

56 Boulevard Dacia,
District 2, Bucharest
Tel: +40 (0) 31-809 2739
Fax: +40 (0) 31-805 7739
Email: office@apex-team.ro

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EMERGENCY ORDINANCE 39 dated 21 April 2010 to amend and complement OG 92/2003 – Code of Fiscal Procedure (Official Gazette 278/2010)

Among the main amendments introduced by this Ordinance, we mention:

Reassessment of revenue and expense

In case tax inspection authorities find that the accounting, fiscal evidence or taxpayer returns are incorrect, incomplete, false, if they do not exist or were not made available, the tax inspection authorities will determine the fiscal liabilities by using indirect methods to reassess revenue or expense. Procedures for indirect methods of reassessment of revenue or expense are approved by ANAF President Order.

Interest / Penalties for late payment / Surcharge for late payment

Interest on differences resulting between tax on profit paid on 25 January following the taxable year and the tax on profit due as per the tax return prepared on the basis of the annual financial results, is planned to be introduced into law. This interest calculation will be set by separate methodological norms.

Interest on fiscal liabilities representing income tax which is not settled by the date due as follows:

- a) for the taxable year, interest on instalments determined by the tax authorities through a decision of payment by instalment are calculated until payment of the liability or, if applicable, by 31 December;
- b) interest on the amounts not settled during the taxable year as per item a) above are calculated starting 1st January of the subsequent year until settlement date;
- c) in case income tax set by decision of annual taxation is lower than the one set by decision of payment of instalments, interest is recalculated starting 1st January of the year following the taxable year upon the unsettled amount as per the annual tax set by decision of annual taxation, with subsequent adjustment of interest.

The rate of interest for late payment is **0.05%** (previously 0.1%) on each day of delay and can be amended by the annual Budget Law.

Penalties for late payment

- Late payment of fiscal liabilities is punished by penalties for late payment of fiscal liabilities, assessed against the principle balance.
- Penalties for late payment are set as follows:
 - a) if settlement is made within the first 30 days of due date, no penalties for late payment are due for the principle balance of fiscal liabilities which were settled;
 - b) if settlement is made during the next 60 days, penalties for late payment represent 5% of unsettled fiscal debts;
 - c) the time period set per item b) above has passed, penalties for late payment represent 15% of the fiscal debts which were not settled.
- Penalties for late payment do not exclude the obligation to pay interest.

Surcharge for late payment to local authorities

For late payment of liabilities to local authority budgets, a surcharge of 2% of the principle balance of fiscal liabilities which were not settled by their due date is calculated for each month or fraction of month starting the day following the date due until settlement date.

In case the bank has not transferred amounts designated to be paid to the consolidated State Budget within the 3 business days following the reduction from the taxpayer bank account does not exonerate the taxpayer from its payment obligation of the respective amounts which trigger interest and penalties for late payment at expiry of the 3 days.

With respect to fiscal liabilities incurred after the date the taxpayer's dissolution resolution with the Trade Register is submitted, interest and penalties for late payment are not calculated or due starting this date.

Regarding fiscal liabilities with a due date prior to the date the Emergency Ordinance ("OUG") enters in force, interest and penalties for late payment are due starting the date the OUG enters in force. Under these circumstances, the time frame upon which the level of penalties for late payment is set starts on the date the OUG enters in force.

The new provisions enter in force on 1st July 2010 except for provisions set in the OUG. For instance, indirect methods of reassessment of revenue and expense by tax inspection authorities enter in force at the date of publication of the OUG (i.e. 28 April 2010).

EMERGENCY ORDINANCE 36 dated 14 April 2010 to amend and complement OUG 158/2005 regarding sick leave and compensation from social health insurance (Official Gazette 268/2010)

As per this Ordinance, the insured person must meet all of the following conditions to benefit from sick leave and compensation from health insurance for temporary absence from work:

- to have paid contribution for at least 1 month during the 12 months prior to the month sick leave occurs;
- to present a certificate from the contributor which pays compensation disclosing the number of days of sick leave the insured person had during the previous 12 months, except for medical and surgery emergency cases or group A contagious diseases;
- to be at his/her domicile or at the address mentioned on the sick leave certificate to allow audits to be performed by representatives of the contributor which pays health insurance compensation, hours and conditions in which these audits are performed being set in OUG implementation norms.

