customs zone procedure is applied to other special economic zone territory, where free customs zone procedure is applied according to customs transit procedure.

6. Customs transit procedure application features in respect of goods specified by Part 5 of

the present Article are established by the federal executive body authorized in the customs affairs field.

7. In performing in the special economic zone territory operations connected with consumption of goods placed under free customs zone procedure, the fact of goods consumption should be indicated in the reports submitted to a customs authority according to Article 37.4 of the present Federal law.

Article 37.2. Customs control in special economic zone territories
(is introduced by the Federal law N 409-Φ3 dated 06.12.2011)

1. Customs control in special economic zones territories is carried out by customs authorities according to the customs legislation of the Customs union and (or) the Russian Federation legislation on customs affairs.

2. The special economic zone territory is a customs control zone. Moving goods, vehicles, persons, including public officials, except for customs officials, across special economic zone borders and within them is allowed with permission of a customs authority and under its supervision taking into account provisions of the present Article.

3. Special economic zone territory should be equipped with a view of carrying out customs control. To ensure customs control efficiency the federal executive body authorized in the customs affairs field under the agreement with the federal executive body performing functions of national policy making and normative legal regulation in the special economic zone creation and functioning sphere in the Russian Federation territory establishes requirements to special economic zone territory necessary facility provision and equipment, as well as to necessary facility provision and equipment of land plots given to special economic zone residents in cases provided by Part 4 of the present Article.

4. By decision of the federal executive body performing functions of national policy making and normative legal regulation in the special economic zone creation and functioning sphere in the Russian Federation territory under the agreement with the federal executive body authorized in the customs affairs field, necessary facility provision and equipment of a land plot given by special economic zone managerial bodies to a special economic zone resident, as well as general perimeter of two and more land plots given to different special economic zone residents are allowed provided that within the boundaries of equipped land plots there are no plots belonged to these special economic zone residents.

5. Check point mode in the special economic zone territory, including access procedure of persons to such a territory is performed in accordance with procedure determined by the federal executive body authorized in the customs affairs field under the agreement with the federal executive body performing functions of national policy making and normative legal regulation in the special economic zone creation and functioning sphere in the Russian Federation territory.

6. Goods import into the special economic zone territory, to which free customs zone procedure is applied, except for a port special economic zone is performed with a customs authority notice on such goods. Goods import into the port special economic zone territory, to which free customs zone procedure is applied, and goods export from special economic zone territories, to which free customs zone procedure is applied, are performed with customs authority permission.

7. Notice and permission forms specified by Part 6 of the present Article and procedure of their filling in are established by the federal executive body authorized in the customs affairs field.

8. Customs authorities have the right to identify goods imported into the special economic zone territory in accordance with the procedure established by the Customs code of the Customs union. To ensure requirement observance of the Customs union legislation, the Russian Federation legislation on customs affairs and the present Federal law the federal executive body authorized in the customs affairs field determines fulfillment procedure of customs operations connected with identification of goods imported into the special economic zone territory.

Article 37.3. Temporary goods storage in industrial production, technology development special economic zone territories

(introduced by the Federal law N 409-Φ3 dated 06.12.2011)

1. Premises, the open sites, railways and container sites located in places agreed with a customs authority within industrial production or technology development special economic zone territories and intended for temporary storage of foreign goods imported by residents of these special economic zones are temporary storage places. The said temporary storage places in special economic zone territories should meet the requirements of Parts 1 and 2 Article 71 of the Federal law N 311-Φ3 *On customs regulation in the Russian Federation* dated November 27, 2010.

2. Requirements to temporary storage necessary facility provision, equipment and locations in industrial production and technology development special economic zone territories are determined by the federal executive body authorized in the customs authority field taking into account provisions of the present Article.

3. If a temporary storage place in the industrial production or technology development special economic zone territory is an open site and (or) premises located on the land plot given to a special economic zone resident by a managerial body, storage of foreign goods belonged to third parties are not permitted in such places.

4. Customs operations in respect of goods imported by a special economic zone resident into the industrial production or technology development special economic zone territory and exported from the industrial production or technology development special economic zone territory necessary for placement of such goods under chosen customs procedure or for this customs procedure termination, and customs operations connected with putting goods in temporary storage are made in industrial production or technology development special economic zone territory in temporary storage places in accordance with the procedure provided by the Customs union legislation, the Russian Federation legislation on customs affairs and the present Federal law.

5. The industrial production or technology development special economic zone resident can put in temporary storage in temporary storage places in the industrial production or technology development territory only those goods he can act as a declarant of.

6. Temporary goods storage in temporary storage places in the special economic zone territory is performed upon customs authority's written permission on the basis of written address drawn up in any form by a special economic zone resident that imports foreign goods into the special economic zone territory. Permit issue for temporary goods storage in temporary storage places and submission of documents and data for goods putting in temporary storage in the industrial production or technology development special economic zone territory are performed in accordance with the procedure provided by the Customs union legislation, the Russian Federation legislation on customs affairs and the present Federal law.

7. The industrial production or technology development special economic zone resident that obtained permit for temporary goods storage in temporary storage places in the special economic zone territory shall:

- 1) ensure safety of goods that are put in temporary storage;
- 2) not permit operations with goods without customs authority permission;
- 3) to keep record of goods that are put in temporary storage in accordance with the procedure established by the federal executive body authorized in the customs affairs field and submit to the customs authority reports on such goods.

