

Helesteului Str. 15-17, District 1
Bucharest - 011986

Phone: +40 (0)31 809 2739

+40 (0)74 520 2739

Fax: +40 (0)31 805 7739

E-mail: office@apex-team.ro

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ORDER 442 dated 22 January 2016 on the value of transactions, terms to prepare, conditions and content of Transfer Price (TP) documentation and TP adjustment/estimation procedures (Official Gazette 74/2016)

The Order regulates the value of transactions, terms to prepare, conditions and content of TP documentation and TP adjustment/estimation procedures. The main changes introduced by the current Order are presented below.

This Order includes a number of significant changes with respect to local TP documentation requirements, TP documentation content and procedure for adjustment or estimation of transfer prices.

Specific requirements have been detailed for the preparation and presentation of TP documentation, depending on the category of taxpayer (large, small and medium-size) and on the annual value of inter-company transactions equal to or above certain materiality thresholds depending on type of transaction.

Thus, the Order provides for a **first set of materiality thresholds**, that is, **for large taxpayers** with total annual value of inter-company transactions of:

- EUR 200,000**, for interest income/expense from financial services;
- EUR 250,000**, for supply of services;
- EUR 350,000**, for purchase/sale of tangible or intangible assets.

For **large taxpayers**, other than those referred to above, and also for **small and medium-size taxpayers**, the Order provides a **second set of materiality thresholds**, as listed below:

- EUR 50,000**, for interest from financial services;
- EUR 50,000**, for supply of services;
- EUR 100,000**, for purchase/sale of tangible or intangible assets.

The materiality thresholds above represent total annual value of all inter-company transactions, excluding VAT. The amounts in local currency are calculated by reference to the exchange rate communicated by NBR for the last day of each fiscal year.

Irrespective of the taxpayer category, TP documentation will not be prepared for:

- transactions that are covered by an advance pricing arrangement, or
- transactions for which a decision for adjustment/estimation of taxpayer's revenues or expenses has been issued.

If TP documentation is not presented or is deemed incomplete, tax inspectors will proceed to estimate the value of transfer prices. The estimation will only be made for transactions undertaken with related parties for which incomplete or no TP documentation was presented, and thus do not document the arm's length principle. Further to the estimation, an adjustment of income/expense is made and is reflected in the fiscal result of any related parties based on the mid-point of market, meaning the median value.

Fiscal obligations described by the current Order for taxpayers based on their category and materiality thresholds mentioned above are presented below:



**Our new Division
“APEX Transfer
Pricing” offers
assistance for
drafting transfer
pricing file**

Taxpayer category	Preparation of TP documentation	Request and presentation of TP documentation
<p>Large taxpayers that carry out inter-company transactions equal to or above the first set of materiality thresholds.</p>	<p>Will be required to prepare TP documentation on an annual basis. The deadline for preparing TP documentation is the legal deadline to submit their annual corporate income tax return for the relevant year (currently the 25th of March). The obligation to prepare annual TP documentation is applied for transactions occurring in 2016 and onwards.</p>	<p>Large taxpayers are required to present their TP documentation upon request of tax inspectors during a tax audit. Large taxpayers may also be asked to present their TP documentation on other occasions, pursuant to their obligation to provide information and documents to enable tax authorities to ascertain fiscal circumstances in accordance with the Fiscal Procedure Code. It should also be noted that the affiliate of a taxpayer, which is party to the transaction, may also be asked to present TP documentation. The deadline to present TP documentation in the above-mentioned cases is 10 days from date requested, but not earlier than 10 days after the deadline for their preparation.</p>
<p>Large taxpayers, as well as small and medium-size taxpayers that carry out inter-company transactions equal to or above the second set of materiality thresholds.</p>	<p>These taxpayers will still have the obligation to prepare TP documentation upon written request of tax inspectors.</p>	<p>These taxpayers will still have an obligation to prepare TP documentation, where a written request is made by the tax inspector during a tax audit. The deadline to present their TP documentation is between 30 and 60 calendar days of request. A one-off extension of no more than 30 calendar days is allowed.</p>
<p>Taxpayers which do not meet the requirements for the second set of materiality thresholds.</p>	<p>The taxpayers will document the arm’s length principle during a tax inspection, based on the general principles provided for by financial accounting and tax regulations.</p>	

The new Order introduces a series of amendments/complements and new elements regarding the content of TP documentation, which aligns its content to Chapter V of OECD guidelines on TP documentation, updated version.

The provisions of Order 442/2016 are applied as follows:

- provisions referring to the first set of materiality thresholds for large taxpayers **will be applied for inter-company transactions performed, starting in 2016;**
- new provisions are applied to management procedures initiated subsequent to the 1st of January 2016;
- for management procedures initiated prior to the 1st of January 2016, legal provisions in force at the moment they came into force are applied.

