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EMERGENCY ORDINANCE 153 dated 3 September 2020 for the establishment of fiscal measures to stimulate maintenance of and increase equity, as well as for the completion of some normative acts (Official Gazette 817/2020)

The ordinance establishes a series of incentive measures in order to increase the equity of the companies, as well as for the modification of some normative acts. A summary of the draft normative act has already been presented in APEX Team newsletter no. 8 2020.

We continue with measures implemented by this ordinance:

Stimulating maintenance and growth in equity

Payers of profit tax, tax on micro-enterprises and the specific tax benefit from reductions in annual tax, as follows:

- a) 2%, if equity is positive, starting with the 2021 fiscal year

For taxpayers who have the legal obligation to setup share capital, equity must simultaneously fulfill the condition of being at least equal to half of subscribed share capital.

Accounting equity is presented in annual financial statements, or in annual accounting reports for permanent establishments of legal entities resident in states belonging to the European Economic Area.

- b) If a taxpayer registers an annual increase in adjusted equity for the year for which it owes tax compared to adjusted equity registered in the previous year and at the same time fulfills the condition provided per item a) above, the reductions have the following values:

Tax reduction percentage	Adjusted annual equity growth intervals
5%	Up to 5% inclusive
6%	over 5% and up to 10% inclusive
7%	over 10% and up to 15% inclusive
8%	over 15% and up to 20% inclusive
9%	over 20% and up to 25% inclusive
10%	over 25%

- c) 3%, if a taxpayer registers an increase in adjusted equity at the level provided in the table below during the year for which it owes tax, compared to adjusted equity registered in 2020 and if it simultaneously meets the condition provided per item a) above.

Provisions of item c) apply starting with the year 2022; that is, starting with the modified fiscal year starting in 2022.

Year for which the tax is due	Minimum adjusted equity increase (%)
2022	5%
2023	10%
2024	15%
2025	20%

Where two or three of the reductions provided for above apply, the corresponding percentages shall be added together when calculating the reduction in tax. The increase in adjusted equity is determined according to formulas presented in the Ordinance, with specific rules mentioned for taxpayers who have a modified fiscal year compared to the calendar year.

Adjusted equity includes the following items presented in annual financial statements/annual accounting reports:

- paid-in subscribed capital;
- patrimony of autonomous public companies;
- public patrimony;
- private patrimony;
- patrimony of national R&D institutes;
- capital premiums;
- legal, statutory or contractual reserves and other reserves constituted from net profit as a result of a decision of the shareholders/associates or according to legal provisions;
- net credit balance carried forward result, representing the positive difference between credit and debit balances.

Reductions in tax do not apply to taxpayers for whom accounting regulations are issued by the National Bank of Romania, respectively by the Financial Supervisory Authority (e.g. for financial banking institutions).

The ordinance provides clarification as well as specific rules on application of the above-mentioned reductions in the case of permanent establishments, and also in case of reorganizations, such as mergers, divisions and transfers of part of the patrimony to one or more beneficiary companies.

How to apply reductions

Profit tax

Payers of profit tax apply the percentage related to the reduction in tax liability for the year in which the above conditions are fulfilled, and the resulting value is deducted from the initial tax liability.

Annual profit tax represents the tax after deducting any external tax credits, exempt or reduced profit tax, amounts representing sponsorship and/or patronage, private scholarships, within the limit provided by law, as well as the purchase cost of electronic fiscal cash registers.

Micro-enterprise tax on revenue

Payers of micro-enterprise tax apply the appropriate percentage decrease to the tax due for the entire fiscal year, and the value of the resulting reduction is deducted from the tax related to the fourth quarter. If the amount of the reduction is higher than the fourth quarter tax, the remaining difference is deducted from the tax for the previous quarters by submitting an amended declaration.

Micro-enterprises which become payers of profit tax in the year for which the reduction applies will calculate the percentage corresponding to the reduction in micro-enterprise tax added to the profit tax, and the resulting reduction is deducted from profit tax. If the amount of the reduction is higher than profit tax, the remaining difference is deducted from the micro-enterprise tax by submitting an amended declaration.

Specific tax on specific activities

Activity-specific taxpayers apply the percentage corresponding to the tax deduction due for the entire fiscal year, and the amount of the resulting reduction is deducted from the tax due for the second half of the year.

If the amount of the reduction is higher than the tax for the second half of the year, the remaining difference shall be deducted from the tax for the first half of the year by submitting an amended declaration.