8. In case of loss of goods that are put in temporary storage in the special economic zone territory, their transfer to third parties without customs authority permission or use of such goods not with a view of temporary storage the special economic zone resident that obtained permit for temporary storage of such goods shall pay customs duties, taxes according to Article 72 of the Customs code of the Customs union.

9. Reporting forms of goods that are put in temporary storage in temporary storage places in the special economic zone territory, their filling in procedure, as well as reports submission procedure and terms to the customs authority are established by the federal executive body authorized in the customs affairs field.

Article 37.4. Inventory and goods accounting in free customs zone procedure application
(introduced by the Federal law N 409-Φ3 dated 06.12.2011)

1. A special economic zone resident keeps record of goods placed under free customs zone procedure and goods made (obtained) with use of goods placed under free customs zone procedure, and submits the goods reports to the customs authority.

2. Any changes of goods placed under free customs zone procedure and goods made (obtained) with use of goods placed under free customs zone procedure should be indicated in registration documents.

3. The order of conducting accounting of the goods placed under free customs zone procedure, and the goods, the made goods (received) with use placed under free customs zone procedure, the reporting form about such goods, an order of filling of such forms and an order and representation terms in customs body of such reporting are established by the federal enforcement authority authorized in the field of customs business.

Article 37.5. Import into the port special economic zone territory of goods placed under customs procedures applicable to exported goods beyond its boundaries before such import
(introduced by the Federal law N 409-Φ3 dated 06.12.2011)

1. Goods placed under customs procedures applicable to exported goods beyond the port special economic zone territory boundaries can be imported into the port special economic zone territory for their storage and operations of unloading, transshipment and other cargo operations necessary to international carriage beginning of such goods in their export beyond the Customs union territory.

2. Storage of goods specified by Part 1 of the present Article, storage and operations of unloading, transshipment with such goods can be performed only by a port special economic zone resident.

3. Import of goods specified by Part 1 of present Article into the port special economic territory, export of such goods from the port special economic zone territory, including the rest of the Customs union territory, and storage of such goods in the port special economic zone territory are performed according to provisions of the present Article in accordance with the procedure established by the federal executive body authorized in the customs affaires field.

4. In importing into the port special economic zone territory of Customs union goods placed under customs export procedure, there is exemption from value-added tax, excise duty or refund of value-added tax, excise duty if such exemption or refund are provided by the Russian Federation legislation on taxes and duties in actual export of goods from the Russian Federation.

5. In non-realization of actual export from the port special economic zone territory of goods specified by Part 4 of the present Article within 180 days of the day following the day of their import into the port special economic zone territory taxes are subject to payment with interest charge at refinancing rates of the Russian Federation Central bank applicable in the time of these goods location in the port special economic zone territory in accordance with the procedure provided by the Russian Federation legislation on customs affairs for tax collection and percents in goods import into the Russian Federation.

6. Export of goods specified by Part 4 of the present Article from the port special economic zone territory to the rest part of the Customs union territory, if such export is not connected with international carriage beginning of such goods, is permitted with customs authority permission subject to tax payment in accordance with the procedure provided by the Russian Federation legislation on customs affairs for tax collection during goods import into the Russian Federation.

7. Customs authority permit for goods export in a case established by Part 6 of the present Article is issued on the basis of a declarant's application drawn up in any written form according to customs export procedure, his legal successor or authorized representative or other person, in whose possession such goods are. Customs authority consideration term of such an application makes no more than three working days of the date of its receipt in a customs authority.

Chapter 9. GUARANTEES PROVIDED TO SPECIAL ECONOMIC ZONE RESIDENTS

Article 38. Guarantee against adverse change of the Russian Federation legislation on taxes and duties

Russian Federation legislation acts on taxes and duties, laws on taxes and duties of Russian Federation constituents, normative legal acts on taxes and duties of local bodies that worsen the taxpayer - special economic zone resident's situation, except for Russian Federation legislation acts on taxes and duties concerning excisable goods taxation, are not applied to special economic zone residents during life of an agreement on industrial production, technology development, tourism and recreation activity or activity in a port special economic zone.

(as revised by Federal laws N 76-ФЗ dated 03.06.2006, N 240-ФЗ dated 30.10.2007)

Article 39. Settlement of disputes

Disputes connected with special economic zone creation or termination, special economic zone resident's breach of conditions of an agreement on industrial production, technology development, tourism and recreation activity or activity in a port special economic zone in the special economic zone territory, as well as other disputes arising from relations regulated by the present Federal law are judicially settled according to the Russian Federation legislation.

(as revised by Federal laws N 76-ФЗ dated 03.06.2006, N 240-ФЗ dated 30.10.2007)

Chapter 10. FINAL PROVISIONS

Article 40. Special economic zone and free economic zone termination

1. Existence of special economic zones and free economic zones, except for special

economic zones created before the day of its entry into force specified by Part 2 of the present Article terminates from the date of entry into force of the present Federal law.

2. Provisions of the present Federal law do not apply to relations settled by the Federal law on a special economic zone in the Kaliningrad region and the Federal law on a special economic zone in the Magadan region.

Article 41. Entry into force of the present Federal law

The present Federal law enters into force thirty days after the official publication day.