Compensation for temporary absence from work can be applied for within 90 days starting the date the insured person was entitled to sick pay on the basis of justifying documents.

Audits of the validity of sick leave granted and sick leave certificates is performed by teams formed of persons of specialized departments within the Social Insurance National House (CNAS); specifically, the health insurance houses. In some circumstances, CNAS, through the health insurance houses, can co-opt health insurance house representatives from the Ministry of Public Health, Inspectorates of Public Health, medical inspectorates or similar structures within ministries and public administration institutions with their own sanitary network.

An audit is performed upon request to the health insurance houses by the contributor which pays compensation as well by random sampling by authorities qualified to perform audits.

Audit of the presence of the insured person at his/her domicile or at the address indicated is performed by the contributor which pays compensation, accompanied, if necessary, by a police representative taking into account the timeframe that the specialized physician has prescribed for recovery of the insured person. Audit of the presence of the insured person does not affect the rights and liberties of the citizen as guaranteed by the Romanian Constitution.

Compensation for temporary work absence ceases to be paid to the person on sick leave who refuses to have the audit of his/her presence checked starting the day of the generating event in the conditions set in the OUG implementation norms.

ORDER 864 dated 29 March 2010 on issues regarding preparation of annual reports and annual financial statements (Official Gazette 229/2010)

This Order rules that entities which have opted for a financial year different from the calendar year prepare annual reports as at 31 December 2009 separate from annual financial statements for the year ended at the date they have chosen.

We emphasize provisions of article 27 point 3 of Accountancy Law 82/1991 republished which allows a financial year different from the calendar year starting 1st January 2009:

- branches with a registered address in Romania which belong to legal foreign entities
- consolidated subsidiaries of parent company as well as subsidiary of subsidiary

except for credit institutions, for non banking financial institutions as defined by law, registered with the General Register, for entities licensed, regulated and monitored by the National Securities Commission, for insurance, insurance-reinsurance and reinsurance companies, for entities licensed, regulated and monitored by the Private Pension Monitoring Commission,

when the financial year differs for the parent company or branch headquarters.

As per this Order, entities listed above which select a year end other than 31 December have the following obligations:

- prepare and submit an annual report as at 31 December 2009 to the local units of Ministry of Public Finance (MFP);
- inform the local unit of MFP in writing regarding the chosen financial year in the timeframe set below, as per article 27 point 3 of Law 82/1991;
- prepare annual financial statements in conditions set in the present Order for the first financial year closed in accordance with conditions of article 27 point 3 of Law 82/1991;
- calculate and declare fiscal liabilities in accordance with legislation in force.

Except for the case when the foreign legal entity or foreign parent company changes its year end or is involved in reorganisation operations as per law, the date chosen for preparation of annual financial statements in conditions set by article 27 point 3 of Law 82/1991 cannot be modified from one financial year to another.

Local unit of MFP must be informed in writing regarding the chosen year end at least 30 calendar days before start of the chosen financial year in accordance with conditions of article 27 point 3 of Law 82/1991.

Entities which, at the date the present Order enters in force (i.e. 12 April 2010), have opted for a financial year different from a calendar year must inform the local unit of MFP in writing regarding the chosen financial year at the most 30 calendar days from the date of publication of the present Order in the Official Gazette (by 11 May 2010).

The Annual Report comprises the following:

- Statement of assets, liabilities and equity (code 10)
- Statement of revenue and expense (code 20)
- Informative data (code 30)
- Statement of fixed assets (code 40).

In accordance with provisions of article 10, entities which have opted for a financial year different from a calendar year have the following obligations upon preparation of their annual financial statements:

- prepare, approve and submit, as per law, annual financial statements closed as at the chosen date in the conditions of article 27 point 3 of Law 82/1991 to the Trade Register;
- ensure comparability of information regarding closing balances, movements and other information in the annual financial statements prepared for the first financial year different from calendar year according to article 27 point 3 of Law 82/1991. In this scope, respective information must always cover a period of 12 months, or 365 days, except for entities set up during the year. Furthermore, when drafting the balance sheet, in addition to amounts regarding the two consecutive periods, balances as at 1st January of the year prior to the year in which the annual financial statements refer will be disclosed.