Taking into consideration the significant legislative amendments and the tax authorities’ growing interest in this area, APEX has extended its division dedicated to TP documentation, with TP documentation experts on its team. This division, APEX Transfer Pricing, is prepared to offer assistance services in the field of transfer prices, with the same level of quality as the APEX Team.

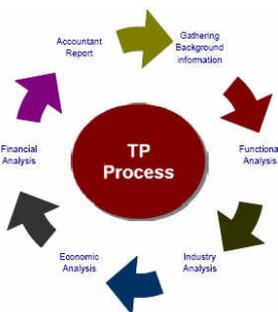
In case you are interested, it would be our pleasure to meet and discuss changes in this field, as well as any possible area in which we may collaborate with you.

ORDER 123 dated 28 January 2016 on main aspects related to preparation and submission of annual financial statements and annual accounting reports for economic operators to territorial units of Ministry of Public Finance (Official Gazette 81/2016)

The Order regulates norms to prepare and submit financial statements and accounting reports for the fiscal year of 2015.

These regulations are applied to the following categories of companies:

- entities for which provisions of Accounting Regulations on individual annual financial statements and consolidated annual financial statements are applied, approved by OMPF 1802/2014;



- ☑ entities for which Accounting Regulations in conformity with IFRS, applicable to companies whose shares are publicly traded on a regulated market are applied, approved by Order 1286/2012.

Content of annual financial statements

The content depends on qualification of the entity according to size criteria provided by Order 1802/2014. According to OMPF 123/2016, **the qualification is only made based on the trial balance closed on the 31st of December 2015** (and not based on two consecutive financial years). Entities which choose a financial year different from the calendar year establish the respective criteria based on the trial balance prepared at the end of the chosen financial year, and accounts are therefore closed subsequent to the 1st of January 2016.

1. Micro entities, representing entities which at year-end do not exceed at least 2 of the following thresholds:

- ☑ total assets: RON 1,500,000;
- ☑ net turnover: RON 3,000,000;
- ☑ average headcount: **10**.

prepare financial statements containing:

- ☑ Simplified Balance Sheet (code 10);
- ☑ Income statement (code 20);
- ☑ Informative Data form (code 30);
- ☑ Statement of fixed assets form (code 40);
- ☑ Micro entities do not have the obligation to prepare disclosure notes, their preparation being optional.

2. Small entities, representing entities which at year-end, do not exceed at least 2 of the following thresholds:

- ☑ total assets: RON 17,500,000;
- ☑ net turnover: RON 35,000,000;
- ☑ average headcount: **50**.

prepare annual financial statements containing:

- ☑ Simplified Balance Sheet (code 10);
- ☑ Income statement (code 20);
- ☑ Informative Data form (code 30);
- ☑ Statement of fixed assets form (code 40);
- ☑ Disclosure notes;
- ☑ Optionally, the statement of changes in owner's equity and cash flow statement may be prepared.

3. Medium and large entities, representing entities which at year-end, exceed at least 2 of the following thresholds:

- ☑ total assets: RON 17,500,000;
- ☑ net turnover: RON 35,000,000;
- ☑ average headcount: **50**.

as well as public interest entities also prepare annual financial statements containing:

- ☑ Simplified Balance Sheet (code 10);
- ☑ Income statement (code 20);
- ☑ Informative Data form (code 30);
- ☑ Statement of fixed assets form (code 40);
- ☑ Statement of changes in owner's equity;
- ☑ Cash flow statement;
- ☑ Disclosure notes.

Newly set-up entities may prepare abbreviated financial statements for their first reporting financial year, having 5 components, as well as annual financial statements in the format for micro entities.

In situations where the legal entity has its headquarters abroad but carries out economic activity in Romania through several permanent establishments, annual financial statements are prepared by the establishment assigned to fulfil fiscal obligations. Annual financial statements should reflect the activity of all permanent establishments. In this regard, the assigned permanent establishment proceeds to consolidate information



**Do not forget to
check size criteria
to prepare the
correct format of
financial
statements**



related to activity carried out by each permanent establishment in Romania.

Audit of annual financial statements

Annual financial statements for small entities are subject to audit if, **based on the trial balance prepared on the 31st of December 2015**, exceed at least two of the following three criteria:

- total assets: RON 16,000,000;
- net turnover: RON 32,000,000;
- average headcount: 50.

Financial statements of small, medium and large entities, as well as public interest entities, are also subject to audit.

Submission deadline

Annual financial statements and annual simplified financial statements are submitted to territorial units of the Minister of Public Finance within 150 days from the date when the financial year ends. Thus, for entities which have the same financial year as the calendar year, the submission deadline is **the 30th of May 2016**.

Public institutions, associations and other for-profit and non-profit organisations submit their annual financial statements **within 120 days** from close of the financial year-end, meaning **the 29th of April 2016**.

