

UK to revoke Moscow Stock Exchange's recognised status

Press release

The UK's tax authority, HM Revenue and Customs (HMRC), has today (19 April 2022) announced its intention to revoke the Moscow Stock Exchange's (MOEX) status as a recognised stock exchange.



This means investors will not be able to access certain UK tax benefits in future when trading securities on MOEX, although existing investments will be protected.

The move comes alongside the unprecedented sanctions the UK Government has placed upon Russia because of their illegal invasion of Ukraine.

Financial Secretary to the Treasury, [Lucy Frazer](#), said:

As we continue to isolate Russia in response to their illegal war on Ukraine, revoking Moscow Stock Exchange's recognised status sends a clear message – there is no case for new investments in Russia.

Recognised stock exchange status is a classification given by HMRC for tax purposes, on application, to qualifying stock exchanges. Securities traded on a recognised stock exchange are eligible for certain tax treatments and reliefs.

HMRC proposes to remove MOEX's recognised stock exchange status, limiting access to certain UK treatments and reliefs for future investments in securities traded on MOEX. Access to those treatments and reliefs for existing investments will remain unaffected.

1. This is in response to restrictions the Bank of Russia has placed on foreign investors. On 28 February 2022, MOEX banned brokers from selling assets at the instruction of non-residents of Russia, which means that

it is no longer operating in line with the normal commercial standards expected of a recognised exchange.

2. HMRC has [today launched a two-week consultation](#), which will include the draft revocation order, and we invite comments from any interested parties before the decision is finalised.
3. If restrictions placed by MOEX on non-resident investors remain in place, HMRC will publish the revocation order to give effect to this change following consultation.
4. HMRC intends to take these actions alongside the sanctions that the UK is placing on Russia because of the illegal war on Ukraine. HMRC has acted in the interests of all those who value fair and open trading on global stock markets.
5. Revoking recognised stock exchange status will limit the ability of people who have invested in assets traded on the MOEX to access certain UK tax reliefs which are contingent on that status – such as an exemption from withholding tax on interest bearing Qualifying Eurobonds and eligibility for inclusion in an Individual Savings Account.
6. We've designed the revocation order in such a way that investors should experience no change in respect of their pre-existing investments on MOEX – which we think is a fair approach and protects the interests of current UK taxpayers.
7. But the UK tax reliefs contingent on recognised stock exchange status will not be able to be accessed in respect of future investments in securities traded on MOEX, unless and until the exchange is once again recognised.
8. Follow HMRC's Press Office on Twitter [@HMRCPressOffice](#).

Published 19 April 2022