Taxpayers of specific taxes which also owe profit tax apply the reduction to both the specific tax and corporate tax.

Modification of deadlines for submitting annual declarations

During the application period of the bonus scheme (2021-2025), the deadlines for submitting annual tax returns and paying the tax are as follows:



Profit tax / micro enterprise / specific tax reductions to stimulate capitalization of companies



- a) for taxpayers paying profit tax, the term for submitting the annual declaration and payment of profit tax related to the respective fiscal year is until 25th June, inclusive, of the subsequent year. Taxpayers with a modified fiscal year have the term of submitting the annual declaration until of the 25th of the sixth month from the close of the modified fiscal year, inclusive;
- b) for taxpayers paying micro-enterprise taxes, the term for submitting the declaration related to the fourth quarter and payment of the tax related to this quarter is until 25th June, inclusive, of the subsequent year;
- c) for taxpayers of specific taxes for some activities, the term for submitting the declaration related to the second half and payment of the tax related to this taxation period is until 25th June, inclusive, of the subsequent year.

Completion of regulations regarding bonuses provided by GEO 33/2020 on timely payment of fiscal obligations

For the quarters I-III, bonuses were introduced for the timely payment of profit tax, micro-enterprise tax and tax specific to some activities, regulated by GEO 33/2020 and supplemented by GEO 99/2020. These regulations are supplemented by technical clarification related to the finalization of profit tax related to the fiscal year 2020, and also regulation of some specific cases of payers of profit tax having a modified fiscal year.

How to apply the bonus

In order to finalize profit tax related to the fiscal year with the annual declaration regarding profit tax, the applied bonus is deducted from the value of the profit tax related to the fiscal year. The bonus taken into consideration is limited to the value of profit tax for the year.

The calculation basis to which the bonus is applied is profit tax after deduction of:

- external fiscal credits;
- exempt or reduced profit tax;
- amounts representing sponsorship and/or patronage, private scholarships, within the limit provided by law;
- the reduction according to GO 23/2017 regarding Split VAT (in force up to the end of January 2020);
- the cost of purchasing electronic fiscal cash registers.

Taxpayers with modified fiscal years who submitted the declaration on profit tax without applying the bonuses have the possibility to apply the bonuses to the difference in profit tax due, determined upon finalization of profit tax for the respective fiscal year, by submitting an amended declaration, in compliance with conditions provided by GEO 33/2020. At the same time, taxpayers with modified fiscal years who pay profit tax between 26 December 2020 and 25 February 2021, also benefit from the bonuses, depending on the fiscal year.

The bonus is also granted for profit tax due quarterly or as a quarterly advance payment, which is settled with profit tax recoverable from previous fiscal years.

These provisions also apply to settlements made for quarterly profit taxes/quarterly advance payments related to the first and second quarters of 2020, specifically for deadlines for taxpayers with a modified fiscal year, with the profit tax recoverable from previous fiscal years. Taxpayers who have filed the profit tax return due quarterly or for quarterly advance payments for the first and/or second quarters of 2020, respectively for the due periods for taxpayers with a modified fiscal year, without applying the bonuses, may also benefit from these provisions by submitting a rectifying statement and complying with legal conditions.

Other provisions

The exchange of information and documents between the Ministry of Public Finance/ANAF and public authorities, public interest institutions in the central and local public administration, as well as other legal private entities, under the law, is made in paperless format, by electronic means using the system of Ministry of Public Finance or ANAF called PatrimVen.

Starting with 4th September 2020, the monthly and occasional Lottery draws of fiscal bills will be suspended. They will resume within 90 days from the date of cessation of the state of alert/emergency, as the case may be.



**Clarifications
regarding bonuses
for timely
payment of taxes**





A new state aid scheme to support SMEs



ORDER 1060 dated 8 September 2020 for approval of the State Aid Scheme - Support for SMEs to overcome the economic crisis generated by the COVID-19 pandemic (Official Gazette 835/2020)

The order approves the State Aid Scheme to support SMEs affected by the pandemic. There are basically three forms of support, as follows:

- A lump sum amounting to EUR 2,000, for companies that as of 31 December 2019 had no employees, but had turnover of more than EUR 5,000 during 2019;
- Grants for working capital for companies that in 2019 had turnover between EUR 13,501 EUR and EUR 1,000,000 EUR, and the value of the grant is 15% of turnover, up to a maximum of EUR 150,000;
- Investment grants for SMEs amounting between EUR 50,000 and EUR 200,000, and SMEs must meet several eligibility criteria, including co-financing sources for the project.