Sub-units in Romania, belonging to legal entities having their headquarters or domicile abroad, except those opened in Romania by companies resident in European Economic Area (EEA) states, submit their annual financial statements as at the 31st of December 2015 to territorial units of the Minister of Public Finance **within 150 days** from the close of the financial year. The same deadline is applied for submission of annual financial statements prepared for permanent establishments. Assigned permanent establishments submit their annual financial statements to the territorial unit where they are registered.

Entities which do not carry out activity since inception through the end of the reporting financial year, do not prepare annual financial statements. Instead, they will submit a statement under own responsibility made by the person having the obligation to manage the entity, **within 60 days** from the close of financial year (**the 29th of February 2016**).

Notification to elect the option for a financial year different from the calendar year is submitted to territorial units of the Minister of Public Finance at least 30 calendar days prior to the beginning of the chosen financial year or within 30 calendar days from set-up date of newly-established entities.

Submission

Annual financial statements as at the 31st of December are submitted:

- in **paper and electronic format** at **register offices** of the territorial unit of Minister of Public Finance or at **post offices**, as letters with declared value;
- only in **electronic format** at www.e-guvernare.ro, having an extended electronic signature attached.

The electronic format of annual financial statements, consisting of a .pdf file with an .xml file, has an attached .zip file containing annual financial statements and documents requested by law, as they are prepared by the companies and scanned in readable black and white, with resolution allowing **a maximum size of 9.5 MB for the .pdf file**.

The inactivity statement, as well as notification to tax authorities regarding the option for a different financial year than the calendar year, is also submitted in paper and electronic format, or only in electronic format having an extended electronic signature.

Signature of annual financial statements

All annual financial statements closed on the 31st of December should be **signed by individuals who are entitled by law and by the Director or individual responsible for management of the entity**.

Annual financial statements should be signed by individuals preparing them. The signature should be the person organising and conducting accounting activities of the company for which the forms are submitted, or by an authorized provider of accounting services. Specifically, the person signing for preparation of financial statements may be:

- Economic Director or Chief Accountant;
- Other empowered person;



**30 May 2016
deadline to submit
annual Financial
Statements and
Accounting
Reports to MFP**



☑ Authorized individuals or legal entities, CECCAR members.
Regarding empowered persons, it should be mentioned that not just any person within the company may sign the financial statements. That is, the concerned person should have higher education in the field of economics and to stand in, based on a notarized power of attorney, for Economic Director or Chief Accountant.

Annual financial statements are also signed by the Director or by the person responsible for management of the entity.

Annual financial statements should be accompanied by a management report, audit report or audit committee report (“cenzori”), and, depending on the case, by the proposal for profit allocation or recovery of accounting loss.

Annual financial statements should be accompanied by a written statement of the Director, the head of the public entity or the person who is responsible for management of the respective unit, stating that he/she is responsible for preparation of annual financial statements and confirms that:

- ☑ Accounting policies used to prepare annual financial statements are in accordance with applied accounting regulations;
- ☑ Annual financial statements present a fair view of the financial position, financial performance as well as other information regarding the activity;
- ☑ The legal entity carries out its activity as a going concern.

System of annual accounting report as at the 31st of December

Who should submit accounting reports as at the 31st of December?

- ☑ entities which opted for a different financial year than the calendar year, according to art. 27 para. (3) of Accountancy Law 82/1991, for any organisational and ownership form;
- ☑ legal entities under liquidation, according to law;
- ☑ sub-units opened in Romania by companies which are resident in EEA States;
- ☑ legal entities which are required to apply Accounting Regulations in conformity with IFRS should submit annual reports as at the 31st of December 2015, in addition to annual financial statements which have some components stated in accordance with IFRS.

Accounting reports are different from annual financial statements, concluded on the date selected.

Annual reports

Annual reports as at the 31st of December contain the following forms:

- ☑ Statement of Financial Position (code 10);
- ☑ Income statement (code 20);
- ☑ Informative data form (code 30);
- ☑ Statement of fixed assets form (code 40).

These reports are prepared based on the summary trial balance closed on the 31st of December.

Electronic format of annual reports as at the 31st of December, including the necessary forms and online verification application, with instructions for use, is obtained using guidance on its preparation made available by MPF.

This application is distinct from that used for preparation of annual financial statements and for simplified annual financial statements.

Signature

The annual report as at the 31st of December is signed by individuals who are entitled by law to sign annual financial statements and by the Director or individual responsible for management of the entity.

Deadlines for preparation and submission of annual reports

Entities submit to territorial units of MPF annual accounting reports as at the 31st of December, in paper and electronic format or only in electronic format at www.e-guvernare.ro, having an extended electronic signature attached. The electronic format of annual accounting reports as at the 31st of December, obtained using guidance on its preparation, consists of a .pdf file with an .xml file attached.