For instance, an entity has chosen a year end of 30 September 2010 for its annual financial statements:

- the balance sheet, which is one component of the annual financial statements as at 30 September 2010, will disclose 3 columns with balances as of the following dates: 1st January 2009, 1st October 2009 and 30 September 2010;
- the income statement, which is one component of the annual financial statements as at 30 September 2010, will disclose 2 columns with movements for the period 1st October 2008 - 30 September 2009 and for the period 1st October 2009 - 30 September 2010.

Provisions of article 27 point 3 of Law 82/1991 apply to annual financial statements made public starting 1st January 2010. In this case, the last column of the balance sheet can only include information as at a date, meaning as of the closing date after 1st

January 2010 and, for the last column of the income statement, information regarding the period then ended after this closing date.

As per provisions of article 37 of Law 82/1991, entities which have opted for a financial year different from a calendar year must submit an annual report as at 31 December 2009 to the local unit of MFP to which proof of submission to the Trade Register for publication is attached. Exception is made for entities which have opted for a financial year different from calendar year and their annual financial statements have not been approved within 150 calendar days from end of calendar year 2009.

The Annual Report prepared as mentioned above is submitted to ANAF within 150 days from year-end 2009, i.e. at the latest on 31 May 2010.

In addition to the main scope of the Order to rule reporting provisions for entities which have a financial year different from the calendar year, it also clarifies rules to apply regarding exchange rates upon revaluation of assets and liabilities in foreign currency. We quote the entire article 8 of the Order which very clearly illustrates these rules:

“Article 8

- ☑ (1) *The exchange rate used for monthly revaluation starting 1st January 2010, as per Accounting Regulations conforming to CEE Directive IV, component part of Accounting Regulations conforming to European Directives, approved by OMFP 3055/2009, is the exchange rate of the monetary market communicated by the National Bank of Romania (BNR) of the last banking day of the month being reported.*
- ☑ (2) *As per paragraph 185 point (5) of Accounting Regulations conforming to CEE Directive IV, component part of Accounting Regulations conforming to European Directives, approved by OMFP 3055/2009, the exchange rate used to reflect transactions in foreign currency in accounting records is the exchange rate of the day when these operations are made, in the perspective of insuring unitary accounting treatment, **the exchange rate of the day of performance of the operations means the exchange rate of the monetary market communicated by BNR on the last banking day before the day of the operations, information being available at the time the operations are made (collections, payments, issue of documents).***
- ☑ (3) *On the last day of the month, recording transactions in foreign currency as well as monthly evaluation at the BNR exchange rate is made using:*
 - o a) *the exchange rate of the monetary market communicated by BNR for the last banking day prior to the operation as per point (2) to record transactions made on the last day of the month;*
 - o b) *the exchange rate of the monetary market communicated by BNR of the last banking day of the month being reported to value assets and the liabilities in foreign currency, cash in foreign currency and other cash equivalents such as State bonds in foreign currency, letters of credit and deposits in foreign currency existing at the end of the month, as per point (1).*
For example, a commercial company which, as at 31 March 2010, exports goods in the amount of Euro 10,000 reflects in its accounting records revenue from sale of goods in the amount of Euro 10,000 x 4.1600 RON/Euro (exchange rate of the monetary market communicated by BNR for 30 March 2010, last banking day before the sale operation dated 31 March 2010), i.e. RON 41,600. The uncollected receivable at the end of the month of March 2010 in amount of Euro 10,000 is valued in accounting records at the rate of 4.1900 RON/Euro (exchange rate of the monetary market communicated by BNR dated 31 March 2010), which is the last banking date of the month

being reported, i.e. RON 41,900. Thus, revaluation of the receivable as at 31 March 2010 yields a favourable difference of RON 300, recognized in accounting records as foreign currency gain. We mention that in this example, information regarding exchange rate of the monetary market is given for the sake of the example.

- ☑ (4) *Provisions of point (3) also apply to assets and liabilities denominated in RON for which collection/settlement is made depending on a foreign currency exchange rate. In this case, any differences are recognized as **other financial revenue or other financial expense** in accounting records.”*

DECISION 296 dated 31 March 2010 to amend paragraph 70¹ of the Implementation Norms of Law 571/2003 – Fiscal Code, approved by Government Decision 44/2004 (Official Gazette 239/2010)

As per this Decision, the maximum interest rate on loans in foreign currency is reduced. Subsequently, upon determination of the tax on profit related to fiscal year 2010, the ceiling for deduction of interest on loans in foreign currency is **6%** per annum. It was previously 8%.