In order to benefit from the State Aid Scheme, the applicant submits an application for funding on the electronic platform. Documents related to this application are:

- Registration documents - Constitutive Deed, Trade Register Certificate;
- Financial documentation for 2019 accompanied by the most recent trial balance;
- Technical documentation, e.g. business plan in simplified format;
- Declaration under own responsibility that the entity has **not** received State aid for the same purposes and that there are no previous decisions to recover State aid;
- Statement under own responsibility that the beneficiary is not a tax resident in a non-agreed/non-cooperating jurisdiction on the EU list.

The application for funding must be submitted by 30 October 2020 and the conclusion of the financing contracts must be completed by 31 December 2020.

In the next period, the Managing Authority of the Competitiveness Operational Program (AMPOC) will make applicant's guidelines public so that the procedure may be carried out smoothly.

ORDER no. 1376 dated 9 September 2020 for establishing the manner in which financial support will be granted and the categories of goods that may be purchased according to art. 6 para. (1) of GEO 132/2020 on support measures for employees and employers in the context of the epidemiological situation caused by the spread of SARS-CoV-2 coronavirus, as well as to stimulate employment growth (Official Gazette 832/2020)

The order establishes the manner in which financial support to employees and employers for telework activity, in the context of the pandemic, will be granted. Thus, the order includes the documents that are sent by employers to employment agencies in order to provide financial support of RON 2,500/teleworker, the deadline for payment of amounts from the unemployment insurance budget, the categories of goods that may be purchased by employers, as well as the obligation of employers to present supporting documents related to amounts collected.

In order to obtain the subsidy of RON 2,500/teleworker, employers send the documents listed below, for which they assume responsibility for the correctness and truthfulness of the data entered by electronic means. The documents are uploaded to the platform ici.gov.ro, to the county employment agencies or, as the case may be, to the Bucharest municipality, within the territory where they have their registered office.

- application signed and dated by the legal representative (according to Annex no. 2 of the Order);
- statement on one's own responsibility, given by the legal representative (according to Annex no. 3 of the Order);
- the list of teleworkers for whom the amount is requested (according to Annex no. 4) of the Order.

The categories of goods that may be purchased following the grant of financial support of RON 2,500/teleworker are:

- Laptop/notebook computer systems;
- Tablets;
- Smartphones;
- Peripheral input and output equipment, equipment required for internet connection,

as well as licenses related to operating systems and software applications related to equipment provided above, necessary for carrying out telework activity.

Payment of financial support from the unemployment insurance budget is made within the limits of funds allocated for this purpose, in the order in which applications are submitted, until 31 December 2020, by transfer to accounts opened by employers at credit institutions; that is, accounts mentioned on applications, within 10 days from the date the completed documentation is registered.

After subsidies are received, employers have the obligation to send the scanned supporting documents listed below to county employment agencies or, as the case may be, to the municipality of Bucharest, within 30 days via an upload to the aici.gov.ro platform:

- fiscal invoices issued by suppliers of technological goods and services;
- tax receipts or bills or account statements attesting to payment of the aforementioned invoices;
- records of materials of the nature of inventory items given for use by employees and/or, as appropriate, documents for fixed assets issued to employees, according to models provided by OMFP 2634/2015 on financial accounting documents and/or technological services that the employer provides to each teleworker.

In case of non-compliance with the deadline for submission of supporting documents, employers shall reimburse funds received to employment agencies within 30 days past the deadline for submission of supporting documents, in full.

The authorities have published a guide on completing and submitting the documentation which may be found on the aici.gov.ro platform.

LAW no. 208 of 23 September 2020 on amending and supplementing some normative acts (Official Gazette 869/2020)

The law brings several amendments to some normative acts. We note the amendments to Law 26/1990 on the Trade Register, as follows:

- in the absence of an individual trader, or a representative of the family association, his/her signature may be presented to the trade register by the entity's lawyer, the power of attorney containing the signature of the client, individual trader or representative of the family association. The signature of a natural person carrying out activity as a trader must be given in person in front of the lawyer and will be used in the entire activity of the natural person/trader or representative of the family association;
- proof of the specimen signature of directors and, as the case may be, of representatives of the companies, as well as of persons empowered under the law to represent autonomous public companies or cooperative organizations may be made based on the signature contained on the power of attorney.