The deadline for the submission of annual report as at the 31st of December is:

- ☑ 90 days from the end of the calendar year in the case of legal entities under liquida-



Legal entities that apply IFRS should draft financial statements, as well as accounting reports as at December 31, 2015



tion (the 31st of March 2016);

- ☑ 150 calendar days from the end of the calendar year for other entities (the 1st of June 2016).

Entities opting for a financial year different from the calendar year and which did not carry out activity since date of set-up by the 31st of December, as well as those under liquidation, according to law, do not prepare annual accounting reports as at the 31st of December, but in this regard they should submit to territorial units of MPF a statement under own responsibility made by the person responsible for management of the entity. Submission to territorial units of MPF of statements for entities which did not carry out activity from set-up date through reporting date is made within 60 calendar days from end of the calendar year.

ORDER 727 dated 17 February 2016 to approve Procedure to organise and operate Register of intra-community operators, as well as to approve template and content of certain forms (Official Gazette 150/2016)

The Order updates procedure to organise and operate **the Register of intra-community operators (ROI)**, as well as the necessary forms.

We recall information about the Register of intra-community operators.

This Register contains all taxable and non-taxable entities registered under the scope of VAT, according to art. 316 and 317 of the Fiscal Code, carrying out intra-community operations with goods and/or services.

Registration in ROI is made upon request of taxable entities registered under the scope of VAT, prior to carrying out intra-community operations.

Do not register in ROI:

- ☑ Those which are not registered under the scope of VAT;
- ☑ Those which had their registration under the scope of VAT cancelled upon request or ex officio by tax authority;
- ☑ Taxable entities which have as shareholder or Director a person against whom a criminal investigation is initiated and/or has offences written on his/her criminal record that are related to an intra-community operation;

A taxable entity registered in ROI may be validated in VIES – European system to verify VAT codes. Those registered under the scope of VAT, but not registered in ROI, do not appear as valid in VIES.

How is the registration performed?

The request to register for ROI is made using form 095 – Application to register with/de-register from ROI.

Companies regulated by Law 31/1990 add the following documents to this application for registration:

- a) Criminal record certificates issued by competent authorities from Romania for each Director, in the case of joint stock companies, including limited partnerships by shares;
- b) Criminal record certificates issued by competent authorities from Romania for each Director and shareholder holding a minimum of 5% of company's share capital, in the case of other forms of companies;
- c) Other additional documents in case there are criminal investigations initiated against shareholders/Directors or offences written on their criminal records.

De-registration from ROI

De-registration is made upon request or ex officio.

Ex officio de-registration is made in the following situations:

- a) simultaneously with ex officio cancellation of VAT registration code;
- b) if there are no intra-community operations during both the previous and subsequent calendar years, by the date of de-registration from ROI;
- c) if the taxable entities have as shareholder or Director a person against whom a criminal investigation related to intra-community operations is initiated;
- d) if within 30 days from a change in the list of Directors or shareholders, criminal records of the new Directors/shareholders are not submitted to competent tax authorities. An exception is made for shareholders of joint stock companies and limited partnerships by shares and also shareholders having less than 5% ownership of



Remember that any change in the structure of directors / shareholders triggers the update of Intra-Community Operators Register



share capital in the case of other forms of companies.

Starting with date of de-registration in ROI, the taxpayer no longer has a valid VAT code for intra-community operations.

ORDER 102 dated 22 January 2016 to approve Implementation Instructions for simplification measures in field of multi-party VAT operations within European Union, related to work on tangible movable assets as well as Implementation Instructions for simplification measures in field of VAT for goods returning to the European Union area and fiscal treatment for repairs performed during and after warranty period (Official Gazette 96/2016)

The Order updates the following regulations:

- Implementation Instructions for simplification measures in the field of multi-party VAT operations within the European Union, related to work on tangible movable assets
- Implementation Instructions for simplification measures in the field of VAT for goods returning to European Union area and fiscal treatment for repairs performed during and after the warranty period.

Simplification measures provided by this Order were implemented to avoid the situation in which economic operators would register under the scope of VAT in several Member States for transfer of goods or for intra-community purchase of assimilated goods, in cases where they carry out multi-party VAT operations within the European Union, and in the case of goods returning to the European Union.

To apply simplification measures, it is mandatory to cumulatively fulfil the following conditions:

- a) main contractor:
 1. is a taxable entity registered under the scope of VAT in the Member State where it is established;
 2. has no VAT code in the Member State where work on tangible movable assets is effectively performed;
 3. sends its VAT code to the contracting party/parties.
- b) other involved economic operators are taxable entities from a VAT point of view;
- c) the manufactured products will return to the Member State where the main contractor is established and where the VAT code transmitted by the main contractor was assigned.

Application of simplification measures is optional for economic operators involved in multi-party operations or in the case of goods returning to the European Union. Instructions also set the fiscal treatment applied in the situation where Member States involved do not apply simplification measures or do not accept the application of simplification measures.