REMINDER – Deductibility of interest

- ☑ Interest is a fully allowed expense when the gearing ratio is less than or equal to 3. The gearing ratio represents the ratio between capital borrowed during the tax year and own share capital. Average borrowed capital and own capital should be used for the calculation, based on amounts as at the beginning and end of the period for which corporate tax computations are made. Borrowed capital is the total loans and borrowing during a one year period as per contractual provisions.
- ☑ If the gearing ratio is over 3, interest expense as well as the net foreign exchange loss, is not tax deductible. They are carried forward to future periods until they are fully deducted.
- ☑ If foreign exchange losses of the taxpayer exceed foreign exchange gains, the net loss will be treated as interest, meaning its deductibility will have the same limits as interest. Exchange rate differences related to loans taken into consideration when computing the gearing ratio are also subject to these limitations.

These deductibility limitations do not apply to loans granted by credit institutions.

ORDER 1709 dated 8 April 2010 to amend the model and content of forms used to declare taxes under self assessment or withholding regime (Official Gazette 231/2010)

This Order approves the new template and instructions to complete in form 100 "State Budget liabilities return", code 14.13.01.99/bs. The new form should be used starting with returns regarding the month of March 2010.

Among the amendments made to form 100, we mention:

- ☑ 1.1. "Minimum tax" caption was re-introduced. This row is filled in if the amount of the minimum tax is larger than the profit tax which was computed. In this case, BOTH rows are filled in: 1 "Amount due" caption and 1.1. "Minimum tax" caption.
- ☑ "Minimum tax" caption is not filled in by taxpayers set up during the year and those which have been suspended.
- ☑ Two options for filling Form 100 in respect of Quarter IV:
 - o do not fill anything in and if so, tax computation must be finalized by 25 February at the latest, or
 - o fill in caption 1 "Amount due" with an amount equal to caption 2 "Amount to pay" of Quarter III and if so, tax computation must be finalized at the latest on 25 April.

For Quarter IV, "Minimum tax" caption is not filled in.

REMINDER – Minimum tax

Application of provisions regarding payment of tax on profit by quarterly instalments is postponed to 2012 and Emergency Ordinance 22 published on 30 March 2010 in the Official Gazette has re-introduced the quarterly computation of profit tax and its comparison to minimum tax.

We emphasize that the amount of the minimum tax depends on the previous year revenue through 31 December as per the following schedule:

Total annual revenue (RON)	Annual minimum tax (RON)
0 – 52,000	2,200
52,001 – 215,000	4,300
215,001 – 430,000	6,500
430,001 – 4,300,000	8,600
4,300,001 – 21,500,000	11,000
21,500,001 – 129,000,000	22,000
Over 129,000,001	43,000

To determine the income bracket and resulting tax, the following revenue must be deducted from total revenue registered as at 31 December of the previous year:

- Variation of production stored;
- Production of fixed assets (tangible and intangible);
- Part of government subsidies and other resources for financing investments which were recognized in operating revenue;
- Written off provisions which were disallowed as a tax deduction in accordance with the law;
- Revenue from cancellation of liabilities and penalties due to the State Budget which were not tax deductible as per legal provisions;
- Revenue which represents compensation received from insurance companies;
- Non taxable revenue as expressly set in agreements and memorandum approved by law.

LAW 69 dated 16 April 2010 on fiscal and budgetary responsibility (Official Gazette 252/2010)

This Law has for main objectives:

- to establish and maintain fiscal and budgetary discipline, transparency and sustainability at medium and long term of public finance;
- to establish a framework of principles and rules upon which the Government insures the implementation of fiscal and budgetary policies which lead to a sound financial management of resources;
- efficient management of public finance to serve public interest long term, ensure economic prosperity and anchor fiscal and budgetary policies in a lasting framework.

These objectives will be aimed by drafting fiscal and budgetary policies based on principles of transparency, stability, responsibility, equity, efficiency.

Among the objectives of fiscal and budgetary policies, is also "to ensure predictability of rates and tax bases or taxes."