EMERGENCY ORDINANCE 147 dated 27 August 2020 on granting days off for parents to supervise children, in case of limitation or suspension of teaching activities that involve the actual presence of children in schools and early childhood education units, following the spread of SARS-CoV coronavirus -2 (Official Gazette 790/2020)

The ordinance is addressed to parents with children up to 12 years old, or with children with disabilities up to 26 years old, enrolled in the education system. The ordinance establishes the grant of days off to parents, when the physical presence of children in schools is limited.

For each day off, the parent is entitled to an allowance of 75% of basic salary corresponding to a work day, not exceeding 75% of average gross salary used to substantiate the social security budget, which would correspond to a work day.

The above allowance is on a gross basis and is subject to payroll taxes. The allowance is borne by the fund for the guarantee of payment of salary claims, and employers must comply with the procedure in the ordinance for settlement of allowances. In short, this procedure consists of:

- the employer pays the allowance to the employee, as well as taxes and contributions due for a month;
- no later than 30 days after payment of the tax and contributions related to the al-



**Signature
specimen
submitted by the
lawyer - a new
simplification in
relation with
Trade Register**



lowance, the application for the indemnity and supporting documents shall be submitted to the Employment Agency;

- amounts due are settled with employers within 15 days from the submission of the documents.

The procedure that parents must follow

The employee should submit an application accompanied by a statement under own the responsibility of the other parent and birth certificate(s) of the child/children to the employer. The statement of the other parent must confirm that he/she:

- did not claim this allowance as well;
- is not on parental leave;
- is not the personal assistant of the children;
- is not on vacation/unpaid leave;
- does not have a suspended employment relationship based on the procedure regarding technical unemployment provided by the Labour Code;

The educational units that take the decision to limit/suspend courses have the obligation to transmit the nominal lists of affected children in electronic format to the Employment Agencies within 10 days from this decision. Depending on the situation of each child, the lists will be sent by school inspectorates, town halls or the general directorates of social assistance and child protection.

The procedure for granting these days off establishes that it is not applicable to employees in the national and defense system, public order and national security systems, employees of prisons and those in the public health system. Exceptions are parents in these sectors of activity who are single parents. If both parents work in the areas listed, they are entitled to an increase in salary income by 75% of basic salary, not exceeding 75% of average gross salary used to prepare the social security budget, corresponding to the number of days to which they would have been entitled.

ORDER 593 dated 10 September 2020 regarding approval of Procedure for settlement of amounts for payment of indemnity for each free day granted under conditions of art. 1 of GEO 147/2020 on granting days off for parents to supervise children, in case of limitation or suspension of teaching activities that involve the actual presence of children in schools and early childhood education units, as a result of the spread of SARS coronavirus-CoV-2 , supporting documents and their model (Official Gazette 836/2020)

The order regulates the documentation submitted by the employer for settlement of allowances paid to parents for days off granted to supervise children, in case of limitation or suspension of teaching activities. Thus, the order regulates:

- Application form to be submitted;
- List of persons receiving the allowance;
- The employer's self-declaration;
- List of children and placement of children, for which the allowance has been requested.

In addition to these standard documents, employers requesting settlement of the allowance must also attach the following documents:

- Copies of payroll statements;
- Copies of time attendance reports with time worked;
- Proof of payment of tax and social security contributions.

ORDER 1375 dated 9 September 2020 on approval of models for application and declaration on one's own responsibility provided in art. 2 para. (3) of GEO 147/2020 on granting days off for parents to supervise children, in case of limitation or suspension of teaching activities that require the actual presence of children in schools and early childhood education units, as a result of the spread of coronavirus SARS-CoV-2 (Official Gazette 832/2020)

The order regulates the model of the application that must be drawn up and submitted to the employer, the parent entitled to request days off for the supervision of children, in case of limitation or suspension of teaching activities.



Days off to parents when the physical presence of children in schools is limited



ORDER 1426 dated 21 September 2020 on amending Order of the Minister of Labour and Social Protection no. 741/2020 for approval of the model of documents provided in art. XII line (1) of GEO 30/2020 for amending and supplementing some normative acts, as well as for establishing measures in the field of social protection in the context of the epidemiological situation determined by the spread of SARS-CoV-2 coronavirus, with amendments and completions brought by GEO 32/2020 for amending and supplementing GEO 30/2020 for amending and supplementing normative acts, as well as for establishing measures in the field of social protection in the context of the epidemiological situation caused by the spread of SARS-CoV-2 coronavirus and for establishing additional social protection measures (Official Gazette 865/2020)

The order is addressed to those employers who still register areas of activity which are closed by the authorities or is addressed to those employers whose activity will be closed by public authorities in the health field as a result of measures to combat the coronavirus epidemic.