The Order repeals regulations of OMPF 3417/2009.

ORDER 103 dated 22 January 2016 to approve Implementation Instructions for VAT exemption as provided by art. 294 para. (1) letter a)-i), art. 294 para. (2) and art. 296 of Law 227/2015 on the Fiscal Code (Official Gazette 106/2016)

The Order updates Implementation Instructions for VAT exemption as provided by art. 294 para. (1) letter a)-i), art. 294 para. (2) and art. 296 of the Fiscal Code. The previous regulations of OMPF 2222/2006 are repealed.

ORDER 101 dated 22 January 2016 to approve Norms on reimbursement of VAT to buyers who are individuals not established in the European Union (Official Gazette 87/2016)

ORDER 726 dated 17 February 2016 to approve template and content of form 012 - Notification to change annual/quarterly system of reporting and payment of corporate tax (Official Gazette 136/2016)

The Order updates template, content and instructions to complete form 012 - Notification to change annual/quarterly system of reporting and payment of corporate tax.



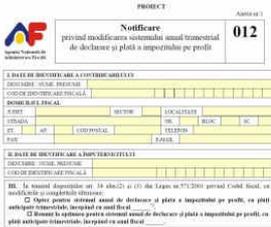
The implementing measures to simplify VAT on intra-community transactions have been updated



The form is used by corporate taxpayers which would like to opt for the advance quarterly payment system, or would like to quit this option and return to actual quarterly taxation system.

The option is communicated to tax authorities by the 31st of January of the year when they would like to apply the respective system. If the taxpayer has a different financial year than the calendar year, then it may exercise its option within the first 30 days of the modified financial year.

More information on the advanced payment system may be found in a previous APEX Team Newsletter, issue 12, 2015.



ORDER 631 dated 9 February 2016 to approve template and content of certain forms to register/de-register under scope of VAT (Official Gazette 131/2016)

- The Order approves template, content and instructions to complete the following forms:
- Form to register under scope of VAT/Mentions return of other person carrying out intra-community purchases or for services (091);
 - Form to register under scope of VAT/Mentions return of taxable entities which have the headquarters of their economic activity abroad, but are established in Romania through fixed establishments (093);
 - Return on turnover for taxable entities registered under scope of VAT with a quarterly reporting period and which have not made intra-community purchases of goods during the previous year (094);
 - Application to register under scope of VAT according to art. 316 para. (1) letter a) of Law 227/2015 of Fiscal Code with its subsequent amendments and complements (098);
 - Decision to cancel registration under scope of VAT in order to apply exemption regime provided by art. 310 of Fiscal Code

New fiscal forms for VAT registration

ORDER 521 dated 26 January 2016 to approve Procedure to register under scope of VAT according to art. 316 para. (1) letter a) or c) of Law 227/2015 of Fiscal Code, with its subsequent amendments and complements, and to approve template and content of a specific form (Official Gazette 91/2016)

The Order updates the procedure to register under scope of VAT for taxable entities found in the following situations:

- newly set-up taxable entities which opt to pay VAT;
- taxable entities set up during previous years and which did not reach the turnover threshold that would have obliged them to register under the scope of VAT, but they want to pay VAT.

The Order does not bring changes to the registration procedure.

ORDER 588 dated 1 February 2016 to approve template and content of form 300 - VAT return (Official Gazette 93/2016)

The Order approves template and instructions to complete the new VAT return in effect starting 2016.

ORDER 591 dated 3 February 2016 to approve template and content of VIES form 390 - Recapitulative return for EU supplies/acquisitions/services (Official Gazette 94/2016)

The Order updates template and content of VIES form 390 - Recapitulative return for EU supplies/acquisitions/services, the new template being used starting 2016.

ORDER 592 dated 3 February 2016 to approve template and content of form 301 - Special VAT return (Official Gazette 94/2016)

The Order updates template and content of form 301 - Special VAT return, the new template to be used starting 2016.



ORDER 795 dated 19 February 2016 to approve template and content of form 311 - VAT return for taxable entities whose registration under scope of VAT has been cancelled as per art. 316 para. (11) letter a)-e), g) or h) of Law 227/2015 on Fiscal Code (Official Gazette 145/2016)

The Order approves template and content of form 311 - VAT return for taxable entities whose registration under scope of VAT has been cancelled as per art. 316 para. (11) letter a)-e), g) or h) of Law 227/2015 of Fiscal Code.

ORDER 793 dated 19 February 2016 to approve template and content of form 307 - Return on amounts resulting from adjustment/correction of adjustments/settlement of VAT (Official Gazette 146/2016)

The Order approves template and content of form 307 - Return on amounts resulting from adjustment/correction of adjustments/settlement of VAT.

ORDER 587 dated 1 February 2016 to approve template and content of forms used to declare taxes and contributions under self-assessment or withholding regime (Official Gazette 94/2016)

The Order approves template and content of the following forms, which are to be filed starting in 2016:

- a) form 100 – State budget liability return
- b) form 710 – Adjusted return

The Order also approves Nominative list of state budget liabilities.

