

Russia enters new stage in the reform of state registration of legal entities

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On 26 April 2021, a [federal law](#)* will come into force in Russia, amending Federal Law No. 129-FZ “On State Registration of Legal Entities and Individual Entrepreneurs” (the “**State Registration Law**”).

The amendments are intended to simplify the procedure for making changes to information contained in the Unified State Register of Legal Entities (the “**Register**”) and to increase the transparency of the structure of commercial companies.

Thus, the registering authority will independently introduce changes to certain data contained in the Register. For instance, when:

- a new company name is registered, the details contained in the Register about this company as a:
 - person who has the right to act on behalf of another legal entity;
 - founder or participant in another legal entity;
 - holder of the register of shareholders of another legal entity;will be automatically updated;
- a company is being reorganised in the form of a merger or consolidation and when this company is the sole participant of another legal entity, the registration authority will independently update information about the legal successor of the company as the sole participant of another legal entity; and
- a company is being reorganised by way of transformation and when this company is the participant of another legal entity, the details of a participant in another legal entity will be updated automatically.

Also, the list of information contained in the Register will be expanded. In particular, in respect of limited liability companies, information on the transfer of a share or part of it into trust (including by way of inheritance) and on the trustee of a share or part of a share will be available.

As for joint-stock companies, the Register will state whether such a company has a sole shareholder and will contain information about this shareholder. We expect that these changes may, among other things, simplify the procedure of confirming that the company is wholly owned. (It should be sufficient to provide an extract from the Register instead of special documents from the private registrar).

In addition, the new version of the State Registration Law extends the timeframe for a legal entity to notify the registration authorities about changes in the information contained in the Register from three to seven working days.

The implementation of the above amendments follows the introduction of new registration forms (as we previously [reported](#)) and can be considered another step towards the harmonisation of Russian state registration regulations.

If you have any questions on this eAlert, do not hesitate to contact CMS Russia experts [Vladimir Zenin](#), Elizaveta Rakova, Viktoria Shcherba or your regular contact at CMS Russia.

* In Russian

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