By art. XI-XII of GEO no. 30/2020, the grant of technical unemployment benefits from the unemployment insurance budget was established in the form of an indemnity representing 75% of the gross employment salary, but no more than 75% of the gross salary used to substantiate the social insurance budget law.

The order modifies the forms used by the employer interested in settling the allowance. The following standardized forms are amended:

- a) The request for payment of the indemnity addressed to the Unemployment Agency (ANOFM);
- b) The statement on one's own responsibility given by the administrator/legal representative;
- c) The list of persons whose employment contract has been suspended based on art. 52 para. (1) let. c) of the Labour Code referring to technical unemployment.

DECISION 719 dated 27 August 2020 on approving procedure for settlement and payment of amounts granted under GEO 132/2020 aimed at support measures for employees and employers in the context of the epidemiological situation caused by the spread of SARS-CoV-2 coronavirus, as well as to stimulate employment growth in the labour force (Official Gazette 794/2020)

The decision regulates the application rules for facilities provided by GEO 132/2020, under which reductions in working time caused by conditions generated by the pandemic may be subsidized. The effects caused by a reduction of work time by up to 50% can be covered if the employer registers a reduction in turnover of at least 10% in the previous month compared to the 2 prior months or a reduction in turnover by at least 10% compared to the same month of the previous year. For time not worked, employees receive an indemnity representing 75% of the difference between gross basic salary provided in the employment contract and gross pay for actual time worked. The allowance is supported by the state budget.

The allowance is taxable, subject to taxes and salary contributions.

At the same time, GEO 132/2020 also introduced grants of an indemnity of 41.5% of average gross salary used to draw up the social insurance budget for 2020 which benefits professionals, as defined by the Civil Code, and also persons employed under agreements used in a cooperative system.

The norms given in the application of GEO 132/2020 for facilities provided above define the technical mechanism and the form of how grants are issued. Thus, employers requesting settlement of the allowance must submit the following documents in letter or electronic format to unemployment agencies:

- Request Letter;
- The declaration on one's own responsibility that conditions per GEO no. 132/2020 are fulfilled;



The forms for settling technical unemployment have been updated



List of beneficiaries.

The application is submitted in the current month for the prior month and will be accompanied by proof of payment of taxes and contributions related to salaries. Settlement of the indemnity from the unemployment insurance budget is within maximum 10 days from submission of complete documentation.

If the allowance is requested by a professional, this person submits the claim in his/her own name. The application will be accompanied by a copy of the applicant's identity document and a declaration on one's own responsibility regarding fulfillment of all legal conditions.

If the claim is made by a member of the cooperative, the documentation will be submitted by the cooperative.

The model of the application and of the documents provided above must be proposed by the National Unemployment Agency (ANOFM) to the Ministry of Labour within 10 days.

ORDER 1392 dated 15 September 2020 regarding approval of application form and documents provided in art. 4 para. (2) of GD 719/2020 for approval of procedure for settlement and payment of amounts granted under GEO 132/2020 on support measures for employees and employers in the context of the epidemiological situation caused by the spread of SARS-CoV-2 coronavirus, as well as for stimulating employment growth (Official Gazette 850/2020)

The order approves the model of the application, the declaration on one's own responsibility and the list of beneficiaries, provided in art. 4 para. (2) of GD 719/2020 for approving the procedure for settlement and payment of amounts granted under GEO 132/2020 on support measures for employees and employers in the context of the epidemiological situation caused by the spread of SARS-CoV-2 coronavirus, as well as for stimulating employment growth.

ORDER 1393 dated 15 September 2020 regarding approval of the application form and documents provided in art. 1 para. (2) of GD 719/2020 for approval of procedure for settlement and payment of amounts granted under GEO 132/2020 on support measures for employees and employers in the context of the epidemiological situation caused by the spread of SARS-CoV-2 coronavirus, as well as for stimulating employment growth (Official Gazette 850/2020)

The order approves the model of the application, declaration on under own responsibility and list of beneficiaries, provided in art. 1 para. (2) of GD 719/2020 for approving the procedure for settlement and payment of amounts granted under GEO 132/2020 on support measures for employees and employers in the context of the epidemiological situation caused by the spread of SARS-CoV-2 coronavirus, as well as for stimulating employment growth.

