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ORDER 3067 dated 10 September 2018 to complement several accounting regulations (Official Gazette 792/2018)

The Order complements accounting regulations by introducing accounts for quarterly distribution of dividends, which was introduced by Law 163/2018.

Therefore, entities opting to distribute dividends during the fiscal year will emphasize the distribution in account 463 - Receivables representing dividends distributed during the fiscal year, through the accounting entry:

463 – Receivables representing dividends distributed during the fiscal year	=	456 – Shareholders/associates – amounts receivable related to capital
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Distributed dividends are settled based on the annual financial statements approved according to law, as follows:

457 – Dividends payable	=	463 – Receivables representing dividends distributed during the fiscal year
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Account 463 - Receivables representing dividends distributed during the fiscal year is a new account introduced to the general chart of accounts. It is a current asset account for keeping records of dividends distributed during the fiscal year which are to be settled subsequent to approval of annual financial statements.

DECISION 701 dated 5 September 2018 to amend point 42 of Annex no. 1 from Government Decision 33/2018 to set contraventions falling under Prevention Law 270/2017, as well as template for remediation plan (Official Gazette 777/2018)

The Decision extends application of Prevention Law for several contraventions regulated by the law on fiscal cash registers, among which we recall the obligation of economic operators to equip themselves with electronic fiscal cash registers within the legal deadline, where this deadline was not met, and the suspension period to apply these contraventions has ended for large-sized taxpayers.

Which contraventions fall under Prevention Law?

- issuance of a fiscal cash register receipt with erroneous data or without all data required by the law;
- not providing customer with the fiscal cash register receipt and/or not issuing an invoice upon customer request;
- failure of users of fiscal electronic cash registers to display the notification according to which the customer need not pay for the goods if the fiscal cash register receipt is not provided;
- failure to comply with obligation of operators of cash registers to use the appropriate supplies;
- failure to comply with obligation to ensure proper functioning of electronic fiscal cash register, within legal technical parameters throughout its use and to only allow technical intervention by authorized persons;
- failure to comply with deadlines provided regarding the use of electronic fiscal cash registers.

What does application of Prevention Law imply?

In the case of several violations as the result of a tax inspection which may be sanctioned as a contravention, and the respective violation is provided by the Prevention Law, the offender will benefit from its provisions and will only be sanctioned with a warning and must also remedy the situation within 90 working days.

The fine may only be applied if the remediation plan is not observed.

Once a taxpayer benefits from the provisions of Prevention Law for a contravention, then that taxpayer may not benefit from provisions related to the same contravention for the next three years.

DECISION 714 dated 13 September 2018 on rights and obligations of authorities and public institution employees during period of delegation and secondment, as well as in the case of business travel (Official Gazette 797/2018)

The Decision regulates rights and obligations of **public institution** employees during delegations, secondments and business travel.

The new provisions will come into force starting the 1st of January 2019, previous provisions of GD 1860/2006 being repealed.

Provisions of the current decision are only applicable to public institution employees; no reference being made regarding the private sector. The only amendment also affecting the private sector is the update of domestic daily allowance for travel. The allowance will be RON 20, starting the 1st of January 2019 (compared to RON 17 today). For the private sector, the maximum threshold of this daily allowance is the maximum threshold set by public institutions multiplied by 2.5. Therefore, the maximum threshold becomes RON 50 starting the 1st of January 2019 (compared to RON 42.50 today).

Certain rules set for public institutions may also be considered as a reference for private sector, such as:

- for one-day delegation, meaning business travel, or for the final day in the case of a trip lasting several days, the daily allowance may be granted only if the delegation lasts for at least 12 hours;
- the number of calendar days when a person is on a work-related trip is determined by taking both the departure and arrival time scheduled for transportation method used, each 24-hour period being considered a delegation day;
- Travel by personal car for short distances is allowed, and is reimbursed based on the cost of 7.5 litres of fuel for 100 km.