In addition, a "Fiscal Council" formed of 5 members, one each from the Romanian Academy, National Bank of Romania, Bucharest Academy of Economic Studies, Romanian Banking Institute and Romanian Bank Association is established which will analyze and express opinions regarding alignment with the fiscal and budgetary strategy.

INSTRUCTION 10 dated 1st April 2010 regarding the reference interest rate of the National Bank of Romania (NBR) for the month of April 2010 (Official Gazette 205/2010)

For the month of April 2010, the NBR reference interest rate is 7% per annum.

ORDER 4 dated 19 March 2010 to amend the models of periodic financial statements and methodological norms for their preparation and use, applicable to non banking institutions, approved by NBR Order 18/2007 (Official Gazette 196/2010)

ORDER 5 dated 23 March 2010 to amend NBR Order 12/2007 regarding reporting minimum capital requirements for credit institutions (Official Gazette 192/2010)

If, further to the approbation of the annual financial statements by the Shareholders General Meeting, the level of equity or other items which enter in the computation of indicators of banking prudence calculated in function of equity before 31 December has changed, reports regarding equity and prudence indicators affected by the changes, prepared for the month of the previous financial year and for each month between the start of the current year and the date of approval of the annual financial statements, must be updated and transmitted to NBR within 20 calendar days starting the approval date of annual financial statements, but no later than 15 May.

EMERGENCY ORDINANCE 26 dated 31 March 2010 to amend and complement OUG 99/2006 regarding credit institutions and adequacy of capital and other legal provisions (Official Gazette 208/2010)

REGULATION 4 dated 22 March 2010 to amend Regulation 24/2009 regarding liquidity of credit institutions (Official Gazette 192/2010)

Credit institutions will analyse the necessary steps to comply with provisions of the present Regulation within 120 days starting the date it enters in force.

LAW 24 dated 27 March 2000 (Republished) regarding norms of legal techniques for drafting texts of law (Official Gazette 260/2010)

The Law sets the norms for drafting texts of law and the time frame for their entry in force:

- Laws and Ordinances issued by the Government on the grounds of special laws enter in force 3 days after their publication in the Romanian Official Gazette, Part I, or on a later date as set in the text. The period of 3 days is calculated in calendar days starting the date of publication at the Official Gazette and expires at 12 PM the 3rd day after publication.
- Government Emergency Ordinances enter in force on the day of publication at the Official Gazette, under condition they were submitted before to the competent Chamber, if a later date is not set in their wording.
- Other legal texts adopted by Parliament, Government decisions, Prime Minister decisions, texts of autonomous administrative authorities as well as Orders, Instructions and other texts issues by heads of units of specialized central public administration enter in force at the date of publication in the Official Gazette, if a later date is not set in their wording. When the date of publication is not the mandatory date for entry in force, the later date of entry in force must be set in the content of these texts of law.

ORDER 804 dated 15 March 2010 to amend and complement OMFP 110/2007 to approve Procedures for management of the accompanying administrative documents prepared in case of movement of products subject to excise taxes under the suspense regime (Official Gazette 202/2010)

H.R. KEY FIGURES

2010 Contribution	Employer (%)	Employee (%)
Social security contribution	20.8% for normal working conditions 25.8% for particular working conditions 30.8% for special working conditions	10.5%
Medical leave contribution and health insurance allowance	0.85%	
Work accident and occupational disease fund	0.15% - 0.85% depending on CAEN code for main activity	
Unemployment fund	0.5%	0.5%
Contribution to fund to guarantee payment of salary liabilities	0.25%	
Health insurance fund	5.2%	5.5%
Labour office commission	0.25% or 0.75%	
Salary tax		16%
Contributions for non employment of disabled persons (for employers with more than 50 employees)	4 x 50% minimum gross salary (RON 600) for every 100 employees	
Minimum monthly gross salary	RON 600 for unqualified positions RON 720 for positions requiring High School RON 1,200 for positions requiring a University degree	
Luncheon voucher	RON 8.72	
Average monthly gross salary (INSSE February 2009)	1,940 RON	
Per diem (in Romania)		
Employees in the public sector	13.00 RON	
Employees in the private sector (x 2.5)	32.50 RON	

REMINDER – Employer duties regarding labour protection and health in the workplace

Among its duties, the employer must take the necessary steps to:

- Ensure safety and protect employee health by performing a mandatory medical examination by a physician specialised in labour medicine upon hire and also with a mandatory annual medical check-up;
- Prevent occupational risks by informing and training employees through assessment of specific risks for each work position in terms of health and safety in the workplace and through mandatory training in accordance with norms set by Law 319/2006 regarding health and safety in the workplace. In addition, the employer must maintain individual docketts on work protection and individual training docketts regarding emergencies. Instruction and maintenance of individual docketts can only be made by legal or natural persons licensed to carry out their activity in the domain of safety and health in the workplace;
- Provide an organisational framework and resources necessary for workplace safety and health.