ORDER 1340 dated 1 September 2020 regarding approval of application form and declaration on one's own responsibility in requesting the indemnity provided by art. 3 of GEO 132/2020 on support measures for employees and employers in the context of the epidemiological situation caused by the spread of SARS-CoV-2 coronavirus, as well as to stimulate employment growth (Official Gazette 844/2020)

The Order approves the model of the application and declaration on one's own responsibility for professionals defined according to the Civil Code, as well as for persons who have concluded individual labour agreements based on the Cooperative Law, who are to benefit from the indemnity provided in art. 3 of GEO 132/2020 on support measures for employees and employers in the context of the epidemiological situation caused by the spread of SARS-CoV-2 coronavirus, as well as to stimulate employment growth.

ORDER 946 dated 7 September 2020 for amending and supplementing Norms for application of provisions of GEO 158/2005 regarding holidays and social health insurance benefits, approved by Order of the Minister of Health and the President of the National Health Insurance House no. 15/2018/1311/2017 (Official Gazette 865/2020)



The norms applying for subsidy for reduced working time have been published!



ORDER 1341 dated 1 September 2020 for the approval of the application form, the declaration on one's own responsibility and the list of day labourers in order to request settlement of the amount provided by art. 4 of GEO 132/2020 on support measures for employees and employers in the context of the epidemiological situation caused by the spread of SARS-CoV-2 coronavirus, as well as to stimulate employment growth (Official Gazette 844/2020)

The Order approves the model of the application and declaration under own responsibility for persons carrying out unskilled activities on an occasional basis, affected by the interruption or restriction of activity due to the effects of SARS-CoV-2 coronavirus, for which the beneficiary will benefit from the settlement provided in art. 4 of GEO 132/2020 on support measures for employees and employers in the context of the epidemiological situation caused by the spread of SARS-CoV-2 coronavirus, as well as to stimulate employment growth.

ORDER 938 dated 2 September 2020 regarding amendment to annexes no. 1 and 2 to the Order of the Minister of Health and the President of the National Health Insurance House no. 1092/745/2020 for approval of the unique model of the medical leave certificate, instructions regarding use of and filing instructions for medical leave certificates based on which the indemnities are granted to insured persons from the social health insurance system and from the work accident and occupational disease insurance system (Official Gazette 820/2020)

ORDER 3488 dated 14 September 2020 on completing Procedure for authorizing imports of goods under customs duty exemption by organizations or institutions according to provisions of art. 43-53, art. 57-59, art. 61-80 and of art. 82 of Regulation (EC) no. 1186/2009 of the Council of 16 November 2009 establishing a Community regime of exemptions from customs duties, approved by the Order of the President of ANAF no. 2554/2016 (Official Gazette 873/2020)

ORDER 2737 dated 10 September 2020 on approval of model and content of control acts and forms used in economic-financial inspection activity (Official Gazette 868/2020)

INFO - Valuation of monetary items in foreign currency

The September 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 = 4.8698 RON; 1 CHF = 4.5043 RON; 1 GBP = 5.3406 RON; 1 USD = 4.1617 RON.



**25 October is
deadline for
quarterly payment
obligations**



MONTHLY 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 organise 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, visit the following link from ANAF (in Romanian):

https://static.anaf.ro/static/10/Anaf/AsistentaContribuabili_r/Calendar/Calendar_obligatii_fiscale_2020.htm

KEY HR FIGURES

2020 Contributions for dependent activities	Employer and beneficiary (for activities considered dependent) (% share)	Employee and dependent worker (% share)
Social security contribution (pension)	Nothing due for normal working conditions 4% for special work conditions 8% for special work conditions	25% (**)
Contribution to health insurance fund (calculated on gross income)	Not due	10% (***)
Work insurance contribution	2.25% (*)	
Income tax		10% (****)
Disability Fund (for employers with more than 50 employees)	4 x minimum wage for every 100 employees	
The amount of a taxable meal tax in the sense of income tax	maximum 20 lei	
Minimum wage (gross) from 1 January 2020	2,230 lei 2,350 lei (for more than 1 year and functions requiring higher education) 3,000 lei for employees in the construction field	
Diurnal (in the country) For employees of public institutions For private sector employees (* 2.5)	20 lei 50 lei	

The below tax facilities are available for employers on the field of construction, when minimum 80% of turnover if from construction activities defined by law:

(*)not due by employer

(**) the social security owed by the employee is decreased to 21,25%

(***) health insurance is not due by the employee

(****) tax on income is not due for monthly realised gross salaries up to 30.000 lei.

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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*
- Audit*