We mention that, from now on, forms 100 and 710 are part of the same .pdf file. They are selected according to taxpayer's option. The new template for form 710 is not used for the adjustment of certain fiscal liabilities prior to 2016.

ORDER 236 dated 19 February 2016 on consumer price index used for updating advance payments for annual corporate tax (Official Gazette 146/2016)

For the fiscal year of 2016, consumer price index used for updating advance payments for annual corporate tax is 100.5%.

ORDER 351 dated 18 January 2016 on Procedure to transfer amounts recovered with reciprocal recovery assistance and to approve template and content of certain forms (Official Gazette 97/2016)

The Order approves Procedure to transfer amounts recovered with reciprocal recovery assistance as well as template and content of the following forms:

- a) Report on transfer of recovered amounts representing receivables set by other states;
- b) Report for external payment of amounts related to receivables set by other states;
- c) Report on request for recovery assistance for receivables set in Romania related to amounts that should be collected in other states;
- d) Report on transfer of amounts recovered in other states, representing receivables set in Romania;
- e) Report on settlement of outstanding fiscal liabilities recovered by other states.

ORDER 531 dated 28 January 2016 on taxes, contributions and other amounts representing receivables which are paid by taxpayers to a sole account (Official Gazette 89/2016)

The Order approves the following nominative lists:

- Nominative list of fiscal liabilities owed to State Budget and are paid to the sole account 20.A.47.01.00 - Amounts collected for State Budget to the sole account, under a distribution process
- Nominative list of fiscal liabilities owed to Budget of social insurance and special funds which are paid to the sole account 55.02 - Funds to the Budget of social insurance and special funds, under a distribution process.

The new nominative lists are used for payment of taxes and contributions to the sole account which are owed starting the 1st of January 2016.

The image shows a screenshot of the ANAF 'DECONT DE TAXA PE VALOAREA ADAUGATA' (Form 300) for the year 2016. The form includes fields for taxpayer identification, tax calculation details, and a table for reporting VAT adjustments. The table has columns for 'Nr. ut.', 'Descriere indicator', 'Valoare', and 'IVA'. It lists various categories of VAT adjustments such as 'CUMPLIMENTE INTERVENITE LA 31 DE IANUARIE' and 'DIFERENȚA ÎNTR-UN AN ÎN ÎNCHINAREA LA 31 DE IANUARIE'.

The most tax forms have been updated due to changes in the Fiscal Code

The image shows a screenshot of the ANAF 'DECLARAȚIE PRIVIND OBLIGAȚIILE DE PLATA LA BUCHEȚI DE STAT' (Form 100) for the year 2016. The form includes fields for taxpayer identification, a table for reporting state budget liabilities, and a table for reporting social insurance and special funds liabilities. The table for state budget liabilities has columns for 'Nr. ut.', 'Descriere indicator', 'Valoare', and 'IVA'. It lists categories such as 'Plata la bugetul de stat' and 'Plata la bugetul de stat - contribuții'.

ORDER 560 dated 29 January 2016 to approve Procedure on administration and monitoring of medium-size taxpayers and to amend certain provisions regarding activity to administer medium-size taxpayers (Official Gazette 83/2016)

The Order approves Procedure on administration and monitoring of medium-size taxpayers, as well as template and content of certain forms:

- a) Situation of liabilities owed to State Budget and payments made for these liabilities – form O1;
- b) Situation of liabilities owed to Social Insurance Budget and payments made for these liabilities – form O2;
- c) Situation of liabilities owed to Health Insurance Budget and payments made for these liabilities – form O3;
- d) Situation of liabilities owed to Unemployment Budget and payments made for these liabilities – form O4.

ORDER 558 dated 29 January 2016 on Procedure to publish lists of debtors registering outstanding fiscal liabilities, as well as value of these liabilities (Official Gazette 78/2016)

The Order approves Procedure to publish lists of debtors registering outstanding fiscal liabilities, as well as the value of these liabilities.

According to this Procedure, central tax authorities will publish a list of debtors registering outstanding fiscal liabilities on the ANAF website, as well as the value of these liabilities. The lists are separately published for debtors that are legal entities and debtors who are individuals.

Outstanding fiscal liabilities are those existing by the end of the reporting quarter and unpaid by the date when the list was published.

Certain outstanding fiscal liabilities are not subject to publication. Those fiscal liabilities should be under the following thresholds:

- a) RON 1,500, in the case of large taxpayers;
- b) RON 1,000, in the case of medium-size taxpayers;
- c) RON 500, in the case of other categories of debtors, including individuals also registering outstanding fiscal liabilities from carrying out economic activities independently or as liberal professions;
- d) RON 100, in the case of individuals, other than those mentioned in letter c).