Measures regarding safety, health and hygiene in the workplace cannot be undertaken at the employee's expense.

REMINDER – Adjustment to taxable profit regarding closed fiscal years to correct accounting errors

We remind that in accordance with provisions of the Fiscal Code (article 19) and Norms for application of the Fiscal Code, revenue and expenses which were inaccurately recorded or omitted are corrected by adjusting taxable profit for the tax period they refer to.

When improper recording or omission of revenue or expense is discovered after submission of the annual tax on profit return, **the taxpayer must submit an adjusted profit tax return (form 101) for the year it refers to.** In case this adjustment triggers an additional tax to be paid, the taxpayer is also liable

for interest and penalties for late payment of this additional tax in accordance with the law.

REMINDER – Valuation of monetary items in foreign currency

Do not forget that starting 2010, at the end of each month, monetary items (cash on hand, receivables, payables) denominated in foreign currency are valued at the NBR exchange rate in force on the last banking day of the month.

This procedure also applies to receivables and payables denominated in RON but pegged to a foreign currency for collection/disbursement.

Exchange rates to use for valuation at the end of April 2010:

1 Euro = 4.1276 RON; 1 USD = 3.0973 RON;
1 CHF = 2.8776 RON; 1 GBP = 4.7567 RON

REMINDER – Obligation to prepare and submit annual financial statements

As per Order 2374/2008 to amend and complement Accounting Regulations conforming to European Directives (Official Gazette 25/2008):

- permanent establishments in Romania which belong to legal entities with their registered headquarters abroad must prepare and file annual financial statements;
- fiscal representatives which are legal entities must maintain accounting records and prepare annual financial statements and periodic accounting reports set at the Accountancy Law 82/1991, republished with its further amendments and complements.

Regarding submission of financial statements as at 31 December 2009:

- commercial companies which prepare their annual financial statements for fiscal year 2009 in accordance with OMFP 1752/2005 **only** submit them **to the Trade Register**;
- other legal entities which are not commercial companies and which prepare their annual financial statements for

fiscal year 2009 in accordance with OMFP 1752/2005 submit them to the **territorial units of the Ministry of Public Finance (MFP)**;

- sub units registered in Romania which belong to legal entities with headquarters abroad submit financial statements they have prepared for year 2009 **to the territorial units of MFP and also to the Trade Register** as per the provisions of article 24, point (3) letter d) of Law 26/1990 regarding the Trade Register.

MAY 2010 – 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 the employee electronic registers with information regarding labour contract 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
- 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 month of May 2010

To comply with requirements regarding VAT

- Mention the registration code under the scope of VAT on documents for EU business partners
- Check the validity of the registration code under the scope of VAT mentioned on invoices received
- Check the 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 the ledger of goods received
- Maintain the ledger of non-transfer of goods
- Mention which exchange rate will prevail (NBR or commercial bank) in contracts with foreign partners

During the month - do not forget

That Friday 7 May is last day to submit

- Form 092 (amendments) to change VAT return periods from Quarterly to Monthly in case an EU acquisition occurred in April 2010. Starting May 2010, VAT returns will be submitted monthly.