EMERGENCY ORDINANCE 81 dated 13 September 2018 to amend Government Emergency Ordinance 111/2010 on parental leave and monthly compensation granted to raise children (Official Gazette 792/2018)

Through amendments brought in March 2018 by GEO 18/2018, income obtained from intellectual property rights are eliminated from the category of income obtained from independent activities and, instead became a separate, distinct category of income which was not taken into consideration when setting the monthly compensation granted to raise children.

The Ordinance adjusts the effect generated by the change in provisions in March 2018, also setting the amount of compensation to be granted for affected persons. Therefore, starting the 17th of September, income which is taken into consideration to set compensation granted to raise children are:

- Income obtained from salaries and the like;
- Income obtained from independent activities;
- Income obtained from intellectual property rights;
- Income obtained from agricultural activities, forestry and fish-breeding, subject to tax on income.

In order to benefit from compensation, the parent who goes on leave should have obtained income for at least 12 months throughout the previous 2 years prior to child birth. Within 30 days of the current ordinance coming into force, the application norms will be amended accordingly.



The daily allowance (per diem) increases from January 1, 2019 to RON 20 for public institutions and RON 50 for the private sector



ORDER 3903 dated 6 September 2018 to approve Procedure on structure and periodicity of transmission of information between ANAF and CNAS included in tax returns regarding individuals being taxpayers for social health insurance system, of information related to declaring/paying contribution, as well as information related to individuals provided by art. 224 para. (1) of Law 95/2006 on health, registered in unique evidence register of insured persons from the digital platform of health insurance (Official Gazette 812/2018)

The Order sets the procedure through which ANAF transmits to CNAS the individuals having the status of taxpayer in social health insurance system, meaning the status of insured in the public health insurance system. The Procedure takes into consideration fiscal amendments made during 2018 and income type found in the sphere of the health contribution.

ORDER 179 dated 27 August 2018 to approve template of monthly tax return, as a standard form, for income obtained by those organising gambling activities according to art. 10, para. (1) of GEO 77/2009 on organisation and operation of gambling activities (Official Gazette 764/2018)

The Order addresses economic operators which are included in the category, organisers of gambling activities and obtain income from gambling activities. The Order approves submission of monthly tax returns, either in hard copy or submitted electronically with digital signature, to the National Office for Gambling by the 10th of the month following the month being reported.

ORDER 2117 dated 27 August 2018 to approve template and content of forms and documents used to review personal fiscal situation (Official Gazette 766/2018)

The Order approves forms and procedure applicable during inspections carried out for individuals who have not declared their income.

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 = 4.6637 RON; 1 CHF = 4.1248 RON; 1 GBP = 5.2481 RON; 1 USD = 4.0210 RON



**Do not forget the
deadlines for
filing tax returns
and paying taxes**



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 on ANAF webpage (in Romanian):
https://static.anaf.ro/static/10/Anaf/AsistentaContribuabili_r/Calendar/Calendar_obligatii_fiscale_2018.htm

KEY HR FIGURES

2018 Contributions for dependent activities	Employer and Beneficiary of activities considered dependent activities (% rate)	Employee and provider of dependent activities (% rate)
Social security contribution (pension)	Not owed for normal working conditions 4% for particular working conditions 8% for special working conditions	25%
Health insurance fund (based on gross salary)	Not owed	10%
Employment insurance contribution	2.25%	
Salary tax		10%
Contribution for non-employment of dis- abled persons (for employers with more than 50 employees)	4 x minimum gross salary for every 100 employees	
Minimum monthly gross salary	RON 1900	
Luncheon voucher	Up to maximum RON 15.18	
Per diem (in Romania)		
Employees in the public sector	RON 17.00	
Employees in the private sector (x 2.5)	RON 42.50	

A large, detailed photograph of a cluster of ripe, blue grapes hanging from a vine. The grapes are in sharp focus, showing their individual round shapes and the natural texture of their skin. The background is a soft, out-of-focus green, suggesting a vineyard setting.

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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*