ORDER 522 dated 26 January 2016 to approve template and content of certain forms for informative statements (Official Gazette 78/2016)

Template, content and instructions to complete are approved for the following forms:

- 392A – Informative statement on delivery of goods and provision of services performed in the year of ...
- 392B – Informative statement on delivery of goods, provision of services and acquisitions performed in the year of ...
- 393 – Informative statement on income obtained from the sale of tickets for international road transport of persons with Romania as point of departure in the year of ...

The submission deadline for these forms was the 25th of February 2016.

ORDER 503 dated 25 January 2016 to publish Agreement between Romania and the United States of America to improve international tax compliance and to implement FATCA (Official Gazette 70/2016)

The Order publishes Agreement between Romania and the United States of America to improve international tax compliance and to implement FATCA.

ORDER 370 dated 20 January 2016 to approve Procedure to set the amount representing environment stamp for vehicles and to approve template and content of certain forms (Official Gazette 72/2016)



The lists of debtors registering outstanding fiscal liabilities will be published on ANAF website

ORDER 221 dated 15 February 2016 to approve configuration of Excise Code and Nominative list of codes for products subject to excise tax (Official Gazette 147/2016)

The Order approves configuration of Excise Code and Nominative list of codes for products subject to excise tax.

The Excise Code consists of 13 characters and is assigned to the taxpayer operating with products subject to excise tax.

ORDER 94 dated 20 January 2016 to approve certain standard forms to obtain information necessary to perform automatic mandatory information exchange according to art. 291 of Law 207/2015 on the Fiscal Procedure Code (Official Gazette 122/2016)

Starting 2014, the mechanism of automatic exchange of information on income obtained by an individual in Member States other than where he/she resides, operates at the European Community level. Competent authorities from Member States should perform automatic information exchange regarding real estate property/buildings held by individuals fiscally residing in a Member State different from where the properties are located.

These provisions apply starting the 1st of January 2016 according to art. 291 of the Fiscal Procedure Code.

Order 94/2016 is customized for exchange of information on fixed assets, land and buildings held in Romania by residents of other Member States. The Order identifies public local authorities which are obliged to report this information to central tax authorities.

ORDER 105 dated 22 January 2016 to approve Norms on exemption from payment of VAT and excise tax for definitive imports of certain goods, provided by art. 293 para. (1) letter d) and art. 395 para. (7) of Law 227/2015 on the Fiscal Code, as well as to approve Procedure to authorize certain bodies to import goods under exemption regime (Official Gazette 90/2016)

ORDER 104 dated 22 January 2016 to approve Norms to set Procedure and Conditions to authorize VAT warehouse, provided by art. 295 para. (1) letter a) point 8 of Law 227/2015 on the Fiscal Code, as well as to set the Commission to authorize VAT warehouses and regulation to organise and operate it (Official Gazette 92/2016)

ORDER 767 dated 19 February 2016 on conditions to delegate the competence to perform the activity of tax inspection to another tax inspection body (Official Gazette 150/2016)

ORDER 794 dated 19 February 2016 to amend and complement ANAF Presidential Order 3775/2015 on approving certain special competences of the central tax authority (Official Gazette 150/2016)

ORDER 501 dated 25 January 2016 to set certain competences for General Directorate for Customs and subordinated Customs structures and to approve template and content of forms and documents used by the General Directorate for Customs and by subordinated Customs structures in their activity to monitor and control products subject to excise tax (Official Gazette 82/2016)



Excise Code and Nominative list of codes for products subject to excise tax have been published



INFLATION RATE (source: www.insse.ro)

Anul	2000	2001	2002	2003	2004	2005	2006	2007
Rata inflației	45.7 %	34.5 %	22.5%	15.3%	11.9%	9%	6.56%	4.84%
	2008	2009	2010	2011	2012	2013	2014	2015
	7.85%	5.59%	6.09%	5.79%	3.33%	3.98 %	1.07%	-0.59%



REMINDER – Do not forget to request tax residence certificates issued in 2016 from your foreign business partners

The tax residence certificates issued in 2015 are valid for the first 60 days of 2016, i.e. until 1 March 2016.

REMINDER – Valuation of monetary items in foreign currency

The January closing NBR exchange rates to use for valuation of monetary items (cash on hand, receivables, payables) denominated in foreign currency, as well as receivables and payables denominated in RON but pegged to a foreign currency for collection/disbursement are:

1 EUR = 4,5245 RON; 1 CHF = 4,1797 RON; 1 GBP = 6,1466 RON; 1 USD = 4,1477 RON.

MARCH 2016 – AGENDA

Every day - do not forget

- To complete the petty cash register (or print electronic version)
- To complete the purchase ledger and sales ledger
- To update electronic employee registers with information regarding labour contract inception/amendment or termination, if any

At month end - do not forget

- To complete the journal ledger
- To register contracts concluded during the month for services rendered by non-residents with tax authorities as per article 8 point 8 of the Fiscal Code
- To revalue monetary assets and liabilities in foreign currency (cash on hand, assets, liabilities) at the NBR exchange rate in force on the last banking day of the month
- To organize a stock count of inventories if the enterprise does not use a perpetual inventory system
- To issue final invoices for the current month.