That Monday 10 May is the last day to submit

- Return for collection of hotel tax

That Monday 10 May is the last day to pay

- Hotel tax
- Advertising service tax

That Monday 17 May is the last day to submit

- INTRASTAT statement for April 2010 (submitted on-line)
- Recapitulative statement of EU Supplies/acquisitions/ services (form 390)* for April 2010;**
- Special income statement. Form 200 is to be filed by persons who obtain income (cash or in kind) from:
 - o Independent activities;
 - o Rental activities of personal or real property;
 - o Agricultural activities taxed using current value system based on single entry accounting information;

- o Capital gains on sale of securities.
- Statement regarding income obtained from abroad. Form 201 is prepared by natural persons domiciled in Romania, who obtain income from abroad due to their activity abroad. For each income source country and for each category of income, a separate statement is to be submitted by taxpayers.
- Application regarding destination of amount representing 2% of the annual income tax.** Form 230 is to be filed by individuals who obtained salary income in 2008 and wish to **sponsor** legal non-profit entities with an amount of up to 2% of annual tax. A copy of tax form F1 or F2 is to be attached to the application.
- Application regarding the destination of the amount representing 2% of annual income tax. Form 231 is to be filed by individuals who obtained agricultural income in 2009 and wish to sponsor, with an amount of 2% of their annual tax, legal non-profit entities or to be refunded for private scholarships they support.

That Monday 24 May is a legal holiday (Monday after Pentecost)

That Tuesday 25 May is the last day to submit

- State consolidated budget liability return (form 100)*
- Social insurance and special funds liability return (form 102)*
- VAT return (form 300)*
- Social security statement with list of insured persons
- Social security statement regarding liabilities to the National Fund for health insurance, medical leave and compensation from health insurance
- List of insured employees and health contribution to social health insurance fund
- Unemployment fund statement with list of insured persons
- Tax return for commission due by employers to the Labour Inspectorate (ITM)
- Statement of income obtained from abroad by individuals who carry out activity in Romania and by Romanian citizens who are employees of diplomatic missions and consular posts accredited in Romania (form 224)
- Special VAT return for VAT non payers (form 301)*
- Environment Fund Statement.

That Tuesday 25 May is the last day to pay

- Excise taxes
- Tax on crude oil and natural gas from domestic production
- Withholding tax on non-resident income
- VAT
- Salary tax
- Tax on income from independent activities, withheld at source
- Tax on interest income
- Tax on investment income
- Tax on dividends
- Tax on pension income
- Tax on income from prizes and gambling
- Tax on income from other sources
- Social security contribution
- Health insurance contribution
- Medical leave contribution and health insurance allowance
- Unemployment contribution
- Contribution to fund to guarantee payment of salary liabilities
- Commission to ITM for holding and updating Labour books
- Contribution to work accident and occupational disease fund

- Contribution for non employment of disabled persons for employers with headcount over 50
- Contribution to the Environment Fund
- Gambling tax.

That Monday 31 May is the last day to submit at ANAF the annual accounting report for the entity which has opted for a financial year different from calendar year as per article 27 of Accountancy Law 82/1991 republished

That Monday 31 May is the last day to submit Financial Statements as at 31.12.2009

- for commercial companies, national companies, "regii autonome", national institutes for research and development
- for permanent establishments of legal entities in Romania with registered headquarters abroad
- for the Fiscal representative which is a legal entity.

IMPORTANT

Once the 2009 financial statements are submitted, the very last operations to complete the accounting and fiscal evidence of the year are:

- Complete the Register of fiscal evidence;
- Maintain the Inventory Register;
- Check that the minutes of the inventory committee and decisions for writing off assets are signed;
- Archive the primary accounting documents (which usually ought to be kept for 10 years except for the list of the exceptions set per Order 3512–Official Gazette 870/2008 to be kept 5 years). Retention period for financial statements has been reduced to 10 years per Law 259 (Official Gazette 506/2007). Mandatory accounting registers, i.e. the Journal Register, Inventory Register and General Ledger are kept within the enterprise for 10 years. Payroll statements are to be kept for 50 years.

All forms mentioned above as well as guidance on their preparation may be downloaded from the Ministry of Economy and Finance website: www.mfinante.ro or from website ANAF: www.anaf.ro. The tax returns noted with an asterisk (*) can be submitted by remote means of electronic transmission by taxpayers which have opted to file their returns on-line and which hold a digital certificate.





56 Boulevard Dacia,
District 2, Bucharest

Tel: +40 (0) 31-809 2739

Tel: +40 (0) 74-520 2739

Fax: +40 (0) 31-805 7739

E-mail: office@apex-team.ro

Site: www.apex-team.ro

ACCOUNTING AND PAYROLL
EXPERT TEAM

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 »**
- Certification of annual profit tax**
- Start up services**
- Organization of the accounting function**
- Assistance in implementation of ERP**
- Training**



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