

THE LAW AND PRACTICE REGARDING COIN FINDS

The Russian Law on Import and Export of Old Coins by Individuals⁽¹⁾

Import and export of old coins by individuals is governed by the Law No. 4804-1 of 15 April 1993 “On Export and Import of Cultural Values” (“the Law”). The Law applies to coins older than 50 years (Ministry of Culture Order No.844 of 7 August 2001, Appendix 1, s.9).

An old coin may be imported provided it has been declared to and registered by customs authority (the Law, s.23). Such special registration is performed by way of making a note on the customs declaration; subsequently the customs authority provide the local directorate of the Federal Service for Supervision of Compliance with Legislation in the Sphere of Mass Media and Protection of Cultural Heritage (“the Federal Service”) with the name of the importer and a description of the imported coins (State Customs Committee Letter No. 01-06/51098 of 31 December 2003). No import duties are levied from individuals (Government Decree No. 718 of 29 November 2003, Regulation, s.4).

The Russian law on import of old coins therefore encourages the inflow of cultural values. This policy is limited only by international undertakings of the Russian Federation, namely, an old coin may not be imported in violation of an international treaty or if such an old coin has been included into an investigation inquiry of a competent foreign authority (the Law, s.24).

The regulatory approach towards export of old coins has not changed substantially since 1980s. Export of coins older than 50 years requires permission from the competent authority (the Law, s.17), whereas export of coins older than 50 years is prohibited (the Law, s.9).

The permission is issued by the local directorate of the Federal Service on the basis of expertise and is evidenced with a certificate on the right to export cultural values (the Law, ss.17-19). The experts are certified by the Federal Service. The expertise is chargeable and takes up to 30 days extendable up to 30 more days (Government Decree No. 322 of 27 April 2001, Regulation, ss.13-14). The decision of the Federal Service may be contested in court.

Export of old coins by individuals is subject to an export duty in an amount of 10 % of their value (Tax Code, s.333.33, subs.1.27). Export duty is paid on the basis

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of market value indicated by the exporter. If this indication is different from the indication determined by the local directorate of the Federal Service, export duty is paid on the basis of the one, which is higher (Tax Code, s.333.34. subs.2).

Hence, the Russian law on export of old coins is aimed at restraining outflow of cultural values. Such restraining is clearly to the detriment of cultural exchange and requires improvement. First, the effective export rules nullify the benefits of the existing import regime. Why should someone import old coins if it would be burdensome or impossible to export them? To address these concerns it would be advisable that the Law guarantees the right to export cultural values which have been previously imported. Second, it is reasonable to introduce a varied approach towards export of old coins depending on their rarity and value. These amendments would enable to satisfy demand for ordinary old coins and focus on preventing the outflow of the cultural values which are indeed a cultural heritage of Russia.

Currently the Federal Service is elaborating regulations, which are aimed to liberalise the existing export regime.

Anton MALKOV
2 Paveletskaya Square, Building 3
Moscow 115054, Russia
amalkov@cgsh.ru