To comply with requirements regarding VAT

- Mention the registration code under the scope of VAT on documents for EU business partners
- Check validity of registration code under the scope of VAT mentioned on invoices received
- Check amount of VAT disclosed on invoices received
- Check references related to VAT (e.g.: “reverse charge,” “operation not subject to VAT,” etc...)
- On invoices, write VAT amount received in case of reverse charge
- Maintain ledger of goods received
- Maintain ledger of non-transfer of goods
- Maintain non-current assets ledger
- Mention which exchange rate will prevail (NBR, commercial bank or Central European Bank) in contracts with foreign partners

To consult the calendar of tax liabilities for March 2016, visit the following link on ANAF webpage (in Romanian):

https://static.anaf.ro/static/10/Anaf/AsistentaContribuabili_r/Calendar/Calendar_obligatii_fiscale_2016.htm#mar

2015 had a
negative inflation
index of
-0.59%

March 2016						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

KEY HR FIGURES

2016 Contributions	Employer and Beneficiary of activities considered dependent activities (% rate)	Employee and provider of dependent activities (% rate)
Social security contribution (<i>pension</i>)	15.8% for normal working conditions 20.8% for particular working conditions 25.8% for special working conditions (contribution base capped at an amount representing the average amount of insured persons during the month for which the contribution is determined as 5 times the average monthly gross salary) ¹	10.5% (contribution base per employee capped at 5 average monthly gross salaries according to Budget for public social insurance, i.e. 5 x 2,681 =RON 13,405) ¹ (contribution base for a person under civil contract: gross income)
Health insurance fund (based on gross salary)	5.2%	5.5%
Medical leave contribution and health insurance allowance (based on gross salary)	0.85%	
Unemployment fund (based on gross salary)	0.5%	0.5%
Work accident and occupational disease fund (based on gross salary) ²	0.15% - 0.85% depending on CAEN code for main activity	
Contribution to fund to guarantee payment of salary liabilities (based on gross salary) ³	0.25% (only for employees under labour contract included for retired persons)	
Salary tax		16%
Contribution for non-employment of disabled persons (for employers with more than 50 employees)	4 x 50% minimum gross salary (RON 1050) for every 100 employees	
Minimum monthly gross salary	RON 1050 (RON 1250 starting 1 May 2016)	
Luncheon voucher - employee subject to salary starting May 2015	RON 9.41	
Per diem (in Romania)		
Employees in the public sector	RON 17.00	
Employees in the private sector (x 2.5)	RON 42.50	

Note 1: Contribution to pension is also due during periods when the insured person benefits from medical leave and health insurance allowances. For these periods, the contribution base is 35% of the average monthly gross salary corresponding to the number of business days of medical leave.

Note 2: Contribution for work accident and occupational disease is also due during periods when the insured person benefits from medical leave and health insurance allowances. For these periods, the contribution base is the minimum gross salary where payment is guaranteed on a national basis corresponding to the number of business days of medical leave.

Note 3: The contribution to Fund to guarantee payment of salary liabilities is also to be calculated for health insurance allowances but only in respect of the first 5 days of temporary incapacity to work supported by the employer as well as for allowances for temporary incapacity to work further to a work accident or occupational disease but only in respect of the first 3 days of temporary incapacity of work supported by the employer.

Be Aware! Income paid to a person who carried out an activity considered dependent activity is disclosed on a separate "Payment statement" and is included on form 112.

Helesteului Str. 15-17, District 1
Bucharest - 011986

Phone: + 40 (0) 31 809 2739

+ 40 (0) 74 520 2739

Fax: + 40 (0) 31 805 7739

E-mail: office@apex-team.ro

www.apex-team.ro

Our Mission:

Adding Value to Client's Business

APEX Team includes qualified professionals able to provide a full range of accounting and payroll services. Our consultants are ready to share their knowledge and experience gained whilst working in Romania as consultants for one of the Big 4 international companies, having many international companies acting in a wide range of industries as clients.

The team includes chartered accountants (Romanian Chartered Accountants Body and also ACCA) specialised in accounting for business entities, as well as a group specialised in payroll administration on behalf of the client.

APEX Team provides a full range of accounting services, payroll services, local tax compliance and tax advice, as well as services tailored to your company needs:

- Bookkeeping
- Recurring accounting assistance
- Payroll computation and additional HR services
- Accounting and tax advice « on line »
- Consulting and assistance in drafting transfer price files
- Start up services
- Organization of the accounting function
- Assistance in implementation of ERP
- Training